

Free Water and the COJ - 2024/2025 Financial Year Update

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INTRODUCTION

Residential properties in the form of sectional title schemes or apartment blocks must be billed correctly by the COJ to ensure that each "unit" "dwelling" or "flat" can receive a specific number of free kilolitres of water per month.

In terms of the approved tariff rates from 1 July 2024 to 30 June 2025, properties categorised for residential use are entitled to 6kl (6000 litres) of water per household per month free. This is over and above any additional free water that a household or dwelling might qualify for in terms of the City's ESP (Expanded Social Package) programme.

If the COJ does not account for the flat or apartment, an owner or body corporate will face the difficulty of being overbilled for their consumption as a result of the incorrect tariff steps being taken by the COJ. This is because the COJ bills customers for water consumed on a sliding scale, by charging different amounts for higher levels of consumption on an increasing scale called an "inclining block tariff".

FREE WATER FOR COJ CUSTOMERS

From 1 July 2024 onwards, every "dwelling unit" is entitled to 6kl or 6000 litres of water per month for free per household (not per person or per property – but per household).

The result of the COJ electing to provide households with free water is that in the scenario where you are unable to afford to pay your municipal account, the COJ cannot simply terminate your water in its entirety. The City is only lawfully entitled to restrict its water flow to the minimum of the free kilolitres of water that is provided to the household on a monthly basis.

MEANING OF "DWELLING UNIT" AND "MULTIDWELLING"

As a result of the fact that the City changes its tariffs annually, there is some confusion on the tariffs and the implementation of same in respect of dwelling units

and multi-dwelling properties.

A dwelling unit is a reference to a property with a building on it, which contains rooms that are suited for occupancy, cooking, living and sleeping. A dwelling unit is inclusive of outbuildings, sheds, and granny flats within the property. Normally there will only be one dwelling unit on a property, but in certain rare circumstances, you may get more than one per property.

On the other hand, a multi-dwelling refers to a collection of properties that comprises of more than one dwelling unit on a property. Typical examples include a block of flats or townhouses.

If you are uncertain which definition your building (or the arrangement of buildings on your property) fall into, you may need to consult an expert in this area of law. It can be quite tricky when it comes to stacked apartment units in multiple building blocks.

HOW TO CHECK YOUR BILLING FOR FREE WATER FOR RESIDENTIAL STAND ALONE PROPERTIES

On the last page of your municipal statement, you should be able to locate the charges billed for water under the "**Johannesburg Water : Water and Sanitation**" heading. The first few lines in the block will provide information on the reading period, meter number, consumption and units per kl. The next section will provide information on whether the consumer has been billed on a step tariff or not.

The City utilises a 8 step tariff system for a "consume-more pay-more" control on the consumption of water by customers. If you see a "step 1" to "step 8" transaction on your municipal statement, then you are being charged as per the step tariff system. Note that if you have low consumption of water for the month that you are looking at the invoice for, you may only be presented with a few steps such as "step 1" to "step 3". This doesn't mean that you aren't being billed on the 8 step tariff; rather it means that because you consumed a low quantity of water, you have only been charged for consumption in the lower (cheaper) brackets.

In step 1, you should be able to see the free 6kl in your statement with a R0 rate. Remember that you get 6 free kl per household per billing period (which is 30.4 days). Because this standard measure of a billing period (being 30.4 days) is not precisely the same as the billing period on your invoice (which may be 30 days, 31 days, or even longer or shorter, depending on when your meter was read) the number of free kl that you get in step 1 for free may be slightly more or less than 6kl as the free water billing applies to a total of 30.4 days and not each invoice.

In the 2024/2025 year (1 July 2024-30 June 2025), the second step for water for residential properties should be billed at R 26.20 per 6 to 10kl per month. Again, remember that it is prorated per billing period of 30.4 days, so if your billing period on your invoice is longer than 30.4 days (say 32 days), you will get slightly more than the allocated number of kl in this bracket.

BILLING FOR FREE WATER PER UNIT IN MULTIDWELLING CATEGORY

Because the City charges for water on the inclining block tariff, it is very important for the City to recognise the correct number of units at a property which has more than one dwelling unit. If the City does not recognise the correct number of units, the City will be billing incorrectly. If the City recognises too few units (let's say it recognises only 1 unit, when there should be 20) this will cause a huge overbilling. If the City recognises too many units (let's say it recognises 4 units when there should be 1 unit) this will cause an underbilling.

To check if your invoice is correct, in respect of the residential multi-dwelling property, start by looking at the last page of your statement under the "Johannesburg Water : Water and Sanitation" heading. Similarly to the residential stand-alone properties, the first few lines in the block will provide information on the reading period, meter number, consumption and units per kl. The next section will provide information on whether the consumer has been billed on a step tariff or not.

The City utilises a 8 step tariff system for a "consume-more pay-more" control on the consumption of water by customers. If you see a "step 1" to "step 8" transaction on your municipal statement, then you are being charged as per the step tariff system. But if you have low consumption of water for the month, you may only be presented with a few steps such as "step 1" to "step 3".

For the 2024/2025 year (1 July 2024-30 June 2025), the second step for water for residential properties should be billed at R 26.20 per 6 to 10kl per month. In step 1, you should be able to see the free 6kl in your statement with a R0 rate.

Remember, you get 6 free kl per household per 30.4 days, so if you have 10 households (10 flats) and your billing period is 30.4 days, you will get exactly 60 free kl per that billing period. However, because the billing period is typically a few days more or less than the standard billing period of 30.4, the number of free kl you get is typically slightly more or less than 6 per unit.

HOW TO CHECK IF YOU ARE BEING BILLED IN ACCORDANCE TO THE CORRECT NUMBER OF DWELLING UNITS

If you know the number of dwelling units that you would be billed for, you can consider the following, then you must look at the line which includes the "step". If you look at "Step 1", it should provide the certain number of units being billed at a certain rate. For example: "step 1: 1433 KL @ R0.00". The number after "Step 1" will indicate the units of water which you will be charged for in the step 1 bracket. The number which appears after the @ sign is the cost per unit.

To determine what you are being billed for, the following formula can be used:

1. No of units/flats x (days in billing period)
2. Take that amount and divide it by 30.4
3. Take that amount and multiply it by 6
4. This final amount should be the amount that the City should be charging you in step 1 of the calculations for the municipal statement in question.

(See the diagram below)

1. $A0$ number of units x billing period days = $A1$
2. $A1 \div 30.4 = A2$
3. $A2 \times 6 = A3$
4. $A3 =$ FINAL AMOUNT

If the final amount is lower than the units being charged for by the City on your invoice for Step 1, then you are being overcharged by the City. If the final amount is significantly higher than the units being charged for by the City on your invoice for Step 1, either you are being charged for too many dwelling units or flats or being underbilled for some reason.

WHAT CAN BE DONE TO RECEIVE A REFUND ON THE OVERCHARGED AMOUNTS ON MY ACCOUNTS?

Given the complexity of calculating the overbilled charges in multi-dwelling properties, consumers are advised to approach an expert such as an attorney, town planner or rates consultant to assist with these

calculations, especially where you would need guidance on establishing the adjustment due over months of billing periods. If the overcharged amount has been determined, then a customer can approach the City to request the refund on that amount by following the Credit Control and Debt Collection Policy to log a query and deal with the dispute as per the City's internal remedies. A customer can also log a query with the City via their call centre or their nearest walk-in centres.

CONCLUSION

Owners of dwelling units, especially in multi-dwelling properties are strongly encouraged to check that their consumption corresponds with billing charges on their municipal statements

Should the City fail to assist you, or proceed to unreasonably withhold your refund, then you must seek legal assistance to compel the City to refund you after all internal remedies have been exhausted.



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