

## Province to pay rates debt

25 Mar 2013 The Mercury Siphon Khumalo

MOVES are afoot to throw a lifeline to cash-strapped municipalities which are owed millions of rand, in

unpaid property rates, by the KwaZulu-Natal government.

Provincial Finance MEC Ina Cronje recently announced that the national treasury had allocated R470 million this year to reduce the debt.

A spokesman for provincial Department of Public Works, Mbulelo Baloyi, said significant progress had been made in settling the debt owed on government property rates, and that R7.17m would be paid to the

municipalities before the end of this month.

"All invoices received in respect of property rates bills from various municipalities have been processed for payment," he said.

"The department is not responsible for the payment of other municipal service charges, such as water, electricity and refuse removal," Baloyi said.

"Each user department pays for these services."

Last week, the eThekweni Municipality said that while it was owed R100m in rates, there had been a significant improvement in recovering the money from the government.

Improvement

A spokesman for the municipality, Thabo Mofokeng, said that eThekweni had held regular meetings with

the government and that there were "processes in place through which investigations and confirmation of

these properties" had to be done before payment could be made.

For the 2013/14 financial year, the province has been allocated R470.2m, which will increase to R496.7m

in the 2014/15 financial year, and to R519.6m in 2015/16.

The issue of the unpaid rates has been a source of tension between the government and the municipalities.

At one stage, Co-operative Governance and Traditional Affairs MEC Nomusa Dube warned municipalities

about taking the government to court.

Among them was the Ulundi Municipality, which said it was owed R34m.

The KZN Public Works department, which is responsible for paying the rates, said yesterday that a Treasury task team, made up of representatives from the Co-operative Governance and Traditional Affairs;

Human Settlements; Public Works and Treasury departments, had been formed to resolve the disputes.

Printed and distributed by NewspaperDirect | [www.newspaperdirect.com](http://www.newspaperdirect.com), US/Can: 1.877.980.4040, Intern: 800.6364.6364