

FREQUENTLY ASKED QUESTIONS

Q. What is the total amount owed to the department?

A. A total outstanding water debt of R10.7 billion currently exists, with 73% of this amount being outstanding for longer than 60 days.

Q. What is the ratio of debt between the municipality and the water boards?

A. Municipalities owe 53% and Water Boards owe 47%

Q. Which is the highest owing municipality?

A. Vhembe District Municipality is the highest owing municipality – DWs did issue summons – the municipality has defended the summon and a default judgment has been applied for.

Q. Which is the highest owing Water board?

A. Sedibeng Water has topped the list of bad payers with the total outstanding debt of R2.0 billion in excess of 61 days. Sedibeng is not paying the accounts because the municipalities that they are servicing are also not paying Sedibeng water hence a huge outstanding debt.

Q. What have been some of the measures taken by the department to recuperate these funds?

A. 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

Q. Why is the Department cutting water supplies to the municipalities?

A. 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.

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.

Q. What legislation guides the Department to cut the water supplies?

A. 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.

Q. Which municipalities will be affected by the water cuts

A. These are all the municipalities who have outstanding debts for more than 60 days



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA