

CUSTOMER INFORMATION

All you need to know about

PAYMENT ARRANGEMENT



Joburg Finance



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Payment Arrangement Plans

This is when a debtor/customer has negotiated a payment plan for all outstanding debt and for future debt with the City.

The City has the discretion to offer more than one payment arrangement. In most instances, the total debt on such accounts is re-aged to current and interest levies are terminated.

Payment Arrangement Plans

If you've received a bill or a notice that you missed payment on the due date of your account, you can either pay the full amount right away, or you can make a payment arrangement plan with the City. A payment plan allows you to pay the account balance in scheduled instalments to avoid further collection action.

Customers who suddenly find themselves unable to pay their monthly municipal bills, are encouraged to sign an Acknowledgement of Debt (AOD) and agree on a payment arrangement plan, where they would be able to pay a determined amount they can afford. The customer applying for the payment arrangement must admit the debt owed; and arrange with the City to pay in instalments the outstanding amounts.

The payment arrangement plan is to assist the customer to be able to make a minimum payment amounts in a form of instalments and that they don't fall into a debt trap. The customer would also be assisted to complete a lifestyle assessment to determine affordability with regards to their outstanding debt.

- For active accounts, payment is due 21 days after the date of billing. All City's customers receive a bill every month.
- Any account holder who is unable to pay an outstanding balance when due may immediately contact any nearest Customer Service Centre during normal business hours to make payment arrangements or request a payment arrangement plan.
- A payment arrangement plan will require that the down payment on the outstanding balance be paid in full 14 days prior to the extract bill date.
- Customers may request payment arrangement plans that extend the due date up to an additional 36 months. However, all customers will be encouraged to arrange for the shortest payment time possible.

If a customer defaults on a payment arrangement plan, additional payment arrangements will not be offered to the customer for the current balance until all missed payments are made. If your service is disconnected for non-payment on an agreed arrangement, you will need to pay 50% of the past due balance and delinquent account fees in full

- before service is restored. No payment arrangement plans will be made unless approval by City's Treasury Unit and City' Legal Department.

Guidelines – Terms and Conditions

Before a payment arrangement plan can be made, a customer must make a minimum down payment that equals a percentage of the current account balance:

- Minimum 25% - If you don't have a bill that is past due.
- Minimum 25% - 50% - If your account is past due and you've received an Urgent Notice or Final Notice.
- Once the customer has made the minimum payment, he/she can call into/visit any nearest Customer Service Centre to sign an Acknowledgement of Debt (AOD) and agree on a Payment Arrangement Plan for the remaining balance.
- If customer's services are disconnected for non-payment on a signed AOD/Payment Arrangement Plan, the customer will need to pay 100% of the past due balance and delinquent account fees in full before service is restored. If not agreeing no further payment arrangement plans will be made.

Debt Ageing/ Amount in Arrears	Domestic Customers (Natural Persons)	
	Minimum	Maximum
Current- 12 months debt	<ul style="list-style-type: none"> - At least 30% down payment - 3 -12 months instalments - Interest frozen for the period of the settlement and / or interest reversal 	<ul style="list-style-type: none"> - At least 50% down payment - 3 -12 months instalments - Interest frozen for the period of the settlement and / or interest reversal
12 - 24 months debt	<ul style="list-style-type: none"> - At least 25 % down payment - 3 -24 months instalments - Interest frozen for the period of the settlement and / or interest reversal 	<ul style="list-style-type: none"> - At least 50% down payment - 3 -24 months instalments - Interest frozen for the period of the settlement and / or interest reversal
24 – 36 months debt	<ul style="list-style-type: none"> - At least 30 % down payment - 3 -36 months instalments - Interest frozen for the period of the settlements and / or interest reversal 	<ul style="list-style-type: none"> - At least 50% down payment - 3 -36 months instalments - Interest frozen for the period of the settlements and / or interest reversal
Debt Ageing/ Amount in Arrears	ESP GRANT recipient (Based on Expanded Social Package Grant File)	
	Minimum	Maximum
3 - 36 months debt	<ul style="list-style-type: none"> - 1st Instalment = down payment - 3 -36 months instalments - Interest frozen for the period of the settlements and / or interest reversal 	<ul style="list-style-type: none"> - At least 10% down payment - 3 -36 months instalments - Interest frozen for the period of the settlements and / or interest reversal
Debt Ageing/ Amount in Arrears	<ol style="list-style-type: none"> 1. Businesses, Close Corporations, Partnerships, Trusts, Sole Proprietorship, banks, Attorneys, Cooperatives, Mines, Companies 2. Education, Section 21 Companies, Public Benefit Organisations, NGO's, Voluntary Association, Trust 3. Local Government, provincial and national Government 4. Body Corporate/ Sectional Title 	
	Minimum	Maximum
Full outstanding debt	<ul style="list-style-type: none"> - Refer to City's Legal Unit - Refer to City's Treasury Unit 	<ul style="list-style-type: none"> - At least 50% down payment - 0 - 3 months instalments - Interest frozen for the period of the settlement and / or interest reversal
Defaulted on previous Payment Arrangement Plan	<ul style="list-style-type: none"> - Strictly 50% down payment or Full defaulted amount or whichever is greater - Interest frozen for the period of the settlement and / or interest reversal 	<ul style="list-style-type: none"> - Strictly 50% down payment or Full defaulted amount or whichever is greater - Interest frozen for the period of the settlement and / or interest reversal - Additional payment arrangements will not be offered to the customer for the current balance until all missed payments are made.
Default due to changes of due dates	<ul style="list-style-type: none"> - A Payment Arrangement Plan can be reloaded with a zero down payment for the remaining period. - NB this for Managerial discretion. 	<ul style="list-style-type: none"> - Payment Arrangement Plan can be reloaded with a zero down payment for the remaining period. - NB this for Managerial discretion.
Reactivation of the Payment Arrangement Plans <ul style="list-style-type: none"> - Deactivation as a result of system error - Rebilling on accounts 	<ul style="list-style-type: none"> - A Payment Arrangement Plan can be reloaded with a zero down payment for the remaining period. - NB this for Managerial discretion. 	<ul style="list-style-type: none"> - Payment Arrangement Plan can be reloaded with a zero down payment for the remaining period. - NB this for Managerial discretion.

Payment Arrangement Plans on - Level 3 Cut-Offs

In cases where services have been terminated for non-payment and meters removed due to illegal reconnection after disconnection, the following conditions will apply for reinstatement of services:

- Full settlement of outstanding debt
- Signing of an acknowledgement of debt with the following conditions:
 - A minimum down payment of 50% of the arrear amount to be paid.
 - The balance of 50% to be settled over a period of 3 months.

In cases or exceptional circumstances where customers fail to meet the minimum requirements for reinstatement of services, such customers will be subjected to a process of financial assessment reviews, which includes and not limited to affordability tests. This may result to a different repayment arrangement plan to the discretion of the City.

The following documents will be required for the financial assessment;

- a) 6 months bank statements
- b) 3 years audited financials

Once the payment plan is concluded, the customer need to go to City Power or Johannesburg Water to pay reconnection fees. This amount is payable over and above the 50 % down payment of the debt. In an event that all the requirements have been complied with, the reconnection will be authorized and effected within the prescribed turnaround time of 72 hours.

Documentation Required

Types of documents for the below categories required:

1. Domestic Customers (Natural Persons)

- Motivation letter when the arrangement is more than 36 months.
- Original or certified copy of ID
- If property is registered in both spouses names, then both original or certified copy of ID
- 3 months bank statement of both/ Original or Certified Copy of Salary Slips of both
- Proxy letter/Lease agreement
- Extended Social Package(ESP) registration number

3 months bank statement of both/ Original or certified copy of Salary Slips of both is not required for Domestic Customers (Natural Persons) if the payment plan is for six months instalments and down payment is 50%.

2. Businesses, Close Corporations, Partnerships, Trusts, Sole Proprietorship, Banks, Attorneys, Cooperatives, Mines, Companies

- Proxy Letter needs to be on a company letter head/ Lease agreement
- Original or certified copy of the ID of that specific person that has authority to sign on behalf of the company
- 6 months bank statements of the company
- Latest 3 years Audited financial statements

NB: DOWN PAYMENT STRICTLY 50% for BUSINESS and 3 MONTHS ARRANGEMENT PAYMENT PLAN.

6 months bank statements of the company and latest 3 years Audited Financial Statements are not required if the payment plan is for less than three months

6 months bank statements of the company and latest 3 years Audited Financial Statements to be submitted to **City's Treasury Unit** for review, once the treasury approves the application, then a customer should be directed to **City' Legal Department**.

3. Deceased Estate

- Copy of the executorship letter – letter of appointment
- That person's original or certified copy of ID
- 3 months bank statement of the executor
- Need a copy of the liquidation and the distribution account

NB: Only legal department must process the Arrangement Payment Plan.

4. Education, Section 21 Companies, Public Benefit Organisation, NGO'S, Voluntary Association

- Proxy Letter needs to be on organisation / school letter head/ Lease agreement
- Original or certified copy of the ID of that specific person that has authority to sign on behalf of the organisation/ school
- 6 months bank statements of the organisation/school
- Latest 3 years Audited financial Statements of the organisation/ school.

NB: DOWN PAYMENT STRICTLY 50%

6 months bank statements of the organisation/ school and Latest Audited Financial Statements are not required if the payment plan is for less than three months

6 months banks statements of the company and latest 3 years Audited Financial Statements to be submitted to **City's Treasury Unit** for review, once the treasury approves the application, then a customer should be directed to **City' Legal Department**.

5. Local ,Provincial and National government

- Proxy Letter needs to be on organisation letter head/ Lease Agreement
- Original or certified copy of the ID of that specific person that has authority to sign on behalf of the organisation
- 6 months banks statements of the organisation
- Latest Audited Financial Statements of the organisation

NB: DOWN PAYMENT STRICTLY 50%

6 months banks statements of the organisation and Latest Audited Financial Statements are not required if the payments plan is for less than 3 months .

6 months banks statements of the company and latest 3 years Audited Financial Statements to be submitted to **City's Treasury Unit** for review, once the treasury approves the application, then a customer should be directed to **City' Legal Department**.

6. Body Corporate / Sectional Tittle

- Proxy Letter needs to be on a Body Corporate / Sectional Tittle letter head/ Lease Agreement
- Original or certified copy of the ID of that specific person that has authority to sign on behalf of the Body Corporate / Sectional Tittle
- 6 months bank statements of the Body Corporate / Sectional Tittle
- Latest Audited financial statements of the Body Corporate / Sectional Tittle

NB: DOWN PAYMENT STRICTLY 50%

6 months bank statements of the Body Corporate /Sectional Tittle and Latest Audited financial statements are not required if the payment plan is for less than 3 months

6 months bank statements of the Body Corporate /Sectional Tittle and Latest 3 years Audited Financial Statements to be submitted to **City's Treasury Unit** for review, once the treasury approves the application, then a customer should be directed to **City' Legal Department**.