

# STATE OF THE METRO ADDRESS

## BY EXECUTIVE MAYOR CLLR ATHOL TROLLIP

*Venue:* Ernst Swanepoel Hall, Despatch

*Date:* Thursday, 17 August 2017

- Speaker
- Members of the Mayoral Executive and Coalition Partners
- Members of Parliament, Provincial Legislature
- Councillors
- Religious Leaders
- Business Leaders
- City Manager and all Executive Directors present
- Honoured guests
- Members of the media
- Ladies and gentlemen

Good morning to all of you on this beautiful cold and wet winter's day. Contrary to expectation, the weather is most welcome, as it brings with it much-needed rain. This hopefully is a precursor to a wet spring, and an above average rainy season.

Just one day short of a year ago, this new administration was inaugurated when the Speaker, Deputy Mayor and I were sworn into office. I have waited for this milestone of one year to arrive before

presenting this State of the Metro Address in order to avoid claiming premature victories and to avoid making uninformed criticism of an institution that I was not fully familiar with. I know the fact that I don't make long statements at every Council meeting has been a source of frustration for some members of the Opposition, but I have chosen in this regard to rather do more and talk less.

I would like to remind all present that on 15 August last year I promised to do three things:

- Stop corruption
- Create jobs and
- Deliver better services.

It is against this promise that I will report on our progress as a Coalition government. Our Multiparty endeavour has not been without challenges and many are these are not unique to coalition governments. No-one said that it would be easy, and it hasn't been. However, we have persevered and our efforts have been seen and felt by many across the City and beyond.

In this regard, allow me to say that the results of the recent Businessstech Report on the "Best and Worst Municipalities in South Africa 2017" have been a source of pride for our government. In the customer satisfaction index, the Nelson Mandela Metro came third on the overall average score at 59% (representing the highest growth of 5,27%). The category of "Most trusted metropolitan municipality" saw the Nelson Mandela Metro going from second last to second most

trusted metropolitan municipality, at 67,4 % (again with the highest improvement score of an unprecedented 9.9%).

Also interesting to note is that Cape Town scored tops on both indexes and that the four most trusted metropolitan municipalities are all DA led governments, namely Cape Town, Nelson Mandela Bay Metro, Tshwane and Joburg. Those who voted for and got change have already experienced a dividend from their voting investment, after all, trust is earned. This is something that entrenched hegemonic governments forget or take for granted.

These results are also the very best motivation for why we regard the City of Cape Town and the government of the Western Cape as examples of best practice that we need to emulate. In this regard, we are careful not to mimic, but to identify what we believe to be best practices and then adapt these to our own unique situation.

We are unique in so many ways, but the most obvious is that we are named after the Father of our Nation, President Nelson Mandela. This extraordinary privilege also carries great responsibility and much expectation. I was really proud to be present at the recent renaming of our university to the Nelson Mandela University. We really need to be more vigorous at branding ourselves and laying claim to the fantastic competitive advantage that his name holds for our city and other institutions in our Metro. We cannot let our iconic “Father” down and must live up to his legacy and expectation.

I said this time last year that this city would be run according to our Constitution and the laws of our land I also said that we would keep the politicians out of the administration and the administrators out of the politics. This has by and large been achieved; however, where there has been infraction I have acted decisively and this has led to people being suspended and fired.

I believe that this Coalition government has succeeded in disproving the propaganda that we would replace people of a certain race with others of another race and that apartheid would be reintroduced.

In fact, we have exposed racial nationalism as being stereotypical and almost always used as a tool by a faltering former city administration and a mortally wounded national government. This, unsurprisingly, also fits like a glove into the latest public outrage at state capture. There is a myth or misconception that this vile phenomenon is something that was imported from Saharanpur in Uttar Pradesh, India, It is **not**: it is the stated objective of the ANC's policy on the National democratic revolution. The only thing that was captured was this plan by the President, the Guptas and their stooges.

We are determined to be **One City with One Future**, where everyone is treated equally and where no-one is more equal than anyone else.

In this regard, I am proud to state for public record that we have employed two executive directors since taking office, both female, and both African. They were appointed on merit and have both made immediate positive impact. We have appointed a Metro Police Chief who is also a woman of colour, also employed on merit and she, too, has made a great impact in the male dominated environment of Safety and Security. We also appointed a City Manager who is of colour. We will continue to appoint people only on merit and who are fit for purpose, because we do what we say.

In this regard, the record will also show that the revolving door of cadre deployment and cronyism has finally been shut in Nelson Mandela Bay.

These honourable intentions and ethical appointments have not been without serious consequences, however. The MEC for Local Government is taking us to court on the appointment of the City Manager and took months to concur with the Executive Director appointments, while the erstwhile City Manager nominee, Mr Vuyo Mlokothe, is also taking us to court. We are contesting both cases and are confident that we will win both.

Our experience after a year in government has been that our employees or so-called “officials” are by and large committed, competent and professional. I have personally experienced that when they are treated professionally and with respect, they rise to the occasion and perform. The Customer Satisfaction Index outcomes

were not influenced by politicians alone, but rather by our administration, which is made up of both politicians and administrators. To those that have embraced the challenge of non-parochial professionalism – thank you! To those who can't or won't embrace this, they must understand that performance management will expose them.

There are also, unfortunately, some who are intent on being obstructive and in some instances even resort to sabotage. This, it goes without saying, is and will be a dismissable offence and it applies equally to employees and politicians. The respective codes of conduct will be implemented to the letter of the law.

We have also established, for the first time, a Rules and Ethics Committee and our Council Rules of Order are being reviewed for the first time in ten years.

This has regrettably been influenced by the shameful incident that took place in our Council Chambers on 27 October 2016. This Council now holds the dubious distinction of being the first Council that has had a firearm discharged in its chambers and the fact that this was done to stop a violent, brutal and bloody brawl is a blight not only on this Council, but on each and every one of us. This incident has not yet been dealt with. Next Friday marks the day when it will be dealt with in a court of law, and only once that process is concluded, will we be able to close the chapter on that sordid fracas.

Now let me deal with the three promises that I made last year and allow me to first deal with what I believe to be the easiest of the three.

- **Stopping Corruption.**

Corruption had become endemic and synonymous with this Municipality, with the number of suspensions and charges against senior officials and the taking over housing delivery by the National Department of Human Settlements being testimony to this. Not to mention the unsurpassed changes in Mayors and City Managers.

We immediately started to act against this scourge by stopping three contracts with an estimated value of R50 million. Some of the contractors threatened court action, but eventually just disappeared. This won't stop here, though, because where this City has been defrauded or short-changed through corruption we will seek prosecution and the recovery of public funds. We also continue with prosecution of various other cases of fraud and corruption.

We have also recently decided to proceed with steps to seek prosecution and the retrieval of funds and moveable assets that were found to have been misappropriated in the Kabuso Report. We are not prepared to allow "prescription", that was intended to abrogate due process and the rule of law, to compromise our efforts to prevent corruption.

We have also initiated an audit of the Housing Revolving Fund, which we believe owes this Municipality multiple millions of rands.

We have suspended five senior officials and we have concluded several disciplinary cases, where officials have been suspended indefinitely, with a 100% success rate to date.

We have opened our Mayoral Committee meetings to the media, established an Anti-corruption Hotline that has received hundreds of tip-offs; and banned Business Class travel and the use of blue lights on municipal vehicles. We are doing things differently, because we promised change.

Stopping corruption is said to be easier said than done, but that is only so when some are allowed immunity! There is no immunity for anyone in this regard in this government. We have adopted a zero tolerance approach to corruption, fraud and dishonesty.

With regard to our responsibility, I wish to thank the religious fraternity that prays for this City, this government and for me every week on Tuesday mornings in my and the Speakers' office. No-one has the power or authority to fight corruption or govern alone; the hand of the Almighty is a trusted and welcome support on the tillers of our government.

***The next promise was to grow the economy and create jobs***

We identified that our greatest challenge would be the unacceptably high levels of unemployment, especially amongst our youth. This can be overcome only by growing our economy.

In order to do this, we need to attract more investment into our city both from local, national and international investors. We have all seen what has happened to our parastatals of late: relying on their investment is no guarantee, even if they have the best intentions of investing in our City. In this regard, though, we have had very constructive meetings with Transnet and Prasa and are beginning to improve our relations with the Coega Development Corporation.

The great trick to attracting private direct investment is political stability, which has eluded our City for far too long. This has led to our Province having the highest unemployment rate, with the harshest impact on the poor, who are faced with the daily struggle of putting food on the table - let alone clothing and educating their children and paying medical and transport costs.

Political uncertainty in our country has led to an “Investment Strike” by South African companies, who are holding R1,4 trillion in cash reserves, which could be invested in growing economies. It is an international phenomenon that big cities are responsible for growing regional economies, and we are set to do just that. We have reduced unemployment by 2,2% in the last quarter of last year, and we are poised to continue to do so. This will, however, result in accelerated urbanisation, but we will deal with that along with the benefits that increased investment will bring. We promised to compete for investment as a City and we are doing so better than our competitors with the exception of Cape Town and Johannesburg.

Our Rates collection rate for 2016/17 was 93.7% compared to 91.4% for 2015/16.

Most importantly though our Capital Expenditure was 94% 2016/17 against 85.5% in 2015/16. These facts really stymie the gainsayers in this Council. This has also led to us collecting 96% of our rates in July this year compared to 88% in July last year.

We have spent much effort in the past year on improving our relations with the Mandela Bay Business Chamber, the MBDA and state-owned enterprises. We continue to build and strengthen relations with local businesses, and the resolution of the payment impasse among our high energy users is testimony to improved relations.

We have identified that tourism, and sport tourism in particular, are our two areas of greatest economic growth potential.

We have a direct spend of R6,5 billion (an increase of R630 million from 2015) in domestic tourism, with 8 000 000 visitors (up 700 000 from 2015). We saw foreign arrivals reach 263 500 (up 48 000 from 2015) with a total direct spend of R912 million (up R190 million from 2015). These tourists spent R7,5 billion in our City.

This resulted in 49 185 people employed in the tourism sector in 2016: an increase of 5 400 people.

Sport is a major tourism catalyst, and we invest heavily in this sector. Our top premier sports teams, The Warriors, The Southern Kings and Chippa United, have all performed well. Our City teams excel in all sport disciplines at Provincial and Regional levels too, and we support them where we can.

The other less conventional sports are, though, the ones that are making the City a sought-after sports tourism destination. Being home of the National IronMan Championships has led to us being chosen to host the World Half IronMan Championships next year. We are expecting about 5 500 athletes and approximately three times as many supporters and family members.

We will host the SA Surf Lifesaving Championships (Senior, Junior and Nippers) next year. We hosted a successful Herald Cycle Tour with many mountain bike races in and around the City. Road Running has also identified this City as a favoured venue for big races. Surfing, sailing and open water swimming are growing in popularity due to our beautiful Bay.

The presence of our Springbok national Rugby side in our City for two weeks is also testimony to the fact that we are a fabulous supporting host City. We wish the Boks well on Saturday where they will defend their unbeaten record at our world-class Nelson Mandela Bay Stadium, which we are now running under the authority of the MBDA.

I must compliment them and the stadium manager, Mpho Mokonyane, for turning around the financial situation quite dramatically since their arrival.

On the job creation front, the City has employed more than 2 500 people through the Expanded Public works Programme. More than 2 000 SMME members have been assisted with training and business development support from our Economic Development, Tourism and Agriculture Directorate.

We are also delighted that two major national companies have invested heavily, to establish two major call centres that are to be operated by graduate professionals. This means that our youth, who were born here, who went to school here and who studied here can take up employment here. This is what defines an Opportunity City, and this prevents the dislocation of families.

We continue to be reliant on the motor industry investment and **downstream** related industries, including the motor vehicle tyre industry. We are indebted to them for creating much-needed work and the new BAIC investment offers more important job opportunities which will hopefully absorb many of those who lost their jobs due to the withdrawal of General Motors.

We wish to have a relationship of professional cooperation and facilitation with every single business in this City and we are constantly improving our service offering and cutting red tape in this regard.

***Nelson Mandela Bay is Open for Business!***

Our University with the new iconic name is one of the most strategic institutions in the City, but so, too, are the PE College, the Midlands College and our FET institutions as well as all our schools. Education is not a municipal responsibility, but it takes place in our City and for our children, and so we have taken a conscious decision to become much more involved in education and all that it entails. Early childhood development is crucial in this regard and we are taking a direct interest in this, too. Just yesterday I met with Dr Lauren Stretch, who is a leading light in this field of training and evaluation in our City. Our children are our future: we neglect them at our collective peril.

We have also recently been selected as a host City for the Global T20 cricket tournament, which will see 70 T20 cricket games being played between the selected franchises. Our franchise owner has selected a name that incorporates our City's name and we want all franchise teams to do the same. Mr Sethi has grand plans for his team and I know that his investment in this franchise will deliver enormous economic spin-offs for the City.

## ***My last promise was to improve Service delivery***

This was always going to be the most difficult promise to fulfil, considering the state of the administration and the backlogs that we inherited. Nevertheless, I believe that we have achieved much in a relatively short period of time.

Internal Governmental Relations are not ideal and often frustrate rather than facilitate service delivery.

We realise that the citizens of our City are not unreasonably demanding and for this we are most appreciative and all the more committed to meeting their expectations. There are some people who are unhappy with the property evaluations and the rates they have to pay. This always happens after a General Valuation of all properties in a City, as property values do increase.

There are also some people who are not happy that they have to undergo a verification process to qualify for our Assistance to the Poor allocations. This, too, is a necessary process, as those who can pay for services must pay in order that we can provide for those who can't. This is the essence of a caring City that is committed to redress.

Crime remains a serious challenge: gangsterism and violent crime destroy the peaceful fabric of our society. The deaths recently of Mr Vela and Mrs Dywili yesterday are sad testimony to a society of violent retribution and callous lack of humanity. We are proud to have launched an effective Metro Police Service with two new precincts in the Northern Areas and in KwaNobuhle.

This service works very closely with the SAPS on a daily basis, and we are most grateful to them for their cooperation and collaboration. We have petitioned the National Minister of Police to expedite the building of a new Police station in the Northern Areas, on land that has been identified and made available. This is critical in order to be able to properly combat gang and drug related crimes. We do, however, appreciate the establishment of the OCC (Operations Control Centre) at Mount Road, which has been initiated to focus on these crimes ***(we have launched a ghost squad to improve, road safety & traffic enforcement)***

I also wish to commend our Emergency Services, who acquitted themselves with such distinction in the recent fires and who will in future no doubt be faced with more challenges. It would be remiss of me if I did not thank Mr Stemmett from the Grand Hotel, who hosted a dinner and luncheon to thank those heroes. It is gestures like these that build community in society.

One area where we haven't done as well as we would have liked is that of the cleanliness of our City. Illegal dumping is a scourge, which has been compounded by two illegal strikes in the Waste Management Subdirectorate; this despite the fact that a benchmarking exercise found our workers to be the best paid yet least productive in waste removal. This situation has led to the unacceptable pollution of our rivers and our bay, compounded by periodic sewage spills. Our environment and unique environmental assets are God-given bequests that we are obligated to take care of. This has led to us budgeting for a special War on Waste Campaign. Regrettably, the first phase did not deliver the expected results and deficient planning and poor implementation of the plan led to under-expenditure, as a result of which we lost the unspent money. The next phase on the War on Waste Campaign will be better implemented and new task teams similar to our traffic ghost squads will be created to counter the incidents of illegal dumping by fining the culprits and seizing their vehicles. All cleared illegal dumping hotspots have been sign-posted, cautioning culprits that illegal dumping is an offense. We will show zero tolerance towards offenders.

We have also informed waste removal workers that they are expected to meet their performance management targets, failing which they will be faced with disciplinary action. We can't be a tourist destination if our City and our tourist attractions are filthy.

The drought has continued to place tremendous pressure on our water reserves. Despite this and our ailing water infrastructure that has been ignored for years, we have reduced water losses from 37% to 25% - which is admittedly still too high. Our response times too are improving but not yet at required levels. We would like to thank the thousands of citizens who report leaks daily.

We have introduced many water-saving initiatives, including reducing pressure throttling water to schools outside of school hours, employing more plumbers and simply working harder and smarter. We have also saved water due to the public response to our request to use less water and obviously due to the increased water tariffs. We are most grateful for every individual and commercial initiative to save this scarce resource. We will be borrowing money this year to address the maintenance backlog, this is a sign of our commitment to deliver better services.

We are proud to announce that Phase 2 of the Nooitgedacht Scheme came on stream on time and is supplying 140 kilolitres of extra water to make up for the loss of water from the Churchill Dam.

We have surfaced a number of new roads, such as Magennis Road in Uitenhage and Fountain Road in Walmer which culminates at the new Walmer Gqebera Library. We have done more work on cleaning our stormwater drains in the past year than what was done in the

three years prior. Upgrading gravel roads and resurfacing them is a priority, as people's lives are placed at risk due to poor road infrastructure as a result of accidents and public transport not being prepared to use the roads, leaving commuters to walk home in the dark.

We have embarked on a massive street light repair campaign, but cable theft remains a great risk. The theft of electricity is an even greater risk and can only be combatted with the necessary funds. We continue to battle with the National Department of Energy to get the R150 million promised to eradicate illegal electrical connections. The R30 million received to date is being used to eradicate illegal connections in Walmer.

Housing delivery remains a challenge that is for all intents and purposes out of our hands. Ever since the National Department took over this responsibility, due to rampant corruption in the Metro we have been relying on the Housing Development Agency to build houses and this arrangement has been grossly deficient, too, with houses being built without toilets and many houses having to be demolished before occupation. We are meeting the Minister of today to renegotiate the current dispensation and to explain the successes of our Buyisa iSidima project of providing houses, keys and title deeds simultaneously.

We are now entering our second year in government, with our own budget, informed by an IDP of which the meetings were attended by a record number of participants in the City. Speaking of records, I am proud to report that we inaugurated all our Ward Committees last week and here, too, we had a record number of candidates, 132 789 citizens voted in an IEC managed process, which was also a record, and the inauguration event was an unprecedented success. The people of our City are experiencing change and are relishing it.

This new government has only been in office for one year and we have managed to overcome so much to achieve this and many other successes that I haven't mentioned, simply because we are humbled by the faith and trust you put in us.

I also committed to being a Mayor for all the citizens of the City and this is why we are meeting in Despatch today and why I go to Uitenhage every second Thursday and why we have allocated 35% of our budget to this area, why I speak on radio stations at regular time slots, and why I visit all communities for celebrations and bereavements. I am proud that my Mayoral Executive, too, have embraced this Spirit. My appeal, though, is that ward councillors must also serve all the people in their wards without favour or prejudice.

I would like to conclude by thanking all of you for your attendance today, the citizens of our City for their encouragement and demands for improved service delivery, the staff of the Municipality, who do great work often under difficult circumstances, my colleagues and the Speakership for the management of Council. Last but not least, I wish to thank my wife Janine and my family for their unconditional support.

Thank you

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