

'Bay will have to stand on own feet financially'

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'Bay will have to stand on own feet financially' Siyamtanda Capa capas@tisoblackstarco.za If the Nelson Mandela Bay municipality is to survive the next three years, it will need to find ways to be self reliant. This is the view of budget and treasury committee DA councillor Retief Odendaal, in response to the announcement by finance minister Tito Mboweni that the public sector will have to trim its wage bill by R27bn over three years. While the municipality is set to get R975m in the upcoming financial year to install services and build roads through the urban settlements development grant, the figure is expected to drop to R778m the following financial year and R750m the year after. The municipality's acting chief financial officer, Jackson Ngcelwane, said it was shocking that it was decreasing. "The city is growing. When you are building houses, you can't build without services. "What is shocking with the urban settlements development grant is that the government is projecting for something to decrease instead of them projecting for it to increase," he said. "This could be due to the priority of free education and the need for accommodation." Ngcelwane said he suspected the newly introduced informal settlements upgrading partnership grant would partially make up for this. However, the grant is expected to be conditional. RETIEF O DEN DAAL "It's better than not getting anything at all, especially in comparison to other municipalities." But there was some good news, with Mboweni allocating R2.3bn to the Bay for up grading township areas, creating temporary jobs and constructing roads for the city's bus system. Of this, R1.3bn will come in the form of infrastructure grants while R1.02bn will be the equitable share. According to the division of revenue bill, the Bay will be getting: Infrastructure skills development grant R9.5m; IPTS R298m; Local government financial management grant R1m; Expanded Public Works Programme R8.95m; Integrated city development grant R1 2.6m; and Neighbourhood development grant R30m. Although no money was allocated for upgrading informal settlements in 2019 2020, R471m has been allocated for the two years thereafter. Budget and treasury portfolio head Mkhusele Mtsila had agreed earlier to comment on the metro's budget allocations, but failed to answer his phone or respond to messages later. However, Odendaal his predecessor said the metro was entering some difficult years and would have to cut back on its expenditure. "Municipalities will have to cut back. It is very clear that we can't borrow more money. "The message is very clear we all need to tighten our belts in so far as government entities are concerned and if we

don't, it is going to be very difficult years for us," he said. Odendaal said the allocations by Mboweni were indicative of the need for the city to find other ways to balance its 'Municipalities must be able to balance their books themselves' Retief Odendaal DA COUNCILLOR Books. "Municipalities, especially metros, can no longer look to the national government to balance their books," he said. "There is an emphasis on municipalities being able to balance their books themselves. These marginal increases are inflation related and the grant funding is indicative of that. "The message is clear essentially they are saying they will maintain what we have but we need to be self reliant. "Nelson Mandela Bay is very grant dependent, especially the capital budget that is why the loan funding of R750m1 was brought into this year's budget. "We have a long way to go and because we are one of the poorer metros it will take us longer to get there," Odendaal said.