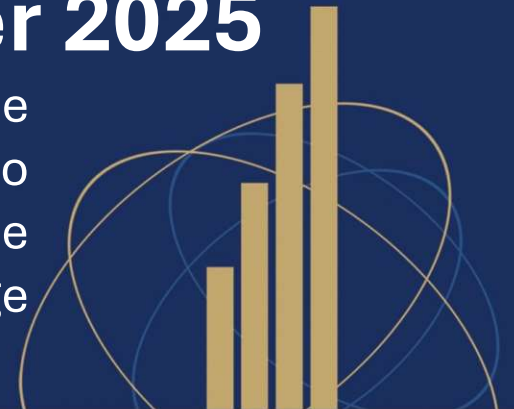




08 October 2025

Revenue Management Excellence
achieves results - Strategies to
ensure collection rates are in the
90% range



Introduction

Revenue Collection Challenges

Municipalities face challenges like poor billing systems and enforcement issues affecting revenue collection.

Impact of Indigent Populations

High indigent populations struggle to pay for services, impacting overall municipal revenue streams.

Sustainable Collection Goals

Aim to achieve 90% or higher collection rates to ensure financial sustainability and better service delivery.

Strategic Solutions

Implement targeted strategies addressing root causes to improve revenue collection and community services.



Challenges



Key Challenges Identified



Inaccurate Billing Data

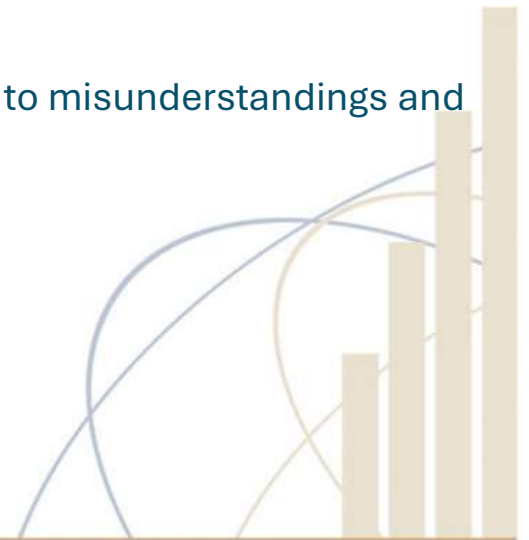
Errors in billing data results in disputes and non-payment, undermining revenue collection effectiveness.

Weak Credit Control

Poor credit control policies fail to enforce timely payments, increasing outstanding debts.

Lack of Customer Engagement

Insufficient customer communication leads to misunderstandings and payment delays.



Strategies



Strategy 1 – Strengthen Credit Control



Review and Enforce Policies

Regular review of credit control, indigent and debt collection policies which will ensure effective and up-to-date enforcement of revenue collection.

Develop Procedure Manuals

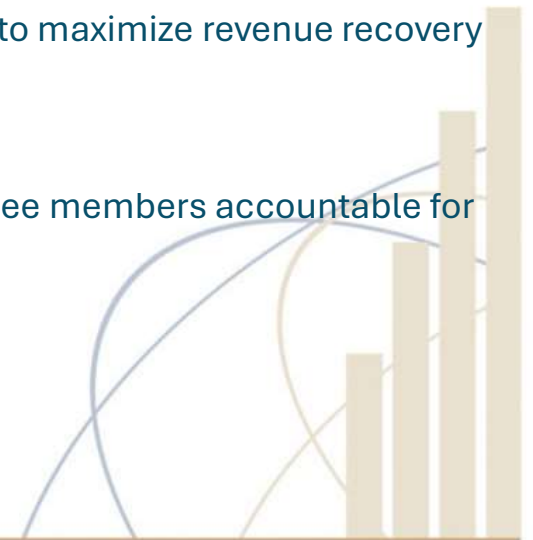
Create comprehensive manuals to guide staff in consistent implementation of credit control procedures.

Target Top Debtors

Focus collection efforts on the top 100 debtors to maximize revenue recovery

Accountability Among Stakeholders

Hold employees, councilors, and ward committee members accountable for their debts to foster accountability culture.



Strategy 2 – Improve Billing Accuracy



Billing Data Cleansing

Systematic cleansing of billing data eliminates errors and ensures all services are correctly billed for accurate revenue collection.

Meter Installation

Installing water and electricity meters accurately measures consumption, enabling precise billing and uncovering hidden revenues.

Indigent Register Updates

Regular updates to the indigent register help to identify subsidy-eligible households, ensuring fair billing based on actual usage.

Enhancing Transparency and Trust

Accurate billing improves transparency, builds consumers' trust, and encourages timely payments for municipal services.



Strategy 3 – Tariff and Policy Reforms



Aligning Costs with Revenue

Reviewing tariffs ensures service charges reflect true costs including capital and maintenance expenses.

Legal Framework Enforcement

Revenue by-laws establish legal mechanisms to enforce payment and support financial stability.

Transparency and Compliance

Clear tariff structures promote resident understanding and foster compliance with payment policies.

Principles for Reform

Reforms must prioritize equity, sustainability, and efficiency for long-term financial health.



Strategy 4 – Technology and Automation

Billing and Collection Software

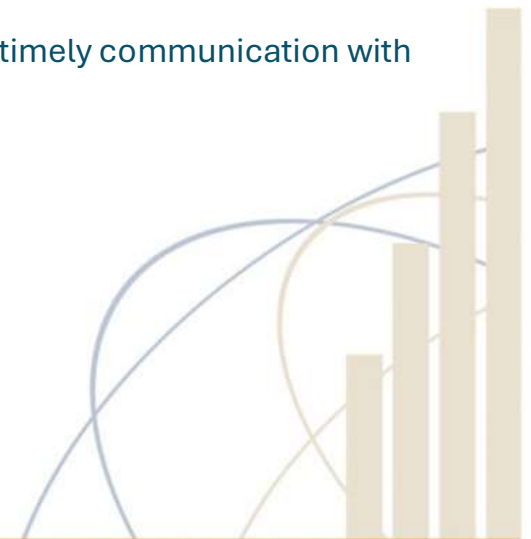
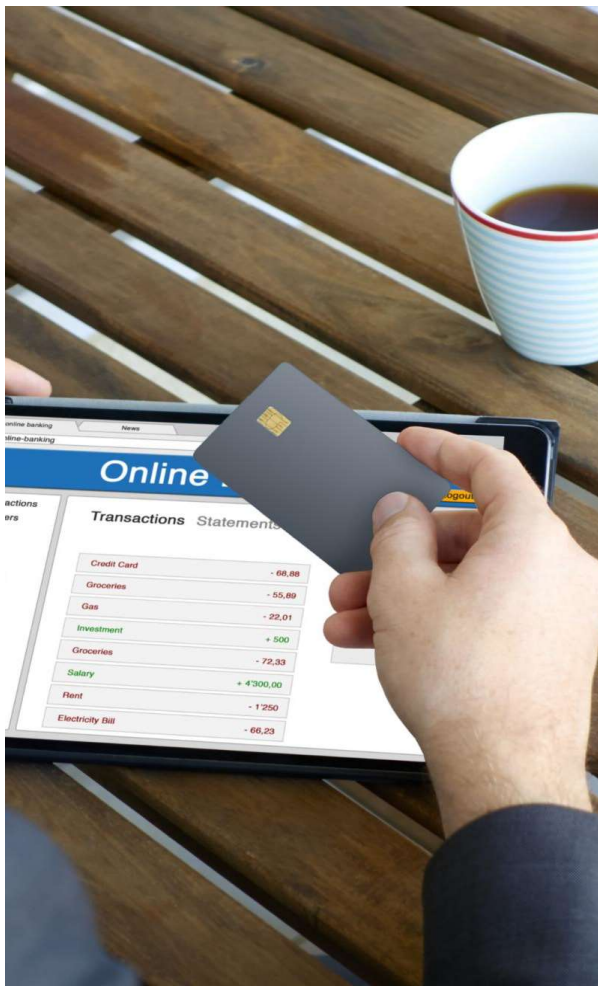
Investing in billing and collection software streamlines operations and reduces errors in municipal revenue processes.

Online Payment Convenience

Enabling online payments increases convenience for residents and improves payment compliance. Financial systems allow for offline cashier receipting.

Automated Communication

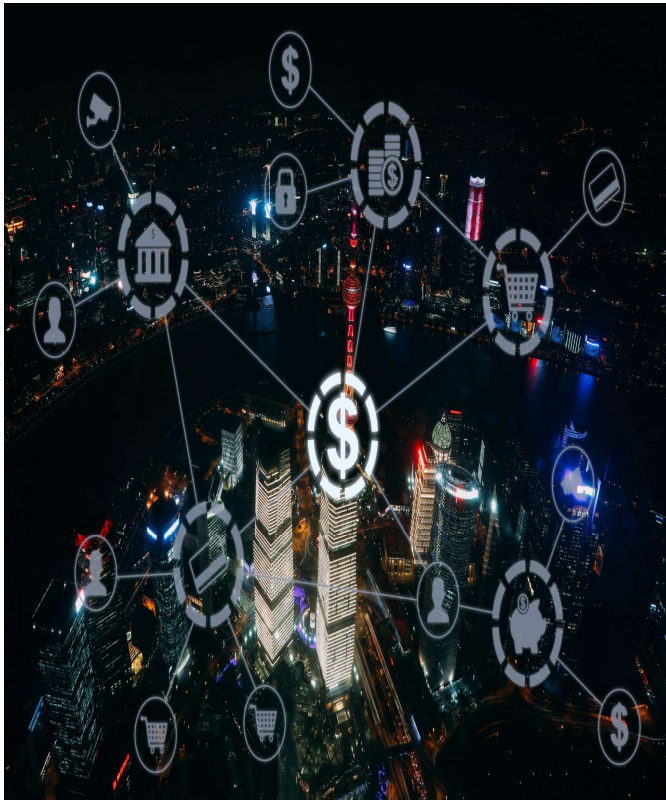
Automation of reminders and final notices ensures timely communication with debtors to improve collection rates.



Conclusion



Conclusion



Realistic Collection Goal

Achieving a 90% collection rate is attainable with the right strategies and commitment from municipalities.

Multifaceted Approach

Success depends on policies, technology, community engagement working together effectively.

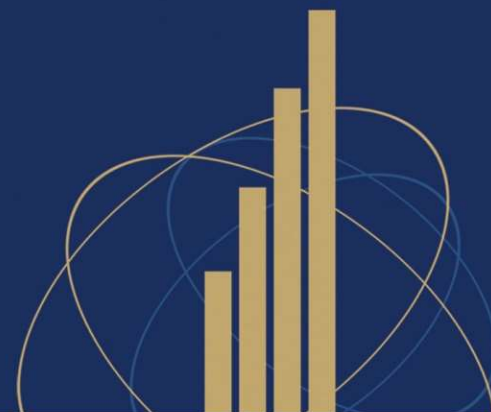
Improved Sustainability

Targeted strategies address root causes, enhancing financial sustainability and service delivery in municipalities.





Thank You!



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