

**METER READING METHODOLOGY
2026/2027**

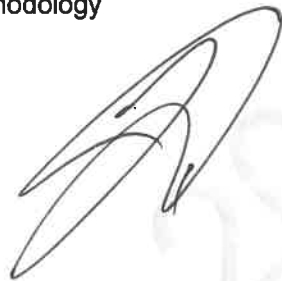


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1. DEFINITIONS

“basic municipal services” – means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

“debt” – means:

- a monetary liability or obligation created by a financing agreement, note, debenture, bond or overdraft, or by the issuance of municipal debt instruments, or
- a contingent liability such as that created by guaranteeing a monetary liability or obligation of another;

“electricity meter” – means a device that measures the amount of electric energy consumed by a residence, business or an electrically powered device;

“financial year” – means a year ending 30 June;

“local community”, in relation to a municipality, means that body of persons comprising:

- the residents of the municipality;
- the ratepayers of the municipality;
- any civic organization and non-governmental, private sector or labour organizations or bodies which are involved in local affairs within the municipality, and;
- visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality;

and includes, more specifically, the poor and other disadvantaged sections of such body of persons;

“meter reading” - Physical collection of water and electricity readings in selected areas of the municipality, Processing of the meter reading data & provision of information to the Municipality;

“local municipality” – means a category B municipality envisaged in section 155 (1) (b) of the Constitution (a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls);

“municipal council” or **“council”** – means the council of a municipality referred to in section 18 of the Municipal Structures Act;

“municipal Finance Management Act” – means the Local Government: Municipal Finance Management Act No.56 of 2003, and any regulations made under that Act;

“municipal systems act” – means the Local Government: Municipal Systems Act No. 32 Of 2000, any regulations made under that Act;



“municipality”, when referred to as –

- a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act No.27 of 1998;

“municipal manager” – means a person appointed in terms of section 54 (a) of the Municipal Systems Act (is the head of administration and also the accounting officer of the municipality);

“municipal service” – means a service that a municipality in terms of its powers and functions provides or may provide to or for the benefit of the local community irrespective of whether:

- such a service is provided, or to be provided, by the municipality through an internal mechanism contemplated in section 76 or by engaging an external mechanism contemplated in section 76 of Municipal Systems Act; and
- fees, charges or tariffs are levied in respect of such a service or not;

these services include refuse removal, water supply, sanitation and electricity services;

“municipal tariff” – means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

“property” – means

- immovable property registered in the name of a person, and includes a unit as defined in section 1 of the Sectional Title Act No.95 of 1986;
- a right registered against immovable property in the name of a person;

“ratepayer”, in relation to a municipality, means a person who is liable to the municipality for the payment of –

- rates on property in the municipality;
- any other tax, duty or levy imposed by the municipality, or fees for services provided either by the municipality or in terms of a service delivery agreement;

“resident”, in relation to a municipality, means a person who is ordinarily resident in the municipality;

“service delivery agreement” – means an agreement between a municipality and an institution or a person mentioned in section 76 (b) of Municipal Systems Act in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality;

“water meter” – means a device used to measure the volume of water usage/consumption by a residence, business any metered device;

2. BACKGROUND

Provision of Services

Section 95 (d) of The Local Government Municipal Systems Act No.32 of 2000 states that "In relation to the levying of rates and other taxes by a municipality and the charging of fees for municipal services, a municipality must, within its financial and administrative capacity – where the consumption of services has to be measured, take reasonable steps to ensure that the consumption by individual users of services is measured through accurate and verifiable metering systems".

3. PURPOSE OF THE METHODOLOGY

To ensure that all consumers metered services do pay for the actual consumption. This methodology also seeks to ensure that persons liable for payment receive regular and accurate accounts that indicate the basis for calculating the amounts due. The methodology will protect service users from inaccurate bills from the municipality.

The other purpose is to ensure that Meter Reading methodology forms part of the financial system of the municipality and to ensure that the same procedure is followed for each individual user.

4. RESPONSIBILITY OF THE METHODOLOGY

In terms of Section 101 of Local Government: Municipal System Act 32 of 2000, the occupier of premises in a municipality must give an authorized representative of the municipality or of a service provider access at all reasonable hours to the premises in order to read, inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict the provision of any service.

5. SUPERVISORY AUTHORITY

The Municipality's Executive Mayor must;

- (a) Oversee and Monitor:
 - (i) The implementation and enforcement of the municipality's Meter Reading methodology and any by-law enacted in terms of the Municipal Systems Act;
 - (ii) The performance of the municipal manager in implementing the methodology and any by-law;
- (b) When necessary, evaluate or review the methodology and any by-law, or the implementation of the methodology and any such by-law, in order to improve efficiency of its meter reading mechanisms, processes and procedures;
- (c) At such intervals as may be determined by the council report monthly to a meeting of the council, except when the council itself performs the duties mentioned in paragraphs (a) and (b).



6. Implementing Authority

The municipal manager must according to Section 100 of the Municipal Systems Act:

- (a) Implement and enforce the municipality's Meter Reading methodology;
- (b) Establish effective administrative mechanisms, processes and procedures to levy all readings taken for payment to the municipality.

7. Contents of the Methodology

A Meter Reading process will unfold as follows:

Target Dates - The Meter Reader will read water and electricity meters in the areas identified by the Municipality once every month. The Meter Reader will attempt to keep the period between consecutive meter readings as near as possible to thirty (30) days.

The Meter Reader will follow a work schedule to ensure that target dates are met. In the case of extremely unfavorable weather conditions or severe public unrest, the Meter Reader cannot be held responsible for not meeting the target dates.

Re-reading and test readings - Where meter reading would not be obtained during the first round, the Meter Reader will attempt to obtain these readings in a second round (within same period). The Meter Reader will leave notices containing its contact information at the premises where meter reading could not be obtained. Owners whose property remains inaccessible for readings to be taken, they must submit the readings either by phone, email or physically submit to the enquiry desk. The municipality will confirm the readings.

Re-reading will also be undertaken where variance reports show discrepancies in the meter reading data. Special readings may be taken on request of either the public or the Municipality on an ad-hoc basis. Alternatively, the public can phone in readings or provide them via e-mail. The Meter Reader will take and verify these readings. Meter-reading system (e.g., hand-held terminals) will be used.

Identification of Meter Readers - All meter readers of the Municipality will wear photo identification cards (with contact information of the Meter Reader and ID numbers), blue overall suits and light green reflector vest with Govan Mbeki Municipality's Official Logo.

Access to meters - The Municipality will provide the Meter Reader with the necessary keys and remote controls to access meters and meters located in mini-substations.

Meter Reading Software - The Meter Reader must have a meter reading management software that will be used for the management of staff, record keeping of clients, meters, properties, consumers, meter reading and printing of various reports.

Meter reading software handles both water and electricity meter data. Meter information will be added to the system on a "per meter" basis or bulk import. All information concerning a

particular meter will be kept on this system for historical reference purposes (e.g. number, type, size). Each meter is linked to a property, enabling quick reference to the history of a specified property.

Reports on the meter readings, reading dates, meters not read and duplicate meters per area, customer book or reader book may also be requested. Meter information on the system will also be updated by importing data from the Municipality (in fixed length or delimited text file format).

In the case of older meters which measure in gallons, Meter reading software that allows for a factor, which can be set to calculate the actual consumption will be used. A similar conversion is available for electronic meters with CT ratio Colls based on a factor.

The focus of the meter reading software is data quality. Information obtained from the Municipality will be evaluated by the system, which then converts it to the appropriate format for the meter readers and evaluates the information again before sending it back to the Municipality for billing purposes.

Data Processing - Using the meter reading software, the Meter Reader will capture and verify field data. This includes the processing of data collected by municipal meter readers. The Meter Reader will provide the Municipality with the processed information, in accordance with the target dates.

The Meter Reader will handle and provide feedback on telephonic and other public enquiries. The Meter Reader will examine and report meter tampering (on grounds of data provided by the meter readers). The Meter Reader will provide support to employees of the Municipality in connection with general meter problems.

Data transfer (export/import) - The Meter Reader will update the data on its computer on a monthly basis with data from the Municipality. The Municipality will provide such data in a download (import) file. In the case of data uploaded (export) to the Municipality's system, file will be in a format compatible with that of the Financial System (as provided by our Service Provider) used by the Municipality.

Estimated or Interims Readings

The financial system has a built-in formula to calculate and bill the approved tariff for water and electricity meters. The meter readings estimates are done as per the units consumed, kilolitres for water and KWH for electricity:

FORMULA TO CALCULATE ESTIMATED READINGS

- The daily average is calculated over three months.
- The formula will be:

Step 1:
The system calculates the Current Reading basing on the Previous reading.
Consumption = [Current reading - Previous Reading] × Factor

Step 2:
Average = Total Consumption / Total number of Days

Step 3:
Current Reading = [(Daily Average/ Factor) × 30 days] + Previous Reading

Estimated readings may be used until a meter is replaced or a flat rate is instituted for billing.

Where a particular service was not billed due to different reasons, corrections will be affected as from the beginning of the current financial year.

Deemed Readings

A deemed reading occurs where the municipality is adjusting a consumer's account to bill the consumer for a guestimate of consumption in the situation where the meter was not working at all, or was faulty, or where there was no meter. In these kinds of situations, there is no actual and/or reliable recording of the consumption at the property, and so the municipality does an extrapolation (arithmetically) to guess what the consumer's consumption was. The municipality will normally install a new (functioning) meter, take three month's readings, and then calculate the average and apply it to the period where there were no accurate/reliable readings.

Leakages

If a meter is replaced due to leakages or any other reason, consumption after replacement will be considered as correct for a specified period without any corrections. The consumption from the old leaking meter will be reversed for the account to reflect correct billing on averages. In case of water leakages from inside the yard or household, Chief Financial Officer, Revenue Manager may reverse the readings if the account holder was not negligent or the leakage was reported, but the municipality couldn't attend to it on time.

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Billing of Faulty Meters

Once a meter is detected to be faulty and reported to the Municipality, the next billing will be done based on the average consumption taking into consideration the winter and summer season (three months each). After the meter has been changed, the actual consumption for the first three months will be compared to the average consumption and corrections will be done accordingly.

Reports - The following written reports will be made available on a monthly basis:

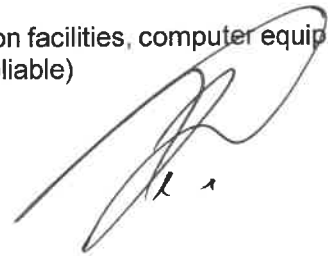
- Defective and damaged meters
- Obvious leakages
- Obvious unauthorized devices used by consumers
- Obvious dangerous circumstances
- Obvious damaged municipal property
- New meters spotted by field personnel
- Water leakages or electronic faults
- Monthly reports on public enquiries and/or complaints
- Meter reference number discrepancy and/or meter identifications plate missing

Any other meter information available from the Meter Reader's system will be made available on request. The Meter Reader can assist the Municipality with loss control, by analyzing meter reading data. This is done via a function in the meter reading software, whereby the total consumption of individual meters is compared with the consumption of a bulk meter.

Data Security - The Meter Reader's computer system must be protected by an anti-virus program (e.g. NOD 32) linked to the internet, which continuously monitors for the newest forms of computer viruses and also checks electronic mail. The Meter Reader's computer system in different locations may be linked to enable direct communication. This enhances the Meter Reader's ability to handle problems from distant locations.

Archives - All meter reading sheets and variance reports must be made available for audit purposes.

Equipment - The Meter Reader will provide its own communication facilities, computer equipment and software, thereby retaining ownership of these items. (If applicable)

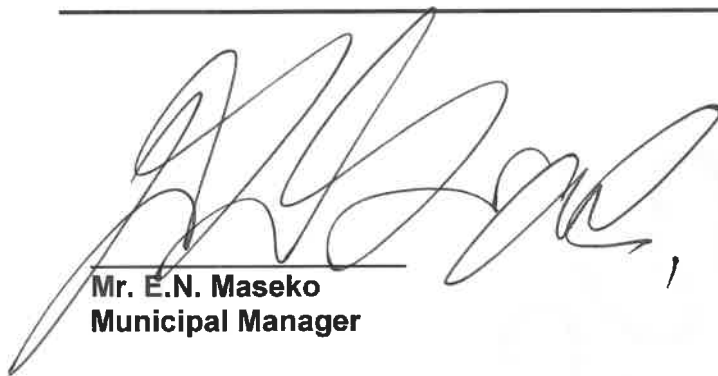
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Other - Households without water meters will be levied a flat rate as approved by the Municipal Council in its Tariff Schedule for the relevant financial year until a meter is installed for each household.

There will always be an exception report run before dummy billing every month.

When there is no water supply in an area and few households are required to supply the area with water, correction on the account for water consumed for the households providing water will be done. The correction will be done based on average consumption of the household for the previous three (3) months.

In case of meters that are discovered and not being on the system, the reading on that date will serve as start reading, unless if a meter is faulty.



Mr. E.N. Maseko
Municipal Manager

Date _____