

Metro owed R105m

Kouga debt grows to R49m and provincial departments also in arrears

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SEVERAL government departments and a neighbouring municipality owe Nelson Mandela Bay R105-million for services such as electricity and water.

This was revealed during a budget and treasury committee meeting yesterday.

Almost half of the money is owed by the Kouga Municipality, with the local authority in arrears for R49-million since January, according to a report tabled at the meeting.

Eastern Cape government departments such as health, education, roads and public works owe close to R32-million dating back to January.

During the committee meeting, budget and treasury political head Retief Odendaal blamed the previous administration for neglecting to bill the Kouga Municipality properly.

"The previous council was under-billing Kouga until the new systems came into place and that is when their debt reached this amount," Odendaal said.

He said there were talks between the two municipalities about how to resolve the debt.

Kouga mayor Elza van Lingen confirmed its account was in arrears and that talks with the Bay municipality were happening.

"We are paying an additional R1-million on our current account while waiting for a signed agreement with the metro," she said.

The committee singled out the



SIZWE KUPELO

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provincial health and education departments as officials always struggled to recoup money.

The health department owes the municipality R5.4-million.

The report states that the municipality had sent a notice of intention to disconnect to the department on February 3.

"Failure to abide by this request will leave the [municipality] with no option but to disconnect the electricity supply to the doctors' and nurses' residences," the report states.

Provincial health spokesman Sizwe Kupelo said the department was unable to pay any creditors due to a court settlement.

"Our funds have been exhausted because we had to pay more than R200-million on unbudgeted court orders," he said.

The Department of Education is R9.3-million in arrears.

Provincial education spokesman Malibongwe Mtima said the department was making regular payments to avoid legal confrontation with the Bay municipality.

The Department of Roads and Public Works was listed as being R18-million in arrears.

But provincial roads and public works spokesman Mphumzi Zuzile said R10.8-million was actually owed by the national Department of Public Works.

"The metro needs to rectify the amount which is attributed to the provincial department ... our arrears are sitting just above R7-million," he said.

Other provincial and national government departments make up the remaining part of the R105-million.