**UTHUKELA DISTRICT MUNICIPALITY**

**WATER AND SANITATION TARIFFS (REVISED)**



**FINANCIAL YEAR 2019/20**

**LEGISLATIVE BACKGROUND:**

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

Since 2015 the District and the rest of the country experienced severe drought due to the heat and lack of rain which resulted to water shortages, the impact from that situation affected the municipality. The effects from the drought are still felt by the municipality as it affected the collection rate as water had to be shut down and distributed by water tankers. Municipality is still recovering from this situation.

 The core function of the municipality is water and sanitation which is considered to be the basic needs for human beings and the constitution says they are basic human rights. The municipality has a difficult task of setting tariffs which are affordable to all consumers and the same time must be cost reflective taking into account all cost associated with the end product.

 .

 National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible.

Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality’s future financial position and viability. As mentioned earlier services are failing to break even.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows

Tariff the cost of the provision of general services. Determining the effective tariff is therefore an integral part of the municipality’s budgeting process. The 6% increase in tariffs is set to be cost reflective and ensure protection of basic level services to provide free water to indigent recipients

Below are the proposed water services tariffs for the financial year 2019/2020 these tariffs exclude VAT.

**WATER & SANITATION SERVICES TARIFF 2019/2020 FINANCIAL YEAR**

.

|  |  |  |
| --- | --- | --- |
|   | **Description**  | **Tariff**  |
| 1.  | Tariff for accessibility to water ( basic charge occupied and unoccupied)  | R80.04/ month  |
| 2.  |  Tariff for accessibility to sewerage system (basic charge occupied and unoccupied)  | R102.00 month  |
|   |   |   |
| 3.  | Sewer tariff for restricted usage (unmetered)  | R102.00/ month  |
| 4.  | Servicing sewer conservancy tanks/pits (small)  |  R180.21/ service  |
|   | Servicing sewer conservancy tanks/pits (large)  |  R386.52/ 5000l/ load  |
|   | Discharge of sewage to waste water works by private sewer tankers  | R0,14/litre  |
|   | **Integrated Step Tariff (Domestic Use)**  |   |
| 5.  | Water tariff for water usage up to 6kl  |  Free/ Indigent  |
|   | Water tariff for water usage 1 to 30kl  |  R11.62kl  |
|   | Water tariff for water usage 31kl to 100kl  |  R13.46kl  |
|   | Water tariff for water usage 101kl and above  |  R15.48kl  |
|   | **Integrated step tariffs(Business use)**  |   |
|   | Water tariff for water usage 1 to 30kl  |  R11.62kl  |
|   | Water tariff for water usage 31kl to 100kl  |  R13.46kl  |
|   | Water tariff for water usage 101kl and above  |  R15.48kl  |
|   | **Integrated Step Tariff (Industrial/Factory** **Use)**  |   |
| 6.  | Water tariff for water usage1 to 1000kl  |  R12.06kl  |
|   | Water tariff for water usage 1001kl and above  |  R6.31kl  |
|   | **Integrated Step Tariff(Co-operatives)**  |   |
|   | Water tariff for water usage 1 to 40kl  |  R5.46kl  |
|   | Water tariff for water usage 41 to 80kl  |  R6.23kl  |
|   | Water tariff for water usage 81kl and above  |  R7.50kl  |
|   | **Integrated Step Tariff(Churches)**  |   |
|   | Water tariff for water usage 1 to 30kl  |  R5.46kl  |
|   | Water tariff for water usage 31 to 70kl  |  R6.23kl  |
|   | Water tariff for water usage 71kl and above  |  R7.50kl  |
|   | **Integrated Step Tariff(Trust)**  |   |
|   | Water tariff for water usage 1 to 30kl  |  R10.30kl  |
|   | Water tariff for water usage 31 to 70kl  |  R10.82kl  |
|   | Water tariff for water usage 71kl and above  |  R12.67kl  |
|   | **Integrated step tariff(Government use)**  |   |
|   | Water tariff for water usage 1 to 30kl  |  R11.62kl  |
|   | Water tariff for water usage 31kl to 100kl  |  R13.46kl  |
|   | Water tariff for water usage 101kl and above  |  R15.48kl  |

|  |  |  |
| --- | --- | --- |
| 7.  | Bulk potable water supply to IDC Estate  |  R6.07kl  |
|   | Bulk Raw water supply  |  R3.71kl  |
|   |   |   |
| 8.  | Emergency Services Connection (excluding emergency services)  |  R25.82kl  |
| 9.  | Availability charge for fire hydrant per month  | R98.41 |
| 10.  | For water drawn or usage from metered fire hydrant  | R12.85/kl  |
| 11.  | Inspections for internal leaks and any other services (per visit)  | R623.33 |
| 12.  | All connections, repairs and work required from Council Domestic  |  Cost + 10%  |
| 13.  | All connections, repairs and work required from Council other services actual cost + 10 %  |  Cost + 10%  |
| 14.  | Trade Effluent  |  |  |  | Charge(c/kl)= R82.20c+([COD/1000] x R1.73c) (COD-Chemical Oxygen Demand)  |
| 15.  | Account Deposits worthiness)                    | (Subject  | to  | credit  | **Residential dep. max** R2768.49**Bus./Govt./Trust dep.** **max** R9223.76 **Industrial dep. max.** R15912.72 **Churc/Coops dep. Max** R2 546.58**New consumers:-** Residential dep.R1 600.27 **New Bus./Govt./Industr.** R3 818.80**New Co-operatives** R752.02 **New Churches** R1 794.56**New Trust businesses** R3 589.10**New Trusts** R1 504.02New account connection fee is R 185.00  |
| 16.  | Scrutiny of building plans  |  |  |  R477.61/ plan  |
| 17.  | Clearing of grass overgrowth  |  |  |  Actual cost + 12%  |
| 18.  | Requested Water Tankering (funerals – if not indigent)  |  5000l = R550.37 / load  |
| 19.  | Requested Water Tankering (other events)  |  5000l = R880.51/ load  |
| 20.  | Developer’s Capital Contribution - Water  |  R 10006.48  |
| 21.  | Developer’s Capital Contribution - Sanitation  |  R 11007.21  |
| 22.  | Disconnection Fee Reconnection fee - Working hours -After hours, Saturdays/Sundays/Public Holidays  |  R 132.07  R 134.08  R330.15 |
| 23.  | Clearance certificates  |  R487.88  |
| 24.  | Flat rate services (where applicable)  | R328.06 per household  |
| 25.  | Moving/shifting of the existing water meter (in metres)  |   |
| 26.  | A distance less than a metre (1m)  | R328.00  |
| 27.  | A distance from 1 metre to 3 metres  | R530.00  |
| 28.  | A distance more than 3 metres to any distance  | R795.00  |

**Offences and penalties**

1.Any person who fails or refuses to give access required by an officer of the authority or an authorized provider shall be guilty of an offence in terms of section 34 of the Water Services By-laws and liable on conviction to a fine not exceeding R 4 240,00 or in default on payment, to imprisonment for a period not exceeding 6 months and in the event of a continued offence to a further fine not exceeding R 2 120,00 for every day during the continuance of such offence after a written notice from the authority or an authorized provider has been issued and in the event of a second offence to a fine not exceeding R 6 360,00 or, in default on payment to imprisonment for a period not exceeding 12 months.

2.Any person who obstructs or hinders any officer of the authority in the exercise of his or her powers or performance of his or her functions or duties shall be guilty of an offence in terms of section 34 of the Water Services By-laws and liable on conviction to a fine not exceeding R53 000,00 or in default on payment, to imprisonment for a period not exceeding 6 months and in the event of a continued offence to a further fine not exceeding R10 600,00 for every day during the continuance of such offence after a written notice from the authority has been issued and in the event of a second offence to a fine not exceeding R79 500,00 or, in default on payment to imprisonment for a period not exceeding 12 months.

|  |  |
| --- | --- |
| **Water and Waste Water Analysis**  |  |
| **Determinant**  | **Units**  | **Cost per sample**  |
| Alkalinity  | mg/l CaCO3   | R63.72 |
| Appearance  | Descriptive  |   |
| Aluminium - soluble  | mg/l Al  | R55.15  |
| Ammonia  | mg/l N  | R53.12 |
| Chloride  | mg/l Cl  | R42.52  |
| Chlorine – Free  | mg/l Cl2  | R21.18 |
| Colour  | Pt-Co  | R31.77  |
| Conductivity  | mS/m  | R21.16  |
| Fluoride  | mg/l F  | R53.13 |
| Iron  | mg/l Fe  | R31.15  |
| Manganese  | mg/l Mn  | R53.12  |
| Nitrate  | mg/l N  | R32.23 |
| Nitrite  | mg/l N  | R32.23 |
| Odour  | Descriptive  |   |
| pH  | pH Units  | R21.18  |
| Phosphate - soluble  | mg/l P  | R31.77  |
| Solids - Settle able  | ml/l  | R31.77  |
| Sulphate  | mg/l SO4  | R46.63  |
| Sulphide  | mg/l H2S  | R53.12 |
| Suspended Solids  | mg/l  | R46.92  |
| Temperature  | 0C  |   |
| Total Dissolved Solids  | mg/l  | R31.77  |
| Turbidity  | NTU  | R21.08  |
| Oxygen Absorbed  | mg/l O2  | R63.72 |
| Chemical Oxygen Demand  | mg/l O2  | R74.30 |
| Magnesium/Calcium  | mg/l Mg/Ca  | R74.13  |

* Sample bottles can be collected at the Laboratory.
* A volume of at least 1 litre is necessary for analysis.

|  |  |  |
| --- | --- | --- |
|  | **Microbiological Analysis** |  |
| Faecal coliforms  | colonies per 100ml  | R58.44 |
| Total coliforms  | colonies per 100ml  | R58.44 |
| Standard plate count  | colonies per ml  | R48.74 |

* Sample bottle can be collected at the Laboratory.
* A volume of at least 1 litre is necessary for analysis.
* Sterile bottles provided by the Laboratory should be used.
* Samples must be delivered to the Laboratory within 6 hours of collection and should be kept cold.
* A volume of 500ml is sufficient for analysis.

* + 1. Prices listed are for single samples.
		2. Sterile bottles can be supplied free of charge. Bottles broken or not returned will be charged for at a rate of R19.39 per bottle.

**FINES FOR ILLEGAL CONNECTIONS AND TEMPERING**

First instance R 2 650

Second instance R 5 300

Third instance R 7 950

Forth instance R10 600

NB: Immediately if the consumer committed a fifth instance, complete disconnection of water supply will apply!

 **PENALTY FEES**

* 1. Warning letter R 59.77
	2. Final cut-off
* Additional deposit-business R 179.33
* Additional deposit-households R126.72
* Penalty fee R 100.12

**RECONNECTION FEES:**

1. Standard fee applies during working office hours R123.12
2. Standard rate applies after office hours R293.83

 **NEW CONNECTION (PLUMBING WORK) CHARGES, INCLUDING FIRE HYDRANT**

|  |  |  |  |
| --- | --- | --- | --- |
| **NO**   | **SIZE (MM)**   | **UNIT COST R**   | **DEPOSIT**   |
| 1  | 20  | 2 530.59  | 239.10 |
| 2  | 25  | 2 530.59  | 239.10  |
| 3  | 32  | 3031.07  | 597.76   |
| 4  | 40  | 6 767.00  | 597.76  |
| 5  | 50  | 7187.76  | 597.76  |
| 6  | 80  | 10 549.23  | 597.76 |
| 7  | 100  | 11 464.49  | 597.76  |
| 8  | 150  | 11 903.27   | 597.76  |

 NB: The above costs exclude material and labour costs!

 Other municipal services increase by 6.0% as per MFMA circular 86.

 Tender documents

 Maps GIS

 Clearance certificates

|  |  |  |
| --- | --- | --- |
|   | **A3 PRINTER**   |  **A0 PLOTTER**   |
| **A4**   | **A3**   | **A2**   | **A1**   | **A0**   |
| **Full Colour**   | 23.57  | 47.16  | 178.95  | 159.16  | 212.21  |
| **Grey Scale**   | 23.57  | 47.16  | 178.95  | 144.59  | 212.21  |
| **Topo Maps**   | 17.69  | 33.37  | 83.42  | 178.95  | 159.16  |
| **Line / Hatch**   |  11.79  | 33.37  | 63.32  | 76.64  | 106.10  |

**Maps GIS tariffs**

***1.4.1.1 Tender Documents***

|  |  |
| --- | --- |
| Municipal Produced  |  R199.44  |
| Consultants produced depending on the project  | R398.88 and R465.39 respectively  |

• Clearance certificate R 454.72

**ALL TARIFFS ARE EXCLUSIVE OF VAT!!**

The table above reflects the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | **Description**   | **2016/17**  | **2017/18**   | **2018/19**   | **2019/2020** |
| 1.  | Tariff for accessibility to water ( basic charge occupied and unoccupied)  |  R66.96/ month  |  R71.25 month   |  R75.53 month   | 80.06 month |
| 2.  |  Tariff for accessibility to sewerage system (basic charge occupied and unoccupied)  | R85.32./month  | R90.78./month  | R96.23 month    | R102.00 month |
|   |   |   |   |   |  |
| 3.  | Sewer tariff for restricted usage (un-metered)  | R85.32/ month  | R90.78/ month  | R90.44 month   | R95.87 month |
| 4.  | Servicing sewer conservancy tanks/pits (small)  | R150.75/service  | R160.40/service  | R170.02 month   | R180.22 month |
|   | Servicing sewer conservancy tanks/pits (large)  | R323.07 / 5000l/ load  | R343.75 / 5000l/ load  | R364.38 /5000/load   | R386.24 month |
|   | Discharge of sewage to waste water works by private sewer tankers  | R0.12/litre  | R0.35/litre  | R0.37   | R0.39 |
|   | **Integrated Step Tariff (Domestic Use)**   |   |   |   |  |
| 5.  | Water tariff for water usage up to 6kl  |  Free/ Indigent  |  Free/ Indigent  |  Free /indingent   | Free /indingent |
|   | Water tariff for water usage 1 to 30kl  |  R9.72kl  |  R10.34kl |  R10.96kl   | R11.62kl |
|   | Water tariff for water usage 31k to 100kl  | l R11.26kl  |  R11.98kl  | R12.70kl   | R13.46kl |
|   | Water tariff for water usage 101kl to any usage  |  R12.95kl  |  R13.77kl  | R14.60kl   | R15.48kl |