



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

R10 BILLION OWED FOR WATER – CUTS LOOMING

21 November 2017

The Department of Water and Sanitation is issuing notices to at least 30 municipalities that its water supplies will be cut off, by Friday 08 December 2017; should they fail to pay their water debt that has been outstanding for more than 60 days.

A total outstanding water debt of R10.7 billion currently exists, with 73% of this amount being outstanding for longer than 60 days. This debt is owed by municipalities, despite Section 65(2)(e) of the Municipal Finance Management Act that obliges municipalities to pay for bulk services within sixty days of receiving the relevant invoice or statement.

In trying to recover the outstanding debt, the Department initiated stakeholder consultations in terms of the Inter-governmental Relations Act and it has also embarked on a legal process to recover this money. These processes were initiated as early as two years ago and to this end, 6 court judgments have been issued in favour of the Department. 59 Courts summons' have also been issued and another 121 municipalities are involved in legal collection processes. Despite all these interventions, the water debt at municipal level continues to escalate.

The Department is now implementing Section 59(3)(b) of the National Water Act, which allows the Department to restrict or suspend the flow of water to defaulting municipalities.

The Department is implementing this sanction as a last resort, while it is simultaneously engaging the National Treasury on invoking Section 216(2) of the Constitution of South Africa, which enables the National Treasury to withhold the equitable share of grant funding that are to be paid to municipalities due to the persistent breach of the Municipal Finance Management Act.

END.

Issued by the Department of Water & Sanitation.

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