



**RAYMOND MHLABA LOCAL MUNICIPALITY:
CREDIT CONTROL AND DEBT COLLECTION BY-LAW**

By-law published in Provincial Gazette number 4184 dated 11 February 2019

Under the provisions of section 156 of the Constitution of the Republic of South Africa, 1996 the Raymond Mhlaba Local Municipality, enacts as follows:-

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1. Interpretation

In this By-Law, the English text prevails in the event of any conflict with the Afrikaans text, and, unless the context otherwise indicates –

“Constitution” means the Constitution of the Republic of South Africa, 1996;

“Customer Care and Revenue Management By-Law” means the municipality’s Customer Care and Revenue Management By-Law as required by sections 96(b), 97 and 98 of the Systems Act;

“municipality” means the Raymond Mhlaba Local Municipality, established in terms of Section 12 of the Municipal Structures Act, 117 of 1998, and includes any political structure, political office bearer, councilor, duly authorized agent or any employee acting in connection with this by-law by virtue of a power vested in the municipality and delegated or sub-delegated to such political structure, political office bearer, councilor, agent or employee;

“Municipality’s credit control and debt collection policy” means a credit control and debt collection policy adopted by the municipality;

“Systems Act” means the Local Government: Municipal Systems Act, 32 of 2000;

“credit control and debt collection policy” means the credit control and debt collection policy as adopted and amended by the municipality from time to time.

2. Principles and Objectives

- (1) In terms of section 96 of the Systems Act, a municipality-
 - (a) must collect all money that is due and payable to it, subject to the Systems Act and any other applicable legislation; and
 - (b) for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of the Systems Act.
- (2) A credit control and debt collection policy may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to unfair discrimination.
- (3) In terms of section 98 of the Systems Act a municipal council must adopt by-laws to give effect to the municipality's credit control and debt collection policy, its implementation and enforcement and the by-laws may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to unfair discrimination.

3. Adoption and implementation of credit control and debt collection policy

The municipality must adopt and implement a credit control and debt collection policy in terms of which it collects all money that is due and payable to it.

4. Contents of credit control and debt collection policy

- (1) In terms of section 97 of the Systems Act, a credit control and debt collection policy must provide for-
 - (a) credit control procedures and mechanisms;
 - (b) debt collection procedures and mechanisms;
 - (c) provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents;
 - (d) realistic targets consistent with-
 - (i) general recognised accounting practices and collection ratios; and
 - (ii) the estimates of income set in the budget less an acceptable provision for bad debts;
 - (e) interest on arrears, where appropriate;
 - (f) extensions of time for payment of accounts;

- (g) termination of services or the restriction of the provision of services when payments are in arrears;
- (h) matters relating to unauthorised consumption of services, theft and damages; and
- (i) any other matters that may be prescribed by regulation.

(2) The policy may include such further enforcement mechanisms, if any, as the municipality may wish to impose in addition to those contained in the Customer Care and Revenue Management By-Law.

5. Implementation and enforcement of credit control and debt collection policy

Credit control and debt collection shall be implemented and enforced through this by-law, the Customer Care and Revenue Management By-Law and any other enforcement mechanisms determined by the municipality.

6. Offences and Penalties

A person who fails to comply with the provisions of this by-law commits an offence and is on conviction liable to a fine or to imprisonment for a period not exceeding three years.

7. Repeal

The following by-laws and any other provision in any other by-law that is inconsistent with the provisions of this by-law are hereby revoked:

Provincial Notice No.	Title	Extent of repeal
P.G. 1476 dated 2/2/2006	Nxuba Local Municipality: Credit Control By-law	The whole
P.G. 1477 dated 20/2/2006	Nkonkobe Local Municipality: Credit Control and Debt Collection By-law	The whole

8. Short title and commencement

This by-law is called the Raymond Mhlaba Local Municipality Credit Control and Debt Collection By-law and will become effective on the date of publication in the Government Gazette. **By-law published in Provincial Gazette number 4184 dated 11 February 2019**

RAYMOND MHLABA LOCAL MUNICIPALITY: CREDIT CONTROL AND DEBT COLLECTION BY-LAW: OFFENCES AND FINES

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Section Contravened	Description of offence	Proposed Fine (Column (1))	Approved Fine Column (2)
6	Failure to comply with the provisions of the Credit Control and Debt Collection By-law, the Customer Care and Revenue Management By-Law and any other enforcement mechanisms determined by the municipality.	No fine. Must appear.	No fine. Must appear

Hereby certify that the admission of guilt fines listed in Column 2 above as submitted by the Raymond Mhlaba Local Municipality have been approved by me in terms of Section 57(5)(a) and 341(5) of the Criminal Procedure Act, 51 of 1977, for the Magisterial District of:

Middledrift , Fort Beaufort , Adelaide , Bedford , Cathcart , Alice , Seymour

This determination replaces any previous determination for the said Magisterial District.

Signed Magistrate: Middledrift	04/2019 Date Stamp
Signed Magistrate: Fort Beaufort	04/2019 Date Stamp
Signed Magistrate: Adelaide	04/2019 Date Stamp
Signed Magistrate: Bedford	04/2019 Date Stamp
Signed Magistrate: Cathcart	04/2019 Date Stamp
Signed	04/2019

Magistrate: Alice	Date Stamp
Signed	04/2019
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Magistrate: Seymour	Date Stamp