

## **PROPOSED AMENDMENTS TO CREDIT CONTROL AND DEBT COLLECTION POLICY 2020/2021 FINANCIAL YEAR**

11. <u>EXISTING CLAUSE</u>	<p>11. PAYMENT OPTIONS</p> <p>11.3 The following payment methods are also available:</p> <ul style="list-style-type: none"> <li>(i) Cash</li> <li>(ii) EFT</li> <li>(iii) Internet Transfers;</li> <li>(iv) Third party collectors appointed from time to time by the Municipality;</li> <li>(v) Direct Debit (ACB)</li> <li>(vi) (vi) Credit card or debit card</li> <li>(vii) Debit Order payments</li> <li>(viii) Cheque not exceeding the value of fifty thousand rand (R50, 000.00)</li> </ul>
<b><u>11. PROPOSED CLAUSE</u></b>	<p>11. PAYMENT OPTIONS</p> <p>11.3 The following payment methods are also available:</p> <ul style="list-style-type: none"> <li>(i) Cash</li> <li>(ii) EFT</li> <li>(iii) Internet Transfers;</li> <li>(iv) Third party collectors appointed from time to time by the Municipality;</li> <li>(v) Direct Debit (ACB) (vi) Credit card or debit card</li> <li>(vi) Debit Order payments</li> </ul>
<b>REASON</b>	<p><b>Request for deletion of clause (viii) Cheque not exceeding the value of fifty thousand rand (R50, 000.00), due to a reason that with effect from 1st December 2020, ABSA has announced that it is phasing out issuing cheques as a method of payment.</b></p>
12. <u>EXISTING CLAUSE</u>	<p>12. DISHONoured PAYMENTS</p> <p>(c) Shall require all future payments to be made by cash or electronic fund transfer in an event where more than two <b>cheque</b> or debit order payments from the debtor have been dishonoured by the bank.</p>
<b>12. PROPOSED CLAUSE</b>	<p><b>(c) Shall require all future payments to be made by cash or electronic fund transfer in an event where more than two debit order payments from the debtor have been dishonoured by the bank.</b></p>
<b>REASON</b>	<p><b>Request for deletion of a “cheque” due to a reason that with effect from 1st December 2020, ABSA has announced that it is phasing out issuing cheques as a method of payment.</b></p>
17. <u>EXISTING CLAUSE</u>	<p>17. DEBT COLLECTION</p> <p>17.2. A customer will be liable for any legal fees, <b>cheque costs</b>, postal charges, administration fees, short and /or electronic communication in taking action for the recovery of arrears and any interest.</p>

<b><u>PROPOSED CLAUSE</u></b>	<b>17.2. A customer will be liable for any legal fees, postal charges, administration fees, short and /or electronic communication in taking action for the recovery of arrears and any interest.</b>
<b><i>REASON</i></b>	<b>Request for deletion of a “cheque cost’ due to a reason that with effect from 1st December 2020, ABSA has announced that it is phasing out issuing cheques as a method of payment.</b>
<b>18 <u>EXISTING CLAUSE</u></b>	<p>18 ARRANGEMENT FOR PAYMENT OF ARREAR ACCOUNTS</p> <p>18.1 A customer may enter into an arrangement with the Municipality for the repayment of an arrear account by concluding: Arrangement for repayment of Arrear debt may not be granted where:</p> <p>(a) Arrears have arisen due to dishonored <b>cheques</b> and direct debit reversals more than two times.</p>
<b><i>18 PROPOSED CLAUSE</i></b>	<p>18 ARRANGEMENT FOR PAYMENT OF ARREAR ACCOUNTS</p> <p>18.1 A customer may enter into an arrangement with the Municipality for the repayment of an arrear account by concluding: Arrangement for repayment of Arrear debt may not be granted where:</p> <p>(a) Arrears have arisen due to dishonored direct <b>debit order</b> reversals more than two times.</p>
<b><i>REASON</i></b>	<b>Request for deletion of a “cheque’ due to a reason that with effect from 1st December 2020, ABSA has announced that it is phasing out issuing cheques as a method of payment.</b>
<b>21 <u>EXISTING CLAUSE</u></b>	<p>21. MUNICIPAL CLEARANCE CERTIFICATES</p> <p>21.1.8.1 An Attorney’s Trust cheque may be accepted in lieu of cash payment.</p>
<b>21. <u>PROPOSED CLAUSE</u></b>	21.1.8.1 An Attorney” <b>electronic fund transfer payment</b> may be accepted in lieu of cash payment.
<b><i>REASON</i></b>	<b>Request for deletion of a “Trust cheque and replace with electronic fund transfer payment’ due to a reason that with effect from 1st December 2020, ABSA has announced that it is phasing out issuing cheques as a method of payment.</b>
<b>36. <u>EXISTING CLAUSE</u></b>	<p>36. LEGAL ACTION</p> <p>36.1.4. A customer will be liable for any legal fees, <b>cheque costs</b>, postal charges, administration fees, costs incurred in taking action for the recovery of arrears and any penalties, including the payment of a higher deposit, as may be determined by the Municipality from time to time.</p>
<b>36. <u>PROPOSED CLAUSE</u></b>	<b>36.1.4. A customer will be liable for any legal fees, postal charges, administration fees, costs incurred in taking action for the recovery</b>

	of arrears and any penalties, including the payment of a higher deposit, as may be determined by the Municipality from time to time.
<b>REASON</b>	Request for deletion of a “cheque due to a reason that with effect from 1st December 2020, ABSA has announced that it is phasing out issuing cheques as a method of payment.