

SOLLY'S HISTORIC BUDGET

First time the DA had say in city finances

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Mayor Solly Msimanga says the city can now move forward with its goals of realising economic change.

HISTORY was made yesterday when executive mayor Solly Msimanga and the DA-led administration had a say in the city's finances for the first time.

A special council sitting at Sammy Marks Council Chamber unanimously approved the adjustments budget for 2016/17, and according to Msimanga, this paved the way to stabilising Tshwane's finances and deliver better and quality services to the residents.

When it took control of the city after the elections last August, the DA-led coalition government adopted the budget that had been approved by the former ANC administration.

Msimanga said: "It must be emphasised that the city ended the 2015/16 financial year with an operating deficit of about R2 billion, which meant that the city had a funding compliance gap which must now be addressed within the 2016/17 adjustments budget.

"The amended budget aims to ensure that we drastically reduce this deficit and correct the unrealistic, unfunded budget approved by the previous administration in June last year.

"This milestone is a victory for the people of Tshwane. We can now move forward with our goals of realising the economic change and becoming a responsive government, while also creating job opportunities and attracting

investment into Tshwane."

The adjustments budget amounting to R4.52bn was approved by 202 votes. It was an increase of R59.3 million from the capital budget of R4.46bn approved by council for the 2016/17 financial period under the ANC government in June last year.

MMC for finance Mare-Lise Fourie said the increase was mainly attributed to additional allocations, transfers from the operating budget and external funding rollover.

While the ANC agreed with other parties on the adjustments, it took potshots at the DA which had not voted in favour of the capital budget from the opposition benches last year.

ANC caucus leader Mapiti Matsena said: "We are looking at you Speaker (Katlego Mathebe) and your partner the EFF to see whether your next budget is going to be propoor in the next financial period."

He said his party supported the adjustments because it was about the budget passed under the ANC administration.

Matsena reminded Msimanga that budget was approved by the ANC government: "Tell us what you are going to do in the City of Tshwane. You have been obsessed with what the ANC government had done."

He accused Msimanga of always going to police stations to open cases, which had so far yielded no arrests.

But Msimanga hit back, saying: "Be very careful of what you wish for. We will not rest until some people swap their suits with red overalls."

He threatened to present a report by Deloitte and Touche implicating some ANC officials in the misuse of R140m.

He said Matsena had to relax because the DA was fixing the mess created by the ANC.

The EFF also welcomed the budget, but warned the DA to make sure it implemented the programmes covered in the budget.

The party said the DA-led administration should create quality jobs and not the Vat Alles type of jobs, referring to the controversial Expanded Public Works Programme of the former administration.

Msimanga hailed adjustments as part of the budget to address basic service delivery and create jobs.

He said the city ended the 2015/16 financial year with an operating deficit.

"This meant the city had a funding compliance gap which must now be addressed within the 2016/17 adjustments budget," he said.

He said the amended budget would ensure the city reduced the deficit and corrected the unrealistic and unfunded budget approved by the previous administration.

Some projects, such as the maintenance of water infrastructure, which were previously underfunded, received a cash injection of R13m.

Msimanga dispelled rumours that the city would get rid of the wi-fi system, saying an amount of R1m had been allocated to the service and broadband projects.

"The adjustments will reprioritise the budget to service the needs of the many people of Tshwane who are desperate for services after the ANC administration treated our city's budget as a piggy bank for vanity projects at the expense of real and meaningful strides to improve the lives of our people," he said.

Fourie said the city grants had increased by R32.4m as a result of additional funding received during the adjustments budget and approved roll-over funds from the 2015/16 financial year.

An amount of R20m was allocated to a social infrastructure grant for the construction of community halls at Hammanskraal, Winterveldt and Mabopane.

The sports, recreation, arts and culture department was allocated just over R1m for community libraries and R1m for additional books.

An amount of R36.3m has been moved to fund inner city regeneration projects. A Gautrans Grant, amounting to

R12m, has been moved to the opex budget to pay for the feasibility study being done on the projects. The budget for the bulk water purchase was reduced by R142m due to the city's water usage restrictions.

The bulk electricity purchase was reduced by R60.8m due to a decline in sales revenue.

Contracted services and other expenditure items were reduced to address the funding compliance gap, said Fourie. She said cost containment measures were implemented by departments to eliminate wasteful expenditure.