

CoCT continues to disconnect Prasa services

The City of Cape Town continues to disconnect services of the Passenger Rail Agency of South Africa (Prasa). The disconnections should not affect the operation of the trains and thus commuters. This is as a result of Prasa repeatedly failing to pay municipal rates and services debts of approximately R114 million to the City, of which R98m is the arrears amount.



Col André Kritzingner via [Wikimedia Commons](#)

Eskom recently disconnected some of Prasa's train operations for non-payment of debt to the value of on R6,5 million leaving passengers stranded and no trains operating.

Although Prasa made a payment of R86,7m at the beginning of February 2020 against their previous arrears of R168m, no firm payment arrangement for the outstanding arrears amount has been made. It was indicated that a part payment of R22m would be made by Monday, 9 March 2020 but it appears that the money has not been paid and is not sufficient in any case to avoid the disconnections.

In terms of its Credit Control and Debt Collection Policy, the City is entitled to disconnect services as a result of Prasa's repeated failure to pay for services.

Furthermore, Prasa is not paying their monthly current accounts.

The City, in turn, has had to make provision for bad debt in its budget, which means that fewer services are delivered. If those who have the means to pay refuse to pay for services that they use, it has a large impact on the sustainability of the City.