

■ ETHEKWINI

# Deputy mayor takes aim at city's budget

*Scott questions why money was being moved from project to project*

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NEWLY-appointed deputy mayor Belinda Scott has questioned the credibility of eThekweni Municipality's budget, saying the amount of fiscal shifting in the middle of the year was "unbelievable".

Scott, the chairperson of the finance, security and emergency services committee, said the poor state of the municipality's adjustment budget "was indicative of a city that did not have a credible budget".

The former Finance MEC was speaking on the adjustments budget for 2018/19 at the executive committee meeting in City Hall yesterday.

"Never in my life have I seen an adjustments budget like this. It is an indication that we do not have a credible budget..."

"We shouldn't be moving money from one project to another in the middle of the year. This means that projects are not properly planned," Scott said.

She vowed that consequence management would be "at the top of the list" going forward.

"I am not taking responsibility for this, but I can promise you that this won't happen again," she said.

Scott also revealed that about 50% of the budget was shifted during the adjustments budget, adding this type of budget should be used to authorise unforeseen or unavoidable expenditure.

The DA's Yogis Govender raised alarm over the city's tendency to divert money intended for NGOs to pay for the hiring of venues and artists for events.

"We cannot support this adjustment budget. There are items where we are taking money from NGOs such as the Bat Centre, Wentworth Arts and KZN Heritage Centre that fill in the gaps where we can't get to. We are taking funds from them for artists, gifts and promotions, hiring of venues, etc," Govender said.

In a summary of the 2019/20 budget,

## BILLION RAND MISSION

DURBAN mayor Mxolisi Kaunda has vowed to recover more than R1 billion in irregular expenditure accumulated in the past financial year.

In a report to the city's executive committee (Exco), more than R1.2bn was recorded as irregular, fruitless and wasteful expenditure for 2018/19.

More than R230 million in irregular expenditure relating to the previous financial year was yet to be recovered.

The bulk of irregular expenditure related to supply chain management (SCM) non-compliance.

It was reported that awards were initially made following proper SCM processes. However, on the expiry of the contracts, there were delays in the awarding of new contracts and to ensure the continuity of service delivery, expired contracts were used.

This caused irregular expenditure, as the expired contracts contained the same rates as the initial valid awards.

Deputy mayor Belinda Scott, said the figure reflected "a total violation of the Municipal Finance Management Act". | **KAILENE PILLAY**

Scott also questioned the city's anticipated 686% over-expenditure in overtime for the metro police.

Scott said she could not understand how the municipality was already projecting such a high over-expenditure for overtime "at the very beginning of the financial year".

The city's chief financial officer, Krish Kumar, said councillors needed to realise the demands placed on metro officers. He said political instability, land invasions and service delivery challenges impacted negatively on the metro police.

"We are looking at getting to the root cause of the overtime and it is being monitored monthly."

However, mayor Mxolisi Kaunda said the city's leadership needed to engage

communities in order to reduce the number of public protests.

"This will then result in less overtime because there will be less public protests. We need to go out and listen and engage with the aggrieved communities before they protest," Kaunda said.

Concern was also raised about provincial and national departments that owed the city in excess of R1 billion and R436 million, respectively.

The debt has been outstanding for more than 90 days. Properties owned by Ingonyama Trust made up about 38% of the debt owing for more than 90 days, the report said. It was noted that some progress had been made by the Department of Public Works, as they had paid in excess of R55m towards rates in the 2018/19 financial year.

There were also ongoing discussions with section 21 schools through the Education Department and provincial Treasury, while the municipality was looking into solutions that would assist, including the installation of prepaid meters.

Scott also threatened to name and shame councillors and municipal officials whose municipal accounts were in arrears to the tune of more than R23m.

DA caucus leader in eThekweni Nicole Graham said it was time those who came from the provincial government, such as Scott and Kaunda, were able to see what municipalities had to deal with.

"As much as there should be robust discussions with provincial and national departments that owe us money, we cannot have ordinary people being cut off for non-payment, but parastatals and departments get away with proverbial murder," Graham said.

The IFP's Mdu Nkosi, who also did not support the approval of the adjustment budget, said the council needed to get serious about saving money.

He said as much as Scott's stern sentiments were welcomed "action needed to be taken as soon as possible".