

MAYORAL SPEECH: 25 FEBRUARY 2021 at 09h25

Good Morning Speaker, Aldermen, Councillors, Acting Municipal Manager, Directors, Officials, Members of the Media

It is an honour to address you today.

February is the month in which we address our Adjustment Budget and cast our mind to the Draft Budget for the 2021/22 financial year.

It is useful therefore to shortly review our economic circumstances and that of infrastructure and services.

At the beginning of the month it was a relief to all of us when the lockdown restrictions that were imposed over our critically important holiday season were brought to an end.

This meant that businesses particularly in the tourism sector could resume more normal operations for the benefit also of those employed in the sector. The regional economy has been badly affected this past year which is of enormous concern.

From my interactions with the business sector, it is evident that across the range from SMME's to larger stores, they experienced declines in turnover during December from 10-20% all the way through to 50%. This is worrying because we recognise the importance of the December-January holiday trade.

With regard to George's own finances, our Debtors' book has increased from R240m in January 2020 to R320m in January 2021, an increase of R80m or 33%. We note a virtual doubling in the aged analysis for each period outstanding, e.g. 30-60 days; 60-90 days, etc.

In addition to the reduction in the debtors collection rate from a very satisfactory 96% to the present average of 92%, the average billings per month in relation to budgeted expectations has also declined although this gap appears to be reducing.

We are having make additional provisions in our financial statements for the possible irrecoverability of these debtors. In turn this impacts on our cash. We once again appeal to our customers, whether they are individuals or businesses, to make contact with the Accounts Dept to discuss any difficulties being experienced in making payments.

Each of the applications for relief or assistance will be assessed on their merits.

In our Adjustments Budget we have implemented immediate cuts to expenditure in such a way to prevent impacts on service delivery while continuing to remain watchful for the rest of the financial year.

During February, the municipal manager, Dr Gratz, has continued to lead the review of our internal operations, constantly searching for improvements to become more efficient.

A professional engineer has been appointed on a temporary basis to project manage capital expenditure on bulk infrastructure.

Discussions that have been held in respect of the Municipal Infrastructure Grant and a way forward has been determined as will be discussed later during this meeting.

For a number of years now it has been evident that George would need to tackle the refurbishment of ageing existing infrastructure. This is one of the biggest challenges in local government not only in South Africa but internationally as well.

The challenge for George is exacerbated by the growth in new housing and the overall economy, requiring additional infrastructure.

We therefore face twin challenges of having to refurbish existing infrastructure as well as expand infrastructure particularly in respect of Water and Waste Water.

I will try to provide some perspective:

- At present George uses 30 MI of Water per day on average.
- The present expansion programmes at the Water Works entail additional work at the size of 20 MI and at the Waste Water Treatment Works of 10 MI.
- The Capital Expenditure programmes presently in the Medium Term Revenue Expenditure Framework are approximately R1 billion to be undertaken over the next 3 years.
- Our present entire infrastructure on our financial statements amounts to approximately R3 billion.
- These figures should provide Council with some idea of the order size of the undertakings being dealt with at present.

The projects that are at present on the table for funding in the forthcoming budget are therefore significant and will require astute management.

When you undertake projects of this nature your budget has to be tailored to absorb them in terms of funding sources, from Grants, own funds and external funding; with adequate generation of internal cash flow; the affordability of tariffs by your customers. Simultaneously we also need a growing economy.

In addition to these projects, we need to undertake refurbishment of key sewerage pump stations within the 150 plus pump stations operated by the Municipality.

The MM has therefore been spending much time in dealing with the shortcomings and managerial issues that are prerequisites to undertake the capital expenditure projects that I have briefly described.

Thank you, Dr Gratz, for your tireless efforts to get to grips with the enormity of this larger project.

If we turn to service delivery, we look forward to next week when the new contractor dealing with the blue and green bags will commence operations in tandem with the regular normal black bag refuse collection service.

Acting Director, Mr Allen Pause, has systematically worked through all the aspects comprising this service to ensure that we restore this very visible essential service to the expected standards of service delivery.

Over the past month, various inadequacies in refuse collection have progressively been ironed out. We apologise for the difficulties that residents have experienced and thank them for their patience so far and what will be needed in the coming transition.

The maintaining of service delivery standards is of crucial importance. The management of faults and complaints from the reporting thereof, through to clearing thereof within acceptance time limits, is receiving attention.

The MM has introduced a monitoring system to ensure there is accountability. For such a system to work effectively it is essential that faults receive a reference number when the complaint is logged.

Our Media and Communications Dept has already publicised the use of the George mobile phone App where faults can be logged within seconds. We

encourage all our citizens to become more Active and to use these devices to report faults.

In recent times I have noted social media groups where citizens spread rumours and photos about so-called “faults” on behalf of political parties without bothering to report them. Councillors from those political parties are members of those social media groups.

Given the challenges that we face in terms of Covid-19, the work required in terms of economic recovery to retain jobs and to assist the vulnerable, I do not believe that the negativity about the city in which they live which is being fuelled by these individuals actually adds any value. There is reason to believe that the negative narrative is being fed by persons holding office as councillors. This runs counter to the spirit of those citizens in George who daily strive for a better life and who contribute to improving our city.

I have been informed by the Administration that they are preparing plans for the roll-out of additional programmes to sharpen up the cleanliness and appearance of George.

It is appreciated that our Management team has recognised the importance of the high standard of service delivery that our citizens expect. They have requested and received permission to utilise an amount of R3m to be allocated out of the savings that have been made in the Adjustments Budget.

As the second wave of Covid-19 has abated, adaptations to the use of face-to-face service delivery has taken place which means some actions with the public are now once again being permitted.

We do need to bear in mind that even though the number of positive cases have declined, constant vigilance is needed.

Land invasions

After numerous postponements by the Court, the Municipality was informed a few days ago of another extension of one week that was being granted to the illegal land occupiers in the Touwsrante area for them to make representation to the Court as to reasons why the eviction order should not be granted.

The occupations are of major concern to home owners within Touwsrante who believe that their lives and property are being negatively impacted with the Municipality bearing the blame for their discomfort even though the Courts are determining the matter.

Voëlklip:

Over the past weekend that another tragic incident took place at Voëlklip.

At last month's Council meeting I reported that a task team had been formed to address the various concerns. Requests and proposals have been made to the Provincial Roads Dept to permit the use of rocks to close off a parking area and to erect safety barriers. While such permission is being awaited rocks have been put in place in the parking area that has been used as the start-off point for the incidents.

The Municipality has received support from private initiatives who are prepared to sponsor measures to improve safety. These gestures are much appreciated.

Even though we have no legislative role or jurisdiction over the matter, we wish to prevent any further incidents as far as possible and will take the leading role in co-ordinating the activities of the task team.

We extend our deepest sympathies to the family of the bereaved.

Lastly we have extended our support to CANSA in their annual CANSA Relay fundraising effort.

This event will take place virtually with citizens encouraged to buy their entry ticket and then to complete their Walk, Run, Cycle during the duration of the event from 5 to 15 March.

We want to challenge all suburbs, retirement villages, gated suburbs, businesses, schools, clubs etc to get their members to sign up and participate in some exercise in our lovely fresh air. This challenge also goes to each Dept in the Municipality.

In closing, I wish to extend a word of thanks to all our officials for their dedication in dealing with our many challenges.

We need to remember to remain safe and to observe Covid-19 protocols at all times. END