

News24

## **De Lille: Cape Town is a victim of its own success**

2015-08-27 16:42

Cape Town - An influx of residents to Cape Town in the last 10 years has put much strain on existing infrastructure, according to Mayor Patricia de Lille.

She believed national government was "playing politics" by not handing over the tax money to reflect this growth.

"We have become a victim of our own success because people are looking for better and we have got no problem with that," she told News24 in a sit-down interview at her office on Wednesday.

She said surveys indicated citizens were migrating to the city because it was known as the best-run municipality that provided good services.

Its population had grown by 30% in the last decade.

"Unfortunately we are not getting what is due to us, our equitable share, in terms of the 2011 census," she said.

"It is a massive burden caused by national government because they like to play politics with the City of Cape Town and the Western Cape in general."

She said the city was short by billions of rands.

### **City shortfall**

It could only afford to spend R6bn annually on infrastructure, when it should be spending double that for new projects and maintenance to avoid "collapses".

The Financial and Fiscal Commission, an independent constitutional institution, was tasked with providing advice on the division of revenue before the finance minister tabled the annual budget.

Local government's equitable share was divided among 278 municipalities using a new formula introduced in 2013/14.

According to the formula, municipalities that were least able to fund these costs from their own revenue should receive the most funding.

De Lille said they had raised the revenue issue with Finance Minister **Nhlanhla Nene**.

"He called all mayors of the metropolitans together and told all of us in no uncertain terms there is simply not enough money in the fiscus to support cities anymore; that we as the cities must go out to the private market to go and borrow money."

She said the city approached the private market this year and borrowed R1bn to "help keep up with the pressure on infrastructure".