

# **UTHUKELA DISTRICT MUNICIPALITY**

## **WATER AND SANITATION TARIFFS**



### **FINANCIAL YEAR 2022/23**

#### **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 8.1 % 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 2020/2021 these tariffs exclude VAT.

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#### **WATER & SANITATION SERVICES TARIFF 2022/2023 FINANCIAL YEAR**

	<b>Description</b>	<b>Tariff</b>
1.	Tariff for accessibility to water ( basic charge occupied and unoccupied)	R97.21/ month
2.	Tariff for accessibility to sewerage system (basic charge occupied and unoccupied)	R123.89 month
3.	Sewer tariff for restricted usage (unmetered)	R123.89/ month
4.	Servicing sewer conservancy tanks/pits (small)	R218.87/ service

	Servicing sewer conservancy tanks/pits (large)	R469.04/ 5000l/ load
	Discharge of sewage to waste water works by private sewer tankers	R0,16/litre
	<b>Integrated Step Tariff (Domestic Use)</b>	
5.	Water tariff for water usage up to 6kl	Free/ Indigent
	Water tariff for water usage 1 to 30kl	R14.11kl
	Water tariff for water usage 31kl to 100kl	R16.35kl
	Water tariff for water usage 101kl and above	R18.79kl
	<b>Integrated step tariffs(Business use)</b>	
	Water tariff for water usage 1 to 30kl	R14.11kl
	Water tariff for water usage 31kl to 100kl	R16.35kl
	Water tariff for water usage 101kl and above	R18.79kl
	<b>Integrated Step Tariff (Industrial/Factory Use)</b>	
6.	Water tariff for water usage 1 to 1000kl	R15.23kl
	Water tariff for water usage 1001kl and above	R7.96kl
	<b>Integrated Step Tariff(Co-operatives)</b>	
	Water tariff for water usage 1 to 40kl	R7.66kl
	Water tariff for water usage 41 to 80kl	R7.56kl
	Water tariff for water usage 81kl and above	R9.12kl
	<b>Integrated Step Tariff(Churches)</b>	
	Water tariff for water usage 1 to 30kl	R6.63kl
	Water tariff for water usage 31 to 70kl	R7.56kl
	Water tariff for water usage 71kl and above	R9.12kl
	<b>Integrated Step Tariff(Trust)</b>	
	Water tariff for water usage 1 to 30kl	R13.52kl
	Water tariff for water usage 31 to 70kl	R13.14kl
	Water tariff for water usage 71kl and above	R15.38kl
	<b>Integrated step tariff(Government use)</b>	
	Water tariff for water usage 1 to 30kl	R14.11kl
	Water tariff for water usage 31kl to 100kl	R16.35kl
	Water tariff for water usage 101kl and above	R18.79kl

7.	Bulk potable water supply to IDC Estate	R7.37kl
	Bulk Raw water supply	R4.51kl
8.	Emergency Services Connection (excluding emergency services)	R31.35kl
9.	Availability charge for fire hydrant per month	R114.67
10.	For water drawn or usage from metered fire hydrant	R15.60/kl
11.	Inspections for internal leaks and any other services (per visit)	R757.11

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)= R99.84c+([COD/1000] x R2.10c) (COD-Chemical Oxygen Demand)
15.	Account Deposits (Subject to credit worthiness)	<b>Residential dep. max</b> R3 172.29 <b>Bus./Govt./Trust dep. max</b> R10 569.13 <b>Industrial dep. max.</b> R18 233.75 <b>Church/Coops dep. Max</b> R2 918.02 <b>New consumers:-</b> Residential dep.R1 943.70 <b>New Bus./Govt./Industr.</b> R4 638.54 <b>New Co-operatives</b> R913.41 <b>New Churches</b> R2 179.78 <b>New Trust businesses</b> R4 358.23 <b>New Trusts</b> R1 826.79 New account connection fee is R 224.71
16	New accounts administration fees- Opened by Council per para. 4.7 CC&DCP	<b>Residential:</b> R1 914.88 <b>Bus/Govt./Ind:</b> R4 258.22 <b>Co-ops:</b> R 1 018.98 <b>Churches:</b> R2 120.08 <b>Trusts in bus:</b> R4 015.47 <b>Trusts:</b> R1 813.23
16.	Scrutiny of building plans	R580.11/ plan

17.	Clearing of grass overgrowth	Actual cost + 13%
18.	Requested Water Tankering (funerals – if not indigent)	Water R26.10 per kl Transport R18.12 per km Plus 6.2% administration fee
19.	Requested Water Tankering (other events)	Water R42.10 per kl Transport R27.56 per km Plus 10% administration fee
20.	Developer's Capital Contribution - Water	R 12 153.98
21.	Developer's Capital Contribution - Sanitation	R 13 369.48
22.	Disconnection Fee Reconnection fee - Working hours -After hours, Saturdays/Sundays/Public Holidays	R 160.41 R 162.86 R 400.99
23.	Clearance certificates	R592.57
24.	Flat rate services (where applicable)	R398.46
25.	Moving/shifting of the existing water meter (in metres)	
26.	A distance less than a metre (1m)	R398.38
27.	A distance from 1 metre to 3 metres	R643.75
28.	A distance more than 3 metres to any distance	R957.75

## 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 5 149.96 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 2 574.97 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 7 724.93 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 R 64 374.41 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 R12 874.89 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 R 96 561.62 or, in default on payment to imprisonment for a period not exceeding 12 months.

<b>Water and Waste Water Analysis</b>		
<b>Determinant</b>	<b>Units</b>	<b>Cost per sample</b>
Alkalinity	mg/l CaCO <sub>3</sub>	R77.39
Appearance	Descriptive	
Aluminium - soluble	mg/l Al	R66.98
Ammonia	mg/l N	R64.52
Chloride	mg/l Cl	R51.64
Chlorine – Free	mg/l Cl <sub>2</sub>	R25.72
Colour	Pt-Co	R38.58
Conductivity	mS/m	R25.69
Fluoride	mg/l F	R64.53
Iron	mg/l Fe	R37.83
Manganese	mg/l Mn	R64.52
Nitrate	mg/l N	R39.15
Nitrite	mg/l N	R39.15
Odour	Descriptive	
pH	pH Units	R25.72
Phosphate - soluble	mg/l P	R39.15
Solids - Settle able	ml/l	R39.15
Sulphate	mg/l SO <sub>4</sub>	R56.63
Sulphide	mg/l H <sub>2</sub> S	R64.52
Suspended Solids	mg/l	R56.99
Temperature	°C	
Total Dissolved Solids	mg/l	R39.16
Turbidity	NTU	R25.60
Oxygen Absorbed	mg/l O <sub>2</sub>	R77.01
Chemical Oxygen Demand	mg/l O <sub>2</sub>	R90.25
Magnesium/Calcium	mg/l Mg/Ca	R90.04

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

<b>Microbiological Analysis</b>		
Faecal coliforms	colonies per 100ml	R70.98
Total coliforms	colonies per 100ml	R70.98
Standard plate count	colonies per ml	R59.19

- 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 R23.55 per bottle.

#### **FINES FOR ILLEGAL CONNECTIONS AND TEMPERING**

First instance	R 3 219.11
Second instance	R 6 437.10
Third instance	R 9 656.22
Forth instance	R12 874.21

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

#### **PENALTY FEES**

1. Warning letter	R 72.60
2. Final cut-off	
• Additional deposit-business	R 217.81
• Additional deposit-households	R153.91
• Penalty fee	R 121.59

#### **RECONNECTION FEES:**

1. Standard fee applies during working office hours	R149.54
2. Standard rate applies after office hours	R356.94

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

<b>NO</b>	<b>SIZE (MM)</b>	<b>UNIT COST R</b>	<b>DEPOSIT</b>
1	20	3 073.67	290.41

2	25	3 073.67	290.41
3	32	3 681.56	290.41
4	40	8 712.28	726.04
5	50	8 730.33	726.04
6	80	12 813.21	726.04
7	100	13 924.90	726.04
8	150	14 457.85	726.04

NB: The above costs exclude material and labour costs!

Tender documents  
Maps GIS  
Clearance certificates

	A3 PRINTER		A0 PLOTTER		
	A4	A3	A2	A1	A0
<b>Full Colour</b>	28.63	57.28	217.35	193.31	257.74
<b>Grey Scale</b>	28.63	57.28	217.35	186.16	257.74
<b>Topo Maps</b>	20.27	40.52	101.31	217.35	193.31
<b>Line / Hatch</b>	13.50	40.52	76.90	93.08	128.86

#### Maps GIS tariffs

##### 1.4.1.1 Tender Documents

Municipal Produced	R579.32
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Consultants produced depending on the project	R484.47 and R565.26 respectively
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- Clearance certificate R 592.57

## 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	2019/20	2020/21	2021/22	2022/23
1.	Tariff for accessibility to water ( basic charge occupied and unoccupied)	R80.06/ month	R84.86/month	R91.73/month	R97.23/month
2.	Tariff for accessibility to sewerage system (basic charge occupied and unoccupied)	R102.00/month	R110.26/month	R116.88/month	R123.89/month
3.	Sewer tariff for restricted usage (un-metered)	R101.62/ month	R101.62/ month	R109.59/month	R116.17month
4.	Servicing sewer conservancy tanks/pits (small)	R180.22/service	R194.81/service	R206.50 month	R218.89 month
	Servicing sewer conservancy tanks/pits (large)	R386.24 / 5000l/ load	R417.52 / 5000l/ load	R442.57 /5000/load	R469.12/month
	Discharge of sewage to waste water works by private sewer tankers	R0.37/litre	R0.39/litre	R0.42	R0.45
	<b>Integrated Step Tariff (Domestic Use)</b>				
5.	Water tariff for water usage up to 6kl	Free/ Indigent	Free/ Indigent	Free /indigent	Free /indigent
	Water tariff for water usage 1 to 30kl	R11.62kl	R12.56kl	R13.31kl	R14.11kl
	Water tariff for water usage 31k to 100kl	R13.46kl	R14.55kl	R15.42kl	R16.35kl
	Water tariff for water usage 101kl to any usage	R15.48kl	R16.73kl	R17.73kl	R18.79kl