

**220. Hon. W Pretorius (DA) asks the Hon. MEC responsible for COGTA&HS: Mr. T Mokoena.**

In view of the ongoing political and administrative instability of Mohokare Local Municipality:

1. With reference to questions asked in the 2024 legislative year regarding outstanding debts to third parties:
  - a. What are the updated outstanding debt amounts to each third party as of 31 March 2025?
  - b. What payments, if any, have been made toward settling these debts since the previous response?
2. What are the underlying causes of the continued political and administrative instability in the Mohokare Municipality?
3. What specific steps and interventions has the MEC implemented to restore political and administrative stability in the municipality?
4. Are municipal workers in Mohokare still on strike? If so, is the strike legally protected? What is the legal status of the strike and which authority determined this?
5. What are the formal grievances raised by the striking workers?
6. What steps have been taken by the municipality and the MEC's office to address these grievances in (5)?

**NO RESPONSE**

**Converted to Oral: No. 17. 21/08/2025**

**RESPONSE 18/08/2025**

1. Outstanding Third Parties as at 31 March 2025 amounts to R 155,628,316.90
2. Due to cash flow constraints the Municipality could not adhere to some of the payment arrangements.

The following payments were effected

SARS – R24 191 151.44

Municipal Workers Pension Fund – R 13 017 068.48

Medical Aid – R 4 927 659.10

Mazwe Financial Services – R 2 015 072.94

IEMAS – R 100 000

As at the 31st of July 2025, the Municipality has started to implement revenue enhancement measures which will result in that the monthly contributions are paid to the fund.

Payment arrangements are entered into with the above creditors, and the Municipality has started making payments since the receipt of Equitable Share in July 2025

2. The following was the underlying causes of administrative instability

2.1 Late or non -payment of salaries

2.2 Non -payment of employee Third Parties

Management has met with the Union leaders and Staff members to mediate on the issues of administrative instabilities and also presenting the payment arrangements and committed to honouring those third-party payments. Management has ring-fenced the salaries and will be able to pay the monthly salaries going forward.

3. The MEC for Cooperative Governance and Traditional Affairs has seconded the Municipal Manager and the Chief Financial Officer to support and strengthen the capacity of the administration in the Municipality. This is guided by the prescripts of section 154 of the Constitution of the Republic of South Africa.

In addition, the Council has elected the new Mayor and Speaker of Council to strengthen the Political oversight and interface between administration and political office bearers.

4. No, Municipal employees embarked on a strike action in February until May 2025, the employees have since return to work from June 2025 and their concerns that led to the strike are being addressed and there is currently conducive and stable environment at workplace. The strike was unprotected, as the proper legal procedures for initiating a strike were not followed. Consequently, the municipality has sought a court interdict to prevent employees from participating in this unlawful industrial action.

5.

5.1 Late or non-payment of salaries

5.2 Non-payment of pension fund contributions

5.3 Non-payment of medical aid contributions

5.4 Non-payment of employee policy premiums

Management has met with the Union leaders and Staff members to mediate on the issues of administrative instabilities and also presenting the payment arrangements and committed to honouring those third-party payments.

Management has ring-fenced the salaries and will be able to pay the monthly salaries.

6.

6.1 The Municipality has paid all outstanding monthly salaries until the Month of July 2025. There were instances where salaries were paid late as a result of a negative cash flow, but the salaries are now ring-fenced to ensure that monthly salaries are dispensed to employees going forward.

6.2 Engagements were held with the Principal Officers of SALA Pension Fund to discuss the payment arrangement, and the Municipality has paid R2,000,000 to SALA pension fund and R 330,000 to MWRF in July 2025. The arrangements will be honoured on a monthly basis.

6.3. The Municipality will settle the arrear medical aid contributions by the 31st of August, the delays came as a result of engagements between Management, medical aids and the employees belonging to different medical aids.

6.3 The reasons for non-payment are low revenue collection and the cash-flow position. Management has submitted payment arrangements to third party creditors.

Management has requested financial assistance from Free State CoGTA to be able to address some of the financial challenges.

Management has started to implement the credit control and debt collection policies; this will assist with the improvement of revenue collection and the acceleration of service delivery obligations.