

# Johannesburg's Special Cases Policy

## A new start for the indigent

On 4 May 2005 the City of Johannesburg started registering beneficiaries under the Special Cases Policy of 2004. The main purpose of the policy is to write off municipal services debts owed by indigent people and to provide subsidisation of basic services for identified classes of people.

### Basic services in the constitution

The Constitution guarantees everyone's access to certain basic goods and services such as adequate housing and health care services, including sufficient food and water. These rights have been given effect through various laws and judicial decisions. The right to water, for instance, has been operationalised by the Water Services Act of 1997. This Act guarantees everyone a minimum standard of water supply, which means the reliable supply of sufficient quantity and quality of water to households, including informal households, to support life and hygiene. The Minister of Water Affairs set the minimum at 25 litres of potable water per person per day, or six kilolitres (kl) of water per household per month.

### Obligations of local government

The state must respect, protect, promote and fulfil the rights in the Bill of Rights. This applies to all spheres of government. However, in practice local government is central in delivering basic services as it is the sphere of government that is closest to the people. One of the stated objects of local government in the Constitution is ensuring the provision of services to communities in a sustainable manner. The Systems Act says local government must give effect to the provisions of the Constitution and ensure that everyone has access to at least the minimum level of basic municipal services. Such services must be equitable and accessible. The Act also says that the municipality's tariff policies must pay attention to the

## key points

- **The Special Cases Policy's main purpose is to write off the municipal services debts of indigent people and provide subsidisation of basic services for identified classes of people.**
- **It establishes a poverty register to inform poverty mapping and targeted socio-economic development programmes.**

principle that poor households must have access to at least basic services. This may be achieved by subsidising tariffs for poor households, but also by the provision of free services. The Act also says that credit control and debt collection policies must make provision for indigent debtors. The Johannesburg City Council (the City) provides six kl of free water per month to all residents and 50kW of free electricity to those who receive electricity supply from City Power, and it does not charge assessment rates for properties valued less than R20 001. It also adopted a Special Cases Policy in October 2004 with the aim of, among others, writing off municipal services debts for the city's indigent residents.

### Special Cases Policy

The Policy recognises the increasing levels of poverty, caused mainly by unemployment. The

City has recognised the need to create a safety net for those who lack the means to pay for basic services, including people who are disabled, pensioners, unemployed or with low-income full-time, temporary, casual contract or seasonal employment and HIV/AIDS patients and/or their orphans. The Policy's objectives are to:

- provide a subsidy on refuse removal and sanitation services for persons responsible for the payment of basic municipal services that do not have the financial means to do so;
- establish a poverty register to inform poverty mapping and targeted socio-economic development programmes; and
- enhance credit control measures by providing a safety net for the poorest of the poor and identifying those using poverty to not pay for basic services.

The Policy introduces a subsidy covering monthly services charges related to sewage and refuse collection for properties smaller than 300m<sup>2</sup>. Provision is also made for writing off arrears from the consumption of basic services by identified indigent persons. To qualify a person must apply for Special Case status; their application must include their identity document, a previous account from Council and proof of income or a sworn affidavit attesting to their inability to earn an income. Where the holder of a Council account is dead, as a result of HIV/AIDS, for example, the application must be accompanied by a copy of the death certificate. A successful applicant also qualifies for a free pre-paid electricity meter and a free pre-paid water meter.

### Assessment of the Special Cases Policy

The objectives of the Policy are laudable in that they are intended to give effect to the realisation of the socio-economic rights of the poor, as guaranteed by the Constitution. The Policy is an important step towards recognising that failure to pay for basic services does not stem from the culture of non-payment, but rather from poverty caused mainly by unemployment and, recently, by HIV/AIDS. By writing off arrears, the indigent are given the chance for a new start without

risking their access to services. The City of Johannesburg should be commended for this policy. Other municipalities are encouraged to explore means of adopting similar policies in conjunction with the national government.

In spite of this, however, the policy has serious flaws that need to be addressed. The biggest flaw is the requirement that the indigent have pre-paid meters installed. Pre-paid meters tend to commercialise water and to portray it as any other economic good. This is because access to water through this system is based on the immediate possession of cash to recharge the meter. For those assured of a daily income, this does not present much of a problem but it does for the unemployed and whose income is not regular. Even for those who are assured of an income, it becomes a problem when that income is lost as a result of illness or loss of employment for whatever cause.

The pre-paid meters also allow for self-disconnection from the service without following the statutory procedures. This is because they allow a consumer to be disconnected without having been given notice and without having a chance to make representations on their inability to pay, which is mandatory under section 4 of the Water Services Act. It is for this reason that gadgets similar to pre-paid water meters were abolished in the United Kingdom by court.

This is not to ignore the fact that the meters allow for access to the minimum basic water services of six kl a month. Although the meters have been calculated on the basis that an individual needs a minimum of 25 litres a day, with the assumption that an average household has eight individuals, some argue that it is too little because it falls far below the international standards of minimum basic water. The World Health Organisation, for example, regards up to 50 litres per person per day as sufficient for drinking, sanitation services, bathing and preparation of food.

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