

KZN municipalities owed R2.4 billion by delinquent government departments

The Democratic Alliance (DA) in KwaZulu-Natal (KZN) revealed that government departments owe municipalities in the province more than R2.4 billion in outstanding rates and services.

The figure is confirmed in a response to parliamentary questions by the DA by the province's Treasury Department. The finding comes as many municipalities are hiking rates and tariffs as part of their annual budget processes – with many of these increases above inflation – or adding to the increases passed down from NERSA or their respective Water Authorities. As our country enters lockdown level 4, on the back of months of repetitive restrictions, the citizens of KZN cannot afford to carry the burden of government departments that are not paying their bills.

According to the reply, the departments that owe the most in terms of rates include:

- KZN Public Works – R708.4 million
- National Public Works – R206.6 million and
- Ingonyama Trust – R340.8 million.

In terms of municipal services, the following monies are outstanding:

- KZN Education – R378.7 million
- KZN Public Works – R18.8 million
- National Public Works – R79.7 million
- KZN Human Settlements – R16.5 million and

- KZN Transport – R14.6 million.

Of particular concern to the DA is that municipalities have embarked on what they are calling “revenue enhancement programmes” which are aimed at collecting outstanding debts from residents. This while government departments owe tens of millions of rands and are not being targeted.

Many of KZN's municipalities have collapsed and service delivery is no longer being rolled out. The lack of capacity, cadre deployment and lack of political will are amongst the biggest causes for this. The failure by provincial and national departments to pay their debts is clearly yet another contributing factor to the lack of financial viability of our municipalities. The DA will be calling for representatives of the delinquent departments to appear before KZN's CoGTA portfolio committee at a special meeting. They need to explain why they are not paying for rates and services and what mechanisms they are putting in place to ensure that they catch up on arrears.

The DA remains committed to ensuring accountability at all levels of government. The people of KZN can no longer be punished by a government that does not care about them.

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