



## **Press release regarding claims of unfair high water and electricity charges due to estimations**

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At the end of March 2020, the national minister of COGTA, dr Nkosazana Clarice Dlamini-Zuma enacted urgent lockdown regulations, because of the pandemic occasioned by Covid-19.

The regulations identified certain categories of persons/ industries as essential services or workers, allowed to continue their everyday activities, under very strict safety protocols. These regulations compelled all citizens, businesses and industries, including Swartland municipal staff not defined as essential services per the level 5 regulations to be confined to their residences.

This resulted in the Swartland Municipality from around late March to June 2020 having to perform its entire administrative function with a skeleton staff. One of the most critical teams, our meter reading team, whose function forms an integral part and basis for the municipal accounts was excluded from the definition of essential service staff in terms of the regulations (Regulations enacted by the National Minister) and accordingly not allowed to perform the function of reading water and electricity meters.

To this end, Swartland Municipality exercised its statutory supervisory mandate in terms of the Systems Act 32 of 2000 to execute the provisions of its Credit Control By-Law, namely to make use of an average charge consumption for the services consumed during the period of lockdown.

The average or estimation of accounts was based on the historical usage for the preceding 12 months of each individual household resulting in the statements received by consumers during the period of lockdown being based on average charges. This is an established practice and common in local government within SA. At this juncture its important for our consumers to note that the Swartland Municipality prides itself under normal circumstances to rather read meters in line with our customer service charter.

Only when the hard-lockdown regulations were relaxed, the meter reading team could commence with the reading of meters for the municipality to establish the actual readings.

To this end, the adjustments of accounts, which were charges due to the average charges having been applied, were corrected against the actual readings taken since July/August in the October and November statements of 2020. This exercise proved critical as we wanted to ensure that the latest actual reading minus the one taken before lockdown had the effect of the consumption being spread over the number of months of real usage in order for the user not to be penalised over a shorter period with resultant high consumptive tariffs. This required a manual exercise which was concluded prior to December 2020 for all debtors where we could confirm an actual reading, except for those few consumers where a reading could not be obtained due to access challenges.

Many consumers failed to understand their sudden increase of their account charges, which were because most consumers worked from home with their actual consumption having increased drastically compared to the historical consumption patterns for the prior period.

This was certainly not an ideal situation given the extent of the lockdown, but Swartland Municipality used all available channels to keep consumers informed and went the extra mile to accommodate

consumers to the extent that no credit control was applied from March through to November 2020. All consumers whose electricity supply was blocked due to non-payment prior to the lockdown which commenced end of March were granted unrestricted access to services during the hard lockdown.

Swartland Municipality made extensive use of social media and other platforms to keep consumers informed, to this end, placed several notices on the Swartland Municipal Facebook and its website, and sent regular SMS's of which the posts are still on Facebook to access to prove our communication efforts. Many consumers blatantly ignored our pleas to obtain their actual readings as their properties were either locked with meter readers not able to access actual readings. An additional team of customer service agents were also put in place to service customer requests during this period of revising estimated readings.

Consumers were also invited to visit the municipal offices, or to make telephonic or email contact to discuss their accounts should they require assistance due to the higher account statements, after the actual readings were established.

Many aggrieved consumers and businesses, who requested assistance on their accounts, have been assisted through the established processes within the Services and Credit Control Departments respectively, which included, but was not limited to:

- (i) Make adjustments on accounts where this was required( less than 6% of all accounts rendered required adjustment after the actual readings
- (ii) Interest free payment arrangements on arrear accounts;
- (iii) Payment extensions on accounts;
- (iv) Pending of all disconnection of services; or
- (v) Assistance for indigent Subsidy to those whose income was reduced or lost due to Covid-19, and who qualified in terms of the qualifying criteria of the Municipal Indigent Policy. In this regard the Indigent Consumers now stand at more than 9 500 households.

Consumers who have and continue to respond to the call to contact the municipality, and requested assistance, was not prejudiced or penalised.

In some instances third parties (action groups) who visited the municipality on behalf of another consumer, were advised of the municipality's legal responsibility in terms of the provision of the Protection of Personal Information Act, 4 of 2013 ("POPI Act, or POPIA") to not share personal information of consumers. The various action groups who raised their concerns were advised to encourage consumers to visit the municipality personally, or to make use of all other established platforms to engage the various departments personally. The municipality cannot respond to unsubstantiated social media claims purporting widespread estimates being used as each query is unique and a product of the individual debtor's consumption which requires that the municipality deals with debtor and not a third party.

To this end, the municipality is committed to assist consumers, and we continue to invite consumers who face "account challenges" to visit the municipal offices for assistance, personally even though the issue relating to estimates during lockdown was resolved in the previous year, from an account perspective.

It is not surprising to Swartland Municipality that some individuals would commit themselves to misstatements, while in truth and reality they had free and direct access to the relevant departments to discuss their challenges and account queries, without causing chaos and confusion and hastily making disparaging public comments about the service and commitment of the municipality. The municipality want to appeal to these few individuals to not use the plight of the poor as a platform for personal gain as it's not in the interest of anyone and does more harm than good.

The municipality still today experiences challenges to obtain actual meter readings as a result of risk measures introduced by some consumers making it impossible for the municipality to gain access to their meters. In this regard the municipal by-law makes provision for the installation of a pre-paid water meter, but the municipality in being a responsive institution does not want to implement such a drastic measure and opted to rather allow those consumers to email their respective actual readings resulting in a further administrative burden as the process of billing is automated.

Swartland Municipality want to specifically point out that within its legal mandate it has always, and will always avail its resources to assist consumers, particularly the most vulnerable in the communities, it serves. The municipality also makes use of a financial billing system that complies with the high standards set and regulated by the National Treasury with the associated business processes. The Auditor General of South Africa just completed the regulatory audit and awarded the municipality with a clean audit opinion confirming the sound financial management and practices of the Swartland Municipality.

**JOGGIE SCHOLTZ**

**MUNICIPAL MANAGER**

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