

■ ESKOM

Scopa wants municipality payment plans

MAYIBONGWE MAQHINA

mayibongwe maqhina

THE STANDING committee on public accounts (Scopa) wants the top 20 municipalities that owe Eskom R26 billion to submit payment plans to the committee early next year. This also applies to government departments that owe municipalities a whopping R118bn in rates and services.

This emerged yesterday when Scopa was briefed on debt owed to Eskom and municipalities as well as interventions being undertaken to pay the amounts.

Scopa chairperson Mkhuleko Hlengwa said the debt was a serious concern to the committee and they wanted concrete action taken to resolve the matter. "This kind of inaction in the face of escalating debt is not acceptable," he said.

During the Scopa meeting, MPs heard that debt owed by municipalities to water trading entities and water boards stood at R14.9bn at the end of September. Briefing the committee, Co-operative Governance and Tradi-

tional Affairs deputy director-general for institutional development Kevin Naidoo said that municipalities were owed a total of R165.5bn with the government, business and households sitting at R10.2bn, R24.7bn and R118bn respectively.

Naidoo said the Eskom debt had increased between March 2016 until March 2019 by R7bn.

The Eskom debt stood at R26 billion with only 11 payment arrangements out of 49 being fully honoured.

Naidoo said the national Department of Public Works owed R3bn and provincial public works departments owed R3.7bn.

South African Local Government Association (Salga) president Thembi Nkadimeng complained about the money owed to municipalities by government and business. She noted that they were collecting less in areas where Eskom was selling electricity directly to customers because they could not effect credit control measures.

"We can't cut electricity to entice customers to pay for their water," Nkadimeng said.

But Eskom board chairperson Jabu Mabuza said he noted that municipalities were owed R165bn, but Salga "must find their money from whoever owes them". "We have to collect our debt or we stop supplying customers not paying us. We need to be paid for what we have supplied for which we are incurring costs to produce and supply," Mabuza said.

Hlengwa said it was time to commit to walking the talk on the matter.

He said Public Works would be scheduled to account on its debt to municipalities and that Scopa would communicate via the leader of government business, Deputy President David Mabuza, asking that the defaulting departments submit their payment plans by February 2020.

Hlengwa also said the top 20 municipalities that owed Eskom would also have to submit their payment plans along with top 20 defaulting private institutions. He warned about more bailouts of Eskom if there were no payments made to the power utility. "We don't have endless bailouts," Hlengwa said.