

PORTFOLIO COMMITTEE :

FINANCE

Chairperson :

Cllr R de Coning

Committee Members :

**Cllrs L Ntsabo, G Cohen,
S Tebele, X Msweli and B Molefe**

PORTEFEULJEKOMITEE :

FINANSIES

Voorsitter :

Rdl R de Coning

Komiteelede :

**Rdle L Ntsabo, G Cohen,
S Tebele, X Msweli and B Molefe**

FINANCE PORTFOLIO COMMITTEE
FINANSIES PORTEFEULJEKOMITEE

21 May 2019

I N D E X

ITEM

**PAGE
NUMBER**

OPENING

APPLICATIONS FOR LEAVE OF ABSENCE

**STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE
CHAIRPERSON**

1. WRITING OFF OF IRRECOVERABLE DEBT

1

**AGENDA of the
Portfolio Committee: Finance
21 May 2019
(Also the agenda for the Mayoral Committee Meeting: 29 May 2019)**

**1.
WRITING OFF OF IRRECOVERABLE DEBT**

5/17/1

**EM Hooneberg
17 April 2019**

(028) 313 8149

Corporate Head Office

1. Executive Summary

The purpose of the report is to request Council to approve the writing off of debt that has become irrecoverable.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate Finance
Department Revenue

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Systems Act, Act 32 of 2000
Customer Care, Credit Control & Debt Collection Policy
Indigent Policy

6. Background/Discussion/Evaluation/Conclusion

6.1 Background

According to the Customer Care, Credit Control & Debt Collection Policy (CC,CC,DC P):

- Section 8.7 states that debt will only be considered as irrecoverable if it complies with specific criteria as set out in the policy.
- Section 8.7.2 states that all debtors who qualify and are registered as indigent, will have their arrears written off once during ownership of the property.

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6.2 Discussion

6.2.1 Annexure A – First Time Write Off Indigent Households R217 502.67 (Section 8.7.2 of the CC,CC,DC P)

This list consists of accounts where the owners have qualified for the indigent grant and are currently receiving it but the arrear amounts have not yet been written off.

All these debtors are newly registered indigents and thus part of the write off list for the first time.

6.2.2 Annexure B – Indigent water leakages irrecoverable: R323 904.96

This list consists of accounts where the owners are registered as Indigent Households and incurred water losses due to leakages. These consumers have repaired the leakages.

Close monitoring of monthly water consumption takes place to ensure timeous reporting of water leaks and installation of flow limiter water meters as far as possible to reduce water losses and to limit outstanding debits.

7. Financial Implications

Business - Key	Cost Account	Item Description
20170525140613	4 02 0630 002 1	Impair Rates: Bus & Commercial Prop
20170525140633	4 02 0630 012 1	Impair Rates: Residential Prop Develop
20170525140643	4 02 0630 014 1	Impair Residential Property Vacant
20170525140653	4 02 0630 016 1	Impair Agricultural Purposes
20170525140663	4 02 0630 018 1	Impair Special Rating Area
20170525140673	4 02 0630 020 1	Impair State Owned NT
20170525140653	4 02 0630 022 1	Impair State Owned PT
20170525140663	4 02 0630 024 1	Impair Electricity
20170525140673	4 02 0630 026 1	Impair Property Rental Debtors
20170525140683	4 02 0630 028 1	Impair Service Charges
20170525140693	4 02 0630 030 1	Impair Waste Management
20170525140703	4 02 0630 032 1	Impair Waste Water Management
20170525140713	4 02 0630 034 1	Impair Water

Provision 2018/2019	:	-R21 773 613.63
Contribution to Provisions Spent to Date / Committed	:	-R583 333.50
Balance Available	:	R286 176.06
Funding Required	:	-R22 070 771.07
		R541 407.63

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8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: First time write off – Indigent Households

Annexure B: Irrecoverable Indigent water leakages

RECOMMENDATION TO THE COUNCIL:

that the irrecoverable debt to the value of R541 407.63 as listed below, be written off as bad debt:

A	First time write off – Indigent Households	R 217 502.67
B	Indigent water leakages irrecoverable	R 323 904.96
	TOTAL	R 541 407.63

RESPONSIBLE OFFICIAL :

EM HOONEBERG

TARGET DATE FOR IMPLEMENTATION :

31 MAY 2019

**AGENDA of the
Portfolio Committee : Finance
21 May 2019
(Also the agenda for the Mayoral Committee Meeting : 29 May 2019)**

**1.
WRITING OFF OF IRRECOVERABLE DEBT**

5/17/1

**EM Hooneberg
17 April 2019**

(028) 313 8149

Corporate Head Office

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
21 MAY 2019, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

that the irrecoverable debt to the value of R541 407.63 as listed below, be written off as bad debt:

A	First time write off – Indigent Households	R217 502.67
B	Indigent water leakages irrecoverable	R323 904.96
	TOTAL	R541 407.63

RESPONSIBLE OFFICIAL :

EM HOONEBERG

TARGET DATE FOR IMPLEMENTATION :

31 MAY 2019

ANNEXURE A 1/1

FIRST TIME WRITE OFF : INDIGENT HOUSEHOLDS

Account number	Suburb	Debtor's Name	Initial	Total
140000002500	GFK	JONES	L&C	3 066.29
201000238682	HHW	MESIAS	BM	27 481.48
205006490004	HHW	MANUELS	AC	6 551.90
205009070007	HHW	APRIL	BJ&CA	6 230.82
318546414079	KKM	LINEKER	RG &	10 606.64
350200210102	KBB	JANSEN	N	33 786.81
353311300403	KBB	JONES	KNJH&J	114 305.14
354357300103	KBB	MYBURG	JF&P	12 378.06
361018120400	KPRB	COLLINSON & BOWDE	AJ	3 095.53
			TOTAL	R 217 502.67

OVERSTRAND MUNICIPALITY: Irricoverable Indigent Water Leakages

Account	Erf	Suburb	Debtor	Total
312820808008	8208	Kleinmond	PP APRIL & A FORTUIN	1 130.74
312839908003	8399	Kleinmond	Z FATUSE & KP RENENE	323.73
358550800093	5508	Bettie's Bay	YM PIETERSEN	15 950.04
451000045210	452	Stanford	JJ & M FRANS	1 971.38
451000045801	458	Stanford	MF & CB SPANDIEL	548.78
451000050410	504	Stanford	PT & M PHILLIPS	2 020.61
451000101516	1015	Stanford	LM MORRIS	609.83
451000109222	1092	Stanford	JA JAMES	1 872.84
451000110710	1107	Stanford	GA & S RICHARDS & LOUW	981.57
451000135304	1353	Stanford	W & N BHESENGILE	13 023.54
451000144120	1441	Stanford	M & N MQHAKAZA & JINI	375.86
451000146012	1460	Stanford	J & K BARENDS	1 068.63
451000159210	1592	Stanford	J & E PLAATJIES & BENJAMIN	1 030.14
451000220211	2202	Stanford	NK & EN STEPHANUS & STEFAANS	2 376.86
900000522664	1044	De Kelders	GS & JC LUCAS	2 322.28
900000525832	925	Blompark	J & A DAMON	1 137.60
900000526936	80	Gansbaai	AM WERTH	1 041.59
900000535659	38	De Kelders	AC & HP EKSTEEN	3 732.51
900000551378	1889	Masakhane	AW & N YANA	263.87
900000574805	190	Zwelihle	A KEPKEY	1 412.67
900000575923	3329	Masakhane	T LUBENI	891.47
900000580453	9288	Zwelihle	S THIMBANI	15 638.07
900000580460	765	Zwelihle	M NDUDU	5 852.63
900000580477	23	Hawston	AJ & E MANE	286.84
900000580484	49	Zwelihle	NN JIMLONGO	1 575.97
900000580491	82	Zwelihle	GR & F NDHLOVU	10 830.79
900000580501	192	Hawston	S & M JOHANNISEN	9 515.66
900000580518	203	Hawston	LR MALOY	12 578.98
900000580525	311	Zwelihle	PC LUSIBA	11 677.96
900000580532	437	Hawston	CM BRAAF	6 124.17
900000580549	742	Zwelihle	NV SILO	3 682.09
900000580556	1496	Zwelihle	T MALIWA	3 698.29
900000580563	1558	Hawston	M & HM SWARTZ	3 888.77
900000580570	1565	Zwelihle	CJ & MJ MANISI	1 147.42
900000580587	1646	Hawston	CU DURAAN	405.90
900000580594	1712	Zwelihle	AC LUSIBA	359.54
900000580604	1744	Zwelihle	LD MGOQI	789.62
900000580611	1802	Zwelihle	B NTAMO	12 457.47
900000580628	2061	Hawston	HE ESAU	3 133.04
900000580635	2138	Hawston	M SWARTS	2 936.49
900000580642	2145	Hawston	E ANDERSON	2 701.44
900000580659	2870	Hawston	JW & ES DUNSTON & LANGLEY	2 041.50
900000580666	6482	Mount Pleasant	JL BENJAMIN	1 198.10
900000580673	6745	Mount Pleasant	R WITBOOI	503.29
900000580680	6936	Mount Pleasant	DJ & DP DEEZ	46 103.46
900000580697	6956	Mount Pleasant	T PIETERS	491.82
900000580707	6966	Mount Pleasant	W & HS ABRAHAMS & PLAATJIES	10 309.45
900000580714	7741	Mount Pleasant	W & ME DIEDERICKS	1 969.83
900000580721	7846	Mount Pleasant	FM DA COSTA (BEUKMAN)	1 965.77
900000580738	7861	Mount Pleasant	C JAKOBUS	1 954.83
900000580745	8651	Zwelihle	L NGXONI	2 445.93
900000580752	8935	Zwelihle	N QOTHWANA	7 645.28
900000580769	9037	Zwelihle	NU XOTYENI	263.44
900000580776	9051	Zwelihle	PF MANAKAZA	13 011.50

900000580783	9044	Zwelihle	TB NYATELA	30 182.29
900000580790	9090	Zwelihle	M & N SOBANTU	18 011.19
900000580800	9130	Zwelihle	B MAKHOLWANE	1 222.54
900000580824	9273	Zwelihle	B & NO YALEZO	1 412.52
900000580831	9367	Zwelihle	KG NDUDU	5 456.59
900000580848	9430	Zwelihle	EN & P XEGO & NGXANDESHE	3 366.88
900000580855	9435	Zwelihle	P NTLABEZI	1 541.02
900000580862	9520	Zwelihle	N & M POYI & POYO	816.01
900000580879	9530	Zwelihle	PS MGONANA	6 439.89
900000580886	9724	Zwelihle	NV MGQEBA	2 184.15
TOTAL				R 323 904.96