NQUTHU MUNICIPALITY

TARIFFS BY-LAWS 2025/26

Date of Commencement: 1 July 2025

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Entire by-law

To provide for the adoption and implementation of a tariff policy; for the general power to levy and recover fees, charges and tariffs and for matters incidental thereto.

Preamble

WHEREAS section 229(1) of the Constitution authorises a municipality to impose-(a) rates on property and surcharges on fees for services provided by or on behalf of a municipality; and(b) if authorised by national legislation, other taxes, levies and duties appropriate to local government or to the category of local government into which that municipality falls;

WHEREAS in terms of Section 75A of the Municipal Systems Act, a municipality may-(a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and(b) recover collection charges and interest on any outstanding amount;

WHEREAS in terms of Section 74(1) of the Municipal Systems Act, a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of the Municipal Systems Act, the Municipal Finance Management Act and any other applicable legislation;

WHEREAS in terms of Section 75 of the Municipal Systems Act, a municipal council must adopt By-laws to give effect to the implementation and enforcement of its tariff policy;

AND WHEREAS the By-laws adopted in terms of section 75 of the Municipal Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.

NOW THEREFORE the Municipal Council of the Nquthu Municipality, acting in terms of section 156 of the Constitution of the Republic of South Africa, and read with section 11 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), hereby makes the following By-law:

Definitions

In this By-law, unless the context indicates otherwise-"**Constitution**" means the Constitution of the Republic of South Africa;"**City Hall**" refers to the main administrative office of the municipality, situated on 83 Mdlalose Street, Nquthu, 3135;"**MEC for local government**" means the MEC responsible for local government in KwaZulu-Natal;"**municipal council**" or "council" means the Nquthu Local municipal council, a municipal council referred to in section 157(1) of the Constitution;"**Municipal Finance Management Act**" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);"**municipal manager**" means a person appointed in terms of section 54A of the Municipal Systems Act as the head of administration of the municipal council;"**Municipal Systems Act**" means the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);"**municipality**" means Nquthu Local Municipality, a category B municipality as envisaged in terms of section 155(1) of the Constitution and established in terms of PN343 of 2000 (KZN);"tariff' means fees and charges levied by the municipality in respect of any function or service provided by the municipality to the local community, and includes a surcharge on such tariff but excludes the levying of rates by the Municipality in terms of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).

2. Interpretation of the By-law

If there is a conflict of interpretation between the English version of this By-law and a translated version, the English version prevails.

3. Adoption and Implementation of Tariff Policy

(1)The municipality must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of the Municipal Systems Act,

the Municipal Finance Management Act and any other applicable legislation.(2)The tariff policy adopted in terms of subsection (1) must be reviewed annually by the municipality.(3)The municipality shall not be entitled to impose tariffs other than in terms of a valid tariff policy.

4. Tariff Policy

(1)The municipality's tariff policy applies to all tariffs imposed by the municipality.(2)The tariff policy must reflect the principles referred to in the Municipal Systems Act, namely that-(a)users of municipal services should be treated equitably in the application of tariffs;(b)the amount individual users pay for municipal services should generally be in proportion to their use of that service;(c)poor households must have access to at least basic services through-(i)tariffs that cover only operating and maintenance costs;(ii)special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of service;(iii)any other direct or indirect method of subsidisation of tariffs for poor households;(d)tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;(e)tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;(f)provision may be made in appropriate circumstances for a surcharge on the tariff for a service;(g)provision may be made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;(h)the economical, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives must be encouraged; and(i)the extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed.(3)The municipality's tariff policy must-(a)specify the manner in which the principles referred to in subsection (2) are to be implemented;(b)specify the basis of differentiation, if any, between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination; and(c)include any further enforcement mechanisms the municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection By-law and Policy.

5. General Power to Levy and Recover Fees, Charges and Tariffs

(1)The municipality has the power to-(a)levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and(b)recover collection charges and interest on any outstanding amount.(2)Fees, charges and tariffs referred to in subsection (1) are levied by resolution passed by the municipal council with a supporting vote of a majority of its

members.(3)After a resolution contemplated in terms of subsection (2) has been passed, the municipal manager must, without delay-(a)conspicuously display a copy of the resolution for a period of at least 30 days at the City Hall and at such other places within the municipality to which the public has access as the municipal manager may determine;(b)publish in a newspaper of general circulation in the municipality a notice stating-(i)that a resolution as contemplated in subsection (3) has been passed by the council;(ii)that a copy of the resolution is available for public inspection during office hours at the City Hall and at the other places specified in the notice; and(iii)the date on which the determination will come into operation; and(c)seek to convey the information referred to in paragraph (b) to the local community by means of radio broadcasts covering the area of the municipality.(4)The municipal manager must forthwith send a copy of the notice referred to in subsection (3)(b) to the MEC for local government concerned.

6. Enforcement of Tariff Policy

(1)The municipality's tariff policy shall be enforced through-(a) its Credit Control and Debt Collection By-law and Policy; and (b) any other enforcement mechanism stipulated in the Tariff Policy.

7. Delegations

(1)Subject to the Constitution and applicable national and provincial laws, any -(a)power, excluding a power referred to in section 160(2) of the Constitution;(b)function; or(c) duty conferred, in terms of this By-law, upon the Council, or on any of the Municipality's other political structures, political office bearers, councillors or staff members, may be delegated or sub-delegated by such political structure, political office bearer, councillor, or staff member, to an entity within, or a staff member employed by, the Municipality.(2)The delegation in terms of sub-section (1) must be effected in accordance with the system of delegation adopted by the Council in accordance with section 59(1) of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000), subject to the criteria set out in section 59(2) of said Act."(3)Any delegation contemplated in this section must be recorded in the System of Delegations, which must contain information on the-(a) entity or person issuing the delegation or sub-delegation ;(b)recipient of the delegation or sub-delegation; and(c)conditions attached to the delegation or sub-delegation.

8. Short Title and Commencement

This By-law is called the Nquthu Municipality: Tariff By-law, 2025/26, and takes effect 01 July 2025.