

Writing off bad debts open door for water management

Writing off a substantial amount of bad debts by Theewaterskloof Municipality was done in context with the authority's credit control policy and the requirements of the Local Government: Municipal Systems Act and the Municipal Financial Management Act (MFMA). These policies and acts prescribe to municipalities to collect debts or to write it off if it is not recoverable.

The municipality is committed that debts will not be written off again as it will deal with outstanding accounts decisively, ensure that households honour their financial obligations towards the municipality timely, and that all households, including indigent families, only purchase services that they can afford.

Positive outcomes of writing off bad debts include opportunities for the municipality and all clients to redefine terms and conditions for purchasing and providing services such as water and electricity; lifting the deceleration of water to households who is no longer in arrears with payments; determining the services needs and usage of households, including indigent families; and that all clients honour their financial commitments with the municipality.

The municipality understands frustrations caused by the deceleration of water due to non payments. Thus far, this was the only method to prevent escalating water debts and to ensure that everyone pay for services, as requested by the majority of people in Theewaterskloof.

Recently households, on all income levels, indicated a preference for water management to ensure that households purchase volumes of water they can afford and as an alternative for deceleration. Subsequently the municipality decided to implement a water management system for all water consumers. The first systems will be installed at indigent households who agree to this when they register as indigent clients and after they had been fully briefed about the system.

In addition the municipality decided to repair water leakages at indigent households, free of costs and on request, as the latter cannot afford water losses and subsequent expenses.

The water management system includes a water regulator that ensures that clients receive 6kl free water, and other volumes purchased, throughout the course of a month. Subsequently households will be able to manage their water usage to ensure that they will always have access to water.

The water management system and regulator will also be introduced at the GAP-houses in Caledon and all new residential properties. Other clients will receive the system on request and indications are that it will be popular as it will reduce household expenditure and prevent water restrictions.

More information about the project will be released once supporting infrastructures for the system and instruments have been installed and tested.