

GOVERNMENT DEPARTMENTS OWE R2.4BN

# Salga threatens service cuts over unpaid bills

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THE SA Local Government Association (Salga) has called for the resuscitation of the task team that ensured government debt owed to municipalities was settled, warning of possible disconnections to departments that owe municipalities.

This comes after it was revealed that that KwaZulu-Natal municipalities were owed more than R2.4 billion by government departments.

Salga's Sivuyile Mbambatho confirmed the Salga KZN executive committee had met last week and considered the report.

She added following a Salga report to the provincial govern-

ment last year, Premier Sihle Zikalala established a task team chaired by then Finance MEC Ravi Pillay to facilitate provincial budgets in departments to settle such debts.

"It will be Salga's call that the task team be resuscitated in the face of increasing indebtedness by government departments. The team was successful in reducing government debt," Mbambatho said.

The matter would be elevated to Cooperative Governance and Traditional Affairs MEC Sipho Hlomuka and, if no improvement is seen; it would be reported to the premier's Co-ordinating Forum, she said.

"Of concern also is the failure of large customers to honour repayment arrangements they have made.

Repayment arrangements that are not honoured will lead to disconnections and Salga encouraged municipal managers to implement credit control policy measures at their disposal."

DA MPL Chris Pappas, who had posed the question on how much municipalities were owed by government to the premier's office, said such a large sum was one of the reasons many municipalities were struggling financially.

"Many of KZN's municipalities have collapsed and service delivery is no longer being rolled out. 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," he said.

The report said three big offenders were KZN Public Works (R708.4 million), National Public Works (R206.6m and Ingonyama Trust which owed R340.8m. The report further revealed in terms of municipal services, KZN Education owed R378.7m, followed by national public works (R79.7m), KZN Public Works (R18.8m), KZN Human Settlements R16.5m and the KZN Transport R14.6m.

The MPL said the party would call for representatives of the delinquent departments to appear before KZN's CoGTA portfolio committee at a special meeting to explain why their departments were not paying for rates and services.