

# Why sectional title schemes should have separate water billing for units

With the Western Cape still in the midst of a severe severe drought, many households have had to adjust the way they use water. According to Mandi Hanekom, operations manager for sectional title finance company Propell, it is a little more complicated in sectional title schemes. It is not easy to implement grey water systems for multiple users and it is also difficult to monitor water usage accurately if there are no separate water meters.



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The City of Cape Town implemented level six water restrictions on 1 January, and discussions about a drought charge are underway, the implementation of which will mean that many households will have to adjust to paying an additional amount each month, which will be based on the value of the property being billed. This is in addition to the usual monthly water and sewerage charges.

## Sliding tariff

Many will already know that water in the Cape has been billed on a sliding tariff (the more you use, the higher the price becomes in each bracket of usage) since the more serious water restrictions have been implemented. The costs per kilolitre since July 2017 have varied between R4,56 per kilolitre (for the first 6kl) to as high as R302,24 per kilolitre if the household uses over 50kl for the month.

What seems unfair to many in sectional title schemes without separate billing, is that the ones that do all they can to save water or are not in residence for much of the year, end up subsidising those who do use a lot of water each month. In schemes where there are no prepaid or separate water meters, each unit's water charge is based on their participation quota, and not on usage, says Hanekom.

The additional drought charge each month will not be charged to properties under R400,000 and will vary from R45 for a property valued at R800,000, R60 for a R1m property, and so on. The highest amount levied will be R2,800 for properties valued R50m and above.

Bodies corporate should perhaps consider converting their water metering systems to separate meters if possible – if the owners agree and there is enough funding available – as this would make the collection of fees easy to manage, as well as keep the amounts billed fair.

## **Special resolution required**

In terms of sectional title legislation, a special resolution by the members of a body corporate is required before a body corporate may install separate pre-payment meters on the common property to control the supply of water or electricity to a section or exclusive-use area, and all members and occupiers of sections must be given at least 60 days' notice of the proposed resolution with details of all costs associated with the installation of the pre-payment system and its estimated effect on the cost of services over the next three years. Bodies corporate are also responsible for ensuring that pre-payment systems do not infringe on the constitutional rights of section occupiers of access to basic services.

Water shortages and drought are not limited to one area in South Africa and other provinces have been through their fair share of having to restrict usage or penalise abusers, and sectional title schemes in general could all benefit from having separate billing for units to make collection of amounts due easier and more accurate, says Hanekom.

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