

# City losing out

## Failure to register indigents costs City equitable share

**NOKUTHULA NTULI**

MSUNDUZI is shooting itself in the foot and losing out on much needed revenue — in the form of equitable share — by not registering thousands of indigent households who should be getting free basic services.

A report that recently came before the financial services portfolio committee revealed that fewer than 5 000 Msunduzi households were registered as indigent.

The document also indicated that indigent households owed the City more than R95,6 million for rates and services, of which more than R84 million had been in arrears for more than four months.

Acting chief financial officer Dudu Ndlovu-Gambu explained that sometimes even households headed by government workers qualified as indigent beneficiaries. This happened in the cases where the total income was below that stipulated by the municipality, which is R4 500, like the expanded public works programme (EPWP) beneficiaries. “We vet all the applications we receive but they are still required to declare their employment status before we even check their income,” said Ndlovu-Gambu.

This financial year Msunduzi received R227,5 million in equitable share grant. This revenue is given to municipalities by National Treasury to enable them to provide basic services to poor households, and to aid councils with limited resources to afford basic administrative and governance capacity and perform core municipal functions.

Councillor Mehmood Oumar of the ANC said the low figure of 4 210 registered indigents was concerning as it equated to only 120 per ward. “It’s frightening that you have a situation, especially in the economic environ-

ment like this ... You are losing out on the equitable share here.”

Councillor Ntuthuko Ntshangase said the indigent register was a collective responsibility for both the administration and council.

He proposed that council get a monthly report on how many indigents were registered in order to assess which areas needed additional efforts.

Sunny Naidoo of Ward 30 requested that Msunduzi looks into improving the turnaround time for applications.

“I think there is too much of a backlog on these applications and as a result many people suffer because of our lack of completing the applications in time and processing them.”

Councillor Thamsanqa Sithole agreed with him, saying there seemed to be a delay in the processing of the application forms that were submitted to the A.S. Chetty Centre.

“Sometimes you submit about 200 forms but only less than 100 receive responses on whether their applications were successful or not.”

Mayor Mzimkhulu Thebolla said one of the reasons the City’s debtors book was so high — at R3,8 billion — was because many of the people who were being billed were actually supposed to have been registered as indigents.

“But either because of the lack of information or our slow systems, they end up always owing us money. We must sort that out so that we can account properly and assist the poorest of the poor so that they are able to continue receiving services,” he said.

Acting municipal manager Nelisiwe Ngcobo conceded that the City’s indigent database was inaccurate and 4 000 was not enough. She said the revenue enhancement team was busy devising a strategy to change this.

“We want to target the 33 000 that we’ve always been talking about.”