

MSUNDUZI ASSOCIATION OF RESIDENTS, RATEPAYERS AND CIVICS (MARRC)

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29 June 2020

Dear Sir,

RE: SUSPENSION OF THE RATIFICATION OF THE 2020/2021 MSUNDUZI MUNICIPALITY BUDGET

On behalf of the Msunduzi Association of Residents, Ratepayers and Civics (MARRC) we hereby make an urgent request for the suspension of the ratification of the 2020/2021 budget of the Msunduzi Municipality.

1. MARRC is a constituted non-profit voluntary and non-political civil society movement, an umbrella body of constituted local residents and ratepayer's associations, and civic organisations in Msunduzi representing various constituencies in different localities within the Msunduzi Municipal jurisdiction. The constituencies have different challenges, diverse views and opinions, but the same overall public benefit interest. Our intent is to promote active citizenry. This entails solution driven activities to promote effective service delivery, social justice, accountability unity, and ubuntu across the Municipal area of jurisdiction.

2. MARRC's approach is solution driven, our members have the expertise, and experiences to contribute to the efficiency, betterment, and workability of the city. We **implore** the Municipality to serve the people of Msunduzi in accordance with their mandates as established in accordance with our Constitution, legislation and regulations. Through collective leadership and positive contributions by all we all can make a positive difference to our capital city.

MARRC and its constituted resident and ratepayer associations made submissions to the municipality in respect of **IDP and budgeting process** of the municipality and made submissions on these as MARRC and as individual local area residents, ratepayers and civic associations. The submissions made can be found on this link <https://www.dropbox.com/sh/o2rpo0vkk0oa6wh/AAD6ggtlZAI74JMpnk5DFHcDa?dl=0>.

3. To date, MARRC and the constituted resident and ratepayer associations had not received responses to the various submissions. MARRC respectfully submits that these submissions were not read and / or considered. In our opinion this non responsive action is **unjust, unfair** and against **section 33 of the Bill of Rights as enshrined in our Constitution**.
4. Given the COVID-19 pandemic and the implementation of the National Disaster Act, the proposed increases in the tariffs and service charges are immoral, un-procedural, unfair and in conflict of our constitutional and basic human rights.

Our objections are based on the following:

- 4.1 As quoted in the Witness on the 12 June 2020, the article titled "**City tariffs shoot up**" the mayor Cllr Mzimkhulu Thebolla and Mr Mododa Khathide municipal manager conceded that more than half the households in this municipality who are not indigent are not paying for services. The mayor and municipal manager need to account for this deplorable debt collect.
- 4.2 According to media sources **11 of the 39 wards** are the main contributors of non-payment of the municipal services.

4.3 The efficient management of all people who qualify for indigent support has not been pursued with any great conviction. This would increase the municipalities conditional grant from National Governments while helping those who qualify to survive financially. The very intention of the National grant is to help the poor. This Municipality is actually doing the city and the country a huge disservice by not following through on these applications.

4.4 Following the example set by KwaDukuza¹ and Johannesburg² municipalities, we urge the Msunduzi Municipality to follow suit and sympathize with its citizens by passing a budget that is more reflective of a responsible local government rather than one abusing resident trust.

4.5 The full impact of the COVID-19 pandemic on the economy will worsen and severely impact Msunduzi residents. The unemployment rate is rising rapidly. Many people are losing their jobs and companies are closing. In this climate of economic decline, the Municipality is choosing to further deepen the crisis by increasing all services rates.

4.6 With reference to a Witness article titled “Council staff debt up” dated 17 June 2020, we raise the following that a similar a culture of non-payment by councillors, municipal employees, family members and friends exist in the Msunduzi Municipality as well. This is an *unjust administrative conduct*, breach of the municipality fiduciary duties, breach of the Municipal Structures & Municipal Systems Act. 117 of 1998 Act 32 of 2000, is immoral and in bad faith to the rest of the paying residents in Msunduzi.

We respectfully submit that an internal audit of non-payment by councillors, municipal employees, family members and friends be conducted.

¹ <https://northcoastcourier.co.za/154940/kwadukuza-municipality-meets-objections-half-way-with-new-budget/>

² <https://www.iol.co.za/the-star/news/city-of-joburg-scraps-prepaid-levy-49981527>

4.7 We urge the municipality to follow the example set by our President, Members of Parliament, captains of industry, senior management across the global economy who have taken salary cuts, to do the same. This is solidarity and sympathy of the working class in South Africa. We urge the municipality to place a moratorium on salary increases and bonuses for all staff, officials and councillors which would save the municipality on the salary bill in the 2020/2021 budget.

It has, therefore, been a major disappointment and contravention of the Local Government Municipal Systems Act (2000) Chapter 5 provisions allowing

“29. (1) The process followed by a municipality to draft its integrated development plan,

(b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for

(i) the local community to be consulted on its development needs and priorities;

(ii) the local community to participate in the drafting of the integrated development plan;

that to date, MARRC and many other Ratepayer Associations have had no response to their various submissions and questions on the Rates valuation process.

We, therefore, request Province, to assist by intervening in accordance with its *“Provincial monitoring and support”* role as defined in the Local Government Municipal Systems Act (2000) which states i.e.

31. The MEC for local government in the province may, subject to any other law regulating provincial supervision of local government

(d) take any appropriate steps to resolve disputes or differences in connection with the planning, drafting, adoption or review of an integrated development plan between-

(i) a municipality and the local community; with the planning, drafting, adoption or review of an integrated development plan between--

(ii) a municipality and the local community;

and insist on meaningful engagement in the form of acknowledgement of receipt of comment and suggestions, answer to all questions and requests for clarity and accountability, engagement and corrections on errors on the IDP financials etc., as listed in the multiple submissions sent to the Municipality by MARRC and Ratepayers. We further respectfully request the removal of all tariff increases and insist that the above major issues are urgently addressed.

Respectfully MARRC calls on the Honourable Mayor, Speaker, Municipal Manager, Councillors to suspend the ratification of the 2020/2021, budget as it currently stands.

We propose that a new budget be proposed based on the **COVID-19 pandemic** and the various submissions that we and individual resident and ratepayer associations that have been made herein.

MARRC objects and demands that our submissions be considered and be incorporated in any further budgetary process. MARRC notes that many ordinary Msunduzi residents are on the brink of civil action should this unjust, procedural unfair and draconically budget be approved.

Further the municipality needs to as a matter of urgency to implement proactive and decisive steps to secure payments from the residents who are able to pay, but do not pay for services. In addition, indigent applications must be fast tracked immediately across the entire municipal area of jurisdiction. The two major interventions, securing non-compliant payments and efficient applications for indigent support would make up the shortfall in the budget and there is then no need to increase the tariffs.

MARRC demands the political and leadership fulfils it legal duty in the following manner:

1. Securing payments from those 50% of people who can pay for municipal services;
2. Securing support for the indigent people across the municipal area of jurisdiction;

3. Ensuring both councillors and municipal employees lead by example to settle their municipal bills with immediate effect. Councillors with outstanding municipal debt should not be allowed to vote for the 2020/2021 budget.

The absence of the CFO who is tasked with the compilation of the budget and the manner that we were treated in general at the meeting on 26 June 2020, clearly indicative the lack of concern of City leadership gives an indication as to why the city is once again under administration.

We would appreciate acknowledgement of receipt of this letter.

Yours sincerely



Anthony Waldhausen

Chairperson

Msunduzi Association of Residents, Ratepayers and Civics (MARRC)

Tel: 072 536 2978

Endorsed by the following Resident and Ratepayer Associations and Civic and Business Organisations:

Ashburton-Lynnfield Park Residents and Ratepayers Association (Ashlyn)

Blackridge, Boughton and Lester Park Residents and Ratepayers Association (BBLRRA)

Claredon Community Association (CCA)

Cleland/Meadows Residents and Ratepayers Association (CMRRA)

Greater Edendale Resident Association (GERA)

Lincoln Meade Residents and Ratepayers Association (LMRRA)

Pelham Residents and Ratepayers Association (PRRA)

Scottsville Residents and Ratepayers Association (SCRRA)

Sobantu Residents and Ratepayers Association (SRRA)

Woodlands Residents and Ratepayers Association (WRRRA)

Msunduzi Economic Development Agency (representing the businesses downtown)
(MEDA)

Msunduzi Property Owners Association (MPOA)

Woodlands Minister's Fraternal (WMF)