



**water affairs**

Department:  
Water Affairs  
REPUBLIC OF SOUTH AFRICA

MINISTRY OF WATER AND  
ENVIRONMENTAL AFFAIRS

2011 -07- 25

PRIVATE BAG X313  
PRETORIA 0001

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Reference: 2/1/5/1

**MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS**

**NATIONAL ASSEMBLY: QUESTION 1625 FOR WRITTEN REPLY**

A draft reply to the above question asked by Mr J F Smalle (DA) is attached for your consideration.

  
**ACTING DIRECTOR-GENERAL**

DATE: 22/07/2011

<sup>QS</sup>  
DRAFT REPLY APPROVED/AMENDED ✓

  
**MRS B E E MOLEWA, MP**  
**MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS**

DATE: 01.08.2011

Amend & send through  
Amended 03/08/11

**FOR WRITTEN REPLY**

**QUESTION NO 1625**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 17 JUNE 2011**  
**(INTERNAL QUESTION PAPER NO. 17)**

**1625. Mr J F Smalle (DA) to ask the Minister of Water and Environmental Affairs:**

- (1) Whether any municipality in Limpopo owe any outstanding debt to Lepelle Northern Water (LNW); if so, (a) which municipality and (b) what is the total value of the outstanding debt;
- (2) whether water supply to any of the implicated municipalities have been cut off; if not, what is the position in this regard; if so, (a) which municipalities, (b) when was the water supply cut off and (c) for how long was water supply interrupted in this way in each case;
- (3) whether her department has any measures in place to ensure that the outstanding debts are collected; if not, why not; if so, (a) what measures and (b) by what date should all arrears be paid;
- (4) whether any steps will be taken against the municipalities that have not yet paid their outstanding debts; if not, why not; if so, what (a) steps and (b) are the further relevant details?

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**REPLY:**

- (1) Lepelle Northern Water (LNW) serves eleven (11) municipalities. The amounts owed to LNW are indicated in the attached **Table A**.

All amounts owed for a period exceeding 30 days are regarded as arrears. It can be seen from the same table that nine (9) municipalities are in arrears with a total outstanding debt of R309,168, 855 million.

- (2) None of the municipalities' water supply who are in arrears have been cut off.

(2)(a) Falls away

(2)(b) Falls away

(2)(c) Falls away

- (3)(a) The Department assists through mediation in disputes which arise from the non-payment and has recently started such a process with the Ba-Phalaborwa Local Municipality and the Mopani District Municipality. An amount of R4,8 million was received in April 2011 from the Ba-Phalaborwa Local Municipality. Since then, LNW met with delegates from the Mopani District Municipality and an arrangement was made to pay R1 million before the end of June 2011 which has been paid. A debt recovery plan has been signed between the Sekhukhune District Municipality and LNW and a payment of R10,6 million was received in April 2011. A debt recovery plan was also signed between the Capricorn District Municipality and LNW and a payment of R7,1 million was paid in May 2011.

- (3)(b) The Department cannot give an exact date when the arrears will be paid as this hinges on how long the mediation process takes. However, the dispute between LNW and Polokwane Municipality about the outstanding amount of R1,5 million has been resolved – the amount will be corrected on the June 2011 invoice. The account is on current.
- (4)(a)(b) Although section 4 of the Water Services Act, 1997 (Act No. 108 of 1997) provides for the restriction of supply as well as cut offs, no such steps have been taken against the municipalities that have not yet paid their outstanding debts. However, as stated in (3)(a) above, the Department is assisting in mediating for the debts to be settled.

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TABLE A

Municipality		Outstanding Balance	Current	DAYS 30	DAYS 60	DAYS 90	DAYS 120	ARREARS
Lepelle Northern Water	Ba-Phalaborwa Local Municipality (LM)	24,241,526					24,241,526	24,241,526
	Capricorn District Municipality (DM)	56,868,301	3,012,949	3,374,464	3,822,684	3,521,706	43,136,498	53,855,352
	Greater Letaba LM	481,358	481,358					
	Greater Tzaneen LM	37,816	33,499	18	91	296	3,912	4,317
	Fetakgomo LM	10,637,223	543,213	524,087	709,358	514,567	8,345,998	10,094,010
	Makhuduthamaga LM	6,622,029	1,635,551	1,895,558	1,921,516	1,106,186	63,218	4,986,478
	Marble Hall LM	5,903,223	169,644	225,226	261,808	108,921	5,137,624	5,733,579
	Mogalakwena LM	1,356,005	1,356,005					
	Mopani DM	195,608,850	5,356,913	6,238,410	7,090,989	5,527,204	171,395,334	190,251,937
	Polokwane LM	11,643,350	10,054,250	4,021	5,788	7,796	1,571,495	1,589,100
	Lepelle Nkumpi LM	19,383,724	971,168	1,110,606	1,631,770	765,107	14,905,073	18,412,556
		332,783,405	23,614,550.00	13,372,390.00	15,444,004.00	11,551,783.00	268,800,678	309,168,855

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