

TARIFFS POLICY

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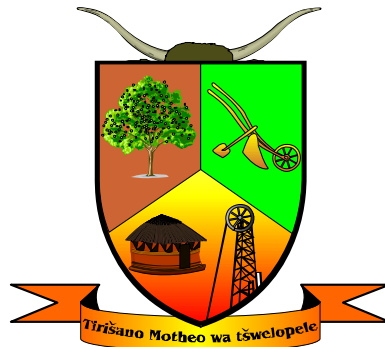
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PART 1: GENERAL INTRODUCTION AND OBJECTIVE

A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

The tariffs policy for Fetakgomo Local municipality has been compiled taking into account, where applicable, the guidelines set out in Section 74 (see part 9 of this policy).

Tariffs can be set at levels that facilitate the financial sustainability of the services, taking into account subsidization from sources other than the services concerned.

PART 2: ASSESSMENT RATES

- All rateable properties in Fetakgomo Local Municipality shall be valued at least once every four years.
- The rate in the rand is to be uniform throughout the municipal area.
- Varying rebates on assessment will be applied to the following categories.
 - a. Agricultural holdings
 - b. Developed properties zoned as residential.
 - c. Welfare organizations, churches, section 21 companies.



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- d. Industries, businesses who establish on undeveloped ground.
- e. Educational properties.
- f. Municipal properties
- g. Registered indigents

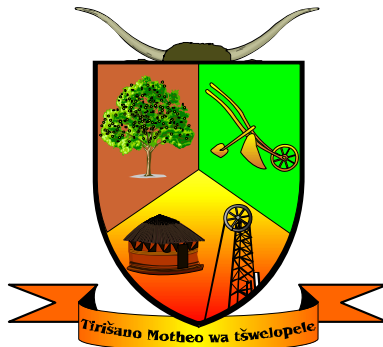
The rate in the rand as well as the rebates, will be determined and approved by Council when the budget and tariffs are annually submitted for consideration.

All residential properties under communal land are exempted from paying rates in the current financial year.

PART 3: ELECTRICITY

Electricity is being provided through service delivery agreement (ESKOM) therefore the municipality does not sell electricity outright.

Households who are approved indigents will receive 50 Kwh of free electricity per month according to the indigent policy.



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PART 4: REFUSE REMOVAL

The following categories of refuse removal consumes shall be charged at the applicable tariffs, as approved by Council at least one month before implementation, when the budget is complied.

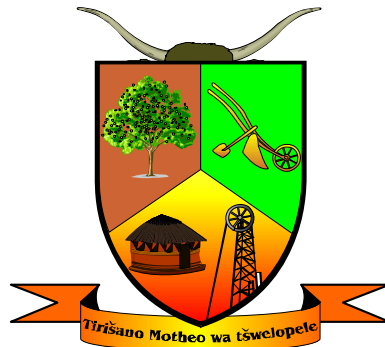
Refuse removal a tariff is set as a cost recovery basis which include cost of capital, maintenance, administration and replacement costs.

A separate fixed monthly refuse removal charges shall apply to each of the following categories of the users:

- Domestic
- Business/Industrial
- Government Departments
- Educational facilities and welfare organizations.
- Mass removal
- Rental dwellings
- Other

Tariff adjustments will be effected from 1 July each year.

All domestic residents will pay flat rate including registered indigents.



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PART 5: GENERAL

Uniform rates and tariffs structure shall apply throughout the Fetakgomo Local Municipality area for all types of services and residents.

The policy of Fetakgomo Local Municipality on refuse removal shall be at least to recover all costs .

The assessment rates are meant to sustain municipality financially and to enhance service delivery.

The determination of rates and services tariffs shall take into account provisions for bad-debts or doubtful debts. The bad debts of Fetakgomo Local Municipality must at all times be as at least 50% of the total outstanding rates and services debtors as at 30 June of each year.

All minor tariffs shall be approved and implemented on a annual basis, and shall ,when appropriate , be subsidies by the rate account, particularly when the tariffs will prove uneconomical when charged at cost or when cost cannot accurately be determined or when the tariff is designed purely to regulate rather than finance the use of a particular service of amenity



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