IMPLEMENTATION OF CREDIT CONTROL AND DEBT COLLECTION POLICY ON ARREAR ACCOUNTS

The municipality is in the process of implementing credit control and debt collection procedures on arrear accounts.

Account Holders are urged to settle their accounts by the payment due date as shown on the account. The payment due date of municipal accounts is shown on the municipal statement/invoice as the 15th of the month the account is issued. This payment due date might vary if the 15th of the month falls on a weekend or a public holiday.

The Credit Control and Debt Collection Policy permits the municipality to restrict, disconnect or discontinue any services if no payment is received in respect of arrear debt. Through this policy enhancement, the municipality is providing assistance to residents to make suitable arrangements for outstanding accounts and to avoid getting their electricity blocked when an account is in arrears.

We are inviting consumers to contact us for a payment arrangement to prevent the limitation of services.

PRE-PAID ELECTRICITY USERS

The Credit Control and Debt Collection Policy stipulate how a portion of pre-paid electricity purchases are directly deducted and contributed towards any outstanding arrears on your municipal account.

IF YOUR ACCOUNT IS IN ARREARS, YOUR PRE-PAID ELECTRICITYWILL BE RESTRICTED IN THE FOLLOWING WAY.

- Duration of arrears on municipal account.
- Percentage of pre-paid purchases automatically deducted towards crediting your arrears account.
- Percentage of pre-paid purchases remaining towards electricity usage.

If no arrangement is in place, the full arrear amount, limited to 90% of the purchase amount issued by the customer will first be deducted from the purchase amount before any money is allocated to the purchase of electricity.

When payment arrangement is in place, the total due as per arrangement of the purchase amount issued by the customer will first be deducted from the purchase amount before any money is allocated to the purchase of electricity.

DURATION OF DEBT	% TO BE APPLIED ON ACCOUNT	% TO BE APPLIED ON ELECTRICITY PURCHASE
1 Month in arrears (30 day – 59 days)	60% to be deducted	40% remaining
2 Months in arrears (60 days – 89 days)	80% to be deducted	20% remaining
3 Months in arrears (90 days and older)	90% to be deducted	10% remaining

CONVENTIONAL ELECTRICITY USERS

If payment is not received or suitable payment arrangement is not made by the due date a notice may be served in terms of section 115 of the Systems Act, warning of an imminent disconnection of electricity supply after 10 (ten) days from the date as stated on the notice.

If payment is not received or suitable payment arrangement is not made by the due date as shown on the notice, the supply of electricity will be disconnected. In respect of any arrear debt.

The supply of electricity will only be reconnected after the amounts specified on the notice, and any other debt, including the reconnection fee, has been paid or an arrangement acceptable to the Municipality has been made.

Disconnection of Services

- 50% of outstanding debt for Business Consumer (Non- Residential) balance paid 6 months arrangement
- 20% of arrears + Current account for Residential Households
- 10% of arrears + Current account for approve indigent households including NPO and church