



Democratic Alliance Free State
Office of the Official Opposition
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Date:	28 November 2022
To:	Mr Enoch Godongwana MP Minister: Finance Republic of South Africa
CC	Dr Nkosazana Dlamini-Zuma MP Minister: Cooperative Governance and Traditional Affairs Republic of South Africa
CC	Ms Sefora Ntombela MPL The Premier Free State Province
CC	Mr Mxolisi Dukwana MPL MEC: Cooperative Governance and Traditional Affairs Free State Provincial Legislature
CC	Mr Cilliers Brink DA Spokesperson: Cooperative Governance and Traditional Affairs Parliament of South Africa: National Assembly
From:	Ms Leona Kleynhans MPL DA Member of the Provincial Legislature Free State Province
Subject:	Financial crisis in Maluti-a-Phofung cuts off water supply

Dear Sir

The above mentioned matter hereby refers.

The Municipal Manager of Maluti-a-Phofung municipality on 21 November 2022 notified staff and councillors that the municipality would be unable to pay staff salaries or councillor allowances. By 24 November staff downed tools. The entity, MaP Water, was also not paid. Since 24 November no water pumping has taken place at the four major Water Treatment Plants in Maluti-a-Phofung, being Wilge, Sterkfontein, Makwane and Fika Patso, leaving the 380 000 residents with no water supply. (Only some pumping at night at Wilge Treatment Plant took place between loadshedding) Tankers could also not be deployed due to the non-pumping at treatment plants.



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On Friday 25 November I communicated with the DG in Premiers Office, Mr Ralikontsane to intervene in the impending disaster. By Saturday, Mr Ralikontsane informed me that Bloemwater, which is the implementing agent in a DWS intervention in Maluti-a-Phofung, had been deployed to ensure water supply in the municipality.

This morning, 28 November, water is not being pumped and MaP Water staff have confirmed that they have not been paid. There is no communication with councillors or community from the political leadership.

The reason for the financial crisis was predicted when a 100% unfunded budget was adopted in June 2022. No funding plan or financial recovery plan was adopted or implemented. The billing system has collapsed and there is a collection rate of about 15%. Total Creditors stands at over R 11 billion.

Despite a court order issued by the Gauteng High Court in June 2021, and a council resolution of 8 September 2022, to sign the Eskom agreement as negotiated by the Eskom Task Team under Deputy President Mabuza, no agreement has yet been signed. Maluti-a-Phofung debt to Eskom stands at R 9 billion, and no payments are being made.

In the notice issued by the municipality on 21 November, the vandalism of electricity infrastructure is blamed for the financial crisis. The truth is that the municipality has almost no resources to manage the electricity function.

In October 2021 the Minister of Finance recommended that Maluti-a-Phofung municipality be placed under Section 139(7) national intervention. This has not happened.

On behalf of the 380 000 residents of Maluti-a-Phofung, the vast majority of which are unemployed and living in poverty, I plead that this municipality be rescued from this mismanagement and maladministration, though the imposition of Sec 139(7) immediately.

This outrageous situation can simply not be allowed to continue.

I trust that your urgent attention will be given to the humanitarian crisis unfolding in Maluti-a-Phofung.



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Kind regards

A handwritten signature in black ink, appearing to read 'Leona Kleynhans', is enclosed within a thin, dotted rectangular border.

Leona Kleynhans
DA Member of the Free State Legislature
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