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**Author:** DANIE VAN DER LITH

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# Sol faces backlash over controversial municipal debt deal

DANIE VAN DER LITH

THE DEMOCRATIC Alliance (DA) has sounded the alarm over a controversial settlement deal between the Sol Plaatje Municipality and the Northern

Cape Department of Roads and Public Works, which will see the municipality lose out on more than R533 million.

According to DA councillor Chris Whittaker, the agreement secures a once-off payment of only R95 million on departmental debt of R628 million. "For every rand received, the municipality is effectively writing off five rand. This kind of loss-making venture is not sustainable for a cash-strapped municipality that is already battling to provide basic services," Whittaker said.

The DA has confirmed it will submit formal questions probing how the deal was finalised, as the contract was signed by the municipal manager without being tabled before council for discussion. This, the party argues, not only undermines council oversight but also sets a dangerous precedent for other government departments that may now expect similar leniency.

Whittaker further noted that ratepayers and local businesses could question why they must continue paying their municipal bills when state departments are being rewarded for failing to honour their obligations.

During the drafting of the 2025/26 municipal budget, concerns were

**'This kind of loss-making venture is not sustainable for a cash-strapped municipality that is already battling to provide basic services'**

already raised over reduced funding for road and stormwater infrastructure. At the time, the administration claimed that an "unprecedented" deal would secure R150 million worth of services from the

provincial department. This figure was later echoed by the provincial finance MEC, who, in her June budget speech, promised a package worth R250 million for Sol Plaatje. However, the final agreement signed only reflects a once-off R95 million payment, which the municipality has since stated will go directly to Eskom.

"This deal does nothing to improve infrastructure or create economic growth. Instead, it pushes Sol Plaatje deeper into technical bankruptcy and leaves residents with little hope of seeing real investment in their roads and essential services," Whittaker said.

The condition of Sol Plaatje's roads remains a major concern. Most tarred roads have already exceeded their lifespan, causing safety risks, deterring tourism, and discouraging investment in Kimberley and the surrounding areas.

The DA has now called for an urgent review of the municipality's credit control and debt write-off policies to prevent future losses of this magnitude.

The DFA sent a formal media enquiry to the Sol Plaatje Municipality to get clarity regarding this matter, but the municipality failed to comment.