

Issue 20 – September 2019

#### **Group Strategy, Policy Coordination and Relations**

## BILLING AND PAYMENT IN THE CITY OF JOBURG

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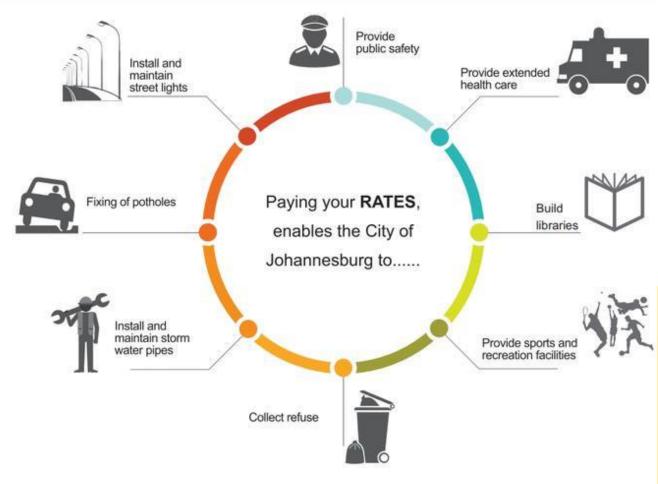
PAYMENT METHODS



# WHAT YOUR MUNICIPAL RATES PAY FOR?

If you are a proud Joburger, remember to pay your rates in full and on time



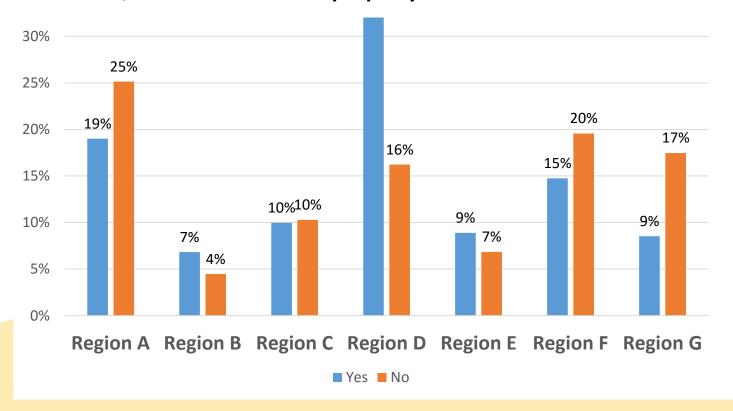


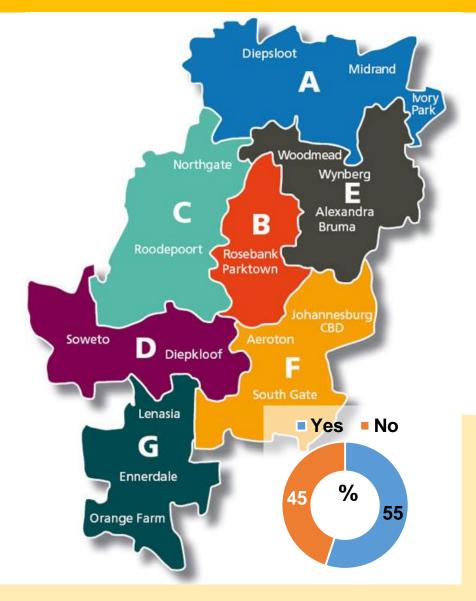


#### WHO IS RECEIVING ACCOUNTS

#### Distribution of account holders across the city

Percentage of respondents who stated yes they receive a monthly account from the CoJ for services such as electricity, water, sanitation, refuse removal and property rates?

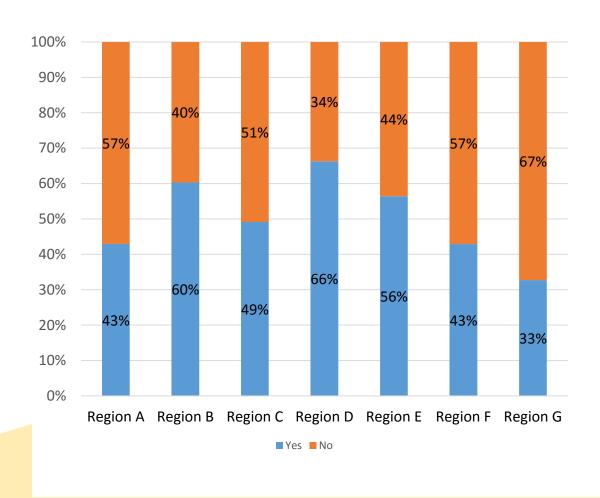






#### WHO IS RECEIVING ACCOUNTS

#### Proportion of account holders by Region



**Region D** is home to about 23% of the city's population and a large proportion of account holders. 66% of respondents in Region D stated that they receive an account.

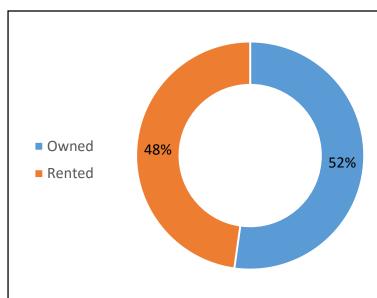
In the past 10 years the populations of **Region A** and **Region C** have experienced the fastest average annual growth. Much of this **rapid growth** has take place in **informal** settlements. While Region A and C collectively house about 30% of the city's population, **less than 50%** of residents in these regions **reported receiving accounts**.

By reports, Region G, Region F and Region A have the smallest share of account holders. The majority of residents, 67% in Region G and 57% in both Region F and Region A reported that they do not receive monthly accounts.



#### RESIDENTS WHO DON'T RECEIVE ACCOUNTS / ALTERNATIVE BILLING SYSTEMS

#### Renters, tenants and cluster housing



Of residents who reported not receiving an account, 52% stated that they owned their house.

Logically residents in informal dwellings do not receive accounts, however many residents who live in formal dwellings also do not receive accounts.

#### Proportion of rented versus owned dwellings Customer Satisfaction Survey data 2019

	Region A	Region B	Region C	Region D	Region E	Region F	Region G
Owned	56%	76%	83%	90%	74%	26%	83%
Rented	44%	24%	17%	11%	27%	74%	17%

In Joburg approximately 68% of people stated that their dwelling is owned versus 32% who reported renting. The majority (74%) of residents who reported that their dwelling was rented also stated that they do not receive an account.

A number of residents who live in townhouses or apartments also reported that they do not receive accounts. The CoJ may need to reconsider how to negotiate step tariffs in light of governing body accounts.

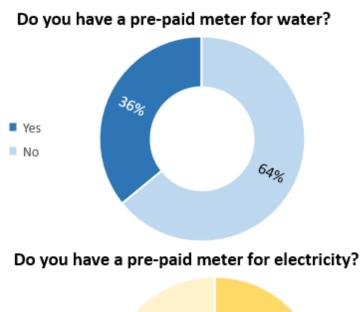
#### Do you receive a monthly account from the CoJ customer Satisfaction Survey data 2019

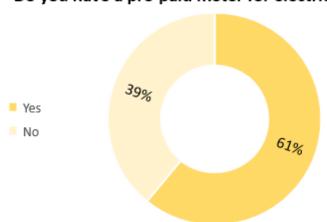
	Formal house	Townhouse/	Flat/	Room in	Outbuilding/	Backyard	Informal
		cluster	Apartment	house	cottage	informal	dwelling
		housing				dwelling	
Yes	61%	44%	36%	19%	12%	6%	9%
No	39%	56%	64%	81%	88%	94%	91%



#### RESIDENTS WHO DON'T RECEIVE ACCOUNTS / ALTERNATIVE BILLING SYSTEMS

#### Pre-paid meters, Expanded Social Package (ESP)





**19%** of respondents stated that they do not receive monthly accounts and **do not have pre-paid** water or electricity meters.

**16%** of respondents reported that they have **both pre-paid** water and electricity meters and **receive monthly accounts**.

**35% of respondents use pre-paid** meters for **water** and their **satisfaction** score was 7.5 out of 10. Those who gave a low satisfaction score perceived water to be generally expensive. Some residents indicated that they were dissatisfied because their meters were not working.

**61% of respondents use pre-paid** meters for **electricity** and their **satisfaction** score was 7.1 out of 10. Those respondents who rated their satisfaction with pre-paid electricity meters below 6 indicated that pre-paid electricity was expensive.

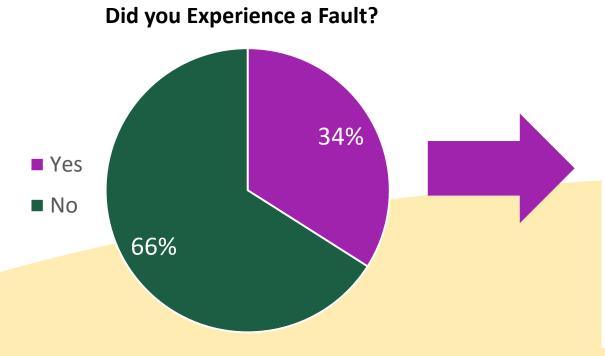
Low income residents can register for the Expanded Services Package (ESP) to qualify for a rebate on rates and services.

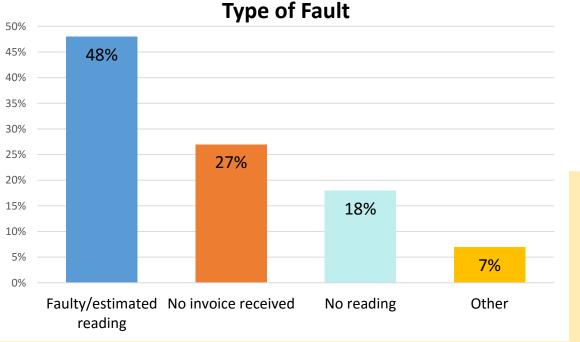


#### **Billing faults**

A poll conducted with residents between January and June 2019 revealed that **34% of residents claimed to have experienced a failure of the City of Johannesburg to invoice them correctly** in the past 12 months.

The majority (48%) of those who had experienced a failure, noted that **estimated or faulty readings were the most common issue.** 







#### **Dissatisfaction with accounts**

The following were the most common reasons given for dissatisfaction with accounts by respondents in the 2019 Customer Satisfaction Survey in terms of feedback on regularity, clarity and correctness.

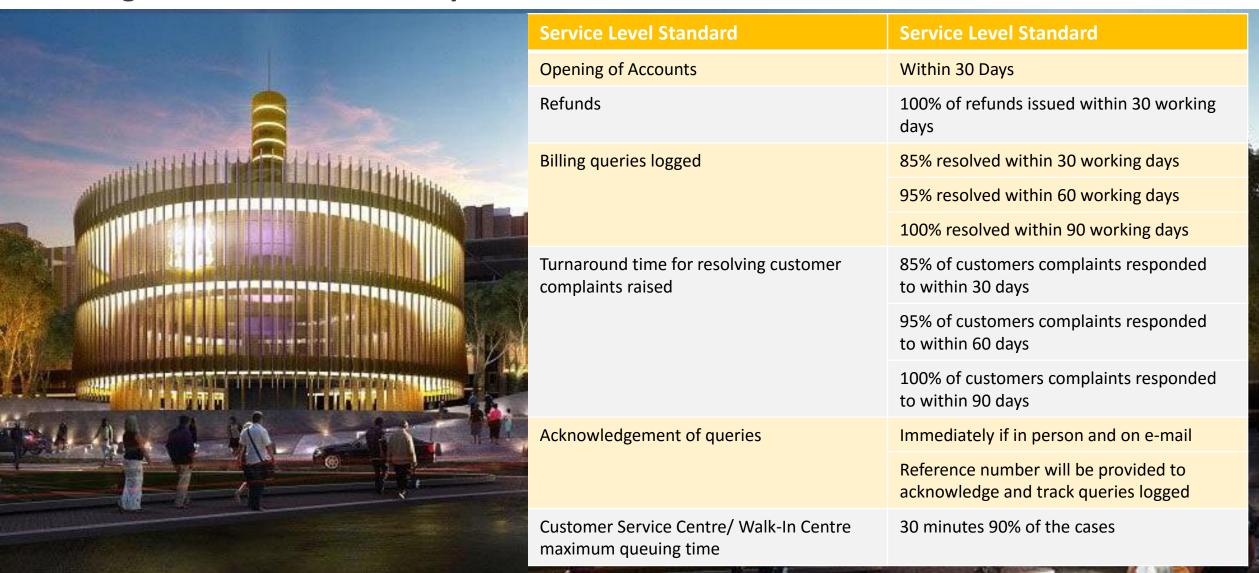
The main concern was that **statements are not delivered on time**. Some of the issues that cause dissatisfaction for residents are based on misconceptions, such as

The 5 wards with households that raised the most concerns are listed below each category. Notably households in ward 113 Diepsloot, 56 Rosettenville and 25 Klipspruit raised a number of concerns across all categories.

	, ,	erstanding) of	_	_		
Regularity of account	acco	ount	Correctness of account			
		Didn't				
Not delivered on		understand the			Sometimes	
time/regularly	Not resolved	explanation	Overcharged	Estimations	wrong address	
Ward 113	Ward 113	Ward 113	Ward 016	Ward 113	Ward 113	
Ward 044	Ward 056	Ward 016	Ward 056	Ward 056	Ward 003	
Ward 027	Ward 025	Ward 030	Ward 025	Ward 016		
Ward 056	Ward 123	Ward 025	Ward 038	Ward 026		
Ward 025	Ward 026	Ward 056	Ward 030	Ward 112		

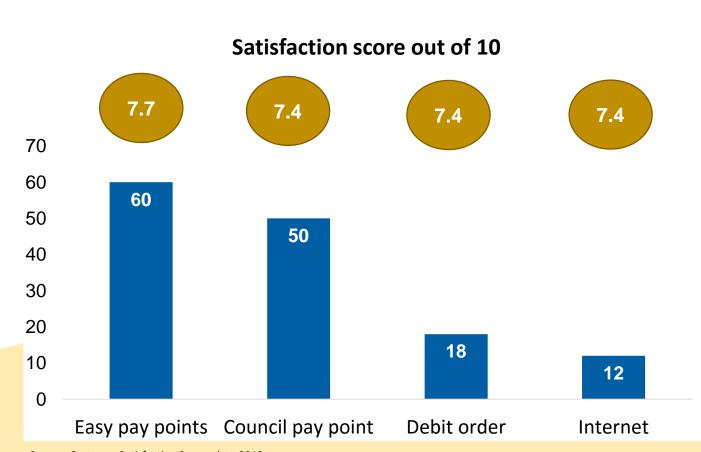


#### Resolving invoice issues timeously



#### **PAYMENT METHODS**

**Easy pay points,** such as Pick n Pay or the Post Office, are the **most popular form of payment.** 60% of CSS respondents reported that they made use of Easy pay points.



The **second** most used payment service was **council pay points.** In **Region A** respondents reported higher than average (53%) use of council pay points at 63%.

Regions F, C, E & G reported much higher (61-75%) than average (57%) levels of use of Easy pay points. The satisfaction score for Easy pay points was highest at 7.7. Easy pay points offer residents the opportunity to incorporate payments as part of their already existing routine or at least improve proximity to pay points for many.

Improving the **e-services** associated with **receiving accounts, correcting faulty readings and making payments** if coupled with access to City wifi could help improve the City's financial sustainability by reducing dissatisfaction and helping make payment convenient for residents.