ETHEKWINI MUNICIPALITY

ETHEKWINI WEEKLY BULLETIN

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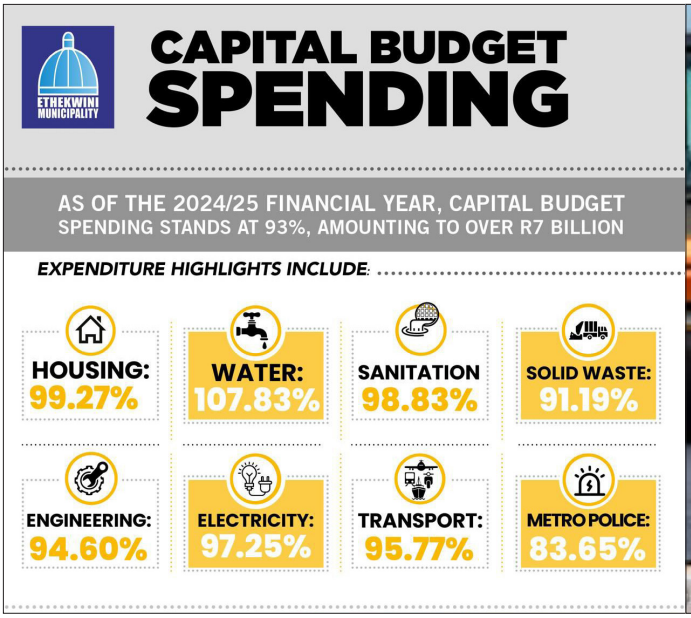
By 2030 eThekwini will be Africa's most caring and liveable City

15 July 2025 (Issue 422)

CITY REFUTES CLAIMS OF UNDERSPENDING AND REAFFIRMS STRONG FINANCIAL PERFORMANCE



ETHEKWINI Municipality strongly refutes recent claims of gross underspending and administrative incompetence. These assertions are not only misleading but also disregard the Municipality's consistent record of sound financial management and effective service delivery.

Strong financial standing recognised nationally

Under the administrative leadership of eThekwini City Manager Musa Mbhele, eThekwini continues to be recognised as the top-performing metro in South Africa in terms of financial management. This is further evidenced by National Treasury's allocation of an additional R293 million to the City for the 2024/25 financial year, a clear vote of confidence in the Municipality's grant management and service delivery capabilities.

Capital Budget and Grant Expenditure Performance

Contrary to claims of underperformance, the City has demonstrated exceptional expenditure rates across key service delivery sectors.
As of the 2024/25 financial year, capital budget spending stands at 93 percent amounting to over R7 billion.

Expenditure highlights include:

- Housing: 99.27%
- Water: 107.83%
- Sanitation: 99. 83%
- Solid Waste: 91.19%
- Engineering: 94.60%
- Electricity: 97.25%
- Transport: 95.77%
- Metro Police: 83.65%

In terms of grant funding, the City has consistently achieved near or above 100 percent expenditure on major grants over the past five years.

For the 2024/25 financial year:

- Urban Settlements Development Grant (USDG): 106%
- Social Housing Grant: 99%
- Housing Hostel Refurbishments Grant: 140%
- Electricity Grant: 116%
- Transport Grant: 207%
- Water Grant: 92%
- Sanitation Grant: 95%
- Engineering Grant: 77%

Commitment to accountability and service delivery

The City Administration has implemented robust oversight mechanisms, including special Executive Management Committee sessions and extended directorate engagements, to ensure that all projects are delivered on time and within budget.

Addressing delays in invoice processing

The City acknowledges that delays in the processing of invoices have at times, impacted the timely disbursement of payments to service providers. These delays are being addressed through a comprehensive review of internal financial workflows, the introduction of timeous tracking systems, and the strengthening of inter-departmental coordination.

City stands firm on flood relief progress and rejects misleading claims

Mbhele said the actions of reporting the Bayside Hotel evictions of the flood victims to the Human Rights Commission and the Public Protector is an exercise in futility and desperate political grandstanding because the matter relating to the dignified resettlement of flood victims has been sufficiently dealt with by all spheres of government.

INNER CITY REGENERATION EFFORTS GAIN MOMENTUM

ETHEKWINI Municipality has made significant progress in revitalising the inner city, with the Problem Buildings Division effectively dealing with 47 derelict buildings since its inception in 2019.

This achievement marks a major milestone in the City's broader Urban Regeneration Strategy.

In the 2024/25 financial year, 22 buildings were addressed through a combination of safety interventions, partial and full demolitions, and structural repairs.

These efforts span both the inner city and surrounding regions, targeting buildings across various ownership types.

The City has achieved tangible results over the past two years. Eleven buildings were refurbished by their owners following the City's intervention.

A further six buildings, including the well-known China Emporium, were demolished and 16 buildings underwent critical repairs to improve safety.

Currently, the City is renovating six additional buildings as part of its ongoing commitment to urban renewal.

Before and after pictures of 158 Mahatma Gandhi Road. This is one of several successes of the Problem Buildings Division to address derelict buildings in the central business district.

These include 172 Mahatma Gandhi Road, 502 Mahatma Gandhi Road, 107 Anton Lembede Street, 12 Dr Pixley KaSeme Street, 15 Milton Road, and 71 Wills Road.

These renovations focus on structural safety, aesthetic improvements, and securing buildings to prevent illegal occupation. Priority is given to buildings that pose immediate risk to public safety.

EThekwini City Manager Musa Mbhele said tackling problem buildings is essential to restoring business confidence and attracting investment.

MOTION SUPPORTS REVIEW OF ETHEKWINI INCENTIVES TO ATTRACT MEGA INVESTMENTS

TO ensure Durban remains competitive, investor-friendly, and future-focused, eThekwini Municipality has implemented several initiatives, including the Economic Development Incentive Policy, which offers rebates and incentives to attract and retain investment.

To maintain sustainability and continue attracting mega investments, these incentives are reviewed annually to ensure they support developments that align with the radical economic transformation agenda, as outlined in Integrated Development Plan Two. The reviews also ensure alignment with the eThekwini Rates Policy and Budget Resolution.

A report detailing proposed changes for the new financial year was presented during the Economic Development and Planning Committee meeting held on 10 July at the Durban City Hall Council Chambers. The Committee noted the report, which will now be submitted to the Executive Committee and Full Council for final approval.

For the 2025/26 financial year, the proposed approach is to support investments based on their potential and long-term contributions to economic growth, spatial regeneration, and job creation within the Municipality. One of the key changes includes a new qualifying criterion: jobs created post-construction in new investments across any sector. A maximum three-year incentive period will apply, during which a 10 percent rebate can be granted if a minimum of 50 jobs and up to 250 jobs are created. In the previous financial year, the same incentive was granted if a development created at least 20 jobs and upwards during the construction phase.

Another addition to the qualifying criteria requires that investments align with the City's priority economic growth nodes, as identified in the Municipality's Spatial Development Framework. These nodes, including areas under the Inner-City Regeneration Programme, are available for reference on the eThekwini Municipality website.

To date, the Economic Development Incentive Policy has unlocked over R18 billion in private investment through rates rebates. More than 50 successful applicants are currently benefiting from annual rebates exceeding R80 million.

This positions eThekwini as one of South Africa's most investor-friendly regions and reinforces Durban's emergence as a hub for catalytic investment growth.

TOURISM STAKEHOLDERS UNITE TO BOOST DURBAN'S ECONOMY

IN a concerted effort to revitalise tourism in the eThekwini region, key players from across the tourism, hospitality, and related sectors convened on 11 July for the Tourism Revitalisation Workstream meeting. Hosted at the Aha Gateway Hotel and led by the National Department of Tourism, the session drew stakeholders from both public and private sectors, united in their aim to strengthen partnerships and unlock Durban's full tourism potential.

The gathering, chaired by the Department of Tourism Director General Victor Vele, included representatives from hotels, cruise operators, law enforcement, government officials, and environmental experts.

The strong message that echoed throughout the session was that while Durban has immense tourism potential, achieving sustainable growth will require continued collective action and closer collaboration between

government and private product owners.

Delivering the opening remarks was Lihle Phewa, Executive Director of the City's Municipal Planning Department. He emphasised the City's commitment to working hand-in-hand with all stakeholders including private operators. "We cannot grow this sector alone. The private sector and those owning tourism products must be part of this journey to ensure Durban thrives as a leading destination."

In his presentation, Ross Volk, Managing Director of MSC Cruises, praised the current partnership with government stakeholders, crediting collaboration for the cruise sector's strong performance in Durban. Volk reiterated MSC's commitment to the workstream and outlined priority areas requiring joint focus such as improved city-wide infrastructure, better passenger transportation, enhanced safety at the Nelson Mandela Cruise Terminal, and stronger coordination with reliable local tour operators.

Rabelani Tshikalanke from the South African Local Government Association spoke about building Municipal capacity to respond to climate-related disruptions that impact tourism economies. From a performance standpoint, Siyabonga Mthethwa of South African Tourism delivered a positive update, highlighting 168 000 tourist arrivals in April. Spending data showed robust growth in the retail, restaurant, and hotel sectors. Notably, international spend, particularly from Mozambique, the United Kingdom, and the United States was significantly higher compared to the previous year.

DURBAN TOURISM TO CONDUCT FEASIBILITY STUDY ON PROPOSED TOURISM LEVY

THE Economic Development and Planning Committee has recommended that Durban Tourism initiate a comprehensive feasibility study on the potential introduction of a tourism levy in eThekwini. This study is intended to explore the practicality, structure, and potential impact of such a levy before any final decisions are made.

The recommendation to proceed with this study was endorsed during the Committee meeting held on 10 July at the Durban City Hall Council Chamber.

It is now pending final approval by the Executive Committee and Full Council before the study can commence.

Durban Tourism Deputy Director Winile Mntungwa said:

"The proposed levy would aim to establish a dedicated, ring-fenced funding mechanism to support the marketing of Durban as a tourism destination of choice both locally and internationally, and to drive tourism-related innovations and initiatives. The ultimate goal is to reduce reliance on Municipal funding and improve long-term financial sustainability within the tourism sector."

The Committee stressed the importance of broad and inclusive sector stakeholder consultations to solicit various views.

Durban Tourism will be expected to engage with a wide range of stakeholders, including the national Department of Tourism, South African Tourism, local tourism boards, industry associations, community organisations and the private sector.

These engagements will be critical to shaping a transparent and fair levy structure that ensures mutual benefit without imposing undue pressure on local tourism businesses.

Chairperson of the Committee, Councillor Thembo Ntuli emphasised that following the consultation process and completion of the feasibility study, Durban Tourism is expected to present its findings and recommendations to the Committee.

"Only then will an informed decision and final determination on the implementation of the levy be made."

The recommendation aligns with the City's strategic goals to enhance financial sustainability and promote Durban as a globally competitive, vibrant tourism destination through innovative, indirect revenue models.

ETHEKWINI REBUILDS FLOOD-DAMAGED INFRASTRUCTURE TO BE MORE RESILIENT

THREE years on from the severe floods of April 2022, eThekwini Municipality has emerged with a bold vision not just to rebuild, but to transform and build back better to ensure infrastructure is stronger and more sustainable. The Municipality has made significant strides in restoring and upgrading critical infrastructure, focusing on roads, bridges, and stormwater systems that were severely damaged during the floods.

The M4 and M19 corridors, once impassable, are being reconstructed as climate-resilient lifelines.

The Prospection Road and uMlazi Canals, once overwhelmed, are now being fortified to protect homes, industries, and livelihoods.

Bridges like Shallcross and Coedmore to name a few, are rising again; stronger, smarter, and built to last.

Director of the Disaster Management Directorate Vincent Ngubane said in line with the global Build Back Better framework, eThekwini's recovery strategy is not just about restoration, but about resilience.

The Coedmore Bridge is an example of cutting-edge infrastructure the City is rebuilding under the Build Back Better framework. The structure is one of many being rebuilt that reconnects communities and stands ready to face future climate threats.

"Our mission goes beyond emergency response, it's about building a City that is prepared, protected, and proactive. These disasters illustrate how various stakeholders can work together to enhance the resilience of eThekwini, ensuring comprehensive support for all," he said. The Municipality has initiated a number of programmes to equip communities with tools to prepare for disasters and how to build with resilience, before disaster strikes.

Community involvement is not just a desirable aspect, but a core principle of 'Build Back Better', in creating more resilient and sustainable outcomes.

Ngubane said these infrastructure upgrades are part of a holistic disaster risk reduction strategy that integrates early warning systems, community preparedness, and climate-smart planning.

"We are not just reacting to disasters, we are anticipating them, and designing our City to withstand them," he explained.

He said the structures being rebuilt are not just replacements but are engineered to withstand extreme weather events and rising flood risks.

Chief Civil Engineer in Roads Provision Linga Govender said the Municipality has adopted cutting-edge engineering standards to ensure that rebuilt infrastructure is more robust and less susceptible to future washaways.

"These new bridges are engineered to stand the test of time and the changing climate. They represent a new era of infrastructure that is smarter, stronger, and safer," he said.

DEPUTY MAYOR VISITS DAKOTA SHELTER TO SUPPORT FIRE VICTIMS

ETHEKWINI Deputy Mayor Councillor Zandile Myeni visited the Dakota Informal Settlement in Isiphingo following a devastating fire that destroyed around 200 informal structures and left more than 300 residents displaced. The fire, reportedly started by an imbawula (traditional brazier), has caused significant loss for many families in the area. The Deputy Mayor visited the temporary shelter set up for affected residents to assess the situation and monitor the support being provided. The City's Disaster Management Directorate, together with various non-profit organisations, has been offering humanitarian aid, including hot meals, blankets, diapers, toys, and other essentials.

Speaking during the visit, Deputy Mayor Myeni expressed her appreciation for the swift response and collective effort in supporting the victims. "We are encouraged by how City teams and stakeholders worked together to assist those who lost their homes. It's heartwarming to see the level of care being provided, and we are grateful for the generosity of everyone who has contributed," she said.

She further confirmed that the National Department of Human Settlements will be supplying building materials to help the affected families begin the process of rebuilding their homes.

EThekwini Deputy Mayor Councillor Zandile Myeni received an update from the City's Disaster Management Directorate.

If you would like to submit feedback or contribute to eThekwini Weekly Bulletin

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