

MAYOR'S SPEECH TO COUNCIL ON 29 JUNE 2021

Good Morning

Spreaker, Aldermem, Councillors, Acting Municipal Manager, Directors, Officials, Members of the Media and Members of the Public

It is indeed a privilege to address you this morning almost at the end of the 2020/21 financial year tomorrow.

Over the past year enormous progress has been made within George Municipality to strengthen management and governance. We are actively addressing our bulk infrastructure needs and our aging infrastructure as we steadily work towards improvements in service delivery. This progress has resulted from the critically important decisions taken by this Council that has enabled and empowered the Management team led by the Acting Municipal Manager and the Directors to review our strategies, policies and practices to effect the improvements that we are now experiencing.

The progress we are beginning to make comes in stark contrast to the widespread media coverage about the state of many local municipalities and metros across the country where services and infrastructure are crumbling to the extent that major businesses such as Clover, Astral and others have either taken decisions to relocate, obtained Court orders to force National Government to intervene or are searching for reliable municipal services. As Council we need to ensure that our focus is on a clear path of ensuring best practice and good governance in every single decision that is taken so that we can achieve our objective of being the top secondary city, offering top class services, excellent infrastructure. This is the clear pathway to attracting investment to provide employment for our citizens.

Over the past few weeks we have been informed that the efforts of the last six months to secure additional Grant funding and support for our infrastructure upgrades have received positive feedback.

Dr Gratz has received correspondence that our application for inclusion in the Neighbourhood Development Partnership Grant ("NDPG") process has been favourably received. This relates in particular to Thembalethu. This will enable the technical and financial assessments to be undertaken.

The AMM has also been informed by National Treasury that our project submission for admission to the Budget Facility for Infrastructure (“BFI”) process has been registered for our Water and Sanitation projects. Entry into this programme is viewed as extremely tough and as Council we will need to ensure that our conduct is exemplary to ensure that we qualify in all respects.

The details of the submissions now require review by the advisers to permit progress for success in the applications.

We need to thank our management and technical team for the work that has gone into the preparation and presentations that have been done.

I briefly wish to touch on our financial results for the 11 months to May 2021. Each of the metrics for actual results for Capital Expenditure, Operating Revenue and Operating Expenditure are in line with the planned budgets. During this month much of the planned Capital Expenditure will be completed.

The area of some concern is our Debtors where the outstanding book amounted to R340m at the end of May. This is a 27% increase of R72m from May 2020’s figure of R268m.

R145m of this debt is older than one year and R67m relates to debt older than 90 days but less than one year. There is no doubt that the Covid-19 pandemic has contributed significantly to this escalation. In accounting terms and in practical terms, the collection of debt older than 90 days becomes doubtful.

While our cumulative debtors’ collection rate has improved to 94,5% to date, it would appear that we are 3% short of our expected Billings so far this year. In reality the effective collection rate declines to 91,7%. With regard to credit meter Electricity sales (57% of total) we are 11m KWH behind on a year to year or 5,1%. Prepaid sales are however 6,3m KWH up on last year (3,9%). With regard to Water consumption, the records show that our Billings were 220 000 kilolitres down year on year over six successive months to January 2021.06.28

As Council is aware we experienced unprotected strike action last Wednesday 23 June. After interaction with the Union, it was decided to obtain a Court interdict to ensure that services could continue to be delivered to our 60000 customers. The Union has acceded to the matter being heard in Court on 6 August which places the matter as sub judice until then. In the meantime, services are back on track.

The country has once again been placed under Level 4 Lock down as a result of the third wave of the Covid-19 pandemic. It is of utmost importance that the health protocols be adhered to by all of us to effectively reduce transmission. The regulations do however impact negatively on many businesses who are already struggling, with employment being affected. Our management team has met to discuss what and how additional measures can be implemented to assist in the plight of our citizens through our 125 operational soup kitchens and the 680 food gardens in existence. While libraries need to close, they will continue to be of assistance to citizens wishing to register for vaccination.

A Service Delivery Monitoring Committee (SDMC), representative of all directorates was established in mid-February to deal with responses to daily service requests from the broader community.

A team comprising the Manager: Customer Care, Mr Peter Noble, Mr Theo Roodman as Project Coordinator (Collaborator Systems) and Mr Johann du Preez, Senior Manager: DMA and Support Services coordinate the operations of the SDMC.

A management team meets every Friday to deal with the more tricky service requests and aim to resolve complaints or problems at the Friday weekly meeting attended by 25-30 officials. They are responsible for clearing roughly 80% of the week's requests by that Friday.

At the meeting, on average about 50 "quick fix" complaints are discussed every week of which more than 95% are resolved ahead of the service level standard time scale resulting in:

- no more traffic congestion out of Pacaltsdorp during morning peak traffic;
- clean-up projects to bring environment back to former status as clean city;
- implementation of more effective measures to deal with stray animals, etc

This team has taken ownership of the tasks to resolve queries as a team effort.

All councillors should therefore ensure that complaints are clearly explained when logging them preferably on Municipal App, bearing in mind that a complaint can only be solved if they are brought to the attention of the administration.

In mid-May we welcomed Ms Lauren Waring as Director: Planning & Development and on 1 July we will be welcoming Mr Bongani Mandla as Director: Electro-tech Services. We take note of the energy and efforts of our Directors as they go about making improvements to our levels of service delivery in the Municipality that include:

- Working feverishly to complete MIG and other capital projects by year-end;
- Completing the PV plant in our car park;
- Prepare for the river clean-up scheduled for August;
- Hand-over of new houses in the Syferfontein project;
- Dealing with investors wishing to invest in George (some teams are in George this week dealing with preparation work);
- Calling for proposals for events;
- Taking delivery of our incident command vehicle.

In closing I wish to thank our management team for the dedicated work that has been undertaken this past year, and in particular these past six months in effecting the improvements that our citizens are noticing around George.