

DEBT COLLECTION

LEGISLATION

- Section 27 of the Constitution provides as follows:
 - ▶ Everyone has the right to have access to—
 - ▶ health care services, including reproductive health care;
 - ▶ sufficient food and water; and
 - ▶ social security, including, if they are unable to support themselves and their dependents, appropriate social assistance.
 - ▶ The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of each of these rights.
- ▶ No one may be refused emergency medical treatment

LEGISLATIONCont.

▶ Water Services Act Section 3

- ▶ Everyone has a right of access to **basic water supply** and basic sanitation.
 - ▶ Every water services institution must take reasonable measures to realise these rights.
 - ▶ Every water services authority must, in its water services development plan, provide for measures to realise these rights.
 - ▶ The rights mentioned in this section are subject to the limitations contained in this Act.”
- ▶ “**basic water supply**’ means the prescribed minimum standard of water supply services necessary for the reliable supply of a sufficient quantity and quality of water to households, including informal households, to support life and personal hygiene.”

LEGISLATIONCont.

- ▶ **s 11(2)(d) of the Water Services Act,**
 - ▶ provides that the duty of a water services authority to ensure access to water services is subject to a duty of consumers to pay reasonable charges
- ▶ **s 11(g) which**
 - ▶ authorises the water services authority ‘to limit or discontinue the provision of water services if there is a failure to comply with reasonable conditions set for the provision of such services’

REGULATIONS UNDER THE WATER SERVICES ACT

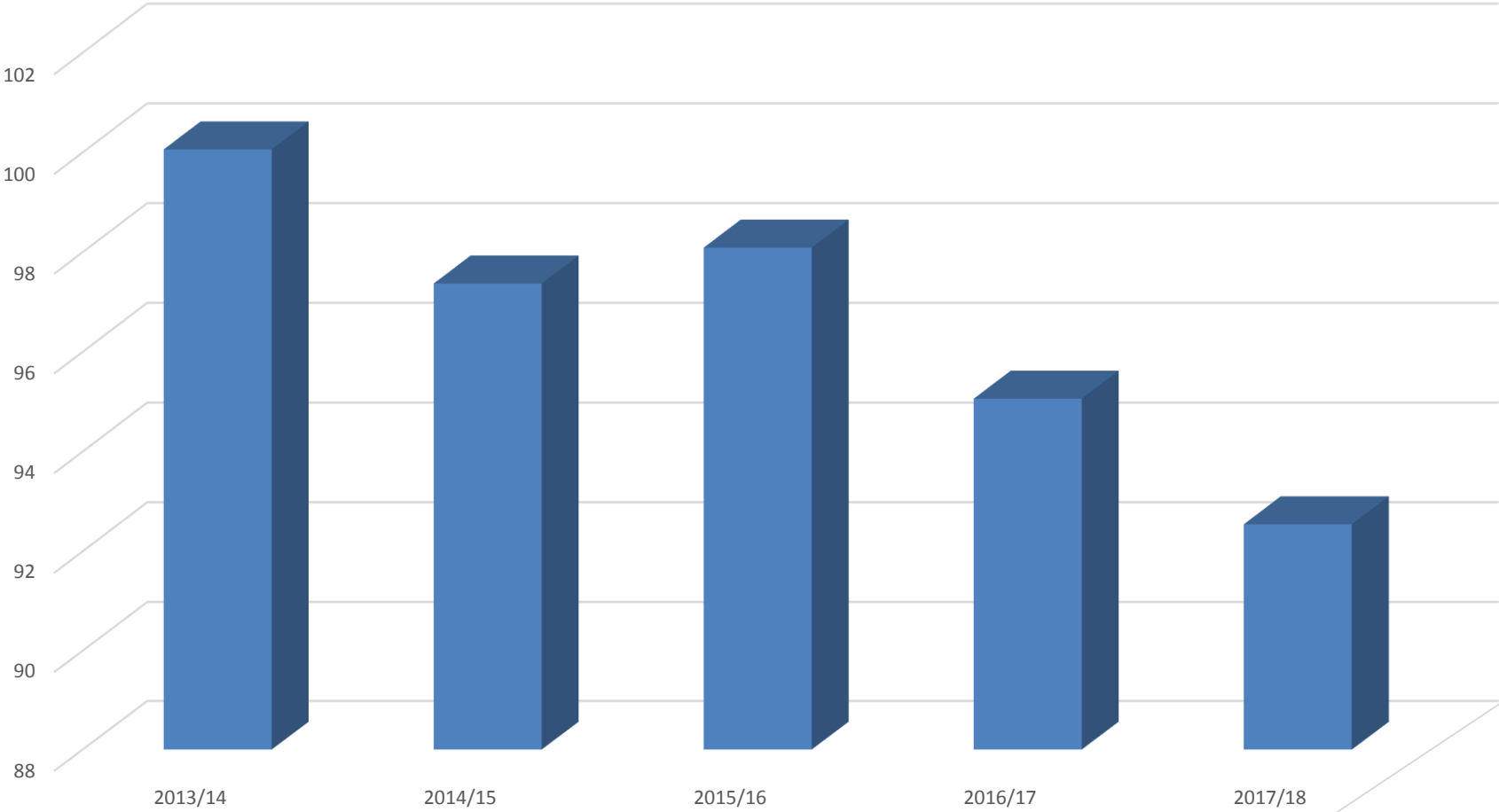
- ▶ Regulation 3 provides that:
- ▶ “The minimum standard for basic water supply services is-
 - ▶ the provision of appropriate education in respect of effective water use; and
 - ▶ a minimum quantity of potable water of 25 litres per person per day or 6 kilolitres per household per month-
 - ▶ at a minimum flow rate of not less than 10 litres per minute
 - ▶ within 200 metres of a household
 - ▶ with an effectiveness such that no consumer is without a supply for more than seven full days in any year.”

JUDGMENTS

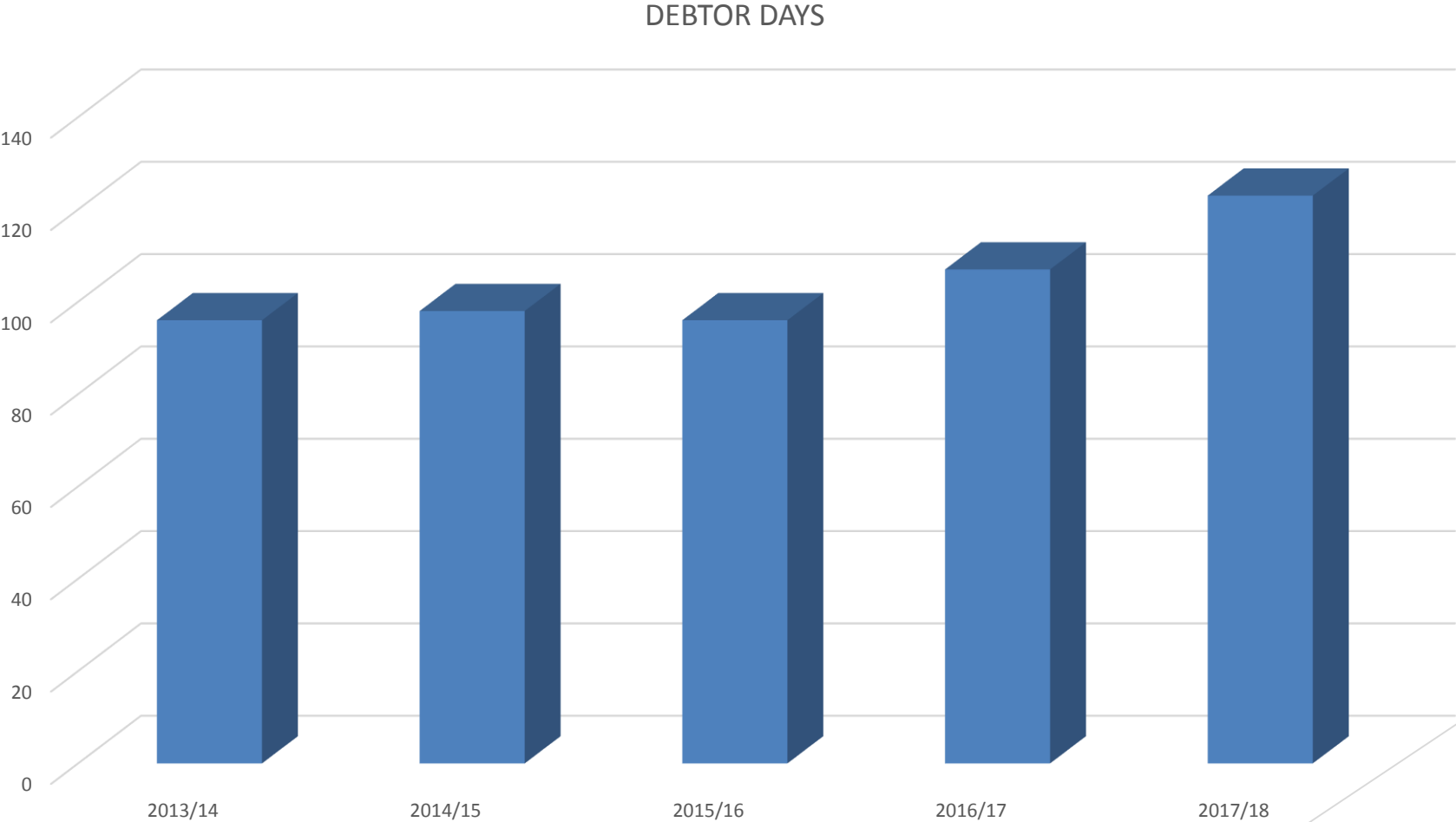
- ▶ *Mazibuko and Others v City of Johannesburg and Others* (CCT 39/09) [2009] ZACC
 - ▶ Para 50
 - ▶ Applying this approach to section 27(1)(b), the right of access to sufficient water, coupled with section 27(2), it is clear that the right does not require the state upon demand to provide every person with sufficient water without more; rather it requires the state to take reasonable legislative and other measures progressively to realise the achievement of the right of access to sufficient water, within available resources.

COLLECTION RATE OVER 5 YEARS

COLLECTION RATES



DEBTOR DAYS OVER 5 YEARS



STRATEGIES FOR DEBT COLLECTION

- ▶ STERILISE THE PROPERTY
- ▶ STERILISE THE PERSON
- ▶ TARGET THE PORTFOLIO

OTHER STRATEGIES

- ▶ **ARREST A DEBT**

This process is try to recover debt quickly and to get the customers to pay whilst the debt is still affordable.

- ▶ **CONSOLIDATION OF ACCOUNTS**

This process is ongoing where separate accounts belonging to one property are consolidated for effective credit control.

STRATEGIES contd

▶ BUSINESS TEAM

This team is totally dedicated to businesses because they are able to pay. Target customers who are able to pay.

▶ GOVERNMENT TEAM

There is also a team working with Govt to resolve outstanding issues and ensure payment of those accounts.

▶ MAJOR DEBTORS TEAM

Team working on Major debtors. These are generally customers with 50 or more accounts eg. Transnet. These are companies that are willing and able to pay for services if proper accounts are provided.

STRATEGIESCont

- ▶ Profiling of customers and focusing on portfolio
- ▶ Summons to be processed by revenue staff
- ▶ Clear Disconnection strategy with implementation plan
- ▶ Data cleansing
- ▶ Implement disconnections
 - ▶ Business Accounts
 - ▶ Residential

CONCERNS

- ▶ Deregistered companies
- ▶ Deceased Estates
- ▶ Bodies Corporate
- ▶ Ingonyama Trust and rural
- ▶ Trusts
- ▶ Spoliation order's when disconnecting
 - ▶ Is available where a person has been deprived of his or her possession of movable or immovable property or his or her quasi-possession of an incorporeal

▶ THANK YOU