



**Address by Mayor Councillor Zandile Gumede
Budget Road Show
03 MAY 2017**

- Programme Director – Mr Sbu Chamane,
- Honourable Speaker, Cllr William Mapena
- Deputy Mayor, Cllr Fawzia Peer
- Chief Whip, Cllr Nelly Nyanisa
- Members of the Executive Committee
- Our City Manager, Mr Siphon Nzuza,
- Honourable Councillors
- Amakhosi aseNdlunkulu
- Deputy City Managers and Senior Management
- Leaders of political parties
- Abezindaba,
- Ratepayers
- Izichukuthwane zethu,
- Abahlali baseThekwini

Sanibonani

Siyabonga ukunibona niphumile ngothi lwenu ukuzolalela uhlahlomali kanye nohlelo lweIDP kaMaspala wenu enawuvotelayo iTheku.

Thina siwuhulumeni oholwa uKhongolose kuyinto yethu ukuthi sikhulumisana kanye nomphakathi umangabe kumele sithathe izinqumo. Yilokho okwashiwo iFreedom Charter ukuthi abantu bayobusa – People shall govern. Ngenkathi sikhankasa sasho sathi siyolalela nina sense lokhu enikudingayo, yingakho silethe loluhlelo kinina.

Lona umyalelo esawunikwa ubaba uOLIVER TAMBO njengoba sigubha unyaka wakhe.

Programme Director,

Our communities and stakeholders play an important part in the review of the IDP. The Process Plan indicates the public participation process for the review. The public participation process is varied and includes ward level participation to regional hearings with both written and verbal comments accepted.

Uhlelo lwethu luthinta zonke izinhlaka zomphakathi kusukela eWadini, kufinyelele kwizakhiwo zaMakhosi, Abefundisi, ama-NGOs, abafundi, osomaBhizinisi kanjalo-kanjalo.

Somlomo, I am here to present Municipality's draft budget for the 2017/18 financial year for the first time as Mayor of eThekweni Municipality. I am the peoples Mayor and this is Peoples Budget, everything that we do is for our people who have chosen us to lead this city.

Firstly, I would like to welcome and introduce our New City Manager to take this city forward towards achieving our vision of being the most caring and liveable city. Mr Siphon Nzuza is original from Durban with a lot of experience. He has a track record of good governance. What is important is that he will use his experience of the port and other things to move this city forward. Siyakwamukela Mshazi, sihole usuyise kwi-Radical Economic Transformation.

Our generation must fight for economic freedom and it is achievable. The economic freedom will be achieved in our life time. We must use legislation and budget as instruments in order for us to achieve radical economic transformation.

Mr Speaker,

I am glad to be presenting this Budget during the Workers Month in South Africa. This budget must be able to create jobs and to also assist those workers who earn less. It must be considerate of the demands of trade unions within the City. It must also be used to change the lives of workers who do not have unions such as domestic workers. Domestic Workers are close to my heart as this mayor and I believe their voice matters.

What is also important is that this is Africa Month. We celebrate the liberation of Africa from colonialism. During this month we will celebrate the living legends and those who died fighting for Africa. We will celebrate President OR Tambo, Kwane Kruma, Dr Pixley kaSeme, Julius Nyerere, Nelson Mandela and our living legend such as Dr Nkosazane Dlamini, Koffi Annan, Winnie Mandela and others. We are proud to have the first woman leader of the African Union coming from South Africa, in Durban.

We are proud of Mama Nkosazane Dlamini_Zuma and her achievement. Ungomunye wamaqhawe isizoqhubeka nokuwabungaza kulenyanga ye-Africa.

Programme Director,

We certainly believe that this budget delivers on the promises we have made at the start of our term in office on 23 August last year. This draft budget gives us impetus to strategically implement the key catalytic projects which are set to create thousands of investment and employment opportunities. This is in keeping with the Municipality's new Radical Economic Transformation Framework, launched earlier this year.

The framework aims to accelerate service delivery, provide economic opportunities to poor and unemployed residents and grow the small business sector. The announcement was welcomed by local entrepreneurs, as it gave renewed hope to about 800 business people who came out in their numbers to hear the news first-hand.

In the next five years, Mr Speaker, we will continue to strategically shift the budget to deliver even more on the promises we made, so that this ANC-led Municipality can develop and release the masses of our people from the miserable conditions of poverty, underdevelopment and unemployment.

Mr Speaker, the total budget for the 2017/2018 financial year is R45 billion made up of an operating budget of R37.5 billion and a capital budget of R7.5 billion.

The focus of this budget will be directed to the key areas in line with our promises to improve the lives of our people.

Ensuring good governance in the City and our commitment to tackling fraud and corruption, is one of our key priorities. In a bid to ensure the effective use of public funds and enhance accountability, I have spearheaded the process of merging the Finance and Procurement Committee with the Executive Committee to strengthen political oversight and guidance over the fiscal as well as financial affairs of the Municipality. Furthermore, the merger of the two committees will continue to enhance accountability and transparency.

This budget will also give impetus to the integrated rapid transport network, the Go! Durban project which is a top priority for the City.

All interventions including catalytic projects to grow our economy, food security programmes, job creation and ensuring that women as well as youth development programmes run in full steam, have all been budgeted for. We will continue to provide basic services such as grass cutting, verge maintenance, robot repairs, as well as prioritise cleanliness and drive inner city regeneration projects to build a City we can all be proud of.

This draft budget will also aid in bridging the gap between the rich and poor, mainly focusing on underdeveloped communities, eThekweni Municipality is steadfastly installing wi-fi equipment in various hotspots around the City.

In my inaugural speech on 23 August, we committed to addressing homelessness and poverty in order to ensure that everyone lives with dignity. I believe that there is a direct link between economic conditions and social ills and in addressing this in our City we have established the City's first Multi-Disciplinary Task Team in August last year that are tasked to find an integrated approach to dealing with various social ills and challenges communities face.

The task team is supported by a special Multi-Operational Response Team, which consists of Metro Police Officers dedicated to supporting and addressing issues identified by the task team.

The ripple effect of ridding our City of social ills will also ensure that eThekweni is a safer and more resilient City together with the roll out of the new citywide, high-tech closed-circuit television project which will include License Recognition cameras and 24 hour monitoring.

The draft budget will also ensure my commitment to eradicate slums to ensure that all residents live in humane conditions so that their quality of life is dramatically improved for the better.

With our commitment to fast track service delivery and provide basic services to our free basic services package, pensioners, child-headed households, disability grantees and the medically boarded are exempt from paying rates on the first R460 000 of their property value. Residential Properties valued up to R 230 000 (previously R 185 000) will be exempt from paying rates. All other properties valued above R 230 000, for the first R 120 000 of value no rates will be charged.

The first 6kl of water is free to households with property values under R250 000.

The first 50kwh of electricity is free to residents using less than 150kwh per month in Eskom reticulated areas. The first 65kwh of electricity is free to residents using less than 150kwh per month in eThekweni reticulated areas.

The first 6kl of effluent disposal is exempt for all properties with values under R250 000. In addition, a free basic service is also

available to indigent consumer units with VIP's, urine diversion toilets and in informal settlements serviced by means of a toilet/ablution block within 200 metres.

Residential property valued up to R250 000 are exempt from the domestic refuse removal tariff. In addition, a free basic refuse removal service is also available to indigent residents living in rural and informal settlements.

Notwithstanding the current economic climate and the pressure in terms of a weakening currency, a growth rate of under 1%, growing unemployment, inflation over the 6% threshold, as well as increasing food and fuel prices, we have still managed to produce a basket of services with an overall increase of less than 6%. This is below inflation and very commendable under the current economic climate. Some of the increases have been unavoidable. For example, the bulk water tariff increase by the Umgeni Water Board was 15%. In terms of the specifics, the proposed tariff increase for Rates is 6.9% on average, 1.88% for electricity, 15% for domestic water consumers, 17% for business water consumers, 9.9% for refuse removal, and also 9.9% for sanitation.

My vow to keep lines of communication open and sustained with eThekweni residents, to increase Councillor accountability, convene regular community meeting and feedback sessions will continue. In fulfilling our promise to eThekweni residents, this Council both political and administrative will embark on a public participation process on the budget to allow every resident in our community the opportunity to scrutinize the budget, engage with us on the budget, provide us with their input before the budget is finalised. Accordingly, regional budget hearings will be held during the months of April and May. Details of these hearings will be published shortly.

We believe that this is a very well balanced budget in terms of addressing the triple threat of poverty, unemployment and inequality, while on the other hand also building business confidence in terms of retaining and expanding existing businesses and attracting new investors to help grow our rates base. Most importantly to us, it helps uplift the quality of lives of our people, especially the poor, and help us to achieve our vision of becoming the most caring and liveable City in Africa.

We believe that we are on the right path, as the international Mercer quality of living survey recently named our Municipality the best South African City to live in for a third consecutive year.

I Thank you.

Long live the spirit of OR Tambo!