



MOGALE CITY LOCAL MUNICIPALITY

CREDIT CONTROL AND DEBT COLLECTION BY-LAW

2026/2027

BY-LAW

To give effect to the implementation of Mogale City Local Municipality's Credit Control and Debt Collection Policy, and to provide for matters incidental thereto.

PREAMBLE

WHEREAS section 156(2) of the Constitution specifies that a municipality may make and administer by-laws for the effective administration of the matters it has the right to administer;

WHEREAS Mogale City Local Municipality has adopted a Credit Control and Debt Collection Policy on 30 November 2006;

AND WHEREAS section 98 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), requires a municipal council to adopt bylaws to give effect to the municipality's credit control and debt collection policy;

BE IT THEREFORE ENACTED by the Council of the Mogale City Local Municipality, as follows:-

1. Definitions

In this By-Law any word or expression to which a meaning has been assigned in the Act, shall bear the same meaning in these bylaws, and unless the context indicates otherwise

"Act" means the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), as amended from time to time;

"Council" means the Council of the Mogale City Local Municipality;

"Credit Control and Debt Collection Policy" means a Policy adopted by the Municipality for the purposes of credit control and debt collection of all monies due and payable to the municipality; and

"rate" or "rates" means a rate on property and or services as approved by council.

"municipal services" means those services provided by the municipality, such as, inter alia the supply of water, electricity, refuse removal and sewerage treatment and for which services charges are levied.

"municipal account" means an account rendered specifying charges for services provided by the municipality, or any authorised and contracted service provider, and/or assessment rates levies as well as municipal rent.

"interest" means the charge levied on arrears, calculated at the prime rate charged by the bank which holds the municipality's primary bank account, plus a percentage as may be determined by Council from time to time

"illegal connection" means a connection to any system through which municipal services are provided that is not authorized or approved by the municipality.

"due date" in relation to

- a) rates due in respect of any immovable property, means:

(i) the seventh (7th) day of October of the financial year for which such rate is made, in the case where rates are levied on an annual basis.

(ii) the date for payment indicated on the account, in the case where rates are levied on a monthly basis, or

(iii) any other date determined by Council in terms of a public notice in the Provincial Gazette, and b) service charges due in respect of any immovable property, means the date for payment indicated on the account, provided that the due date for any service charges means the seventh (7th) day of October in the case where service charges are levied annually, and c) should such day fall on a Saturday, Sunday or public holiday the due date shall be the next working day.

“customer” means

a) the occupier of any premises to which the municipality has agreed to supply or is supplying municipal services, or if no occupier can be identified or located, then the owner of the premises and includes any customer of the municipality.

b) any person, whether natural or juristic and includes, but is not limited to any local government body or like authority, a company or close corporation incorporated under any law, a body of persons whether incorporated or not, a statutory body, public entity body, voluntary association or trust.

“arrears” means those rates, levies, consumed services, service charges and municipal rental that have not been paid by the due date and for which no arrangement has been made.

“indigent customer” means a domestic customer qualifying and approved by the municipality as an indigent in accordance with the municipality’s indigent policy and the applicable by-laws.

2. Credit control and debt collection policy adopted by the municipality

This Municipality has adopted a Credit control and debt collection policy (referred to as “the policy” herein), which policy comprehensively and in detail, deals with and regulates the matters as prescribed in Chapter 9 of the Municipal Systems Act 32 of 2000, therefore it is not necessary for this By-law to restate and repeat same. Therefore, and without repeating the contents of the policy, the contents of the policy are hereby incorporated into this by-law by reference and *mutatis mutandis* assigned the status of a By-law in as far as it is required for its implementation, enforcement and to be given effect to, as referred to in terms of the provisions of sections 12 and 13 of the Systems Act.

3. Objective of the By-law

The objective of this bylaw is to —

- I. ensure that all monies due and payable to the Council are collected;
- II. provide for customer management, credit control procedures and mechanisms and debt collection procedures and mechanisms;
- III. provide for indigents in a way that is consistent with the approved indigent management policy, rates and tariff policies and any national policy on indigents;
- IV. provide for extension of time for payment of accounts;

- V. provide for charging of interest on arrears, where appropriate;
- VI. provide for termination of services or the restriction of the provision of services when payments are in the arrears;
- VII. provide for matters relating to unauthorized consumption of services, theft and damages.

4. Application of BY LAW

This bylaw shall only apply to money due and payable to the Council and municipal entity in respect of which the municipality is the parent municipality for –

a. Assessment rates and taxes levied on the property

b. Fees, surcharges on fees, charges and tariffs in respect of municipal services, such as –

- I. provision of water;
- II. refuse removal;
- III. sewerage;
- IV. removal and purification of sewerage;
- V. electricity Municipality consumption;
- VI. municipal services provided through prepaid meters.
- VII. all other related costs for services rendered in terms of the property
- VIII. interest which has accrued or will accrue in respect of money due and payable to the Council;
- IX. collection charges in those cases where the Council is responsible for

(aa) the rendering of municipal accounts in respect of any one or more of the municipal services;

(bb) the recovery of amounts due and payable in respect thereof, irrespective whether the municipal services, or any of them, are provided by the Council itself or by a service utility with which it has concluded a service provider agreement to provide a service on the municipality's behalf.

5. Provision of information

A rate payer, owner, consumer, customer and debtor or person within the municipal area must provide the Municipality with accurate information requested by the Municipality that is reasonably required by the Municipality for the implementation or enforcement of this by-law. No person shall make a false statement or furnish false information to the Municipality or falsify a document issued in terms of this by-law.

6. Offences

(1) It is an offence for any person to:

(a) unlawfully and intentionally or negligently interfere with any actions taken by the Municipality in terms of this by-law;

(b) contravene or fail to comply with any provision of this by-law in as much as this by-law places an obligation or duty on such a person to comply with this by-law;

(c) contravene or fail to comply with a condition or prohibition imposed in terms of this by-law;

(d) contravene or fail to comply with any conditions imposed upon the granting of any application, consent, approval, concession, exemption, rebate or authority in terms of this by-law;

(e) fail to provide information or provide false or misleading information reasonably requested by the Municipality;

(f) fail or refuse to give access required by the Municipality in terms of the provision of this by-law;

(g) fail to comply with the terms of a notice served upon him/her in terms of this by-law;

(h) fail or refuse to provide the Municipality with a document or information that the Municipality is entitled to in terms of this by-law;

(i) disclose any information relating to the financial or business affairs of any person which information was acquired in the performance of any function or exercise of any power in terms of this by-law;

(j) fail to comply with any lawful instruction given in terms of this by-law; or

(k) obstruct or hinder the Municipality in the execution of the Municipality's duties under this By-law.

(2) Any alleged offence committed in terms of sub-section (1) above, may be enforced in terms of clause 7 below, and may be referred to the South African Police Services by the Municipality for investigation with a view to possible prosecution.

7. Penalty

(1) A person who contravenes or fail to comply with a provision of this by-law, or commit an offence as set out in this by-law shall be liable on conviction to a fine or imprisonment, or in the case of any continued offence to a further fine or imprisonment for every day during the continuance of such offence.

(2) Fines may be imposed in terms of section 341 of the Criminal Procedure Act, wherein:

(3) (a) a person receiving a notification, in writing, of an alleged contravention or non

compliance with this By-Law, at a specified place, date and time, or a period specified in the notification, which shall also set out the amount of fine which a court or a municipality trying such a person for the offence allegedly committed may impose, such person may within thirty (30) days (in case of a court), and seven (7) days (in case of a municipality), deliver or transmit the notification, together with the sum of money equal to the said amount in the notification as payment for the fine, to the magistrate of the district or area (in case of court) or to the municipality where the offence is alleged to have been committed;

(b) such sum of money paid shall be deemed to be a fine imposed in respect of the offence in question; and

(c) such person shall not be prosecuted for having committed the offence.

(4) The Municipality may, in collaboration with national government in the spirit of cooperative governance, establish municipal courts whose core functions, among others, will be to prosecute offenders of –

(a) traffic regulations;

(b) infringements of the Municipality's by-laws, and National Building Regulations and Schemes; and

(c) contraventions of the national and provincial legislation that the Municipality is empowered to enforce.

(5) Section 179 of the Constitution, read with the National Prosecuting Authority Act 32 of 1998, as amended, provide for a single national prosecuting authority in the Republic of South Africa. Section 112 of the Local Government: Municipal Systems Act provides:

(a) a staff member of the Municipality authorised in terms of section 22(8)(b) of the National Prosecuting Authority Act to conduct the prosecutions, may institute criminal proceedings and conduct the prosecutions in respect of a contravention of or failure to comply with a provision of –

(i) a By-Law or regulation of the Municipality;

(ii) other legislation administered by the Municipality; and

(iii) other legislation as the National Director of Public Prosecutions may determine in terms of section 22(8)(b) of the National Prosecuting Authority Act.

(6) Any person suspected of tampering with: bypassing, damaging, or illegally connecting to municipal services may be—

a) issued with a written notice of contravention;

b) referred to the Municipal Magistrate Court for prosecution; or

c) reported to the South African Police Service for investigation and prosecution

(7) The Magistrates Court shall have jurisdiction over all matters relating to contravention of and non-compliance with the provisions of this By-Law.

8. Referral for Prosecution

Where a municipal court has jurisdiction, an authorised municipal prosecutor may institute criminal proceedings against the offender in accordance with applicable legislation.

9. Liability for Costs

A person found guilty of an offence in terms of this section shall be liable for—

a) the cost of repairs to municipal infrastructure;

b) the estimated value of services consumed unlawfully;

- c) administrative penalties imposed by the Municipality; and
- d) any legal and recovery costs incurred by the Municipality.

10. Disqualification from Payment Arrangements

A person who has tampered with or bypassed municipal services shall not qualify for a payment arrangement or debt relief until all penalties and charges relating to the offence have been settled

11. Repeal of By-laws

This By-law revokes all previous By-laws, decisions and/or ad hoc clauses within any other By-law, regarding the subject matter of this By-law.

12. Short title and commencement

This By-law is the Credit control and Debt collection By-law and takes effect on the 1st of July 2026.

File: XXXX

Council Resolution: Item No. K(iii) 02(03/2026)

Gauteng Provincial Gazette Number: XXXX

Local Authority Notice Number: GT481