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Slight reprieve for schools in debt with municipality

Schools that are in financial difficulty and cannot afford to repay the accumulated debt owed to the eThekweni Municipality can now pay off their debt through the 80/20 prepaid electricity debt recovery programme.

Inkatha Freedom Party Councillor Jonathan Annipen said this is indeed a step in the right direction in terms of recovery of debt. He said since early last year, the party has been championing the cause of schools who have exorbitant debt owing to the municipality.

“As the IFP representative on the Finance Committee, in May 2022 I recommended to the committee that they should explore the idea of allowing schools to participate in the Electricity Debt Relief programme and pay off their consolidated debt using the 80/20 prepaid electricity meter system. The CFO gave an undertaking that this would be looked into,” said Cllr Annipen.

He said that at a recent Portfolio Committee meeting, it was announced by the Head of Electricity, Maxwell Mthembu, that schools can now take advantage of the Electricity Debt Relief programme and pay off their debt by simply purchasing electricity.

“This means that schools who opt for the prepaid electricity system will be billed only for

water related and refuse charges but will not be charged for electricity. The debt accumulated prior to the installation of the box will be put into the prepaid system and will be paid off with each electricity purchase. Eighty percent of the purchase will be used by the school while 20 percent will service the debt, interest free.

The IFP also proposed to council to have all interest charges reversed and requested the city to engage with the Departments of Education (DoE) and Public Works to attend to the infrastructural challenges experienced by schools in the city which were a leading cause of their astronomical debt. The city has since engaged with the DoE and has recovered a significant amount of the outstanding debt owed by schools,” said Cllr Annipen.

The IFP encourages school principals and school governing bodies to take advantage of the 80/20 prepaid electricity debt recovery programme to avoid further interest charges. “Schools that require assistance with these applications can also visit our offices for clarity and help. Members of the public are urged to share this message so that as many institutions as possible can benefit from it,” added Cllr Annipen.

For further information or assistance, IFP offices can be reached on 031 350 3285.