

KZN councils struggling to get govt departments to pay R1 bln debt

CLIVE NDOU

KZN municipalities buckling under the weight of deteriorating economic conditions are teetering on the brink of collapse as provincial government departments, who owe the councils over R1 billion, default on payments.

The embattled municipalities, who are jointly owed more than R20 billion by government entities, households and businesses, have been struggling to get government to pay their share of the ballooning debt, arising from unpaid municipal services to state facilities such as schools and hospitals.

According to reliable sources, municipalities owed the most include Msunduzi, which is waiting for nearly R100 million, and uMgungundlovu, which is owed over R50 million.

While the Msunduzi Municipality could not be reached to confirm the figure, uMgungundlovu District Municipality confirmed that it was struggling to get provincial government departments to cough up.

uMgungundlovu District manager Ray Ngcobo said government departments' debt has ballooned to 30% of the local government's debt book.

"The situation is increasingly getting out of hand," he said.

Provincial departments owing municipalities the most include Education, Health and Public Works.

In recent replies to written questions

municipalities has been in arrears for more than five months.

While Nkonyeni said the department owed municipalities such as Msunduzi, Mooi River and Inkosi Langalibalele Dube a collective R63 million, she said the department was not entirely to blame. "In some instances municipalities don't timeously bill the department due to their internal

keep the lights on, the biggest culprit when it comes to paying the bill on time is a provincial department. The situation in many of our municipalities is so dire that every rand of outstanding debt could be the difference between providing services or not, and even paying salaries or not," Meyer said.

The provincial department of Co-operative Governance and Traditional

76% is owed by households, 14% by businesses and government departments account for only eight percent of the total debt. "Another thing that should be borne in mind is the fact that debts by government departments were incurred in the process of improving the lives of the municipalities' residents through, amongst other things, the provision of schools and health facilities.

"Yes, the eight percent owed by government departments should be a concern, but the biggest worry to us as a department is the 90% of debt owed by households and businesses," he said.

The municipalities' debt collection rate takes a plunge at a time when the governing ANC embarks on a programme to strengthen local governments in the province.

So far the implementation of the ANC's municipal rejuvenation programme has seen several senior political leaders in eThekweni and Msunduzi municipalities removed.

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by DA provincial spokesperson on public works Martin Meyer, Public Works MEC Peggy Nkonyeni revealed that her department owed municipalities more than R60 million.

Despite the fact that government regulations require departments to pay for services within a one-month period, the department's account with some

resource challenges," Nkonyeni said.

Meyer said it was unacceptable that departments such as Public Works, which is supposed to be supporting the struggling municipalities, were contributing to the local governments' collapse. "The DA regards it as inconceivable that, while so many of KZN's municipalities are struggling to literally

Affairs (Cogta) said while it was important for departments to pay what was owed to municipalities, the main contributors to the local governments' poor financial state were businesses and households.

According to Cogta provincial spokesperson Lennox Mabaso, out of the R20 billion owed to municipalities,