CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE 9

INDIGENT POLICY

2026/27 BUDGET (JUNE 2026)

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CHAPTER 1: GENERAL

1. Definitions

The following words and phrases in this policy bear the meanings assigned to them below:

"**240L container** (**wheelie bin**) means a plastic wheeled waste container with a capacity of 240L, provided for the storage of waste prior to collection by the City or private service provider for disposal or waste diversion in areas identified for containerisation, as more fully defined in the Tariff Policy as a "240 L Container (Wheelie bin)";

"**Administration of Estates Act**" means the Administration of Estates Act, 1965 (Act No. 66 of 1965);

"**Backyard dwellers**" means a person occupying a backyard residential unit under some type of rental agreement with the main homeowner or City tenant which may or may not include monetary payment for the right to occupy the unit, and may or may not be set out in a formal written agreement. The backyard unit is a structure constructed of any material, intended or used for human habitation, on the same residential property as a main dwelling and is therefore not categorised as an informal settlement;

"**Child-headed household**" means –

(*a*) a household where all the occupants of a residential property are younger than 18 (eighteen) years old; or

(b) any as recognised in terms of section 137 (1), of the Children's Act;

"Children's Act" means the Children's Act, 2005 (Act No. 38 of 2005);

"City" or **"City of Cape Town"** means the City of Cape Town, a municipality established by the City of Cape Town Establishment Notice No 479 of 22 September 2000 issued in terms of the Local Government Municipal Structures Act 1998 (Act No. 117 of 1998) or any structure or employee of the City acting in terms of delegated authority;

''**Credit meter**'' means a meter where an account is issued subsequent to the consumption of a metered service;

"Financial year" as defined in the Credit Control and Debt Collection Policy;

“Formal indigent beneficiaries’’ means households that were approved to receive indigent benefits based on their income or municipal property valuation as set out in the registration criteria of this Policy;

“Habitatio” means the registered party that has the right to live in another's property;

“**Income**” means the gross monthly household income of both the owner and spouse or partner including any party in a co-habitation relationship from all sources, including but not limited to salaries, wages, dividends, pensions, grants, rentals, board and lodging, interest received, and any investment income. This income definition is specific to this policy and does not relate to any other external definitions of income; and

(a) grants exclude care dependency grants, foster child grants, grants-in-aid which are provided to persons receiving social grants that require fulltime carers and child support grants; and

(b) this definition also excludes child maintenance payments and Social Relief of Distress grants;

“**Indigent relief**” means the applicable indigent relief as determined by Council from time to time;

“**Informal dwelling**” means dwelling structures in informal areas which are not erected according to approved architectural plans or on planned sites in the City.

“**Informal free basic service recipients**” means households living in informal dwellings who are allocated free basic services, including both households living in an informal settlement and backyard dwellers living on indigent properties.

“**Informal settlement**” means areas where informal housing structures have been constructed on land to which the occupants have no legal claim or unplanned settlements and areas where housing is not in compliance with current planning and building regulations (unauthorized housing).

“Irrecoverable debt” means debts that are considered as uncollectable and that will be written off;

“**Meter**” means any device which measures any demand or quantity of either electricity energy or water passing through such meter as further defined in the Tariff Policy or any other by-law or policy of the City of Cape Town;

“Municipal Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

"**Municipal valuation**" means the property valuation on the current general valuation roll of the property as determined in terms of the Property Rates Act;

"**Prepayment electricity meter**" means a meter that can be programmed to allow the flow of a pre-purchased amount of energy in an electrical circuit;

"**Property**" means—

(a) immovable property registered in the name of a person, and includes a unit as defined in section 1 of the Sectional Titles Act, 1986 (Act No. 95 of 1986); or

(b) a right registered against immovable property in the name of a person;

"**Property Rates Act**" means the Local Government: Municipal Property Rates Act (Act No. 6 of 2004);

"**Rate**" or "**rates**" means a municipal rate as defined in section 1 of the Property Rates Act and includes any additional rates on property as envisaged in section 19 (1) (d) and section 22 of the Property Rates Act (Act No 6 of 2004);

"**Rates Policy**" means the City of Cape Town: Rates Policy;

"**Residential debtors**" means debtors as defined in this Policy who utilise property for residential purposes and who may qualify for and who may receive free water or free electricity or a rates rebate, as determined by Council from time to time;

"**Residential property**" means residential property as defined in the Rates Policy;

"Sewerage" has the same meaning as **"sanitation"** as found in any City by-law or policy;

"**Tariff Policy**" means the City of Cape Town: Tariff Policy;

"Tampering" tamper with, interfere with, vandalise, or deface any meter or metering equipment or service connection or service protective device or supply mains or any other equipment of the Service Provider or illegally connect into the supply of any other consumer.

"**This policy** must be applied in conjunction with the City of Cape Town: Credit Control and Debt Collection By-law, Credit Control and Debt Collection Policy and any amendment thereto;

"**Usufructuary**" means the registered party that has the right to the use and enjoyment of another's property and its profits;

2. Purpose

The purpose of this policy is to:

(a) focus on the charges raised on the debtor's account;

(b) provide for a common indigent policy;

(c) promote a culture of caring and hope in the City by awarding indigent benefits to qualifying debtors and instilling a sense of responsibility towards rendering affordable accounts to the indigent counts and limiting the increase of municipal debt;

(d) effectively and efficiently deal with indigent debtors in accordance with the terms and conditions of this policy.

(*e*) ensure that the relevant indigent benefits are awarded to deserving debtors.

(f) provide a clear distinction between formal indigent beneficiaries and informal free basic service recipients.

3. Principles and guidelines

(1) This Policy must be applied in conjunction with the City of Cape Town: Credit Control and Debt Collection By-law, Credit Control and Debt Collection Policy and any amendment thereto;

(2) This Policy takes into account the following principles and guidelines:

(a) Human dignity must be upheld at all times;

(b) this Policy must be implemented in accordance with the principles of equity, fairness and consistency;

(c) The terms and conditions as contained in any prescribed form or document utilised in implementing this Policy, forms part of this Policy and are incorporated therein as specifically stated;

(d) Any reference to any rand value or measured quantity as reflected in this Policy may be determined or amended by Council from time to time;

(*e*) Notwithstanding anything else contained in this Policy, and in exceptional circumstances, the City Manager may –

(i) approve the indigent benefit even though the applicant does not meet all the registration criteria as set out in this Policy;

(ii) approve the indigent benefit even though the property in question does not meet all criteria as set out in this Policy; and

(iii) grant an extension of the indigent period for any beneficiary.

(*f*) notwithstanding anything else contained in this policy, the City Manager may –

(i) approve the indigent benefit even though the beneficiary has taken occupation of the property, but the property is still registered in the name of the developer, or any sphere of government, but the applicant meets all the other registration criteria as set out in this Policy. However, the beneficiary will only qualify for indigent benefits for services.

(g) the indigent applicant, based on income, will only receive indigent benefits on one property where the applicant is the full-time occupant and not at any other property that the applicant owns unless any other property receives indigent benefits based on municipal property value.

(*h*) approve that residential properties with a municipal valuation of not more than R580 000 may be billed for refuse removal in terms of the indigent tariff and a once off write-off may be considered for refuse debt.

(i) Exceptional circumstances permitting the City Manager to exercise the authority referred to in sub-item 3(2)(e) above will be deemed to exist in the case of indigency applications by tenants of Social Housing Institutions (SHIs) on condition that:

(i) the applicant(s) meet the income indigency threshold approved by Council from time to time;

(ii) such applications are limited to the municipal services contained in this Policy; and

(iii) the applicant(s) apply in writing for indigent benefits to the relevant SHI.

(j) In order for the City Manager to consider to approve any indigency benefits for SHI tenants in the circumstances outlined in 3(2)(*i*) above, the relevant SHI must undertake in writing to the City (whether by contract or otherwise) that it will:

(i) ensure that any indigency benefits approved by the City Manager will be carried forward and applied by it to the applicant's tenant account with the SHI; and

(ii) reasonably monitor such applicant's tenant account to avoid excessive or unlawful consumption.

(3) Misrepresentation

(a) Debtors found to have misrepresented themselves in order to benefit from any of the City's relief or any benefit will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all relief or any benefits that have been received, will be reversed by the City Manager;

(*b*) any person who has received any benefit or relief in terms of this policy and who has misrepresented themselves in order to qualify for such benefit or relief will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all benefits or relief received, will be reversed by the City Manager; and

(*c*) the City Manager must report any misrepresentation in terms of this policy to the South African Police Services.

(4) Where a child-headed household is the applicant for indigent relief, the City Manager may refer such application to the relevant authority, in order to comply with Section 110, of the Children's Act.

(5) The City Manager may reverse any benefit received should a debtor fall into arrears after receiving such benefit, or tampered with or bypassed any water and electricity meters.

(6) The City Manager may conduct a full credit check on any person who is or who will become subject to this policy or any other policy of the City.

(7) The Indigent Register will only consist of the City's formal indigent beneficiaries who were approved based on income or municipal property valuation.

4. Councillor and municipal staff accounts

(1) Any councillor or staff member whose monthly income exceeds R7 500, irrespective of their municipal property value, or as determined by Council, from time to time, will not qualify for any indigent benefits.

5. Irrecoverable debt

(1) Debt may be written off in terms of Item 9 of the Credit Control and Debt Collection Policy

CHAPTER 2: INDIGENT RELIEF FOR RESIDENTIAL PROPERTIES

6. Registration criteria

(1) In order to qualify for registration as an indigent, for a period not exceeding twelve months, an applicant, which could include any combination of applicants, must satisfy the following criteria:

(a) the property must be a residential property as defined in the Rates Policy; and

(b) the applicant, or any combination of applicants, must be –

(i) the registered owner of the residential property; or

(ii) an occupier of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents; and

(*aa*) any such application shall be further subject to item 3 (3); or

(iii) a purchaser of a residential property from any of the spheres of government on a delayed transfer basis; or

(iv) the party to whom the residential property is awarded in the event of a divorce; or

(v) where a deceased estate has not been wound up;

(aa) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or

(bb) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or

(cc) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or

(dd) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate; or

(ee) an executor/executrix or administrator of a deceased estate; or

(vi) in the event of the residential property being registered in the name of a trust, *(aa)* the beneficiaries, for the meantime, of a testamentary trust established in terms of the Administration of Estates Act, 66 of 1965; or

(bb) the trustees together with any beneficiaries, for the meantime, of a trust established in terms of the Trust Property Control Act, 57 of 1988; or

(vii) a usufructuary or habitatio where such usufruct or habitatio right is registered against a residential property in the name of that usufructuary or habitatio; or

(viii) where there is more than one person residing at the residential property who meet any of the criteria set out in this sub-item then they must jointly make application in terms of this item;

(ix) all the members of a close corporation who meet all the relevant criteria;

(x) notwithstanding anything else contained in this policy a backyard dweller receives indigent relief as determined by Council from time to time as more fully set out in the Tariff Policy; and

(c) the total household income of the residential property may not exceed the maximum income of R7 500.00 or as determined by Council from time to time; and

(d) be a full-time occupant of the residential property or where the registered owner is unable to occupy the property due to no fault of such registered owner, the spouse, or partner and including any party in a cohabitation relationship or minor children may satisfy the occupancy requirement; and

(e) where applicable or viable, must have a prepayment electricity meter; and

(f) notwithstanding the aforesaid, registered owners of residential properties which have a municipal valuation of R620 000.00 or less, or as determined by Council from time to time, will be deemed to meet the criteria in sub-item *(a)* to *(e)* above and will be regarded as being registered, unless proven differently; and

(i) in addition, any property that qualified, in terms of sub-item (*f*), may be deemed to meet the criteria, in sub-item *(a)* to *(e)* above, and will be regarded as being registered, even if such property value subsequently exceeds a municipal valuation, of R620 000.00 or less, as referred to sub-item (*f*); and

(ii) interest on –

(*aa*) rates may be charged at 0%;

(*bb*) other debt may be suspended; and

any devices may be installed as referred to in sub-item 9 and the arrears written off; and

(iii) any subsequent debt that accrues against these properties may be written off.

(2) The City Manager may call upon an applicant, an indigent or a debtor at any time to produce documents in support of their claim for indigency or indigent status; and

(a) may at any time approach any person in order to verify any claim made by an applicant or indigent.

(3) Council may determine any criteria as mentioned in sub-items (1) and (2) from time to time.

(4) Notwithstanding sub-item (1) (*f*) any interest charges already raised on the properties identified therein may be written off.

(5) The City Manager may approve indigent relief where an applicant can prove that a spouse, or life-partner and including any party in a cohabitation relationship can no longer be traced and such spouse, or life-partner or any party in a cohabitation relationship has left the home, for a period of at least three years, but the applicant still meets all the other qualifying criteria.

(6) Notwithstanding sub-item (1) (*f*) where the property was valued at R88 000,00 or less, during the 2006 General Valuation ("GV") inclusive of any Supplementary Valuations ("SV") thereto, with the exception of any SV which increased the value of the 2006 GV as a direct result of the property having been undervalued in the first instance, as compiled in terms of the Property Rates Act, and regardless of any subsequent GV or SV, until determined otherwise by Council, will be deemed to meet the criteria in sub-item (1) *(a)* to *(e)* and will be regarded as being registered, unless proven differently ; and

(i) interest may be charged at 0% and any devices may be installed, as referred to in sub-item 9, and the arrears written off.

(7) All new applicants who are registered in terms of item 6 (1), and who are 60 years of age and older, including applicants who are 59 years of age and turning 60 years old in the year of making application, and those in receipt of a war veterans grant from the South African Social Security Agency, will remain valid until the next GV is implemented; and

(i) subject to sub-item 14 (3) and (4) no restriction, disconnection or discontinuation of any service or legal action will be instituted against any debtor, who has been registered as indigent for the duration of the GV that is in force;

(ii) any subsequent late application received from a debtor, who qualified for indigency, as set out in sub-item 6 (7), within twelve months, after the lapsing of the indigency status, under this sub-item, may be regarded as having been received timeously;

(iii) notwithstanding sub-item 6 (7) (i), services may be limited, if deemed necessary, by the City Manager; and

(iv) All indigent benefits of applicants 60 years and older will automatically be renewed, subject to the resubmission of their latest proof of income, excluding their South African Social Security Agency grant, within the first six months of the implementation of the new GV, failing which may result in the City Manager revoking and back-dating the indigent benefits received to the 1st of July of the relevant financial year.

(v) For multiple owners, where the one property owner is 60 years of age or older and the other property owner is younger than 60 years old and is the spouse, life-partner or in a cohabitation relationship, the validity period of the indigent benefit will extend to the next GV.

7. Tariff structure

(1) The Rates Policy and Tariff Policy are designed to enable those residential debtors who meet the criteria as defined therein to obtain free basic services and a rates rebate.

(2) The free basic services and the rates rebate referred to in this Chapter will be as determined by Council from time to time, and

(a) such determination will override anything else to the contrary as contained in this Chapter.

8. Excess consumption

Any consumer who uses in excess of any free allocation of services, will be dealt with in accordance with the Tariff Policy and will be subject to this Policy.

9. Arrears

(1) All residential debtors who qualify and are registered as indigent based on income, will have their arrears written off once during ownership of that property, notwithstanding the fact that a debtor may have received a write off based on property value, and thereafter will be subject to item 8, provided that;

(*a*) a prepayment electricity meter be installed, where applicable or viable; and

(*b*) the arrears are not as a direct result of tampering or any illegal usage of services.

(2) After the arrears have been written off in terms of sub-item (1), and irrespective of whether consumers receive a current account for any subsequent rates and services, consumers who again fall into arrears are still required to make an arrangement with the City Manager to pay off their arrears in accordance with the principles and conditions contained in the Credit Control and Debt Collection Policy.

(3) Sub-item (2) applies to all persons who have had their arrears written off in terms of sub-item (1) and who at any stage thereafter re-apply for indigent status.

(4) Where any arrangement, as referred to in sub-item (2), is defaulted on, then all the indigent relief received as a result of being registered, in terms of item 6, will cease, with effect from the date of such default.

10. Indigent relief: rates

(1) No rates will be levied on any residential property where the municipal valuation does not exceed the municipal valuation as referred to in the Rates Policy.

(2) All applicants who qualify in terms of item 6:

(a) Will receive the same rates rebate benefits as approved by Council for owners who are dependent on pension or social grants for their livelihood, as found in the Rates Policy, at the equivalent gross monthly household income level as set out in the Rates Policy; or

(3) All percentages and amounts mentioned in sub-items (1) to (2) shall be as determined by Council from time to time.

(4) All debtors, who qualify and are registered as indigent, who require a municipal valuation certificate of their property, for purposes of applying for a social grant, will receive such certificate at no cost.

11. Indigent relief: water and sewerage

(1) Water and sewerage for indigents, and registered backyard dwellers, will be as set out in the Tariff Policy.

(2) The City may consider the number of backyard dwellers residing on a residential property, which is recorded on the City's indigent register, for basic services free of charge in addition to the free basic services provided to the indigent property.

(3) A residential debtor who doubts the validity of the consumption stated on any account may apply for the meter to be tested at his or her cost as per the Tariff Policy relating to indigence.

(4) All water supplied from a standpipe in informal settlements is free of charge, in alignment with the Tariff Policy.

(5) Informal settlements are served by communal toilets which are provided and serviced at no cost to the community in alignment with the Tariff Policy.

12. Indigent relief: electricity

(1) Residential debtors will receive indigent relief as set out in the Tariff Policy; and

(a) prepayment meters will not receive the free basic supply of electricity for months in which no energy is purchased unless this is specifically claimed each month at a vending outlet; and

(2) The City Manager shall, where applicable and viable, grant authority that a prepayment meter may be installed in those properties where the registered owners qualify and are registered for indigent relief so that the debtor cannot consume electricity beyond such debtor's means. All prepayment meters are installed at the rate as indicated in the Tariff Policy.

(3) Informal settlement connections and customers declared indigent by the City are placed on a subsidised tariff in terms of the Electricity Tariff Policy.

13. Indigent relief: solid waste

(1) All residential debtors whose properties are below a municipal valuation as determined by Council from time to time, may receive a free or rebated waste collection service; and

(a) all residential property owners, who are registered as indigent, and who qualify in terms of item 6 (1), will receive a waste collection service rebate of 100% for the first 240L container; and

(3) All formal indigent residential debtors and those living in informal settlements will receive a free basic waste collection service as set out in the Tariff Policy.

14. Debt management actions

(1) Subject to sub-item (3) and (4), the indigent debtor shall be further subject to the applicable terms and conditions set out in the Tariff Policy or any other applicable City Policy or other applicable legislation; and

(*a*) services may be limited, if deemed necessary, by the City Manager.

(2) An application for registration as indigent is only valid for a period of twelve months from the date of approval, unless determined otherwise by Council.

(*a*) notwithstanding sub-item 14 (2), when an applicant re-applies, the application may be valid from the submission date of the successfully completed application if after expiry date of the previous indigent validity period and will be considered as the approval date, unless determined otherwise by the City Manager.

(b) All successful renewal indigent applications submitted or approved prior to the expiry date of the previous validity period will only be effective from the day after the expiry date.

(3) It is a requirement of this policy that should the personal circumstances of a debtor improve to such an extent that such debtor no longer qualifies as an indigent, then such person must notify the City Manager immediately of this change in order for such persons' name to be removed from the indigent register.

(4) If it is found that a debtor no longer qualifies as an indigent, and such debtor has not informed the City Manager, then this debtor will be de-registered as an indigent from the time the debtor's circumstances were found to have improved, and interest will be payable on any outstanding amounts.

(5) The City Manager may, at any time, call upon a debtor, who receives any indigent relief, to produce documents, or to complete any form, in support of such indigent status; and

(*a*) may, at any time, approach any person in order to verify the content of any document or form so received; and

(*b*) may take any steps necessary to determine such debtor's indigent status.

15. Misrepresentation

(1) Debtors found to have misrepresented themselves in order to benefit from the City's indigent relief will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and the City Manager will–

(a) reverse all benefits and relief received; and

(b) bill account according to applicable tariffs and raise any fee, as determined by Council from time to time, as set out in the Tariff Policy and any other applicable City Policies.

(2) Any person who has received any benefit or relief in terms of this Policy and who has misrepresented themselves in order to qualify for such benefit or relief will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and the City Manager will–

(a) reverse all benefits and relief received; and

(b) bill account according to applicable tariffs and raise any fee, as determined by Council from time to time, as set out in the Tariff Policy and any other applicable City Policies.

(3) The City Manager shall report any misrepresentation in terms of this Policy to the South African Police Services.

CHAPTER 3: HUMAN SETTLEMENTS

16. Rates rebate benefits: Home-ownership Schemes

All residential property owners, who are registered as indigent, and who qualify in terms of item 17 (1), will receive the same rates rebate benefits as approved by Council for owners who are dependent on pension or social grants for their livelihood, as found in the Rates Policy, at the equivalent gross monthly household income level as set out in the Rates Policy.

17. Indigent relief

(1) Housing Indigent Relief (rental and home ownership schemes) shall be applied as follows:

- *(a)* Where the joint income of a housing debtor and spouse or partner does not exceed R7 500.00 per month, such debtor shall be deemed to be indigent;
- *(b)* where a housing debtor has been registered for indigent relief, all debt related to that property for that debtor (excluding capital debt of home ownership debtors) up to the date of registration will be written back. Such write back will occur only once for any debtor, thereby allowing for a once off rehabilitation;
- *(c)* water and sanitation services, for indigents, will be charged as determined in the Tariff Policy, by Council from time to time; and
- (*d*) an indigent debtor will have any credit meter for electricity at the premises replaced with an electricity dispensing unit (EDU); and
  - (i) the Electricity Department and the maintenance section of the Public Housing and Customer Services department will be notified regarding the required installation of the EDU and will be responsible for the installation thereof;
- *(e)* failure by an indigent debtor to pay 90% of the amount due within a review period of 2 (two) months will lead to the indigent relief being cancelled; where after the debtor will immediately be subject to debt collection action;
- *(f)* the indigent relief will be valid for a period of 12 (twelve) months and all registered housing indigent applicants are required to re-apply after 12 (twelve) months;
- *(g)* should it be discovered that there were any purposeful omissions by the applicant with respect to the indigent application which result in the applicant not complying with the indigent relief requirements, such relief will be cancelled and reversed to the date of application;
- *(h)* any debtor who fails to pay the indigent rental regularly and on time, causing the indigent relief to be cancelled, may not be allowed to re-apply for indigency after defaulting and re-applying 3 (three) times. The City Manager has the discretion to consider each case on its merit; and

(i) the indigent rental will be calculated according to the following table:

INCOME	PERCENTAGE OF INCOME PAYABLE	MINIMUM ARRANGEMENT AMOUNT
R0 to R3 000	5 % with a minimum rental of R10	R25
R3 001 to R4 500	8%	R40
R4 501 to R7 500	10%	R60
For the purpose of income the cents value is disregarded except that the maximum income permissible is capped at R7 500.00.		

(i) an indigent debtor, where applicable, will receive a waste collection service rebate of 100% for the first 240L container; and

(*j*) All new applicants who apply and are registered as indigent and who are 60 years of age and older, including applicants who are 59 years of age and turning 60 years old in the year of making application and those in receipt of a war veterans grant from the South African Social Security Agency, will, in terms of item 17 of this Policy, have their indigent relief validated for 3 (three) years or up to the termination date of the lease whichever date is the earlier; and

(i) subject to sub-item 14 (3) and (4) the indigent debtor shall be further subject to the applicable terms and conditions set out in the Tariff Policy or any other applicable City Policy or other applicable legislation; and
(ii) any subsequent late application received from a beneficiary, under this sub-item, may be regarded as having been received timeously; and
(iii) notwithstanding sub-item (*j*) (i), services may be limited, if deemed necessary, by the City Manager; and
(iv) any penalty rental or surcharge based on an income amount exceeding R3 500.00 but not more than R7 500.00 per month may be subject to an indigent relief.

(2) Where the City's rental units have not been valued, or where water and sewerage accounts are in the name of the tenant or the tenant is responsible for the payment of these charges, such tenant will be deemed to be indigent, unless proven otherwise.

CHAPTER 4: PROPERTY MANAGEMENT

18. General principles

The City Manager may use discretion in terms of the amount payable where the tenant is found to be indigent in terms of the provisions of the Property Management Indigent Grant.

19. Indigent relief

(1) The Property Management portfolio is market value driven and debtors who are no longer able to afford the rental are required to seek alternative accommodation within the period that the indigent relief is valid.

(2) The indigent relief in this Policy will thus be applied to indigent households once only and no re-applications will be considered.

(3) Indigent Relief for Property Management debtors shall be applied as follows:

(a) Where the joint income of a Property Management debtor and spouse or partner does not exceed R7 500.00 per month, such debtor shall be deemed to be indigent;

(b) where a Property Management debtor has applied for and been granted an indigent relief, all debt related to that property for that debtor up to the date of registration as indigent will be written back. Such write back will occur only once for any debtor, thereby allowing for a once off rehabilitation;

(c) water and sanitation services, for indigents, will be charged as determined in the Tariff Policy, by Council from time to time;

(i) All lessees of City owned properties, who are registered as indigent, and who qualify in terms of item 19 will receive the same rates rebate benefits as approved by Council for owners who are dependent on pension or social grants for their livelihood, as found in the Rates Policy, at the equivalent gross monthly household income level as set out in the Rates Policy.

(d) an indigent debtor will have any credit meter for electricity at the premises replaced with an electricity dispensing unit (EDU); and

(i) the Electricity Department and the maintenance section of the Property Management Department will be notified regarding the required installation of the EDU and will be responsible for the installation thereof; and

(*e*) failure by an indigent debtor to pay the amount due within a review period of 2 (two) months will lead to the indigent relief being cancelled; where after the debtor will immediately be subject to debt collection action;

(f) the indigent relief will be valid for a period of 12 (twelve) months;

(g) should it be discovered that there were any purposeful omissions by the applicant with respect to the indigent grant application which result in the applicant not complying with the indigent relief requirements, such relief will be cancelled and reversed to the date of application;

(h) any debtor who fails to pay the indigent rental regularly and on time, will cause the indigent relief to be cancelled; and

(i) the indigent rental will be calculated according to the following table:

INCOME	PERCENTAGE OF INCOME PAYABLE	MINIMUM ARRANGEMENT AMOUNT
R0 to R3 000	5 % with a minimum rental of R10	R25
R3 001 to R4 500	8%	R40
R4 501 to R7 500.00	10%	R60
For the purpose of income the cents value is disregarded except that the maximum income permissible is capped at R7 500.00.		

(j) all new applicants who apply and are registered as indigent and who are 60 years of age and older, including applicants who are 59 years of age and turning 60 years old in the year of making application, and those in receipt of a war veterans grant from the South African Social Security Agency, will, in terms of item 19 of this policy, have their indigent relief remain valid for 3 years or up to the termination date of the lease, whichever date is the earlier; and

(i) all such relief and the conditions thereof are as set out in item 19 and the Tariff Policy or any other City policy or other applicable legislation; and

(ii) notwithstanding sub-item (i), services may be limited, if deemed necessary, by the City Manager.

20. Review of this Policy

(1) This Policy must be reviewed annually as part of the budget process or more frequently if required.

(2) Changes in legislation must be taken into account for future amendments to this Policy.

(3) Any amendments to this Policy must be submitted to Council for approval.

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