NELSON MANDELA BAY CIVIL SOCIETY COALITION

Nelson Mandela Bay Rebuild Plan

Developed by the NMB Civil Society Coalition

Restoring governance, functionality, service delivery and confidence

Prepared for the Nelson Mandela Bay Civil Society Coalition

The Facts on the state of the metro are well known

The Metro is facing a systemic crisis

- National Treasury flagged the Municipality's weak leadership, **R28bn of Unauthorised, Irregular, Fruitless and Wasteful expenditure** and under-investment, risking infrastructure and public health. (This is the highest UIFW expenditure in the country)
- The Municipality is collecting only 70% of its rates, & operational issues in the electricity & water departments have caused both these **trading services to run at a deficit.**
- NMB **infrastructure and maintenance repairs amount to just 2.5%** of the value of municipal assets against National Treasury's norm of 8%.
- The Auditor-General issued the Municipality with a **qualified audit opinion** for the 2024/25 financial year, highlighting a regression and persisting systemic governance and financial management weaknesses. **7 specific material failings** were identified
- **Ongoing instability in senior administrative & political leadership** has weakened accountability at City Hall, contributing to high water and electricity losses, unauthorised expenditure, and reliance on the audit process itself to balance financial statements.

High Level Executive Summary of the Rebuild Plan

The Metro is facing a systemic crisis

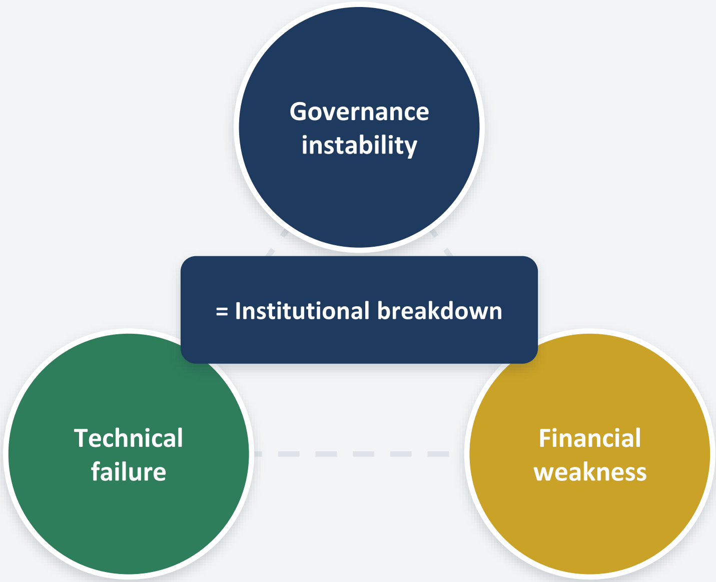
- A detailed Rebuild Plan (59 page document) has been developed to rebuild the Nelson Mandela Bay Municipality
- The Plan is an accumulation of work undertaken by the NMB Civil Society Coalition over the past few years
- The Plan represents the collective views and has the buy-in of the NMB Civil Society Coalition, a non-partisan organisation representing the various constituencies and united around the need for action to be taken to deliver basic services to communities and businesses.
- This plan is different to others, where it does not rely on government alone – civil society needs to be a constant force in driving for accountability and action (regardless of who the government of the day is)

NELSON MANDELA BAY
CIVIL SOCIETY GROUP

Why the Rebuild is Urgent

The Metro is facing a systemic crisis

- Governance instability has weakened decision-making.
- Technical and operational failures are disrupting service delivery.
- Financial weakness is eroding municipal performance.
- Supply chain blockages are preventing service delivery from taking place
- Lack of skilled people and modern and aligned technologies & systems and poor aesthetics have resulted in poor productivity and morale
- Public, investor and business confidence has declined.
- The crisis threatens residents, communities, businesses and the regional economy.
- As a direct consequence of the non-enabling environment, the local economy is at a tipping point, with businesses struggling to keep their doors open and sectors such as tourism shrinking



Guiding Approach

Apolitical, pragmatic and inclusive

- Not aligned to any political faction or constituency.
- Designed to support the municipality and help ensure it succeeds, not replace it.
- Built on collaboration across government, business, civil society and communities.
- Focused on practical interventions, milestones and accountability.
- Acts as an early-warning system when implementation goes off track.

Why Previous Plans Failed

The problem has not been the absence of plans

- Previous plans lacked sustained implementation. They must stand the "test of time" and be applicable, regardless of the government of the day
- Political instability weakened continuity.
- Leadership follow-through was inconsistent.
- Over-reliance on leaders serving in acting positions and a loss of critical skills as reflected in the high vacancy rates
- Accountability mechanisms were weak.
- Relied on government alone.

This plan prioritises implementation discipline, monitoring and visible quick wins.

BEFORE

Many plans + weak execution

AFTER

Focused plan + measurable action

Why This Matters

Municipal failure is an economic risk

- Businesses and residents depend on reliable municipal services.
- Water, electricity, roads, waste, sanitation and approvals are basic economic infrastructure.
- Service failures raise costs and disrupt production and increase the overall costs of doing business in the metro.
- Investor confidence falls when municipal systems fail.
- Municipal recovery protects local jobs, revenue and economic resilience, as well as community initiatives supported by the business sector
- The more communities are neglected, so too the risk increases for social instability

Economic Importance of Nelson Mandela Bay

A strategic economic centre of the Eastern Cape

- Manufacturing and its eco-system is the key job creator within the local economy.
- The automotive sector anchors output, exports and employment.
- Agriculture, citrus, mohair, logistics and port activity are key regional assets.
- Declining manufacturing ripples across households and sectors, while reducing municipal income in the form of rates, taxes, electricity income etc .

A connected economic ecosystem

Manufacturing → Automotive → Exports → Logistics → Agriculture → Jobs → Municipal revenue

Core Problem Statement

The crisis is mutually reinforcing

Three drivers

- Governance instability
- Technical & operational failure
- Financial weakness

Together they produce

- Weak service delivery
- Loss of public confidence
- Reduced investor confidence
- Institutional breakdown
- Economic decline
- Increased poverty

Strategic Objectives

Six objectives for recovery

01
Stabilise leadership & governance

02
Restore institutional functionality

03
Rebuild credibility & public trust

04
Manage finances & secure value

05
Enable service delivery & recovery

06
Build resilience to future shocks

Rebuild Pillars

Six pillars of implementation

Municipal Recovery & Public Confidence

1	2	3	4	5	6
Governance stabilisation	Leadership & institutional capacity	Governance integrity & accountability	Institutional performance recovery	Strategic planning & growth	Public confidence & communication

Outcome: a stable, credible, financially disciplined and service-delivery-focused municipality.

Phased Implementation Timeline

An 18-month recovery journey

0–3 months | **3–12 months** | **12–18 months**

Phase 1
Immediate Stabilisation

- Close leadership & governance gaps
- Stabilise services, finances & supply chains
- Mobilise quick-response teams

Phase 2
Institutional Reset

- Strengthen systems, capacity & oversight
- Organisation culture change
- Fill skills gaps and improve the working environment
- Restore operational coherence
- Coordinate partner support

Phase 3
Confidence & Growth

- Rebuild trust
- Support investment & jobs
- Position for long-term sustainability

Key Risks and Mitigation

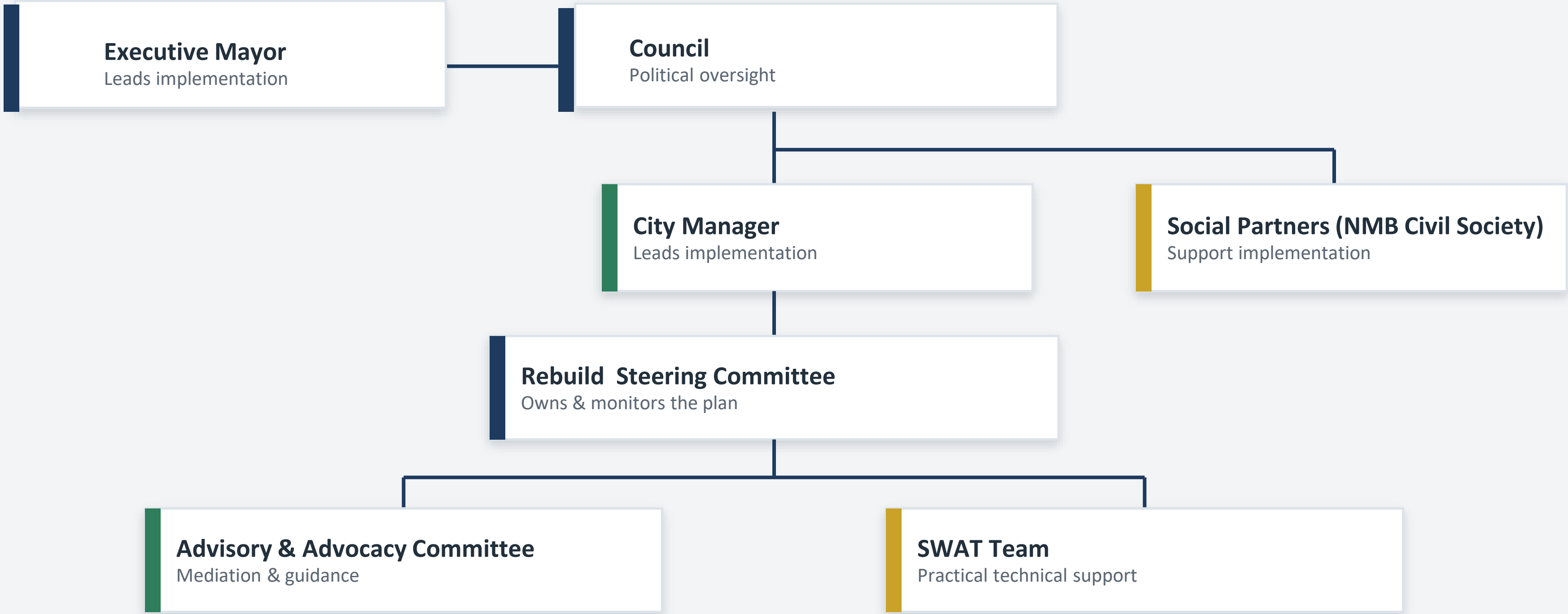
Risks that could undermine implementation

Risk	Level	Mitigation
Political instability	High	Political compact and mediated engagement
Administrative instability	High	Fill senior posts and review acting roles
Weak intergovernmental support	High	Formal IGR support structures
Low public confidence	High	Regular public communication
Limited business / civil society support	Medium	Steering Committee and dashboard
Lack of buy-in from SA Municipal Workers Union	Medium	Engagement Plan

High Medium Low

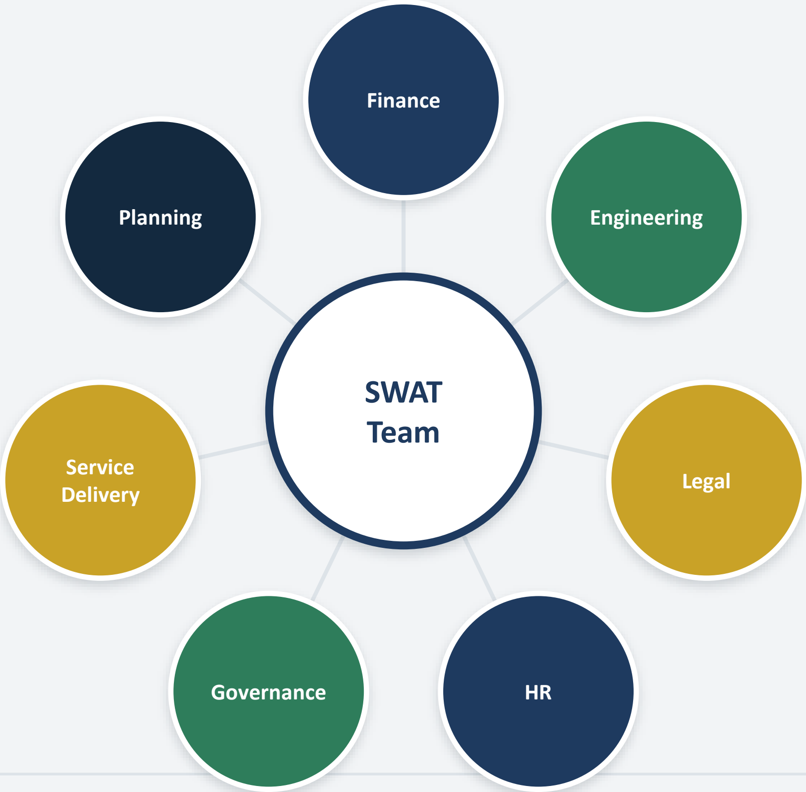
Governance Framework

Oversight, coordination and accountability



SWAT Team Implementation Model

The engine room of the turnaround



- Flexible pool of experienced specialists.
- Municipal, legal, engineering, finance & OD expertise.
- Works with the City Manager and senior officials.
- Phased down as operations stabilise — no parallel municipality.

Dashboard and Delivery Mechanisms

What gets measured gets delivered

Governance

Finance

Service Delivery

Growth

Public Confidence

The monthly dashboard tracks

- Leadership vacancies filled
- Governance decisions on time
- Legal & disciplinary cases resolved
- Service performance (water, power, roads, waste)
- Capital & grant expenditure
- Revenue collection & liquidity
- Procurement turnaround times
- Clean-audit action progress
- Planning application turnaround
- Communication & stakeholder engagement
- Improved efficiencies due to improved work environment equipment, technology & systems

Conclusion and Call to Action

A shared commitment to rebuild Nelson Mandela Bay

- A practical-contribution from business and civil society to municipal recovery.
- Government must lead, but recovery requires social partnership.
- Quick wins must build confidence for deeper reform.
- Success depends on disciplined implementation and transparent monitoring.
- Recovery protects residents, communities, businesses, jobs and the regional economy.

Stabilise the municipality • **Restore services** • **Rebuild confidence** • **Protect the economy**