**MEDIA STATEMENT**

**COMMITTEE CAUTIONS NELSON MANDELA BAY MUNICIPALITY AGAINST UNDERSPENDING**

**Parliament, Thursday, 18 June 2020 –**The Portfolio Committee on Cooperative Governance and Traditional Affairs today received a briefing from the Nelson Mandela Bay Metropolitan Municipality on the municipality’s COVID-19 response plan.

The Chairperson of the committee, Ms Faith Muthambi, in her opening remarks commended the municipality on its COVID-19 awareness campaign as its website clearly indicates that the municipality is hard at work in response to the pandemic.

“There is a Covid-19 dedicated webpage where one learns of the Metro’s establishment of the Disaster Management Forum to coordinate the local response to the pandemic. The website provides educational information relating to the use of masks, social distancing, contact tracing and You Tube videos to raise the level of awareness on the pandemic and this what distinguishes them from other municipalities”, said Muthambi.

The committee has noted that the municipality experienced leadership challenges after the removal of the Mayor in December 2019 and since then, the position of the mayor has been filled on acting basis. The municipality has informed the committee that the discussions on the election of the Mayor by the council is due to be finalised by the end of June this year.

The municipality has also informed the committee that it is owed around R350 million by the government departments on property rates and service charges. Due to COVID -19, the municipality said, it forecasts a reduction in revenue collection from the ratepayers and residents, something which will have a negative impact on the delivery of services to the people.

The municipality has applied to the National Treasury to utilise R231 million of the Urban Settlement Development Grant to implement its COVID-19 Response Plan which includes the provision of temporary houses in overcrowded informal settlements areas, chemical toilets, water standpipes and sanitisers and personal protective equipment.

Ms Muthambi has appreciated the efforts of the municipality and has requested it to share its COVID-19 Response Plan with the committee for the purposes of the committee’s oversight on the implementation of the plan.

In addition to the R231million, the municipality has also received R233 million as a disaster relief assistance due to the recent drought and the amount is also going to be spent on municipal projects that respond to COVID-19. The committee has cautioned the municipality against underspending at the end of this financial year.

The committee also urged the municipality to strike a fair balance between its day to day service delivery responsibility and the implementation of its COVID-19 response plan as they are equally important.

Ms Muthambi appealed to the Acting Mayor of the municipality and the committee to ensure that the council meets to elect the Mayor when the time to do so arrives to ensure that the challenges that the municipality is facing are dealt with.

The committee welcomed the announcement by the Minister of Cooperative Governance and Traditional Affairs, Dr Nkosazana Dlamini-Zuma, that President Cyril Ramaphosa will delegate a minister or a deputy minister to support each district municipality to ensure that the municipalities get the support they need.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, MS FAITH MUTHAMBI.**