



DEBT INCENTIVE SCHEME

1.1. The municipality will embark on a debt incentive scheme to motivate consumers to pay their outstanding consumer accounts.

2.1. Debt incentive scheme will be implemented for a period of 3 months starting from 01 July 2025 to 30 September 2025.

A. COMMERCIAL

All municipal commercial consumers struggling to meet their arrangements or commitments will be provided relief in a form of discounted payment arrangement as follows.

Debts older than 90 days will get the following discounts:

- o 10 % discount on payment offer of 25% outstanding debt, without interest on arrears
- o 15% discount on payment offer of 50% outstanding debt, without interest on arrears
- o 20% discount on payment offer of 75% outstanding debt, without interest on arrears
- o 35% discount on full settlement offer of outstanding debt, without interest on arrears

B. RESIDENTIAL

1. Residential debt relieve program

Residential debt older than 90 days. The debtor will be allowed to pay what they can afford and on the same amount paid, debtor will be granted discount of the same amount paid. The remaining amount after payment and after write off based on the incentive program will need to be acknowledged and payment arrangement be entered into. In case where debtor will default on the arrangement, all amount previously written off as part of incentive will be reversed.

(Example on the incentive; If consumer owe R500, and offer to pay R 100 the municipality will write off R 100 and the rest which will now be R300 will qualify for payment arrangement)

- These proposed discounts will apply only when an acknowledgement of debt is signed. Should the consumer fail payment during the duration of the arrangement, discount will be cancelled and credit control will be enforced.
- Irrespective of a client qualifying for the incentive, whether his/her account is paid up do date or he/she signed an acknowledgement of debt, a consumer will not be considered for the proposed incentive if he/she did not complete and handed in an application for incentive once during the campaign.
- The normal credit control procedures will be enforced during this period which will then afford consumers to come forward to apply for incentive in order to have their services reconnected.

2. Amnesty on illegal connection

Amnesty will be given to consumer who have bypass the connections to come and report it to be corrected without cost and penalties for a period of 3 months.

3. Current paying consumers

- Consumers with accounts paid up to date for two consecutive months will get a 10% discount.
- The discount will be applied with the next month's billing.