

Kevin Mileham: Minister Gordhan is fiddling while South Africa is burning

Honourable Chairperson,

According to the Roman historian Tacitus, citizens of ancient Rome watched helplessly as their city burned for six days and seven nights. The great fire that consumed Rome in 64 AD spread quickly, to destroy over 70% of the city. Legend has it that the Emperor of Rome, Nero, had set the fire himself in order to rebuild the city in a style more to his liking. But the most enduring rumour was that Nero had played the fiddle while watching his capital burn.

Fast-forward to 2015. South Africa's municipalities are in complete disarray. Service delivery protests are widespread, reaching a record high in 2014 according to Municipal IQ's Municipal Hotspot Monitor. For the record, most were recorded in Gauteng, narrowly followed by the Eastern Cape and KwaZulu-Natal.

Chairperson, South Africa is burning.

But what does our good Minister Gordhan do? He fiddles! His Back to Basics programme has demonstrated no tangible outcomes. It is aimed at ensuring that all municipalities perform their basic functions and responsibilities. And, although the programme itself is well intentioned, it does not address the primary cause of local government failure: namely, the deployment of incompetent or overly politicised ANC cadres.

The Department's previous attempts to address the systemic issues in local government – *Project Consolidate*, the *Local Government Turnaround Strategy*, the *Batho Pele* principles and *Operation Clean Audit 2014* – were all spectacular failures, and there is little indication that this programme is any improvement.

In reply to a question I posed in this house on 10 September last year, the Minister asked, that he be given "a few months" to implement Back to Basics. That was 8 months ago. What has he achieved?

The Minister, decided to seek the amalgamation of a number of municipalities, in order to ensure "financial viability".

So much for Back to Basics.

He did this, with a little over a year to go before the local government elections, knowing full well that the amalgamations would disrupt the ward delimitation process and delay the IEC's voter registration.

It is clear that these amalgamations are thinly veiled attempts to gerrymander ANC majorities in municipalities where the ANC have failed to deliver.

And as if that wasn't enough, he allocates a mere R139 million over the course of the next 3 years to cushion the effects of these amalgamations, when it is common cause that the merger of Metsweding with Tshwane cost in the region of R1.2 billion – and that was just one municipality!

Now, if we have so many dysfunctional municipalities, as your own government analysis indicates, why have there not been more section 139 or 154 interventions? And on that note, what happened to the promised legislation to regulate these interventions? Again, Minister, I say to you that you are fiddling, while South Africa burns.

The Minister has admitted to the Portfolio Committee that the division of revenue allocated to local government – a mere 9% – is too little for them to fulfil their mandates. SALGA reiterated this, and pointed out that the allocation for electricity supply in the equitable share fell short by R3.56 billion of the cost of actually providing the service.

The allocation for water also fell short. Given that the equitable share is meant to ensure the provision of basic services to indigent consumers, is it any wonder that municipalities are unable to meet their obligations to ESKOM and the water boards? We note further that the baseline allocation for conditional grants to local municipalities has been significantly reduced – despite (as we are repeatedly informed by municipalities and SALGA), an increase in the number of unfunded mandates devolved on them by national and provincial government.

And while we are talking about equitable share, where was the Minister when the withholding of this grant to 60 municipalities was discussed in the Portfolio Committee on Tuesday?

During that meeting, National Treasury was unable to point to the legal authority to withhold the equitable share from these municipalities, and only 13 of the 59 have ever been placed under section 139 administration. It seems obvious that this should be the first step when municipalities face financial difficulties – not the withholding of much needed grant funding intended to ensure the provision of free basic services to the poor. And yet, this was not done! National Treasury took the draconian step of stopping payment of grant funding, without so much as consulting the municipalities concerned.

So again, we have a Minister who fiddles, while municipalities burn.

The proposed cutting of electricity to 20 municipalities by Eskom in a misguided effort to force them to pay their bills is a further example. This is little more than punishing the residents (many of whom pay their bills dutifully), for the failures of the municipality.

The Democratic Alliance is pleased to note, however, that the Department has heeded our call for electricity revenue in these municipalities to be ring-fenced for the sole purposes of settling the obligation to Eskom and the maintenance and improvement of electricity reticulation.

In contrast to our Minister, who is more absent than present (perhaps he is still dealing with those pesky SARS investigations!); the Democratic Alliance has an inspiring and uplifting vision for towns and cities in South Africa. We believe that local government is key to ensuring a better quality of life for all our people. To make this better life a reality, our governments must be forward-thinking, create caring, safe and inclusive environments for our residents, be well-run and provide opportunity for all.

I raised this last year during the budget debate and reiterate the DA's calls on government to:

- Review the funding model for local government;
- Reject unfunded mandates from national and provincial government;
- Ensure that a minimum of 7% of operational budgets is allocated to the maintenance of municipal infrastructure;
- Promote inclusivity and diversity; and redress past spatial injustices;
- Hold municipal officials and public representatives accountable for both financial misconduct and failure to perform; and
- Reject the policy of cadre deployment.

In conclusion, Chairperson, I have a few questions for the Minister today:

- Minister, when are you going to address the more than 100 forensic reports into municipal financial misconduct that have not been acted upon?
- When are you going to provide answers to the 20 parliamentary questions you have failed to adequately respond to?
- When are you going to properly see to your parliamentary duties, by attending Portfolio Committee meetings?
- When are you going to constructively engage with me, and other Members of Parliament, who regularly seek to raise concerns with you and your department?

Minister Nero, the time has come to face facts. South Africa's municipalities, under your administration, are collapsing. Service delivery protests and citizen dissatisfaction is on the rise. Our country is burning, and you sir, are fiddling!