

# **SERVICE LEVEL AGREEMENT**



**MADE AND ENTERED INTO BETWEEN**

**MOSSEL BAY MUNICIPALITY**

Herein represented by Mr. C B Puren in his capacity as Municipal Manager properly authorised thereto in terms of E\_\_\_\_\_

(hereinafter referred to as the Municipality)

AND

**DEBT MANAGER (PTY) LTD**

**Registration number: 2001/011145/07**

Herein represented by Ms. Elizabeth Hoffman, properly authorised thereto in her capacity as Director.

(hereinafter referred to as the Service Provider)

## **PREAMBLE**

**WHEREAS** the Municipality hereby appoints the Service Provider following the prescribed Supply Chain Management process in terms of TDR426/2022/2023 for the appointment of a Service Provider for Debt Collection and Subsidy Management Services for Mossel Bay Municipality; and

**WHEREAS** the prescribed process as determined in Section 33 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 was followed and Council Resolved in terms of E\_\_\_\_\_to enter into a Service Level Agreement with the Service Provider;

**AND WHEREAS** the Service Provider is desirous of rendering services to the Municipality on the terms and conditions as hereinafter described;

### **1. DEFINITIONS AND INTERPRETATION**

In this agreement, unless the context indicates otherwise-

- 1.1 An expression, which denotes any gender, includes the other genders, a natural person includes a judicial person and vice versa, and the singular includes the plural and vice versa;
- 1.2 Clause headings are for convenience only and shall not be taken into account in the interpretation of this Agreement;
- 1.3 The following expressions shall bear the meanings assigned to them-  
“**agreement**”: this Service Level Agreement (SLA) together with the tender documentation and any other annexures hereto;  
“**parties**”: Debt Manager (Pty) Ltd and Mossel Bay Municipality;
- 1.4 The tender documentation, incorporated herein forms part of the agreement between the parties;
- 1.5 In the event of any inconsistency between the provisions of this Agreement (SLA) and the tender documentation, the provisions of the tender document shall prevail;

- 1.6 This agreement shall be interpreted in accordance with the laws of the Republic of South Africa.

**NOW THEREFORE IT IS AGREED AS FOLLOWS:**

**2. APPOINTMENT**

- 2.1 The Municipality hereby appoints the Service Provider to render services to the Municipality.
- 2.2 The appointment shall commence on 1 December 2023 and shall terminate on 30 June 2028.

**3. WARRANTY AND ACCEPTANCE BY THE SERVICE PROVIDER**

- 3.1 The Service Provider, in accepting this appointment, expressly warrants that it possesses or has ready access to the appropriate skills to execute all its obligations in terms of this agreement.
- 3.2 The Service Provider expressly accepts that its services could be terminated on the grounds contained hereinafter and that the Municipality is not obliged to utilise the service of the Service Provider for any minimum period and that, upon termination, it would receive such fees and disbursements as are provided for herein.

**4. SCOPE OF WORK**

The Service Provider is to provide a Debt Collection and Subsidy Management Services in accordance with the Mossel Bay Municipality's Credit Control and Debt Collection Policy for a period from 1 December 2023 to 30 June 2028.

**5. CONDITIONS**

- 5.1 The Service Provider confirms that it is a registered member of the Council of Debt Collectors.

- 5.2 The management team of the Service Provider is required to meet:
- Weekly with the Municipality's operational manager; and
  - Monthly with the Municipality's senior management.
- 5.3 The Service Provider may be required to change, at own cost, existing management report formats at the request of the Municipality.
- 5.4 The Service Provider must supply its own resources in respect of offices, personnel, vehicles and equipment required.
- 5.5 Repetition of steps before the case is completed; as per the definition of a successful completion as defined in clause 1.6 of the tender document does not constitute a new case and cannot be charged additionally.
- 5.6 Service Provider must employ as far as possible local personnel for the duration of the contract.
- 5.7 Technical Requirements

5.7.1 Experience and human resources

Service Provider must manage all processes on an ongoing and permanent basis in an office situated within the Mossel Bay Municipal boundaries.

5.7.2 Geographical capacity and Customer service points

The Service Provider must establish and service the following points:

- Mossel Bay 5 days per week (08:00 -17:00 daily).
- Great Brak River 5 days per week (08:00 -17:00 daily).
- KwaNonqaba 5 days per week (08:00 -17:00 daily).
- D'Almeida 5 days per week (08:00 -17:00 daily)
- Hartenbos 5 days per week (08:00 -17:00 daily).

- Brandwag on request.
- Friemersheim on request.
- Herbertsdale on request.

### 5.7.3 Indigent / Pensioners management

The Service Provider must deliver the following services:

- a) Registration of indigent / pensioners customers;
- b) An electronic system for indigent / pensioners management;
- c) Maintenance of an integrated database of indigent / pensioners customers;
- d) Verification and evaluation of indigent / pensioners applications by visits to the premises;
- e) Report on any water or other spillage on the site to the Municipality whilst visiting the premises;
- f) Participation on a selection committee to evaluate applications;
- g) Annual re-assessments of existing indigent / pensioners beneficiaries;
- h) Perform at least biannual promotional and community awareness campaigns;
- i) At least monthly update the register of indigent households / pensioners ; and
- j) Monthly electronic reconciling of indigent households / pensioners to the financial system of the Municipality.

### 5.7.4 Legal services

The Service Provider's debt management system must:

- a) Manage the pre-legal and legal process;
- b) Report to the Municipality on problem areas and/or municipal services;

- c) Advise the Municipality on the recoverability of debt in terms of applicable legislation; and
- d) Advise the Municipality on possible write-offs.

#### 5.7.5 Physical disconnection services and repair of minor water leakages at indigent households

The Service Provider must:

- a) Perform the physical disconnection and reconnection of electricity and water supplies to individual customers; and
- b) Physically provide repair and maintenance services of water leakages relating to indigent households, on request of the Municipality.

#### 5.7.6 Automated online debt management system

The Service Provider will make use of a sophisticated computer system to manage the debt collection process on behalf of the Municipality. The Municipality utilises PROMUN Financial System and the Service Provider has provided evidence of (will accept the cost of development) an appropriate electronic interface to maintain the debt collection process and enable online reporting and access to different features.

5.7.6.1 The Service Provider must pay for, use and supply access to an automated online debt management system which will manage and control various administrative functions, including the following:

- Cut-off and remedial action lists;
- Pre-legal collections;
- Soft and hard tracing;
- Listing and de-listing of debtors;
- Online integration with ITC system;
- Promise to pay arrangements;

- Legal collections including summonses, judgements, letter of execution and instruction to sell;
- Handing over to and monitoring of attorneys;
- Handing over and controlling of debt collecting process;
- Success management and reporting;
- Password control and access management;
- Indigent / pensioners registration and management;
- History on each handed over account;
- Query and maintenance management; and
- Indigent / Pensioners Register and Proof of electronic indigent / pensioners balancing.

The online debt management system must also facilitate a debt recovery diary and workflow and indigent / pensioners campaign management.

- a) The Service Provider must, at own cost, consult with R-DATA to facilitate seamless integration of its computer system with the PROMUN Financial System. Contact person and detail at R-DATA is as follows:  
Mr Willie Groenewald at telephone (021) 422-2503 or e-mail at [wgroenewald@rdata.co.za](mailto:wgroenewald@rdata.co.za)
- b) The Service Provider must provide, at own cost all hardware and software required to provide the necessary services to the Municipality.

## 5.8 Debt Collection and Administration Services

5.8.1 The Municipality is invoicing all service charges and service fees arising from the tender. All cost in terms of this contract will be recovered, except in the case of indigent households, from the accounts of the defaulting customers.

5.8.2 The Service Provider will provide the agreed charges in a format agreed to by both parties which must seamlessly integrate with the financial system.

## 5.9 Arrear debt

5.9.1 The Service Provider will implement debt collection on Customer's arrear debts, i.e. unpaid after due date, as may be approved by the Municipality from time to time in accordance with its rates, credit control and debt collection and tariff policies.

5.9.2 The Services to be provided by the Service Provider include:

- Perform indigent / pensioner audits as prescribed by the Municipality from time to time;
- Identify and evaluate possible write-offs of outstanding debt;
- Log and report meter-related queries to the Municipality and/or designated contractor;
- Debt management services including:
  - a) Debtor identification through an arrears extract or preferably through an interface with the Municipality's systems;
  - b) Filtering arrears information for import into the Service Providers system;
  - c) Issuing of reminders to customers of their outstanding debt, by means of targeted telephone calls, SMS's, e-mail before any other action is taken.
  - d) Issuing 24-hour notices;
  - e) Identify and inform the Municipality of meters to be blocked;
  - f) Daily preparation of disconnection/reconnection orders for water and electricity;



- g) Handling all logistical matters in terms of the physical disconnection and reconnection of defaulters and in this respect the Service Provider will always employ persons with the relevant qualifications and experience as prescribed by the applicable legislation to undertake this work;
- h) Maintain record of relevant municipal charges and submit these to the Municipality for upload into its systems in a format to be agreed.
- i) Negotiating acceptable payment agreements in accordance with the Municipality policy; such arrangements will apply to all debt, both current and in arrears;
- j) Obtaining and maintaining acknowledgements of debt, emolument attachment orders;
- k) Follow-up on negotiated agreements;
- l) Identification of defaults on negotiated agreements;
- m) Preparation of summonses;
- n) Obtaining judgments;
- o) After handing over an account, the contractor must carry out in consultation and liaison with the Municipality and Legal services, a social assessment on site and face-to-face with the occupants/owners; present a social assessment report to the Municipality with recommendations on how to handle the outstanding debts:
- p) Ongoing liaison with legal Service Providers in terms of the execution of judgments;
- q) Keeping record and follow-up on disconnected customers not reconnected;
- r) Responsibility for all correspondence with debtors handled by the Service Provider in terms of the policy, up to the stage of handing over for legal proceedings:

- s) Repair of minor water leakages at indigent households as approved by management on an individual basis;
- t) Identification of water / electricity tamperers.

5.10 Preparation of reports according to the time frames set out below: -

- a) Indigent/pensioners applications (monthly/quarterly/annually);
- b) Recommended write-off report (monthly/quarterly/annually);
- c) Arrangements made for domestic, businesses and indigent monthly/quarterly/annually);
- d) Final demands issued (delivered and posted) (monthly/quarterly/annually);
- e) Billing and account queries (monthly/quarterly/annually);
- f) Correspondence handled with debtors (monthly/quarterly/annually);
- g) Electricity cut/reconnections (monthly/quarterly/annually);
- h) Water restrictions/reconnections (monthly/quarterly/annually);
- i) Electricity and water revisits (monthly/quarterly/annually);
- k) Electronic copy of municipal charges (weekly);
- l) Matters handed over and handed-over statistics (monthly/quarterly/annually);
- m) Payment level statistics (monthly/quarterly/annually);
- n) Arrears extract statistics (monthly/quarterly/annually);
- o) Workflow statistics for all actions;
- p) Arrears statistics (monthly/quarterly/annually)
  - growth in indigent/pensioner accounts;
  - cash flow improvements;
  - net effect on arrears;
  - collection on arrangements;
  - attorneys brought forward balances; and
  - impact of arrangements of brought forward balances.
- q) Quarterly reports, within 5 working days of the end of the quarter, of:
  - the Contractor's performance during that financial quarter;

- a comparison with targets of and with performance in the previous financial quarter;
  - the development of performance targets set by the Contractor for the following quarter;
  - measures that were or are to be taken into account to improve performance; and
  - prior to the effective date and quarterly thereafter in conjunction with the Municipal Manager, or his nominee, to perform a Quarterly Assessment of the current situation by:
    - identifying possible constraints and developing plans to overcome the constraints;
    - an analysis of the Municipality's outstanding debtors' book;
    - proposals for improved assistance to indigent customers;
    - recommendations in terms of improved customer care; and
    - proposed specific projects, the areas of focus, resources required and proposed outcomes.
- r) Annual reports, within 5 working days after the end of the financial year, of:
- the Contractor's performance during that financial year, in comparison with targets of and with performance in the previous financial year;
  - the development of performance targets set by the Contractor for the following year;
- s) Monthly electronic balancing of indigent households / pensioners; and
- t) Monthly updated register of indigent households / pensioners.

### 5.11 Specific System Requirements

The Service Provider warrants that the system utilised meets the Municipality's specific system requirements as stated in the tender document and will make daily back-ups.

## 5.12 Public Liability Insurance

The Public Liability Insurance will not be covered by the Municipality's overall Public Liability Insurance. The Service Provider must provide its own Public Liability Insurance. Proof must be provided within 7 days after appointment.

## 5.13 Operating costs

All costs related to the performance of the Contractor's Debt Collection and Management Services will be for its own account and are included in its fees stipulated in this agreement.

## PROCESSES IN TERMS OF AGREEMENT

### 5.14 Final demand process

- Letter is printed;
- Letter posted or delivered at the correct address;
- Action reported on management report; and
- Fee raised on system.

### 5.15 Cut off and letter of notification – Electricity

- Instruction is printed on the cut off list;
- Physical cut-off of supply done at correct address;
- Letter delivered at correct address;
- Keeping record of electricity cut-offs;
- Action reported on management report; and
- Fee raised on system.

### 5.16 Re-connection of Electricity

- Physical re-connection of electricity;

- Action reported on management report; and
- Fee raised on system.

#### 5.17 Seven-day notification – Water

- Notification is printed;
- Notification posted or delivered at the correct address;
- Action reported on management report, and
- Fee raised on system.

#### 5.18 Restriction of water

- Instruction is printed on the restriction list;
- Physical restricting of water supply is done at the correct address;
- Keeping record of water restrictions;
- Action reported on management report; and
- Fee raised on system.

#### 5.19 Un-restricting of water

- Physical removal of the restriction;
- Action reported on management report; and
- Fee raised on system.

#### 5.20 Promise to pay arrangement

- Client responds after action has been taken;
- Ensure the prescribed amount has been paid;
- Arrangement made and recorded;
- Action reported on management report; and
- Fee raised on system.

#### 5.21 Indigent / pensioner application support

- Receive client request for subsidy;
- Assist with completion of subsidy and agreement forms;
- All prescribed documentation handed over to municipal officials;
- Action reported on management report; and
- Fee raised on system.

#### 5.22 Summons

- No response from client or default on arrangement;
- Summons printed and authorised;
- Summons issued by court;
- All prescribed documentation delivered to sheriff of the court;
- Positive sheriff returns recorded;
- Summons diary updated;
- Action reported on management report; and
- Fee raised on system.

#### 5.23 Judgement and letter of execution

- No response after summons served;
- Judgement and letter of execution printed and authorised;
- Judgement granted;
- Positive court returns recorded;
- Judgement diary updated;
- Action reported on management report; and
- Fee raised on system.

#### 5.24 Hand over to attorney

- No response from client or default on arrangement;
- Management instruction and authorisation to hand over;
- All prescribed documentation handed over to municipal officials;
- Action reported on management report; and

- Fee raised on system.

5.25 The Service Provider hereby confirms and accepts the Key Performance Indicators attached, marked as Annexure B and will endeavour to attain the targets as set out therein.

5.25.1 The Service Provider accepts that remedial action may be taken should any instances of poor or non- performance be encountered from the Service Provider in the implementation of this agreement.

## **6. FEES AND DISBURSEMENTS**

6.1 The Municipality will make payment in respect of services provided only when instructions to perform a specific action are successfully completed.

Payment to the service provider, for actions performed, will be authorised if details of the following can be supplied:

6.1.1 Full payment of account, including fees and increased deposit are paid by client; or

6.1.2 Registration of client as indigent and arrear debt is taken to council for write off; or

6.1.3 Where all necessary actions were taken, the debt was found to be irrecoverable and the debt is written off; or

6.1.4 Summons issued, services restricted and case handed over to attorney for collection.

6.2 Fees and costs may be renegotiated by the Municipality in cases where recovery steps have been instituted but not completed and the debt is written off.

6.3 Reimbursements

The Service Provider must pay all sheriff fees / other relevant fees directly to the relevant sheriffs / parties and indicate it as part of their monthly invoice for

reimbursement from the municipality. A summary together with evidence of these payments should accompany it.

6.4 The Service Provider will be remunerated within 30 days of receipt of a valid tax invoice subject to the provisions of clause 6 hereof.

6.5 The approved cost in terms of this agreement is attached hereto, marked as Annexure A.

**7. ASSIGNMENT**

Neither party may assign any right or obligations under this agreement without the express prior written consent of the other party.

**8. CESSION**

The Service Provider shall not be entitled to cede, transfer or make over any rights and/or duties in terms of this agreement to any third party without the prior written consent of the Municipality and which consent shall not be unreasonably withheld.

**9. INDEMNITY**

9.1. Without detracting from, and in addition to, any of the other indemnities in this Agreement, the Service Provider shall be solely liable for and hereby indemnifies and holds harmless the Municipality against all claims, charges, damages, costs, actions, liability, demands and/or legal proceedings and expenses in connection with:

9.1.1 personal injury to any individual or;

9.1.2 damage to property;



9.1.3 arising from, out of, or in connection with the provision by the Service Provider of the service in terms of this Agreement, save to the extent caused by the gross negligence or willful misconduct of the Municipality.

**10. CONFIDENTIALITY**

The Service Provider shall not during or after the termination of this agreement disclose to any third party any information arising from this agreement except with the prior consent of the Municipality or its nominee or as required by law.

**11. INTELLECTUAL PROPERTY RIGHTS AND OWNERSHIP OF MATERIAL**

All reports in paper, electronics or any other recorded format produced by the Service Provider shall remain the property of the Municipality for use by it.

**12. LIAISON WITH THE MUNICIPALITY**

The Service Provider undertakes to liaise with the Municipality at all times during the tenure of this agreement.

**13. FORCE MAJEURE**

13.1 If the performance of the agreement by either party is delayed, hindered or prevented or is otherwise frustrated by the reason of force majeure, which shall mean war, civil commotion, fire, flood, action by any government or any event beyond the reasonable control of the party affected, then the party so affected shall immediately notify the other party in writing, specifying the action of the force majeure and of the anticipated delay in the performance of the services agreed to herein.

13.2 The Municipality may either cancel the agreement or suspend the performance of the agreement for such period as the parties may mutually agree upon.

13.3 Should the force majeure persist for a period longer than that agreed upon by the parties, the parties may mutually agree to terminate the agreement. In this event the Municipality shall pay all fees and disbursements due and outstanding to the Service Provider within the financial limits of the agreements up to and including the date of termination.

**14. NOTICES AND DOMICILIUM**

Any notice to be given or which may be given in terms of or pursuant to this agreement shall be given in writing and shall be deemed validly served if delivered personally or seven (7) days after it shall have been posted by pre-paid registered mail to:

**MUNICIPALITY:** 101 Marsh Street  
MOSSEL BAY  
6500  
[admin@mosselbay.gov.za](mailto:admin@mosselbay.gov.za)  
044 606 5000

**SERVICE PROVIDER:** Cambridge Office Park Unit 12  
5 Bauhinia Street  
Highveld Techno Park  
Centurion  
Pretoria  
0157  
[estelleh@debtpack.com](mailto:estelleh@debtpack.com)  
082 895 2148

which addresses the parties respectively choose as their *domicilium citandi et executandi* for all purposes under this agreement. Each party shall have the right from time to time to substitute its said domicilium with another address in the Republic of South Africa by giving notice of the

appointment of a new address to the other party which notice will be in writing.

**15. ENTIRE AGREEMENT**

15.1 This agreement constitutes the entire contract between the parties relative to the subject matter hereof and supersedes all representatives, warranties, agreements or undertakings previously made relative to such subject matter, and no such representations, warranties, agreements or undertakings shall be in any force or effect unless contained herein.

15.2 No variations of any of the terms and conditions of this agreement will be binding on the parties unless committed to writing and signed by them respectively.

15.3 The annexures to this agreement form an integral part hereof and shall be read as if incorporated herein, and in the event of a conflict between this agreement and the annexures, this agreement shall take preference.

**16. INDULGENCES**

No indulgence or relaxation which either party may allow to the other in regard to the carrying out of the other's obligation in terms of or pursuant to this agreement shall prejudice such party's rights under this agreement in any manner whatsoever, or be regarded as a waiver of such party's rights in terms of this agreement, or be constructed to act as an estoppel against that party or otherwise strictly enforce compliance of the other obligations in terms of this agreement.

**17. SEVERABILITY**

Should any provision of this agreement in any manner whatsoever contravene any law of the Republic of South Africa, such provision shall be deemed to be severable and shall not affect any other provision of this agreement nor effect the enforceability of those remaining provisions which are not in contravention of any law.

**18. DISPUTE RESOLUTION**

19.1 In the event of a dispute arising between the Parties, the Parties will try to resolve the dispute and in the event of agreement not being reached, the parties agree that the Municipal Manager resolve the dispute.

19.2 The Municipal Manager will endeavour to reach consensus, failing which his/her decision will be final.

**19. BREACH**

19.1 Should the Service Provider—

19.1.1 fail, neglect and/or refuse to perform any of its duties or attain the key objectives tasks undertaken by it in terms hereof; or

19.1.2 fail to comply with any of the time limits prescribed herein; or

19.1.3 perform its duties in any unsatisfactory manner (no delivery or not as agreed); or

19.1.4 fail, refuse or neglect to report and liaise with the Municipality on a regular basis as provided for herein;

19.1.5 infringe the intellectual property rights of any third party;

19.1.6 fail, refuse and/or neglect to comply with any other material condition or obligation of this agreement; or

19.1.7 fail, refuse or neglect to carry out or implement any lawful instructions in terms of or associated with the performance of any necessary duty under this agreement; and

19.1.8 fail, refuse and/or neglect to rectify any act or omission as directed by the Municipality in writing from time to time, and a period of 14 (fourteen) days has lapsed from date of delivery of a notice to the domicilium of the Service Provider, either by the hand or facsimile transmission, demanding rectification and the Service Provider has failed to comply, then the Municipality shall be entitled to cancel this agreement forthwith and/or institute a claim for damages against the Service Provider to protect the interest of the Municipality together with a claim for legal costs on the scale as between attorney and client.

**20. CONSENT TO JURISDICTION**

In terms of Section 45 of the Magistrates Court Act, No, 32 of 1944, the parties hereby consent to the jurisdiction of the Magistrate Court in respect of any and all legal proceedings instituted under this agreement.

**SIGNED** at **MOSSEL BAY**, this \_\_\_\_\_ **DAY OF** \_\_\_\_\_  
2023, in the presence of the undersigned witnesses:

**WITNESSES:**

1. \_\_\_\_\_

2. \_\_\_\_\_

**MOSSEL BAY MUNICIPALITY**

**SIGNED** at \_\_\_\_\_, this \_\_\_\_\_ **DAY OF**  
\_\_\_\_\_ 2023, in the presence of the undersigned witnesses:

**WITNESSES:**

1. \_\_\_\_\_

2. \_\_\_\_\_

**DEBT MANAGER (PTY) LTD**

# ANNEXURE A

Item no.	Description	Rate per item (Inclusive of VAT) YEAR 1 1 July 2023 to 30 June 2024	Rate per item (Inclusive of VAT) YEAR 2 1 July 2024 to 30 June 2025	Rate per item (Inclusive of VAT) YEAR 3 1 July 2025 to 30 June 2026	Rate per item (Inclusive of VAT) YEAR 4 1 July 2026 to 30 June 2027	Rate per item (Inclusive of VAT) YEAR 5 1 July 2027 to 30 June 2028
1	<b>System/administration setup and installation fees</b> Setup and installation (Once-off fee only in Year 1)	R0.00	N/A	N/A	N/A	N/A
2	<b>Debt Administration</b> Bidders must provide a <b>per action</b> administration fee for the following tasks:					

Item no.	Description	Rate per item (Inclusive of VAT) YEAR 1 1 July 2023 to 30 June 2024	Rate per item (Inclusive of VAT) YEAR 2 1 July 2024 to 30 June 2025	Rate per item (Inclusive of VAT) YEAR 3 1 July 2025 to 30 June 2026	Rate per item (Inclusive of VAT) YEAR 4 1 July 2026 to 30 June 2027	Rate per item (Inclusive of VAT) YEAR 5 1 July 2027 to 30 June 2028
2.1	Final demand/Letter of notification /section 129 demand	R29.78	R31.86	R34.10	R36.48	R39.04
2.2	Cut-off and letter of notification, Electricity	R117.74	R125.98	R134.80	R144.24	R154.33
2.3	Re-connection, Electricity	R117.74	R125.98	R134.80	R144.24	R154.33
2.4	Targeted Successful Telephone call before any other action is taken	R0.00	R0.00	R0.00	R0.00	R0.00
2.5.1	24 Hour notice to businesses	R50.11	R53.62	R57.37	R61.39	R65.68

2.5.2	14 Day notices Electricity	R29.78	R31.86	R34.10	R36.48	R39.04
2.6	Seven-day notice for water	R29.78	R31.86	R34.10	R36.48	R39.04
2.7	Restriction of water with a Smart Flow restrictor (cost of restrictor must be included)	R475.26	R508.53	R544.13	R582.21	R622.97
2.8	Un-restricting water	R81.14	R86.82	R92.90	R99.40	R106.36
2.9	Inserting a restrictor for other reasons than arrear accounts	R475.26	R508.53	R544.14	R582.21	R622.97
2.10	Open or restrict restrictors for other reasons than arrear accounts	R81.14	R86.82	R92.90	R99.40	R106.36
2.11	Promise to pay arrangement	R34.72	R37.15	R39.75	R42.53	R45.51
2.12	All restricted meters must be inspected every six months and a full report submitted	R109.52	R117.19	R125.39	R134.17	R143.56
2.13	Full asset survey	R117.74	R125.98	R134.80	R144.24	R154.33
2.14	Indigent / pensioners application support	R117.74	R125.98	R134.80	R144.24	R154.33

Item no.	Description	Rate per item (Inclusive of VAT)	Rate per item (Inclusive of VAT)	Rate per item (Inclusive of VAT)	Rate per item (Inclusive of VAT)	Rate per item (Inclusive of VAT)
		YEAR 1 1 July 2023 to 30 June 2024	YEAR 2 1 July 2024 to 30 June 2025	YEAR 3 1 July 2025 to 30 June 2026	YEAR 4 1 July 2026 to 30 June 2027	YEAR 5 1 July 2027 to 30 June 2028
2.15	Summons	R119.07	R127.40	R136.32	R145.87	R156.08
2.16	Hard Tracing	R468.35	R501.13	R536.21	R573.75	R613.91
2.17	Judgement and letter of execution	R119.07	R127.40	R136.32	R145.87	R156.08
2.18	Hand over to attorney	R67.48	R72.20	R77.26	R82.67	R88.45
2.19	Warrant of execution	R119.07	R127.40	R136.32	R145.87	R156.08



2.20	A fee, <b>per report</b> , for					
2.20.1	Online tracing	R52.35	R56.01	R59.94	R64.13	R68.62
2.20.2	Online credit reports	R52.35	R56.01	R59.94	R64.13	R68.62
2.21	<p>A <b>monthly administrative fee</b> for the following:</p> <p>Data capture and updating of the database;</p> <ul style="list-style-type: none"> <li>• Compilation of and filing of documents;</li> <li>• Attendance of the weekly and monthly management meetings;</li> <li>• Project management; and</li> <li>• Other services provided, e.g., management reports etc.</li> </ul> <p>The following minimum volumes must be obtained on a monthly basis:</p> <ul style="list-style-type: none"> <li>• All debt collection activities and procedures defined in the Service Level</li> </ul>	R83,838.89	R89,707.61	R95,987.15	R102,706.25	R109,895.68
	<p>Agreement may not be more than two days in arrears; and</p> <ul style="list-style-type: none"> <li>• Four (4) success management reports per month.</li> </ul>					
3	<b>Indigent / Pensioners management</b>					
3.1	Fees <b>per action</b> for the following tasks:					
3.1.1	House audits for first applicants	R117.74	R125.98	R134.80	R144.24	R154.33
3.1.2	Annual re-visitation and auditing of beneficiaries	R117.74	R125.98	R134.80	R144.24	R154.33
3.1.3	Ad hoc investigations as and when requested by the Municipality	R117.74	R125.98	R134.80	R144.24	R154.33
3.1.4	Ad Hoc after hours visits in wards with assistance with indigent / Pensioners applications.	R0.00	R0.00	R0.00	R0.00	R0.00

3.2	<p><b>A monthly administrative fee</b> for the following:</p> <ul style="list-style-type: none"> <li>• Data capture and updating of the database;</li> <li>• Compilation of and filing of indigent / pensioners beneficiaries' documents;</li> <li>• Participation on the selection committee;</li> <li>• Project management, e.g., meetings with municipal staff; and</li> <li>• Other services provided, e.g., management reports</li> </ul>	R86,020.43	R92,041.86	R98,484.79	R105,378.73	R112,755.24
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Item no.	Description	Rate per item (Inclusive of VAT) YEAR 1 1 July 2023 to 30 June 2024	Rate per item (Inclusive of VAT) YEAR 2 1 July 2024 to 30 June 2025	Rate per item (Inclusive of VAT) YEAR 3 1 July 2025 to 30 June 2026	Rate per item (Inclusive of VAT) YEAR 4 1 July 2026 to 30 June 2027	Rate per item (Inclusive of VAT) YEAR 5 1 July 2027 to 30 June 2028
	<p>The following minimum volumes must be obtained on a monthly basis:</p> <ul style="list-style-type: none"> <li>• Re-evaluation of all non-valuation indigent / pensioners beneficiaries on the database once per annum;</li> <li>• House audits of all new applicants received within a calendar month;</li> <li>• Up to four meetings per month of the selection committee to evaluate beneficiaries; and</li> <li>• One management report per month.</li> </ul>					
4.	<p><b>Disbursements</b></p> <p>The bidder must specify a monthly disbursement fee which includes telephone calls, faxes, paper, postage stamps and any other</p>	R72,984.66	R78,093.59	R83,560.14	R89,409.35	R95,668.00

	relevant costs.					
5.	<p><b>Reimbursements</b></p> <p>The bidder must pay all sheriff fees / other relevant fees directly to the relevant sheriffs / parties and indicate it as part of their monthly invoice for reimbursement from the municipality. A summary together with evidence of these payments should accompany it.</p>					
	<p><b>PLEASE NOTE:</b> The Municipality pays the fees directly to the relevant service providers which must be excluded from the above tariffs: Legal actions instituted by The Municipality's attorneys.</p>					

# ANNEXURE B

	INDICATOR	TARGET	MEASUREMENT
1.	Debt Collection system to be operational and fully functional.	The commencement date will be the 28th of the following month after final award.	Initial measurement
2.	Operating office, vehicles, equipment, and staff to be in place <ul style="list-style-type: none"> <li>• Mossel Bay 5 days per week.</li> <li>• Great Brak River 5 days per week.</li> <li>• KwaNonqaba 5 days per week.</li> <li>• D'Almeida 5 days per week.</li> <li>• Hartenbos 5 days per week.</li> <li>• Brandwag on request.</li> <li>• Friemersheim on request.</li> <li>• Herbertsdale on request.</li> </ul>	The commencement date will be the 28 <sup>th</sup> of the following month after final award.	
3.	The successful Bidder will be required to attend: -Monthly meetings during first 6 months of contract -Quarterly meetings after initial 6 months of contract With Mossel Bay Municipality	Monthly / Quarterly	Ongoing
4.	Quarterly reports, within 5 working days of the end of the quarter	Quarterly	Ongoing
5.	Annual reports, within 5 working days after the end of the financial year	Annual	Ongoing