



CITY OF JOHANNESBURG
METROPOLITAN MUNICIPALITY
OFFICE OF THE SPEAKER

MINUTES OF THE 19TH EXTRA-ORDINARY MEETING (BUDGET SPEECH) OF THE CITY OF JOHANNESBURG MUNICIPALITY HELD ON TUESDAY, 13 JUNE 2023, AT 14:00 FOLLOWED BY THE BUDGET SPEECH DEBATE AND CONSIDERATION OF REPORTS ON WEDNESDAY, 14 JUNE 2023 AT 10:00 AT THE CONSTANCE CONNY BAPELA COUNCIL CHAMBER, METROPOLITAN CENTRE, BRAAMFONTEIN.

**SPEAKER OF COUNCIL
CLLR T C MAKHUBELE**

A G E N D A

- 1 OPENING AND ACKNOWLEDGEMENTS BY THE SPEAKER**
- 2 APPLICATIONS FOR LEAVE OF ABSENCE**
- 3 RECOMMENDATIONS TO COUNCIL**
 - 3.1 Budget Speech (13 June 2023)**
 - 3.2 Debate on the Budget Speech (14 June 2023)**
 - 3.3 Reports (14 June 2023)**
- 4 ANNOUNCEMENTS & CLOSURE BY THE SPEAKER**

INDEX

ITEM NUMBER

GROUP FINANCE

2023/24 INTEGRATED DEVELOPMENT PLAN (IDP) AND 2023/24 DEPARTMENTAL AND MUNICIPAL ENTITIES BUSINESS PLAN 1

OFFICE OF THE CITY MANAGER

TABLING OF THE 2023/24 INSTITUTIONAL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN (SDBIP) 2

GROUP FINANCE

2023/24-2025/26 MEDIUM TERM BUDGET AND RELATED DOCUMENTATION FOR THE CITY OF JOHANNESBURG 3

2023/24-2025/26 MEDIUM-TERM OPERATING BUDGET FOR THE CITY OF JOHANNESBURG 3A

2023/24-2025/26 MEDIUM-TERM CAPITAL BUDGET FOR THE CITY OF JOHANNESBURG 3B

OUTCOMES OF PUBLIC CONSULTATION ON THE PROPOSED 2023/24 BUDGET AND ITS REVENUE RAISING MEASURES AND THE TECHNICAL EVALUATION LED BY NATIONAL TREASURY 3C

DRAFT RATES POLICY AND RATES BY-LAW 3D

FUNDING PLAN FOR MEDIUM TERM CAPITAL BUDGET 3E

LOAN FUNDING FOR 2022/23 FINANCIAL YEAR: INTERNATIONAL FINANCE CORPORATION ("IFC") 4

MEMBERS PRESENT

The Speaker: Councillor Makhubele, T C

The Executive Mayor: Councillor K Gwamanda

Abdool, F	Harris, R
Amad, T	Hlatshwayo, S M
Amod, C J	Hoén, J N
Arnolds, M S	Homer, C
Atterbury, E	Hooper, R S
Avant-Smith, C	Horwitz, J
Baloyi, D L	Huggett, E A
Benjamin, R F	Hughes, Z
Bini, L	Ismail-Moosa, I
Bittkau, R	Jacobs, B
Boer, C	Jainoodeen, Z
Bolani, M G	Johnson, N
Brand, D G	Jonker, N
Buthelezi, T C	Kaldine, J
Chame, F	Kgeletsane, M O
Chauke, K L	Khumalo, X I
Chetsanga, H	Knott, L R
Christians, A	Koekemoer, M
Coogan, L C	Komane, S A
Coutriers, M J	Kunene, K
Coverdale, D L T	Kwapeng, C
Crichton, M	Lebatlang, T Z
Da Gama, V M	Lebea, M G
Da rocha, C M D	Lefutso, L
Dammie, B H	Leitch, A N
Dauids-Green, L C	Leshilo, R S
De Lange, F C	Lobi, M
Dellwaria, N	Louw, M A
Deppe, A J	Mabaso, M P
Dewes, D S	Mabelebele, S S
Dladla, D	Mabuke, T A
Dlamini, B	Mabunda, T E
Durand, G V M	Mabuza, S K L
Echeozonjoku, B C	Machaba, L M U
Edward, N	Machethe, S
Finn, C E	Madiba, T J
Foley, D T	Magwaza, B L P
Fourie-Shawe, C	Magwentshu, L C
Francisco, D B	Maila, S M
Fresling, R R	Majola, S
Galeshewe, T M	Makamo, S S
Gantsho, L	Makhafola, E
Goosen, J W	Makhuba, H N

Maluleka, T	Moloisane, D
Manganyi, D B	More, E
Mangena, T D	Morero, S E
Marais, S I	Mosehla, K J
Marema, V A	Mothopi, O Z
Marumo, T	Mphaho, M A
Mashala, K	Mphahlele, M
Mashinini, S	Mphefo, L M P
Masoga, L M	Mpolobosho, M M
Masuku, L	Mposula, T
Maswazi, R	Mpotulo, G S
Mathe, Z E	Mthembu, M N
Mavhona, L S	Mulelu, M
Mazibuko, A L	Munyayi, V E
Mazibuko, N	Mutavhatsindi, N T
Mazibukwana, M	Nair, R K
Meyers, T	Ndlela, M C
Mgaga, B	Ndou, N L
Mgcina, S E	Ndou, P
Mhlari, T M	Ndou, P
Mkasi, G	Ndzondo, C M
Mkhize, T	Nefdt, P W
Mkhonto, M S	Nenemba, T
Mkhonza, N F	Ngema, S V
Mmbengwa, M N	Ngobeni, L M
Mmota, L	Ngobeni, R F
Mngadi, W B	Ngoepe, C S
Mnisi, N D	Nguse, S
Mnyameni, M	Ngwenya, F N
Moatshe, K	Ngwenya, J A
Modladlaba, D S	Niemand, G J
Modukanene, L C	Nkokou, T P
Modupi, D N	Nkomo, B
Moepi, N J D	Nkomo, E T
Moeti, O T	Nkomo, P T
Mofokeng, J	Nkosi, R A L
Mofokeng, M P	Nkubungu, L
Mogapi, T A	Nkwanyana, P B
Mohlala, C	Nofemela, N
Mokoari, Z	Nonkumbi, I M
Mokoena, G	Nontenja, C T
Mokoka, M L	Ntoele, N L
Mokwena, T M	Ntombela, M J
Molefe, E W	Ntshidi, T E
Molefe, M	Nyembe, M M
Molefe, S B	Nyembe, Z P
Molise, L D	Nzimande, C
	Papo, M M

Pelzer, R	Smit, P A
Phillips, L E	Sobey, A
Phometsi, P S	Steenkamp, D
Pietersen, J	Steer, B
Ponsonby, D A	Stewart, A J
Radebe, N P	Suddaby, J
Radebe, T T	Sun, Y H
Rafferty, P D	Supe, N P
Rahn, N J	Tabane, M C
Raholane, M W	Tambani, P S
Rakosa, P M	Tefu, P V
Ramafikeng, D J	Telekoa, A T
Ramaru, G	Tembe, D S
Rambani, N S	Truluck, T F
Raseruthe, S H	Tshawaku, M
Reddy, V M	Tshedo, J G
Reinten, I M	Tshehlo, G J
Roberts, F C	Tsotetsi, L Y M
Rohlssen, C K	Twala, Y A
Santana, C G	Van der Merwe, M
Schay, D	Van Dyk, N J
Seema, S M	Van Wyk, W M
Seerane, M K	Wax, K P
Sekhu, M V	Williams, M C
Sekwaila, B J	Wilskut, D
Shackleford, L M	Wissler, S T J
Shange, P A	Xuma, L
Sherman, G J	Zazini, A
Shumba, K A	Zitha, S L
Sifumba, N	Zondo, L T
Simelane, P	Zungu, N G
Simelane, S O	Zwane, S
Sindani, F P	

1 OPENING

The Speaker requested the Council to stand and observe a moment of silence for prayer and meditation.

She welcomed the Gauteng Premier: Hon P Lesufi, MEC of COGTA: Mr M Khumalo, Gauteng MEC of Finance: Mr J Mamabolo, Member of the Legislature: Ms T Mfikoe, member of ROLESA: Chief Mgiba, all Chiefs and the representative of the other Chiefstanches, all the entourage of ROLESA and the leadership present in the gallery, the president of the Patriotic Alliance: Mr G McKenzie, the EFF Provincial Chairperson, MMC of Finance at Ekurhuleni: Councillor Dunga, EFF Provincial Secretary: Mr M Koma, IFP Provincial Chairperson: Mr B Dlamini, IFP Deputy Chairperson: Ms Z Majozi, Elderman and Provincial Secretary of the IFP: Mr A Ngobese, former Speaker of the City of Johannesburg and PEC member: Ms N Molwele-Mazibuko, ANC Regional Secretary:

Mr Sasabona Manganye, member of the REC of AIC: Ms Williams, Deputy Secretary General of APC: Ms P Lefothe, Speaker from Ekurhuleni: Councillor N Tshivhenga, Speaker of Tshwane: Councillor M Ndzwanana, SAMWU National Secretary General: Mr Nkosi, IMATU Secretary General: Mr Lee, Executive Mayor of the City of Johannesburg: Councillor Kabelo Gwamanda, Members of the Mayoral Committee, Whip of Council: Councillor Zungu.

Chair of Chairs: Councillor Lloyd Phillips, Section 79 Chairpersons, Leader of the official opposition: Councillor B Echeozonjoku, City Manager: Mr F Brink, Acting Secretary to Council: Mr A Gobinca, officials of the City of Johannesburg, Representatives of Faith Based Organisations and various Religious Organisations, Representatives of Provincial Drug Authority: Gauteng led by Ms Pillay, Representatives of Businesses & Sponsors, Representatives of Transnet, Representatives of all Youth Parliament, members of the public, members of the media and all other distinguished guests that may have not being acknowledged, ladies and gentlemen and the beloved residents of the City of Johannesburg to the budget presentation meeting.

She thereafter addressed the Council as follows:

"I would like to acknowledge that most of us trembled with shock early Sunday morning as the earthquake occurred around the City of Johannesburg. It is said to be originating near the mine in Boksburg. Some 27 km from Johannesburg. An earthquake of this nature and this strength is not very common in Africa, and it has caused minimum structural damage in some parts of our city. No major incidents were reported to our office. We did note some of our residents who took to social media to share their experiences and damage to their homes. I would like to encourage our residents to continue to monitor their facilities especially those dwelling in vulnerable communities like informal settlements and also the multi-story buildings. If any further damages are reported, the city will see how to assist, especially the most vulnerable of our communities.

Ladies and gentlemen, I would like to acknowledge once again the enormous honor and responsibility that entails to host the Budget Speech and I thank all those who have been involved and working very hard to prepare and to plan this day. There is a wise saying that says, "bridges and roads are built not only for trade and travel, but to connect diverse people of different views, of different needs, different faiths, with different opinions for a harmonious dialogue." Which is what we believe we will have today, a harmonious dialogue.

As we gather each year in this fashion, after the State of the City Address, where the Executive Mayor would have presented the priorities of the city and envisage programmes and to address the prevailing grave conditions that our residents find themselves in. By law, this is followed by the Budget Presentation which is also very important. We trust Executive Mayor that this budget will convert the Government of Local Unity priorities, aspirations and vision into tangible investments, into tangible goals and plans with rands and cents attached to it. We also trust Executive Mayor that the responsibility of stewardship of our community will be felt through the proposed budget. And it will be clearly revealed how we embrace diversity, inclusion, innovation and new ideas. We also trust that the budget will speak to who we are as

the City of Johannesburg. What we value as this Council, officials and the residents. How we care for each other, how we protect each other, especially the most vulnerable in our society. And indeed, how we invest and create opportunities for growth and prosperity, especially for our young people. On that note, I welcome you once again to the Budget presentation of 2023.

She asked Legal to confirm the quorum.

2 APPLICATIONS FOR LEAVE OF ABSENCE

The following applications for leave of absence from this meeting were granted:

<i>Councillor Doyle, T</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Mathe, G</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Maake, M J</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Raphadu, A T</i>	<i>:</i>	<i>Urgent Council Business</i>
<i>Councillor Khanyile, N M</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Liebenberg, E</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Van der Schyf, C</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Mchunu, A</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Nhlapo, C P</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Nethamba, R</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Sesedinyane, M I</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Marais, A F</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Phalatse, M</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Landis, R</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Kreuzsch, S</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Chabalala, M D</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Mhlongo, T A</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Pietersen, N</i>	<i>:</i>	<i>Private Business</i>

The following Councillors requested to leave early:

Councillor Mofokeng, J

3 RECOMMENDATIONS TO COUNCIL

3.1 BUDGET SPEECH (13 JUNE 2023)

The MMC : Finance, as delegated by the Executive Mayor presented the 2023/24 Budget Speech.

The Speaker thanked the Executive Mayor and MMC Finance. She said that no one would get everything they wanted but the people of Johannesburg will get what they needed. She further said that she did not know that the Legislature would be victim number 1 and she understood why kept on calling Madam Speaker, Councillor Colleen until she got to Page 31, where the Legislature was the least funded.

She indicated that the Legislature would provide strict oversight and would rule with an iron fist over the budget. She commended the Executive Mayor and the MMC Finance for the responsive budget that has indeed targeted and protected the important Government of Local Unity priorities. From service delivery, economic development, housing, crime prevention, and social development including the provision of basic services, investment in infrastructure rehabilitation and the energy mix that is required to keep the city lit.

She said that the MMC Finance has demonstrated a budget that takes care of the communities, the budget that is right for the times and readies them for the future and it is indeed a belt tightening approach that has been considered. She said the MMC has considered the elders, the young people, which is reflective of the values of the Government Local Unity. She stated that President Biden said that his father had an expression "show me your budget and I will tell you what you value". She thanked the Executive Mayor and the MMC Finance for the budget presentation.

She thanked all Councillors, guests, residents of Johannesburg, members of the media who had joined the meeting. She announced that the Budget debate would commence on Wednesday, 14 June 2023 at 10:00 and encouraged all guests, members of the media and residents to join the meeting.

She requested that Councillors and guests remain in the Chamber as there was protest that was happening, the lifts had been closed out and the security was dealing with the situation. She said that the security will give guidance on how Councillors and the guests would vacate.

She indicated that they would proceed with the press briefing in the Chamber while they await the protest to clear.

AT THIS POINT, THE TIME BEING 16:08, COUNCIL ADJOURNED UNTIL WEDNESDAY 14 JUNE 2023 AT 10:00 FOR THE DEBATE ON THE BUDGET SPEECH AND CONSIDERATION OF THE REPORTS.

On resumption (14 June 2023), the following councillors were present:

The Speaker: Councillor T C Makhubele

The Executive Mayor: Councillor K Gwamanda

Abdool, F	Homer, C
Amad, T	Hooper, R S
Amod, C J	Horwitz, J
Arnolds, M S	Huggett, E A
Atterbury, E	Hughes, Z
Avant-Smith, C	Ismail-Moosa, I
Baloyi, D L	Jacobs, B
Benjamin, R F	Jonker, N
Bini, L	Kaldine, J
Bittkau, R	Kgeletsane, M O
Boer, C	Khumalo, X I
Bolani, M G	Knott, L R
Brand, D G	Koekemoer, M
Buthelezi, T C	Komane, S A
Chabalala, M D	Kreusch, S
Chame, F	Kunene, K
Chauke, K L	Kwapeng, C
Chetsanga, H	Lebatlang, T Z
Coogan, L C	Lebea, M G
Coutriers, M J	Lefutso, L
Crichton, M	Leitch, A N
Da Gama, V M	Leshilo, R S
Da rocha, C M D	Lobi, M
Dammie, B H	Louw, M A
Dauids-Green, L C	Maake, M J
De Lange, F C	Mabaso, M P
Dellwaria, N	Mabelebele, S S
Deppe, A J	Mabuke, T A
Dewes, D S	Mabuza, S K L
Dladla, D	Machaba, L M U
Dlamini, B	Machethe, S
Echeozonjoku, B C	Madiba, T J
Edward, N	Magwaza, B L P
Finn, C E	Magwentshu, L C
Foley, D T	Maila, S M
Fourie-Shawe, C	Majola, S
Francisco, D B	Makamo, S S
Fresling, R R	Makhafola, E
Galeshewe, T M	Makhuba, H N
Gantsho, L	Maluleka, T
Goosen, J W	Manganyi, D B
Harris, R	Mangena, T D
Hlatshwayo, S M	Marais, S I
Hoén, J N	Marema, V A

Marumo, T	Mothopi, O Z
Mashala, K	Mphaho, M A
Mashinini, S	Mphahlele, M
Masoga, L M	Mphefo, L M P
Masuku, L	Mpolobosho, M M
Maswazi, R	Mposula, T
Mathe, G	Mpotulo, G S
Mathe, Z E	Mthembu, M N
Mavhona, L S	Mulelu, M
Mazibuko, A L	Munyayi, V E
Mazibuko, N	Mutavhatsindi, N T
Mazibukwana, M	Nair, R K
Meyers, T	Ndlela, M C
Mgaga, B	Ndou, N L
Mgcina, S E	Ndou, P
Mhlari, T M	Ndou, P
Mhlongo, T A	Ndzondo, C M
Mkasi, G	Nefdt, P W
Mkhize, T	Nenemba, T
Mkhonto, M S	Ngema, S V
Mkhonza, N F	Ngobeni, R F
Mmbengwa, M N	Ngoepe, C S
Mmota, L	Nguse, S
Mngadi, W B	Ngwenya, F N
Mnisi, N D	Ngwenya, J A
Mnyameni, M	Nhlapo, C P
Moatshe, K	Niemand, G J
Modladlaba, D S	Nkokou, T P
Modukanene, L C	Nkomo, B
Modupi, D N	Nkomo, E T
Moepi, N J D	Nkomo, P T
Moeti, O T	Nkosi, R A L
Mofokeng, J	Nkubungu, L
Mofokeng, M P	Nkwanyana, P B
Mogapi, T A	Nofemela, N
Mohlala, C	Nonkumbi, I M
Mokoari, Z	Nontenja, C T
Mokoena, G	Ntoele, N L
Mokoka, M L	Ntombela, M J
Mokwena, T M	Ntshidi, T E
Molefe, E W	Nyembe, M M
Molefe, M	Nyembe, Z P
Molefe, S B	Nzimande, C
Molise, L D	Papo, M M
Moloisane, D	Pelzer, R
More, E	Phillips, L E
Morero, S E	Phometsi, P S
Mosehla, K J	Pietersen, J
	Pietersen, N

Ponsonby, D A
Radebe, N P
Radebe, T T
Rafferty, P D
Rahn, N J
Raholane, M W
Rakosa, P M
Ramafikeng, D J
Ramaru, G
Rambani, N S
Raphadu, A T
Raseruthe, S H
Reddy, V M
Reinten, I M
Roberts, F C
Rohlssen, C K
Santana, C G
Schay, D
Seema, S M
Seerane, M K
Sekhu, M V
Sekwaila, B J
Sesedinyane, M I
Shackleford, L M
Shange, P A
Sherman, G J
Shumba, K A
Sifumba, N
Simelane, P
Simelane, S O
Sindani, F P
Smit, P A
Sobey, A
Steenkamp, D
Steer, B
Stewart, A J
Suddaby, J
Sun, Y H
Supe, N P
Tabane, M C
Tambani, P S
Tefu, P V
Telekoa, A T
Tembe, D S
Truluck, T F
Tshawaku, M
Tshedo, J G
Tshehlo, G J
Tsotetsi, L Y M
Twala, Y A
Van der Merwe, M
Van Dyk, N J
Van Wyk, W M
Wax, K P
Williams, M C
Wilskut, D
Xuma, L
Zazini, A
Zitha, S L
Zondo, L T
Zungu, N G
Zwane, S

1 OPENING

The Speaker requested the Council to stand and observe a moment of silence for prayer and meditation.

The Speaker welcomed the Executive Mayor of the City of Johannesburg: Councillor K Gwamanda, Whip of Council: Councillor N Zungu, Chair of Chairs: Councillor L Phillips, all political party leaders and whips, members of the Mayoral Committee, Chairpersons of the section 79 committees, fellow councillors, City Manager: Mr F Brink, acting Secretary to Council: Mr A Gobinca, officials of the City of Johannesburg, residents of the City of Johannesburg, members of the media, guests, ladies and gentlemen to the continuation of the 20th Extra-Ordinary meeting of the City of Johannesburg Municipality to debate the budget, speech and consideration of reports.

She thereafter addressed Council as follows:

"I would also like to take this opportunity to thank all who were involved in the planning and preparation of the budget presentation and for the draft budget itself. These teams are truly so great and would like to thank you and say that you are truly a top-notch team in your delivery. Councillors, we have called the sitting today to debate and vote on the proposed budget as presented by MMC finance, including the budget-related items. Again, I would like to appeal to Councillors to debate in a robust, yet respectful and orderly manner.

We are an inspiring World Class African city and therefore our thinking and behaviour must uphold those aspirations and we must endeavour at all times to promote World Class African debate, advancing World Class African arguments with world class African conduct and behaviour in the chambers. So let us refrain from provoking disruptions and talking over people's heads when they are on the podium and focus on the business of the day. I know we now understand the rules of the House and that we are going to play the ball and apply tactics on the ball. I thank you so much. Godspeed. I wish you well in the debate.

I also would like to remind Councillors that the passing of the budget must be supported by 136 councillors in line with section 30, subsection 2 of the Local Government Municipal Structures Act 117 of 1998, as amended."

She asked Legal to confirm the quorum of the House and confirmed that there were 178 in the House and requested that Councillors who have not signed the register to do so.

APPLICATIONS FOR LEAVE OF ABSENCE

The following applications for leave of absence from this meeting were granted:

<i>Councillor Nethamba, R</i>	<i>:</i>	<i>Private Business</i>
<i>Councillor Christians, A</i>	<i>:</i>	<i>Illness</i>
<i>Councillor Landis, R</i>	<i>:</i>	<i>Illness</i>

<i>Councillor Phalatse, M</i>	:	<i>Private Business</i>
<i>Councillor Marais, A F</i>	:	<i>Private Business</i>
<i>Councillor Doyle, T</i>	:	<i>Private Business</i>
<i>Councillor Khanyile, N M</i>	:	<i>Private Business</i>
<i>Councillor Wissler, S T J</i>	:	<i>Private Business</i>
<i>Councillor Durand, G V M</i>	:	<i>Private Business</i>
<i>Councillor Ngobeni, L M</i>	:	<i>Private Business</i>
<i>Councillor Mabunda, T E</i>	:	<i>Private Business</i>
<i>Councillor Coverdale, D L T</i>	:	<i>Private Business</i>
<i>Councillor Liebenberg, E</i>	:	<i>Illness</i>
<i>Councillor Van der Schyf, C</i>	:	<i>Illness</i>
<i>Councillor Jainoodeen, Z</i>	:	<i>Illness</i>
<i>Councillor Johnson, N</i>	:	<i>Illness</i>
<i>Councillor Mchunu, A</i>	:	<i>Private Business</i>

The following Councillors requested to leave early:

Councillor Nair, R K
Councillor Raphadu, A T
Councillor Mofokeng, J

The following Councillors requested to arrive late:

Councillor Lebea, M G
Councillor Mnisi, N D
Councillor Mgcina, S E
Councillor Morero, S E
Councillor Makhafola, E
Councillor Homer, C
Councillor Coogan, L C
Councillor Da Gama, V M
Councillor Dewes, D S
Councillor Williams, M C
Councillor Ponsonby, D A
Councillor Kunene, K
Councillor Manganyi, D B
Councillor Tembe, D S
Councillor Mposula, T
Councillor More, E
Councillor Mohlala, P K
Councillor Rakosa, P M
Councillor Mthembu, M N
Councillor Mkhonto, M S
Councillor Davids-Green, L C

3.2 DEBATE ON THE BUDGET SPEECH

The Speaker confirmed with Legal if the Council could proceed without MMC Finance being present in the House.

Councillor Knott (DA) stated that as the Democratic Alliance they were happy to continue with the debate, the Executive Mayor was present and the MMC Finance was acting under his delegated authority. Therefore, the Executive Mayor would be able to respond to the debate.

Councillor Medupi (ANC) addressed Council as follows:

"Madam Speaker, let me thank you for this opportunity and create you as the head of the legislative arm of this House and also let me extend my greetings to the executive arm of this House as led by Executive Mayor, Kabelo Gwamanda. Madam Speaker, let me also greet the leadership of the African National Congress. I would like to start by greeting the Chairperson of the Province of Gauteng: Panyaza "Panya Panya" Lesufi. He is indeed an inspiring leader, and we are looking up to him. I would also like to greet the Regional Secretary of Johannesburg: Sasabona Manganye and all the delegation that he is leading. I will also be making a mistake if I do not greet the leader of the caucus of the ANC in this Council, ntate Dada Sello Morero.

Madam Speaker, yesterday's budget speech by finance, MMC councillor Dada, Morero was an embodiment of hope. The speech demonstrated that institutional memory is an indispensable phenomenon in dealing with the complex issues of governance. Madam Speaker, the city of Johannesburg is Titanic and when Titanic sinks amidst turbulent waves of an ocean, it requires the calibre of the captain, like MMC that Dada Morero and such captains can only be found in the ANC as the organization that boasts the great wealth of knowledge and experience of more than 110 years of existence. That is why in Sotho we say "tsela e botswa ho ba pele." I said to Madam Speaker that without any visage of doubt, no other political party in South Africa can have an appreciation and comprehension of the gravity and the magnitude of the complex challenges of our people unless one has drunk from the well of knowledge of the African National Congress.

The budget speech has spoken to the hearts and minds of the poor, the youth and the most vulnerable in our society. It has spoken with people living with a disability. We appreciate that despite coming from the city's ruined financial viability, the budget has made a bold move of catering 6000 litres of water for all residents of Johannesburg. This was taken away by the administration that came post-2016, but now because we have the current government, it has brought back this service to our people. Young people are also happy, and we believe that as time progresses more will be given to them as the R20 million budget was allocated towards youth development. We are also happy, Madam Speaker, that 21 million capital budget for a three-year provision of 153 access points of Wi-Fi. This will go a long way in making sure that the future is bright for the residents of the City of Johannesburg. We also welcome the grant of R112.8 million for the public employment programme and the grant of R13.9 million for EPWP. This will lessen the impact of poverty and unemployment amongst the citizens of Johannesburg.

We have seen that unemployment is very high and the government that cares for the people, the government, that is unbiased towards the poor, is the government that will bring such bold initiatives and we really appreciate this. People like Thabisa Tamara Lofi Makgaole, and other who always cry about job opportunities, can now breathe because there is hope. The ANC caucus in Council is also feeling proud and adulated that the worker's long cry has finally been heard and that their tears have been wiped, by political facilitated agreement. PFA is now going to be realized and that is the study bursary for the underprivileged has also been catered for. This is what makes the citizens of Johannesburg happy about this budget because it has spoken with almost every section of this society. Madam Speaker, the inner-city residents are also happy to hear those hijacked buildings and bad buildings are going to be attended and that R71 million rands are catered for the transitional housing while dealing with the hijacked buildings. We believe that this will unlock the housing opportunities for our people in the inner city where they are currently subjected to bogus landlords and arbitrary evictions. Having been moved by this speech, Madam Speaker, the caucus of the ANC, is happy. And the caucus of the ANC is welcoming this speech, but we are saying this speech should be given life by the support from the residents.

As the councillors, particularly from the ANC, will work with our communities to encourage them to pay for the services they use, so that this budget can be given life because we do not want, at the end to be accused by our people that we give promises and not implementation. We will keep our promises and the City of Johannesburg will not be the same again. Thank you very much, Madam Speaker.

Councillor Santana (DA) addressed the Council as follows:

"Thank you, Speaker. Madam Speaker, with your permission, and indulgence, allow me firstly to apologize for any copyright infringements and the buster sizing a classic theatrical movie, but I could not help myself as it resonated so well with how the MMC finance wanted to do things differently. So, close your eyes as I take you through the 1st 47 minutes of wait for it, The Rocky Horror Picture Show it's a classic, right? How wonderful it was for the MMC of finance to take us through the time warp, as the Government of Local Unity reminisced in unison. Let's do the time walk again. As you have been back to the early 2000s, right up to 2016, there is no doubt that the city has achieved accolades in the past and we can learn a lot from from it. But what we do with that knowledge enables us to reshape the now and the future. Madam Speaker, MMC finance acknowledged the following. The unfavourable challenges within the economic landscape, the 10 consecutive repo rate increases since November 2021 by the South African Reserve Bank to contain inflation. The increases are implemented by our bulk service suppliers such as Eskom and Rand Water. Then he proceeded to announce that the property rates will increase by over and above the implementation of the 2023 General Valuation Roll. It is worth noting that under the DA led, Multiparty Government, we did not increase the property rates during the implementation of the 2018 General Valuation Roll. Noting all the other tariff announced of concern is the justification of the sanitisation tariff increase of 9.3% for residents' properties based on charging on the use of the property size. We believe the city is unjustifiably enriching itself by double taxing in the sense of the same charge as that of the water tariff. The sanitization tariff requires a review and to be brought in line with our peer municipalities.

Madam Speaker, a lot was said in the budget speech about initiatives, and decisive actions to rebuild the city's finances, I will name them. The overall of our supply chain processes, optimizing our procurement process, ensuring key positions are filled, optimizing the use of the city's limited resources by doing more with less, improving productivity and managing human resources efficiently, allocations of resources that support the strategic turnaround of key revenue generating entities, intensifying interventions on reducing the electricity and water losses, intensifying revenue in enhancement strategy, exploring alternative funding options and partnerships, cash management strategies to rebuild the cash reserves that can be a springboard for future expansion in the capital investment programme, implement the district development model. As always, the devil is in the details and we await how these initiatives and the actions will be implemented.

Madam Speaker, fast track to the R80.9 billion Rand 2023-2024 budget, the first step the MMC of finance alluded to was the rebasing of the current shares budget by R6.7 billion, bringing the current shares budget from approximately R77.3 billion to R70.6 billion. Now ask yourself, R80.9 billion less R70.6 billion approximates to R10.3 billion rands and an increase in the budget for 2023-2024. How does it seem realistic? Wait for it? No. Finally, this budget is clearly a political budget of the GLU administration for the upcoming provincial and national elections. And once again, at the behest of the forgotten residents and the forgotten ratepayers of the City of Johannesburg, based on the above acknowledgements of the MMC, the forgotten residents would have rightly concluded that the budget proposed is not sustainable. The city and its entities have failed and refused to control expenses, failed and refused to reduce overall and madness takes control. Thank you"

Councillor Majola (ACTIONSA) addressed the Council as follows:

"Greetings to you all councillors the Speaker, your worship Executive Mayor, the MMC for Finance. A special greeting to the incoming Gauteng premier, Mr Ngobeni, the province is eagerly waiting for you to take over and introduce the ActionSA difference which I'm confident you are capable of bringing. Good morning to you Sir, I wish you excellent health.

Madam Speaker, I couldn't help but notice the stark difference and the glaring misalignment between the Mayor's State of the city address and yesterday's Budget speech. Yesterday's speech was delivered with a degree of authority, seating in my seat I could feel the energy in the house was electric. Considering that these two statements are essentially the mayors' statements, one wonders which is which exactly.

Take for example the mayor's remarks, "Fighting and defeating crime is a top priority for the government of local unity. To bolster our efforts in fighting crime, we plan to recruit approximately 2,000 crime wardens", yet the MMC made no mention of this plan in his budget.

Speaker I'd like to introduce a term that is commonly used on social media called a "Blue Tick" or "Blue Ticking" Some of you may have suffered this disparaging fate, a blue tick or blue ticking defines an instance where one sends a text hoping for a

response or a reaction only for the receiver to read the text and offer no response whatsoever. It mostly happens when the receiver holds the view that the sender's

message is not important and has no urgency and therefore deserves no response. In colloquial language, what the MMC did to the mayor's aspirations as it relates to crime wardens is called a blue tick.

As if that was not enough, in his SOCA the mayor expressed an appetite to source power from independent power producers (IPPs). Yet again in the budget, there was no detail and no financial consideration of this overdue undertaking beyond a possible feasibility study.

Madam Speaker, the issues facing this city emanating from loadshedding pre-empt the outcome of this feasibility study, the damage to power distribution infrastructure as a result of power cuts, the rising cases of cable theft, the sad passing of Neyamiah Eaton reportedly as a result of loadshedding are reasons why this city needs to do more to protect its residents from severe loadshedding.

We need to reduce our reliance on the failing Eskom. The independent power producers are a solution to mitigate against the severity of loadshedding, unfortunately MMC you missed an opportunity to take this seriously. Madam speaker we need to accept that we can no longer fold our arms and wait for Eskom to get itself in order, we need to accept that we have a responsibility as a metro to do something about loadshedding.

We have a responsibility to protect our residents from the economic, and social cost of loadshedding. We are probably one of the few municipalities if not the only one that owns a power utility, and what is the point of owning one if we continue to suffer the same hardship as the rest of the country. Mr Mayor, we need to realise that this is an economic hub, indeed an economic powerhouse of the country. We must be different from the rest of the country because there is a lot at stake.

Loadshedding destroys small businesses, thereby destroying livelihoods, loadshedding slows down economic activity, loadshedding sheds jobs, loadshedding sinks our communities deeper into poverty and of late, we have learned that loadshedding kills people. Loadshedding is an ugly thing. How much more should our people have to go through before we accept that we need to diversify our energy sources?

Our residents should not have to accept having to plan their day according to the loadshedding schedule, this is not normal, and it should never be. If this government is not willing to accept this responsibility, then it should be removed, and a government willing to take this responsibility seriously, be installed.

I have to say Mr Mayor, you raised my hopes when you mentioned the IPPs during the SOCA, I thought finally, here is a mayor willing to put up a real fight against loadshedding, I thought here's a mayor willing to be on the side of small business owners. I thought here's a mayor who's willing to come to rescue when our residents and their livelihoods need rescuing.

Where's the money going to come from? I can almost hear you MMC silently screaming that question. You can always clamp down on the waste that occurs when the city fails to protect public infrastructure. Millions are spent reinstalling traffic lights

that are destroyed by criminals on our roads, refilling potholes that were poorly filled, replacing stolen cables, that are stolen during loadshedding, repairing the damage in our power

stations because the reality is that our electricity infrastructure was not built to tolerate regular power cuts, the reality is that power cuts destroys our infrastructure. The money spent on these repairs, can be avoided, if we invested in ensuring that our public infrastructure is safe.

Another way to save money would be to perhaps not host cocktail parties at a time when our residents are faced with rising cost of living. Show of hands, how many of you councillors agree that it's incredibly inappropriate to host a cocktail party at time when our residents are facing tough economic challenges?

Another way in which we find money to address loadshedding is to embark on an aggressive revenue collection drive, which I challenge both of you to. There are big corporate customers that continue to owe the city millions in municipal rates, we cannot continue to provide services to such businesses if they do not pay.

We have to be serious about revenue collection, we as ActionSA challenge this government to crackdown on non-paying customers. 92% collection rate should not be celebrated so much, imagine you are a salesman, you are selling a product, lets choose a random product like... cocktails... and out of every unit that you sell, you collect 92% of the selling price. You are not making money, are you? Likewise 92% means there are still millions that are not collected. We could use this money to shield our Joburg economy from severe loadshedding. I'm not trying to be irrational here and say we should be collecting 100%, my point is we can always do better.

*MMC we are concerned that despite being the poorest of all our regions, region G was not considered at all in this budget. Nothing was planned for Eldorado Park despite you and your team visiting the area during their protest in 2022. No plans at all for Ennerdale, Reverlea and Westbury, indeed this is very concerning.
Human Settlement*

While we welcome the R2.5 Billion allocation towards the mega housing developments. We still maintain that in order to address the housing backlog the city needs to engage in a public private partnership, the city needs to identify old and abandoned buildings and give them to private developers to renovate them and bring them back to a usable state. This would revive the liveliness of our city, drive economic activity, arrest the continuing decay in our inner city, address the housing backlog, and create employment along the way.

We note the R71 Million allocation for transitional housing, we do hope this is a first step towards the inner-city rejuvenation. Although this is an idea conceived by former Joburg Mayor and now ActionSA leader, Herman Mashaba, you are welcome to take it and run with it, like we always say we are a party with great ideas, our fountain of ideas never runs dry, and we don't hoard.

*Metro centre refurbishment. We welcome the allocation of R135 million set aside to lease properties to accommodate the city's staff while the metro centre building is being refurbished. At this point I would like to congratulate Cllr Mpumi Edward for her persistence in running the story of the decay of the metro centre building, She put enough pressure and now the disaster that was looming can finally be avoided.
Congratulation's councillor*

Insourcing, it is interesting how all of a sudden, the EFF has toned down its radicalism in fighting for the poor. Madam Speaker, I use to fight alongside Cllr Zitha of the EFF for the city to insource contracted security guards and cleaners. It appears since the EFF has become a part of government; they have abandoned the struggle of our people.

ActionSA has now become the only hope for our people, we have become the only party that still demands that the city must insource contracted security guards and cleaners. We will never stop until they are insourced, because we are a principled party. Since the EFF became a member of the government, their priorities have changed. Indeed, power corrupts.

Perhaps the EFF fell for MMC's Morero's trick of calling that R75 million as Insourcing. That money is not for insourcing, that money is set aside for the procurement of tools of trade for security guards and cleaners who are already insourced and are already in the city's payroll. What a shame that the EFF could not pick this up and fell for this trick. If Councillor Mvuzo Dlanjwa was still here, he would have picked this up. Today the ANC drags the EFF around to fulfil the ANC priorities, if what I'm saying is not true, show me one item in this budget that speaks to the EFF manifesto. This is what happens when coalition agreements are reached on the basis of compromise as compared to transparent principled agreements. We have got to admit that it is over with the EFF.

Notwithstanding all of this, we are called to prioritize our residents, and therefore ActionSA will not bite our nose to spite the face. We will support this budget and will hold this government to account at all times. Thank you"

Councillor Makhuba (IFP) addressed Council as follows:

"Thank you, Madam Speaker, the Executive mayor, members of the mayoral committee, the leader of the IFP Caucus, Councillor Mlungisi Mabaso members of the IFP caucus, and fellow councillors. The Canadian writer and lawyer Robin Sharma, in his observations, once said "Blaming others is nothing more than excusing yourself". His observations are befitting in light of the speeches this Council has listened to from that of the Executive Mayor to yesterday's budget speech. However, as the Inkatha Freedom Party, we choose to embrace the theme as outlined by the MMC of finance when he said, let us make the impossible possible by making Joburg a Centre for Economic Growth and Development. We are however, noting a growing tendency from those who are in the governing site of this council of inheriting the good of the previous administration and disowning the bad when you take over the administration, you inherit it all, good and bad in the spirits of 1976 of my generation, we as students of Soweto, did not blame the founding fathers of our liberation struggle, who were either in exile or jailed. We took matters into our own hands and confronted the then-regime. It is that spirit that the IFP wishes to inculcate to this Council.

Madam Speaker, it is the conviction of the IFP, that any budget that seeks to redress the wrongs of the past and touch the lives of many be supported. We will be on the lookout to ensure that this shoestring budget is stretched to a point where it touches most residents of the city, especially those who are from disadvantaged communities

such as informal settlements, Hostels, retirement villages and the coloured community. It is the same spirit that we welcome the establishment of the Youth Directorate.

However, we are mystified by its budget being placed on social development. The IFP believes that it should be in the office of the Executive Mayor as issues of young people are not welfare issues, but transversal. The IFP has noted the pronouncement of 2000 wardens by the Executive Mayor in his SOCA speech.

However, this widens did not find expression on the budget as it was presented. We therefore want to know where this budget will come from. Why was it omitted from the budget speech, and what measures are going to be taken to ensure that the recruitment is transparent and not partisan so that what happened at Panya Panya 6000 should not be repeated

Running a successful city is at the centre of its ability to collect rates, and we must ensure that the city does collect to its optimal. We must at the same token, be mindful of the economic hardships our people are confronted with. The recent statistics on the unemployment rate cannot be overlooked and many lost their income thanks to COVID-19. The IFP therefore calls for an assessment of each household in the enforcing of the rate collection as opposed to a 1 size fit all approach. The IFP welcomes the allocated budget for the programmes, such as the upgrading of informal settlements, hostile development and maintenance sites and services programmes. We believe that this budget, insufficient as it is, will go a long way in touching people's lives, Madam Speaker, the IFP will always support the budget. I thank you."

Councillor De Lange (VF+) addressed Council as follows:

"Thank you, Madam Speaker, all protocol observed. MMC Morero delivered a well-articulated speech and it is crystal clear how the money will flow and where the money will be allocated. But as we all know, budgets are wish lists and hope to achieve them through possible collections, grants and loans. The Freedom Front Plus is concerned, though. If there's R80.9 billion budget is funded or not, and yes, I did see the comments from the National Treasury. I recently read an article in the business news regarding the income to debt levels of our citizens in South Africa and I was shocked consumers that who earned between zero and 15,000 pays 65% of their income towards debt and are tax base. middle to upper class 15 to 45,000 rand in earnings pays 70% of their income toward debts and the affluent class by 60% over the last two quarters. It is a fact that payments were missed and defaults on house and car loans rose sharply.

Madam Speaker, actuaries must look into the past to predict the future. Maybe the GLU should take into consideration the 1988, New York Stock Exchange crash, closer to home in 1999, where interest rates harboured 23%. 2009 the property crash before committing the city to an 87% collection rate baseline. Through you, Madam Speaker the city must trade carefully over the next three years, and we should not get involved with huge capital projects that could be funded and executed by the province.

I have to highlight the solar project rollout even though it's a wonderful idea for upliftment. The problem is it is very expensive and these installations can be removed, and the residents can sell them if times get tough. On a positive note, on the 1.5 to 2 billion rebates for pensioners on property rate and only taxing the above-rebated levels. It is a move in the right direction. Unfortunately, under 350 downwards to

300,000 decreases, It's got the opposite effect, especially with the average close to 20% combination increase in property rates. Madam Speaker, I still remember the previous

rollout of smart meters. It was riddled with problems and corruption. It took way too long and it was very expensive. If I hear supply chain management, the hair on my neck stands up. This is unfortunately where we find the rotten apples in the city. If we do not conform and clean this department, we are going to have future problems with capital projects. We must strike the balance between capital projects and the maintenance of existing infrastructure. Where do taxpayers live?

Due to the time Madam Speaker, I would like to suggest the following from the Freedom Front to keep our residents paying the municipal bills. Adjustment downwards 83% for the collection rate. Zero per cent rate increase on property taxes, only 3% increase on Pikitup sanitation and service charges and to rethink our capital rollouts and divert our funds towards maintenance to hit the golden standard of National Treasury of 8% of the budget towards collections and collect all outstanding intergovernmental debts.

Madam Speaker, in closing, the city cannot throw figures into the air and see what sticks. To base a budget of this magnitude on hopes and dreams is concerning. The GLU must stop loan funding themselves out of trouble. Of course, we all going to find ourselves wanting soon. The Freedom Front cannot support this budget. I thank you"

Councillor Mkhonza (ACDP) addressed Council as follows:

"Thank you and allow me to 1st acknowledge our Almighty God. The creator of the Heavens and the Earth. Thank you, Madam Speaker. Greetings to all councillors, ACDP constituents, and the residents of our beloved city Johannesburg. I greet you all in the name of our Lord and Savior, Jesus Christ. Amen. Madam Speaker, let me start my speech by referring to my guiding manual, the Holy Bible, and 2 Peter Chapter 2, verse 19 paraphrased, they promised them freedom while they themselves are slaves of corruption. Madam Speaker, we were sitting here on the 13th of June 2023, hoping to be led by MMC Morero in terms of the budget plan for the city, to our uttermost disappointment. There was no guidance or proper details on how the current administration plans to restructure, transform and make the city thrive. There is no clear strategy for cost containment measures and reduction of expenditure.

Madam Speaker, same as the flaccid SOCA speech, the budget speech, lacked details and or failed to mention revenue collection strategies, especially for the city's employees. Instead, the MMC of Finance dedicated the whole 15 pages of his speech to retelling a positive Egoli 200 story and ducking responsibility for the reported city's financial constraints. The residents of the city expected a more prudent speech from your government. We understand you inherited the city with areas in supplier payments, no cash in the bank, and a deficit of almost R291 million. But so, what? What are you doing? What are you planning to do differently? We waited in agony to hear the plans you have shaping the bright future, but you never told us explicitly how your administration is planning to turn things around. However, Madam Speaker, as I am mandated to represent my constituency, allow me to respond to the budget speech delivered here in Council chambers by the MMC Finance speaker. Allow me to comment on the tariff and revenue collection. The ACDP welcome the 2% tariff increase as we hope that it will inspire our beloved residents to pay. On revenue collection. We all know that revenue collection accounts for over 50% of the city's

sources of revenue. We know that electricity is 26% property. The MMC failed to mention how he is going to enforce consumer accounts, and payment from the Councillors and the city's employees according to the annual final statement tabled in this Chamber a few weeks ago. Total arrears account for Councillors amounted to close to half a million.

The city is struggling with revenue collection, which ultimately affects the service delivery. How are you going to ensure that councillors who owe the city pay their debts? It is disturbing to know that Councillors are contributing to the low revenue collection, and this is a great concern for the ACDP. Allocation of aging fleet and illegal dumping on Pikitup. The ACDP will advise the administration to put more effort and money to embark on extensive education programmes on the importance of recycling, increase the number of wastes drops off sites and create subsidized recycling economic opportunities to reduce municipal reliance on landfills.

Let me speak about informal settlement and budget allocated to projects proposed in the speech. The current admin boasted proudly that it will replicate what has happened in Soweto in terms of spatial redesigning and economic opportunity in other areas within the city. However, we heard nothing about this in the speech, and we know that this is just one of those empty promises. The R365 million earmarked for Lufhereng continues the apartheid spatial planning model by providing accommodation many kilometres away from the employment opportunities. Informal settlement and delays in project implementation The GLU have a history of incomplete projects, for example, Kliptown, greater Orange Farm and Ivory Park projects. We will monitor with caution this budget, for we know that the R1.4 billion that was allocated to the Alexandra Renewal project is still missing, As the ACDP, we will be watching with great interest to see how many informal settlement dwellers will benefit.

On job opportunities, the ACDP welcomes the grant of R13.9 million towards EPWP, thank you very much".

Councillor Machethe (APC) addressed Council as follows:

"Mesong ye mebotse Sepikara sa Khansele. The Honorable Councilors, The Honorable Executive Mayor, Kabelo Gwamanda, Honorable MMCs, Fellow APC Constituents and fellow residents of the City of Johannesburg, Madume!!

Sepikara sa khansele, indeed, this is the era of making the impossible possible as MMC Morero has mentioned. APC as part of the Government of Local Unity, is happily welcoming the budget speech with both hands. We are serious about uniting the local government in order to deliver quality services to our people. The budget speech delivered in this chamber yesterday inspired hope and dreams for a better future for the residents of our city. Therefore, we fully support the budget.

We are happy with the consultations that took place to shape this budget. We believe there is no budget if people were not consulted. It is our desire as APC to see more public participation happening to strengthen the implementation of IDP projects and programmes happening across the city. We also wish to see consultations happening more at ward level. In fact, we encourage a ward-based budgeting system guiding the

plans of how money is spent by the city. Thank you MMC for emphasizing good governance and making every rand useful. We must serve the interests of the people only, always do away with waste and corruption.

Allow me to comment on details of the speech. There are so many good things to talk about in the budget, but in the interest of time let me pick the few that captured the ears of the APC:

Social Development Budget. Thank you MMC of Finance for listening to the people and increasing the budget. The allocation of 359 million will ensure that many good things are done for the youth, people with disability, vulnerable women and children as well as poor households. APC welcomes the allocation of R20 million towards youth development, the focus on substance abuse crisis and treatment centre programmes and the creation of work opportunities in partnership with NGOs.

Cosmo City Development. Sepikara sa khansela, I am happy to see that my hometown of Cosmo City was acknowledged four times in the speech. We welcome the fixing of streetlights, sewerage repairs, building of a swimming pool, skills development and road resurfacing which is about to happen in Cosmo City. Thank you for listening to our people MMC Morero. We welcome and support this budget as APC. I thank you."

Councillor Mpolobosho (AHC) addressed Council as follows:

"Thank you very much, Madam Speaker. I want to greet the youngest mayor of City of Johannesburg. Councillor Gwamanda. I want to greet also the MMC's, the Whip of Council, Councillor Zungu, the Chair of Chairs, Councillor Phillips. I want to greet also the Chairpersons of the Section 79 and also the leaders of the political parties in Council. I greet you all. Speaker, I will just do a summary of yesterday's speech by MMC. The MMC spoke about the formalization of informal settlement and as African Heart Congress we support that. However the MMC did not even mention the realignment. But then I am happy because the youngest mayor mentioned it in his speech. Thank you very much mayor. And the second one is the issue of the upgrading of roads in Ivory Park, gravel road and MMC we supported that, but also, we have a serious matter in terms of the issue of that road called Freedom Road. There is traffic. Also, you mentioned that the upgrading of the bridge maybe then we will also support that particular road to shift, to upgrade the bridge so that it can assist with the issue of traffic in Ivory Park. Because that road is frustrating the residents of Ivory Park. MMC you mentioned the upgrading of the sewer in Diepsloot. We need that to be extended also to Ivory Park. There is a serious problem in terms of the sewer blockage. We need assistance on that part and without wasting time, Madam Speaker, I just want to say thank you very much MMC for your Budget Speech, As African Heart Congress, we support the budget. Thank you very much."

Councillor Echeozonjoku (DA) addressed the Council as follows:

"Thank you, Madam Speaker. Madam Speaker, Executive Mayor, fellow councillors and residents of Johannesburg. Good morning, Madam Speaker. If the City of Johannesburg was a business, it would be liquidated as far back as 2015. It is clear that this budget is Premier Lesufi's ANC election campaign budget with no regard for the ratepayers, despite the fact that the bulk of it is funded by the ratepayers. It is

clear, Madam Speaker, that the residents who are ratepayers fund a big chunk of this budget and have to pay and get nothing in return. Madam Speaker, the MMC had taken 47 minutes reminiscing about the time between 2000 and 2014 when the City of Johannesburg was still a city when business was comfortable investing in, Madam Speaker this was 23 years ago...."

The Chair of Chairs raised concern about the precedent that is being set with the posters in the Council Chamber because in the next Council meeting, they will have a whole lot of posters and there should not be complaints because they also have mandates from their constituents, and they do not broadcast it in that fashion out of respect for the House.

The Speaker confirmed with Legal and said that there is no explicit rule, but the guidelines say they need to conduct themselves in a manner that respects the Council, that respects other Councillors and that respects their guests. She further said that displaying posters was not part of what they display in Council. She stated that it was fine when Councillors raised the posters and put them down at some point during SOCA but now, they were truly on people's faces, and it was appropriate. She requested that Councillors remove the posters because she did not want the precedence of hanging posters in the Chamber. She asked Councillors that they maintain the decorum of the House.

Councillor Echeozonjoku (DA) placed it on record that her residents gave her the mandate to put up posters as a silent protest and she has been requested by the Council and the Speaker due to opposition from the ANC to remove the posters.

Councillor Echezonjoku (DA) continues with her speech as follows:

"He mentioned financial institutions. Still had an appetite to land in the city in 2014, and 2015, but he failed to acknowledge that this was before state capture and the Zondo Commission, and the ANC was in government and collapsed The City of Johannesburg for the Multi-Party coalition to pick up the pieces in 2016. It is also clear, Madam Speaker, that it is not only the mayor who is disconnected from the residents but also the MMC of Finance is completely out of touch. He is completely out of touch with what is happening in the city. Madam Speaker, MMC of Finance, Councillor Morero, said nothing that indicates that this budget is actually funded. It is clear from the comments by the National Treasury in the report that this budget is unfunded.

We are very concerned, Madam Speaker, that the MMC has indicated an increase in both CapEx and OpEx in the JRA budget over three years, but no clear indication under other as to how it will be spent. The MMC is talking about the effects of load shedding, but he fails to mention that the problems that City Power is experiencing are a result of ANC load shedding. You cannot mention load shedding without mentioning the ANC who is in charge of the National Government. Who is in charge of Eskom?

Madam Speaker, City power has always been the problem child. We would like to see where this funding will come from, especially since more and more residents are moving to solar and going off the grid. Since the failure of the city to invest

adequately and heavily in infrastructure upgrades and maintenance over the past 30 years, that is

what he is reminiscing about. Water is a basic human right. We have seen water bursts, and sewer bursts across the city. The fact that the MMC of finance is allocating R3.8 billion for water main replacement R3.4 billion for sewer main replacement is commendable MMC.

We are concerned about the ANC mismanagement of 30 years and lack of maintenance. We are not holding our breath that this will translate to service delivery on the ground since the ANC is known for enriching cadres politically aligned to them. Madam Speaker, the MMC seems not to be aware..."

Councillor Raphadu (ANC) requested Councillor Echeozonjoku to withdraw the statements made if she did not have evidence.

The Speaker concurred with Councillor Raphadu that Councillor Echeozonjoku must refrain from making aspersions without proper evidence that can be provided to the House. She requested Councillor Echeozonjoku to withdraw the statements.

Councillor Echeozonjoku (DA) in her response said that the Zondo Commission is sufficient evidence. She further said that she withdraws unreservedly for the sake of peace and just because the Speaker asked her to withdraw.

She thereafter continued with her speech as follows:

"Madam Speaker, the MMC seems not to be aware that the majority of entities are not VAT compliant and legally should not be trading. Enquiries to the City Manager through the Governance Section 79 committee resulted in cancelled meetings because they refused to account.

Madam Speaker, the MMC mentions a feasibility study on IPP's and small-scale embedded generation, but these were already done under the Multiparty Government, and we hosted an energy indaba. Why is the GLU bent on reinventing the wheel unless these are cadre waiting to get the contract for this. Madam Speaker, the city invested heavily in opportunity centres that included having a job seekers database, the MMC and the mayor talked about job creation, which we welcome. But mention nothing about the use of the job seekers database. Or are these jobs reserved for GLU-aligned cadres?

The MMC mentioned free Wi-Fi, Madam Speaker, there is nothing for free, there is always a price. It is ultimately the ratepayers who pay for this with very little being done on the ground. Madam Speaker, the MMC celebrating the PFA, which they signed and failed to deliver for 12 years, they failed the workers of the city for 12 years. It was only in November 2022 that a task team had been established and the final implementation plan was signed on the 6th of December 2022. Madam Speaker, action speaks louder than words.

If you go through this budget, Madam Speaker, it becomes clear that the MMC and the GLU do not care about the residents and in particular the ratepayers. The amount spent in regions that generate the bulk of the rates that assist underdeveloped areas is completely ignored. You are telling our ratepayers that they must pay, and the city will completely be ignored. Their appliances can get burned because of loadshedding.

There can be sewer leaks and they will take their own time to repair it because the GLU does not care about the ratepayers. The GLU just want your money. Madam Speaker,

I will say again, that the MMC and the Executive Mayor are clearly talking past each other. This begs the question who is the real mayor in the City of Johannesburg? Madam Speaker, the MMC mentioned a big investment in development planning which we welcome and commend them for continuing some of the work that the Multiparty government has started. Thank you very much because this will assist with all these illegal buildings over servitudes, Madam Speaker, the MMC said nothing about outdoor advertising and enhancing revenue generation throughout the advertising. The DA has a plan, We will work with the private sector to ensure that precincts are developed, and those companies are incentivized for development in those precincts. We will also put more Capex into water and power infrastructure and will even allow the private sector to build some of these water towers.

Madam Speaker, I have a whole lot more to say and I know that I do not have a lot of time just to say it. The MMC mentions the increase in the rates by 2%. Yes, Madam Speaker, we will work with the private sector. The budget is not inclusive at all Madam Speaker. We are in free fall with an unrealistic, unfunded budget under the doom's coalition of the GLU. And you, the residents, will experience elective service delivery on the ground. The Democratic Alliance will ensure that we hold this administration accountable to ensure that this doomed coalition of the GLU will not take us and our residents to the point of no return. And become another failed municipality like the ANC municipalities across the country. I thank you."

Councillor Abdool (UIM) addressed Council as follows:

"Good afternoon public workers. It is my privilege to speak to you on this budget speech. I am Fatima Abdool for those who don't know. I am from the UIM, United Independent Movement. It was a beautiful, theatrical, beautiful young girl walking in with the MMC of Finance. That was the idea to mislead this Council into thinking that we are an all-inclusive Council. However, that little girl's people was left behind the minute she walked out this door. At this moment I would like to pay tribute to the young girl Yana Fourie, who was killed on Sunday evening in Westbury. 11 years old during a crossfire. Oh, thank you, Saturday, so you know.

So, I would like to just ask that I continue with my speech, takes no brain power to be rude at all. Three people in this budget were excluded. The poor, the young and the coloured people, the First Nation people. There is 26.5% of unemployed people in Johannesburg. Of which 46% is youth. R20 million rand for the youth, really. I thought I made a mistake when I read it. I thought there should be 1 zero missing somewhere but really it was R20 million rand. And I am surprised that was actually spoken good of, at least from R80.9 million Rand budget. Surely at least R80.9 million should have gone to youth. Because you know why? Then you do not have to do all these other things because you are upskilling the youth 2.4 million youth are in Johannesburg and yet only 20 million has been given to them. My goodness. Let's go to the other people, 10 people are representing those people in Council right now and that is the First Nation descendants. At least 360,000 of them in Johannesburg, ten votes of in this Council, have gone to the people who are now not even recognizing those people in the budget. At least the poor people should have had more in terms of giving them funding for feeding schemes that they are already busy with.

There are upgrades at flats, which flats, where? Wesbury, Edorado Park, Riverlea, Newclare. Ah, I did not hear those names. Not at all, because they are not included. Informal human settlements, where? It is not representative of our people. Ennerdale, please, I hear now and then Ennardale, please do not make me stupid. 65% of Ennerdale residents are African black, not coloured. 35% are coloured. What you are planning for Ennerdale, does not represent the First Nation people. I am interested to find out how the sanitary pads thing will roll out. Where will it be given to.

To the people of Johannesburg, I want you to look very carefully at who are the people who will be voting for this budget, just know that those who do, does not have the interests at heart of the First Nation people in Johannesburg, and I thank you.

Councillor Nkokou (PAC) addressed Council as follows:

"Thank you, Speaker, Izwe Lethu MaAfrica, Fellow Councillors, The Honorable Executive Mayor, Kabelo Gwamanda, Honorable MMCs, PAC Constituents and the fellow residents of the City of Johannesburg, I greet you all.

PAC applaud the delivery of the City's budget speech made by Cllr Dada Morero, the MMC of Finance. The Africanist Congress of Azania would like to reiterate that, without unity, Africa will always be open to Western exploitation..."

Councillor Christians (DA) on a point of order said that the Speaker earlier on ruled that no aspersions should be made without proof. He said that Councillor Nkokou was making aspersions about certain people killing without any proof.

The Speaker said that she did not hear the aspersion explicitly, but she would go back to the recording, and if indeed Councillor Nkokou said that he would withdraw in the next sitting.

Councillor Nkokou continued with his speech as follows:

"The Africanist Congress of Azania would like to reiterate that, without unity, Africa will always be open to Western exploitation which will use these divisions to their advantage. The speech delivered here yesterday is a testament to the fact that as a nation, including the city of Johannesburg, we are still suffering from the effects of a short-lived revolution that happened in the late 1970s when African states met in Nigeria and drew up the Lagos Plan of Action. That was a very powerful document, which would have introduced economic dynamism in the continental economy. The document pre-empted Africa's solutions in Agrarian reform, agricultural production for home consumption, to stem the tide of poverty and exports, beneficiation and industrial production and other activities that would have stimulated the economies of Africa and do away with poverty and dependency. Madam Speaker, the PAC saw the budget speech by MMC of Finance as a reborn of the Lagos Plan of Action, which was the African economic solution.

No even sooner had African leaders put their signature onto the document in Lagos than Western countries stepped in. They brought in those bulldozers, the IMF (International Monetary Fund), accompanied by the sweeper, the World Bank. But first, the agents of Western countries wormed their way in and dangled a few carrots while

diplomatic officials from these countries skillfully wielded one or two whips at heads of state, at a personal level. At a national level, the IMF and World Bank pushed an alternative to the Lagos Plan of Action, called the Structural Adjustment Plan SAP.

This Western plan promised huge amounts of funding to bolster African economies, attractive enough to persuade many governments to see instant economic recovery. This is the role that DA-led multi-government played in the city. They came in, promised heaven and earth to the residents of the city only to leave the city's bank account bankrupt and with no hope of recovery.

While Western countries were busy subsidizing their farmers back home, African states, in terms of the Structural Adjustment Plan, were required to do away with similar subsidies. Other SAP conditions included the reduction of the direct state expenditure as well as social expenditure, such as welfare and education. Moreover, the Western plan was so structured that African states would be obliged to use the loans from the World Bank to purchase plants, goods and materials manufactured in the Western countries. The Structural Adjustment Plan brought so much disruption in African economies that in the end they were in so much debt that they were obliged to seek aid to finance essential activities. Now you can understand why I compare the western countries invading Africa to what is been called the city's unstable financial situation.

Unbeknown to them, aid was indeed the unwritten part of the plan by Western countries to keep African countries dependent and weak. Speaker, it is heartwarming to see the Government of Local Unity working hard to restore the dignity of Africans by making Johannesburg, the hub of Africa, a world class city in the continent. Izwe lethu"

MMC Magwentshu (ATM) addressed Council as follows:

"Greetings to the Speaker of the People, Councillor Colleen Makhubele. Greetings to the servant Executive Mayor, Councillor Kabelo Gwamanda. Madam Speaker, as the African Transformation Movement, our focus is service delivered to all residents with an unapologetic bias towards the poor and previously oppressed. Madam Speaker, I stand before you and my fellow councillors with a sense of pride and dignity, a feeling of historicizing and life characterized by purpose, direction and revival is upon me. The budget for the year 2023/2024 which has been presented by the MMC for Finance Councillor Dada Morero, is very progressive and it is the reason for how I feel today. It is clear that the City of Johannesburg is indeed in capable hands on its way to recovery. The people of Johannesburg deserve better, they deserve service delivery, and they deserve a better life. Most importantly, they deserve an overall improvement in their quality of life. The City of Johannesburg, as this country's economic hub, should be a destination for greater things in life.

This is not possible when the city finds itself in a dwindling financial position. A sad state of affairs that the Government of Local Unity inherited. The MMC presented a balanced budget that seeks to improve the lives of all those who live in Johannesburg. A budget that seeks to demonstrate that it is possible to have a working city, a city that delivers on its service delivery mandate.

Madam Speaker, I heard loud and clear Councillor Dada Morero when he made mention of the youth, the elderly, and the grannies of Johannesburg. He juggled a balancing act as he tabled a whooping and unprecedented R80.9 billion rands budget for the year 2023-2024.

This budget restores all the aspirations of the people of Johannesburg. Fellow Councillors, Councillor Dada Morero's voice still echoes in my head when he read in his speech that I quote, "Community development has been allocated an operating budget of R1.4 billion rands". This allocation is for the maintenance of existing infrastructure and for operationalizing new infrastructure. Community Development has further been allocated at a three-year capital budget of R288.7 million rands for the upgrading and construction of facilities including multipurpose centres in Matholesville, Kaalfontein and Driesiek as well as a new swimming pool in Cosmos City. Madam Speaker, I would like to acknowledge with gratitude the centralisation of the services budget to JPZ. This achievement will assist in the proactive acceleration of service delivery in the city.

Madam Speaker, the 9.7% increase in the budget for Joburg theatres means we can now be able to honour people like the legendary Bubsy Mlangeni, whilst he is still alive. It will also assist us in our endeavours to take theatre to the people. I was particularly thrilled as the reality of the actual improvement of people's lives dawned on me.

Fellow Councillors, the ATM believes in accountability. I can assure you fellow councillors that while I stand here to express joy at the prospects of improved quality of life through the budget that has been tabled by Councillor Morero here, will be the first to sound the call of accountability should there be signs of unpreparedness to live up to the promises of this budget. That the spirit of Ubuntu and servant leadership prevails in Johannesburg. Let us come together, hold one another's hand and hit the ground running to provide service delivery to the people of Johannesburg.

The people of Johannesburg have been through the worst, and it is time they matter too. May the Almighty God guide, and protect this Government of Local Unity, as it is clear that it is focused on serving his people. As a servant of God, I ask, and I bind this in the mighty name of Jesus Christ our Lord. Amen. ATM supports this budget."

Chair of Chairs (GOOD) addressed the Council as follows:

Thank you, Speaker of Council, Councillor Colleen Makhubele. The Executive Mayor, Councillor Kabelo Gwamanda, the Whip of Council, Councillor Sithembiso Zungu, members of the executive, Section 79 chairpersons, fellow Councillors and the residents of the city. Good morning to you all. Madam Speaker, I have opted to use the podium not as a matter of a burning desire, but rather as a matter of courage. Madam Speaker, as the GOOD party, we welcome the budget of R80.9 billion presented by the member of the Mayoral Committee for Finance, Councillor Dada Morero in this very Chamber yesterday. We are hopeful that indeed this will go a long way in giving Johannesburg a new leaf of life and also pulling it out of the gloom. Well for some time call for a sharp focus on the revitalization of revenue-generating MOEs, such as City Power and Joburg Water infrastructure, in a bid to ensure

improved levels of service delivery, but also to finally put a stop to perpetual revenue loss.

The ripple effect of the loss of revenue, both through aged infrastructure and poor management plugs the city into financial quagmire.

We are pleased that a substantial budget has been allocated for infrastructure upgrades, particularly for revenue generating MOEs. These will go a long way in ensuring the long-term financial sustainability of the city.

While we commend the efforts of tightening systems, the GOOD party strongly recommends an urgent review of the City Power business plan. It is clearly not financially sustainable. The review should in fact be implemented across all entities to ensure sound financial management. The R4.3 billion Rand allocated to City Power to carry out various infrastructure projects, and the R23.7 billion for streetlights, repairs and maintenance, is a step in the right direction.

Though we had hoped for more details on measures that the city intends to implement to stop infrastructure vandalism, as many communities endure long hours without electricity due to theft and vandalism. We also note and welcome the R3.1 billion multiyear capital budget earmarked for water and sewer pipe replacement upgrades and maintenance. Many areas, especially in Johannesburg deep south, are in dire need of replacement of sewer pipes. On matters such as electricity, sanitation and refuse tariffs increase. We are unsettled by the electricity increase of 14.97% increases in water tariffs and sanitation tariff hike at 9.3%, respectively, which is also cause for concern, as ratepayers are already facing harsh economic times. We call for the city to consider more revenue generation avenues to ease the burden on the ratepayer. While we note the property rates increases of 2%, which is better than the previously proposed 5.3%, we commend the introduction of sliding scales on pension rebates, which would provide much needed reprieve.

Yesterday, MMC Morero announced that the 1st R1.5 million rands of the property value, inclusive of the residential threshold value for pensioners between the ages of 60 and 69, will be exempted from rating. Furthermore, the 1st R2 million rands of the property values, including the residential threshold value for Pensioners aged 70 and above will be exempted from rating. This new provision will see all qualifying pensioners receiving rebates or the balance of values that exceed the mentioned thresholds. We commend the city for forward planning, the proposed alternative source of power to plug into the electricity gap is progressive. The City of Johannesburg is an apex metropolitan and it should lead when it comes to issues of renewable energy. To skip to the end, overall, we are convinced that this is a sound budget that will pull the city out of its gloom. And therefore, we support the budget. Thank you, Madam Speaker."

Councillor Arnolds (AIC) addressed the Council as follows:

"Thank you, Madam Speaker. Good morning to the Executive Mayor, Kabelo Gwamanda, who is also the secretary of the minority opposition governing parties. Good morning to the whip of the AIC, Councillor Mhlongo. All protocols observed. Speaker, I had a feeling last week when someone started talking about the City of

Johannesburg and its budget and I want to remind this House and those Councillors who came with me into Council in 2016, that we had a mayor at the time who hired his wife's company Letsatsi financial services to fix the city's ailing finances. He alluded that the company volunteered to help with the city's financial muddling. This was a clear conflict of interest. Speaker, allow me to carry on to my speech. I stand in this Council chamber inspired by a history making budget speech delivered by MMC Councillor Sello Dada Morero. Am I protected speaker. His words of introduction

reminded me of the late Thomas Charles Lasorda. A renowned American professional baseball pitcher who once said, "The difference between the impossible and possible lies in a person's determination". And I hope some of you have watched the tick-tock of the boy that the girl spoke about yesterday and said he has separated impossible and saying I am possible. MMC Morero I must commend your thoroughness in painting the accurate past of the city's potential to achieve greater heights. Your speech showed a proper understanding of where we come from, dating to the positive Egoli 2000 story the story of change and development has been captured very well. Your speech even highlighted how the city was able to achieve the vision of a World Class African City

Speaker, allow me to get into the debate. We welcome the recognition of available policy tools and programmes that can be used to restore the city even after its near collapse by we know who. The NDP, the district development model and the urban Integrated development framework remain our only hope for restoring the city. So let us use them as the Government of Local Unity to maximize impact and change the lives of our people. We welcome the consideration of this administration to not overburden our people. The initial proposed increase in property rates, which is lower.

Wow, what you did MMC is loadable. It shows that we are a government that listens to the plight of the people and the people in the wards where we are. We welcome the effort made to keep the electricity tariffs at 14.97 and also the allocation to safeguard the electricity infrastructure from theft and vandalism. Speaker, one of the eleven key strategic priorities of the GLU, is sustainable service delivery. The AIC appreciates the fact that the key departments in making this priority a success are the ones receiving the largest piece of the budget by the sustainable cluster. We welcome the allocation of a capital budget of R14.9 billion across the medium term and an operational expenditure budget of R45 billion in the 2023-2024 financial year that has been allocated to these sustainable services. Speaker as I mentioned in my SOCA debate, social development will now have teeth and I'm happy about that.

We welcome the allocation of the three-year capital budget of R1.6 million for public safety. Speaker while we load its exceptional allocation for public safety, we are also concerned that the MMC of finance did not mention anything about combating crime in our city, and that is a big one. It is a common fact that we have just lost a 12-year-old and I was there. I even called the Ward Councillor. I thank you. We approve this budget".

Councillor Amad (Aljama-ah) addressed Council as follows:

"Greetings to you, Madam Speaker, the Executive Mayor, Councillor Kabelo Gwamanda, fellow MMC's, the Whip of Council, the Chair of Chairs, the residents of the City of Johannesburg, people of Gwami. Good morning. Speaker Allow me to pass a special greeting to the MMC of Finance, Councillor Dada Morero. And thank him for upholding the flag of the Government of Local Unity. As Aljama-ah we welcome and support the budget. This current administration has shown resilience and encouraged courageousness amid criticism and negative comments made by those who refuse to accept their contribution to the collapse of the City of Johannesburg. It is a well well-known fact that the DA led government played a

significant role in this city's bankruptcy. Unable to deliver services to the people of the city. It is pleasing to see the only coalition that works, the Government of Local Unity. Prioritizing fixing a mess created by those hiding behind excuses and fancy concepts that speak nothing about real issues that our city is facing.

Evident to this MMC or finance confirmed that the city had a deficit of R291 million. Unable to service its long-term debt, had no cash in the bank. Had numerous arrears with suppliers, lower level of operating and capital budget and the city's management under the DA Multiparty Government was characterised by a weak information system and lack of management skills. This contributed to the inheritance that we saw yesterday, of an empty briefcase rather the inheritance of the BMW, as said to the Executive Mayor, without an engine, gearbox, wheels. However, Speaker, we are glad that the GLU is here to fix the BMW, to restore it to its original factory features nstate Ngobeni. In restoring the city's financial instability MMC Dada Morero explicitly laid out a financial foundation that will serve as a blueprint and action plan for ensuring that the city rises from the ashes like Phoenix.

As Aljama-ah, we acknowledge the effort of the efforts that GLU is making, in turning the city's financial challenges into financial solutions that are essential for driving municipal performance and spending. We also confirm that achieving financial sustainability remains the only key to unlocking the potential of our city and extending services to the deprived areas in the townships, hostels and informal settlements.

Speaker, this goes without it's saying this whole financial mess is an administrative blander of the Multi-Party Government. Moreover, former mayor Herman Mashaba had plans, but his plans were meant for the other. I would like to remind the Council about their June 16th activism."

Councillor Kaldine (PA) addressed Council as follows:

"Greetings, Madam Speaker, the PA caucus leader, Councillor Kenny Kunene, also our Deputy President of the people for the Patriotic Alliance. Chief Whip, Councillor Peter Rafferty, the honourable Executive Mayor, Whip of Council, MMC's, Chair of Chairs and all Chairpersons for Section 79 Committees. Members of the media and most importantly, our 6 million residents in the City of Johannesburg, I greet you all. As the Patriotic Alliance. Madam Speaker, we recognize that putting this budget together was a complicated and balancing act that required juggling at the same time. We must highlight our utmost concern that the capital projects reflected in this budget appear to leave the residents of Ward 11, Ward 17 and Ward 18.

During the mayor's State of The City Address, he indicated that he had listened, and he engaged with the communities. However this budget does not speak to the much long-time needs of the residents in Eldorado Park, Klipspruit West and Kliptown. The allocation to refurbish flats and retirement villages is indeed welcomed. But especially after the disastrous title deed programme that left us with overflowing sewers and broken staircases, this will hopefully bring some dignity to the residents of the flats in Eldorado Park, the new park in ward 17, Eldorado Park, the refurbishment of community hall in Kliptown and the long-awaited completion of Aldo substation are all capital projects that are welcomed, though we would love to have more.

We welcome the rebates as outlined in the speech, as they would assist the unemployed and our beloved pensioners. Looking at our billing issues and the backlog of queries, a consideration of a once-off debts right or for residential properties should be considered as it can lead to increased revenue collection in the longer term, even in poorer areas. MMC of finance, the budget was big on ambition with plans for more than R80 billion. We know that outlining such an ambitious budget is one thing, but

actually ensuring it is both fully funded over the course of the year. And that all this money is properly spent, an envisioned quite another thing. Since we are part of this governing collision with you MMC of Finance, we commit to doing our part to ensuring that both the collection of revenues and responsible expenditure from the budget and JRA the commercialization of the asphalt plant could make a significant contribution to funding the budget for road bridge and stormwater construction maintenance and repay JOSHCO should also generate more revenues from social housing projects.

The R71 million allocated for transitional housing to provide alternative accommodation to those removed from hijacked and bad buildings. Well, unfortunately not be enough to make a dent in this enormous problem. As a city, we should be focusing our efforts more strongly on taking an inner city that has effectively been from many South Africans without compensation by a head mix of criminals and their syndicates. Short through with the overwhelming influx of illegal foreigners, we should not be spending billions on building new cities within our Metropolitans while we forget the very city, that already exists. We must make a call upon all our residents who pay for facilities and services to please do so. As the Patriotic Alliance, we believe in personal and community responsibility.

And as a City, we are all in this together for some of us to succeed, we should succeed. So, we call on you MMC Finance. Remember that this, in this year ahead, that the budget speech was just the start of the process. Madam Speaker, as the Patriotic alliance, we support this budget.

Councillor Mphahlele (EFF) addressed Council as follows:

Good morning, chairperson of MPAC and our natural beautiful Chief whip of the Mighty EFF Johannesburg caucus Councillor Mogapi, all protocol observes. MMC of Finance, Councillor Morero, you open your budget speech by proclaiming that difficult times call for drastic measures and that the City of Johannesburg is only left with 5 billion and it owes R9.6 billion. Hence you asked the House if we are familiar with the phrase, "I blew it." Our questions are, what drastic measures are we going to take to recuperate this R9.6 billion we are owing? What led to the accumulation of the of such an exuberant debt? What measures have we put in place to make sure that we never find ourselves in such debts again? What caused the billing service to be below budget by R3.4 billion and how are we going to hold those who owe the City to account and pay back the money? Point two of the budget speech says, in 2022... I quote, "In 2022 the city achieved a deficit of R1 billion against a budgeted operation surplus of 1.1 billion, resulting in the underperformance of the year of R2.1 billion. This underperformance was mainly due to the highly underperformance in revenue compared to the level of underspending in expenditure." Please explain this sentence in layman's language so that a grade five learner can understand the content of this sentence explicitly and categorically. The country is going through water shortage and electricity load shedding, but as a city in the last financial year, we have lost 30% of 29% of electricity and lost 32% from 25% of water, meaning more than 1/3 of water and electricity, which we highly need as residents are lost. Therefore, can you explain what is technical and non-technical losses you speak of so that we can know how to save this life-saving resources going forward.

It is imperative that we appoint a group operating officer because the city was not able to service rollover on the unspent grants as the previous administration. And the government of local unity, we seem to be falling into the same trap. We should have appointed one permanently already, because we can't blame the previous administration on this one because the government of local unity took reigns of the City on the 27th of January 2023 and as we speak, we still don't have the COO of the City. As EFF we propose that in the next Council sitting, we should appoint the COO and the CFO permanently. We mean the process of interview should start immediately as in today, so that in the next sitting we appoint once and for all. We should also name all the municipal entities that were on overdraft so that we could hold them accountable through their respective MMCs to mitigate this deficit going forward. Can you please explain to the residents of the city the deliberate plans for the repayment of the loan and bonds which will mature in the near future? Take your time MMC. You have 20 minutes. Explain step by step. We are here for your item alone and the budget of the city is not something to be taken lightly or addressed in a rushed manner. MMC, we need to come up with a collective plan on how to acquire R4.3 billion per month to survive. Today, our budget for 2023/24 is approximately R80.9 billion. What do you mean approximately? Is this a guesswork or you are rounding it off because rounding off R80.9 billion will be R81 billion.

As the EFF, we need the exact amount up to its last cents so that we can hold you accountable to the last cent. Mchana, let us correct you from your yesterday's quotation. It is said, take care of your cents and your rands will take care of themselves, not the vice versa, which you said yesterday. So, the EFF is ready to hold the Executive accountable for the last sent.

We need the last exact amount of the last cent unless you are saying that as an MMC of Finance, you don't know the exact budget for the 2023/24 financial year. And if that is the case, what are you doing as an MMC of Finance? A collective and widely consulted plan called Egoli 2000 was put in place and achieved a revenue collective rate of 92%, while we, the GLU government are owed R3.4 billion. What is the difference in Egoli 2000 leadership and the difference than what we are doing? Because we need to go back to the archive and learn because really, we are not following in those footsteps and without that, history will not repeat itself as you reiterated. And without learning from the past, we will never maintain a respectable credit rating from Fitch rating at Moodley Investor Service. Again, you might be wearing the same ties, but that doesn't mean that you are the same people. But luckily for you, MMC, is that EFF is here to hold you accountable and with that pressure, you might emulate them. We used to rate the second most inspiring City in the world in 2014 Good City Index and we ranked 33 the most economically powerful city in the world and number 1 City in Africa, according to the Global Financial Centre Index...

What we would like to know is that today on the 14th of June 2023, what is our rank? It is regarded to inspire global economic viability and in Africa, let us quote from Almícar Cabral, "Hide nothing from the masses of our people. Tell no lies. Expose lies whenever they are told. Mask no difficulties, mistakes, failures. Claim no easy victories. I thank you.

As the economic freedom fighters, we support the budget. Thank you."

Councillor Radebe (ANC) addressed Council as follows:

"Thank you, Madam Speaker of Council, Councillor Coleen Makhobela, the Executive Mayor of the City of Johannesburg, Councillor Kabelo Gwamanda, the MMC for Finance, Councillor Dada Morero, Members of the mayoral Committee, Chair of Chairs, the Chief Whip of Council, Councillor Zungu, Chairpersons of Section 79, fellow councillors, especially the children of President OR Tambo, the residents of Johannesburg and the media present today. Today we woke up in a city of R80 billion rands. Today we woke up in a city of hope and possibilities. Today we woke up in a city that turns the impossible to possible, the city of Councillor Geoff Makhubo, Jolidee Matongo and Mpho Moerane. May their souls continue resting in peace.

Today, Madam Speaker, we woke up at eJozi, emJipa, eJohannesburg. Madam Speaker, the MMC of finance presented here yesterday, what could have been a bleak picture requiring us to despair and fold up. However, the love and commitment for the citizens of Johannesburg, the history, and the potential of the city, just not Johannesburg, but Gauteng and also the entire country, requested the MMC to make sure that he digs deep into making sure he inspires the residents of the city. The MMC had to dig deep and bring back to the realization of what impossibilities lay in this city. During the turn of the African National Congress, the journey travelled towards the realisation of those impossibilities and how together we turn what appears impossible to possible. The young person who accompanied the MMC yesterday must look up to the future with possibilities to soar to the highest levels. As we celebrate Youth Month, we owe the positive legacy to leave to the youth of the City of Johannesburg, a place to live and play. A world class African city that they can continue to be proud of, and whose flag they'll forever fly high. The youth of this beautiful city will always turn the impossible to possible. Madam Speaker, the budget delivered in this House by the MMC was well-balanced, realistic and people-centered. Let me start by addressing the girl child and the woman. During this important month in the history of our country, we all know that there are girls and young women who miss days of schooling every month because they are not able to afford sanitary towels. The budget that was delivered has elevated this plight by putting the money where our mouths are and has begun the journey of intervening meaningfully in this plight, we thank you MMC for those bold steps. The future of our girl children and women will now not be disrupted by missing milestone in their learning journeys.

Fellow councillors, as we're all aware, the budget comes during a very difficult time post the COVID-19 pandemic where everyone is on a recovery path. The global economic turndown, the spiring fuel and food prices, increasing unemployment and poverty levels, and the increasing income disparities. We can never afford to lament; we must continue on the path of making the impossible possible. Our commitment to improving the current state of the city to a myriad of possibilities is evident in our commitment of having improved performance since February 2023. The city was collecting revenue at a quite low rate, but since February we have been able to move from 83% collection rate to a stable 86%. We are confident that with these figures, we will indeed have a funded budget. Through the IDP. Consultation processes, we chris crossed the regions and the wards of the City of Johannesburg listened to what type of City our residents want to live, play and work in as well as heard challenges and positives happening in our communities?

It is evident that the MMC has indeed listened and heard you. Yes, it's difficult. Yes, it cannot be done all at the same time in the magnitude it requests. Yes, some of the programmes may not have found expression in the IDP. However, the budget presented by MMC Morrero reflects the city that cares, a city that is striving to improve, a city that is striving to also minimize the financial impact on our residents.

A lower increase in the property rates will be implemented from the original proposed 5.3% to 2%. We are doing this because we are a city that cares, and we understand the plight of our people. This is indeed a people centred budget. This is not only directed to large property owners, but also to social, but also to residents who are qualifying for our programme, which is the expanded social package. We encourage our residents who qualify for the expanded social package to register for this relief programme. Madam Speaker, loadshedding has been one of the biggest nemeses and the city has not been spared. This has a direct and negative impact on a stable water supply and water quality, therefore. The budget places emphasis in addressing issues of loadshedding and water provision, invoking previous research, development and implementation that were stopped and turned frivolous in the past. As I said, Madam Speaker, this is not the time to lament but to pick up the baton and provide solutions as the budget has done. The energy mix solution and the water demand and supply measures articulated in the speech are the right steps towards making sure we improve the standards of the city. Vandalism and theft offer infrastructure remains a key ingredient in the disruption of sustainable service delivery. Funds have been allocated to address this challenge. Fellow citizens of Johannesburg, the challenges require an all hands on the deck approach. So that we can be able to protect our infrastructure as a unit, we need to protect it from criminal elements. We all need to do this together.

It is the only way we can save and protect our city. Let us make sure Johannesburg works. It's in our power to do that. Fellow councillors, we have all witnessed the impact of coalition governments and the time it takes for us to get the business of local government running. Let us be mindful that we are not in this for ourselves, but for the citizens of this glorious city who must be put first. I urge us as councillors to look beyond our differences and jointly work towards stabilizing the finances of the city and ensuring that this City works. We need to make sure that we continuously provide services for citizens and that we never disrupt these services. Madam Speaker, the collection of municipal rates and taxes remains paramount. Working together with all other spheres of government through intergovernmental relations and district development models, as well as putting together with citizens and the private sector, it is what makes the impossible possible. The injection into the capital and infrastructure budget will go a long way in addressing the financial woes of the city. It will stabilise service delivery and increase the chances of attracting investment and retaining it. The City of Johannesburg was the first to implement a pulled financing which is what made the city to have a sovereign rating. We are still on the path of ensuring that this happens as articulated by MMC Morero in the budget speech yesterday. Yes, we can do this. We can make the impossible possible, Madam Speaker, Cleanliness is a virtue, and the location of the much-needed waste management and landfill site funding reflects the seriousness of how we want the City of Johannesburg to look and feel. The effective management of waste also provides an opportunity of addressing our economic opportunities and the value of intervening in the electricity problem. It would give us an opportunity to turn waste into electricity, Madam Speaker, as the

African National Congress will approve this budget, we believe it is a people-centred budget. It is a budget that will encourage our people to make sure that we develop this city further, thank you so much, thank you."

RESPONSE BY MMC FINANCE

MMC Morero (ANC) responded to the budget debate as follows:

"Thank you, Madam Speaker, for the opportunity and comments that were raised by different Councillors in the House. I really appreciate your concerns and those that stood up and supported the budget, I appreciate your thought leadership in understanding where we are and what we want to do. I want to start and talk about the National question in South Africa, which refers to how we intend to unite all national groups in South Africa. The constitution of the Republic continues to say that South Africa belongs to all who live in it, black and white. We are concerned with the comments that would have been made by the Councillor from UIM, Councillor Abdool. It is important that as South African citizens, at all times, we appreciate that we are a diverse society and nation, and we are in the process of building a united nation, and at all times, we must appreciate that we have a task to build a united nation.

Honourable Speaker of Council; Honourable Whip of Council; Honourable Chair of Chairs; Honourable the Executive Mayor, Councillor Gwamanda; honourable Councillors, the City Manager and his team, once again I greet you.

Madam Speaker, those on my left may not know "I blew it", and that is why they are struggling to accept that they put us in this mess. In fact, the correct statement is "le ya re kolota."

You borrowed money that you cannot sustain. Instead of apologizing and reflecting you continue to be in denial of the state of the City's finances and providing unconstructive criticism and no solutions to offer.

Pardon me, Councillor Belinda, I've been attempting to pronounce your surname, with respect. I am now convinced that you did not read the draft IDP and its budget. To the people of Ward 74, we have allocated R106.5 million your ward. This is serious money, and we look forward to you holding us accountable.

The people of Ward 106, voted for Councillor Santana, but he did not read the IDP and its budget. The government of local unity has allocated R114 million towards the growth of Ward 106. Sometimes we must take time out and read.

Councillor Sekhu, Ward 125 was allocated R82 million, the Councillor did not write any posters because he had the IDP and the budget.

Madam Speaker, this is why we are arguing that we cannot play politics now, it's not the time for politics.

Fellow Councillors sitting on my left, this approach will not help us, nor will it help the ordinary men/women on the streets of Johannesburg. We are collectively in financial challenges. The reality is that we do not have the R4,3 billion in cash to survive month on month. We must collectively work together to solve this crisis. Since coming into

office, our efforts have made significant in roots, in reducing the backlog of supplier payments that had resulted from insufficient cash flows. Now is the time to make the impossible, possible.

The IFP pleaded with us that we must take collective responsibility. The Freedom Front Plus asked to be futuristic and that is why it is important for us to implement the Growth and Development Strategy 2040.

ActionSA supported the budget, the fabulous 44.

DA, please do the right thing. After all, we are solving your mess here.

Councillor Abdool, the allocation of R20 million made to the youth Unit, Youth Directorate is not meant to be proportionate to the number of youths, but rather to Develop Strategic policy interventions, targeted at being responsive to the challenges the youth face today. May I also make a correction to the budget speech and indicate that the Youth Directorate allocation actually sits in the office of the City Manager, as indicated in the budget report.

Fellow Councillors, the first step was to apply the necessary budget cuts and prevent the city from being put under or placed under administration. This we have done through a mid-term adjustment process based on this belt tightening done in the adjustment budget. The draft budget, tabled in Council in March, effectively had a zero-growth remaining at R77 billion.

Councillors on my left, please listen carefully. When National Treasury reviewed our draft budget, they assessed it as unfunded and unrealistic on the basis of our revenue collection targets. We have applied our minds to the advice from National Treasury and made the necessary amendments to the budget that we have brought here for approval. We have revised the collection levels from 91% to 87.4% in line with historical performance over the past 3 years, which we believe is realistic in line with funding compliance tests. This change resulted in an increase in our debt provision expense of R2.5 billion and therefore, an increase in the total operating expenditure budget. We had engaged with National Treasury and arrived therefore, that we will not budget on an assumption of 90% but at an assumption of 87%. If we did not approve the prudent approach in dealing with this conservative budget assumptions for the benefit of the overall finances of the future, currently and now the city would be in ICU today. We would be in ICU.

Yesterday we called on the rate payers, private sector, investor community and the state to come party and help to take the City back to its former glory and stabilize its finances. We also asked Councillors not to be afraid as we are in this together, including Councillors on my left. All parties should be part of the solution and leave politics to the General Election of 2024.

It is no secret; we remain a transparent government and we are happy to share with you what we have done. We applied simple budget principles that changed the behavioural patterns of the administration. These principles were as follows:

1. *We created a budget criteria that's focused on service delivery.*

2. *We dealt with the expenditure realities and ensured their application.*
3. *All paper productions activities and inputs were removed or to be reconsidered to for the next financial year.*
4. *Aggressively assessed the current performance status of each capital project so that we can make the tough financial decisions.*

Madam speaker, the second step was to deal with our revenue collection. Imagine coming from a base of 80% revenue collection and having pushed and worked hard, in less than 3 months, just so that you can get to 87% which is still below the National norm. But we can say that we have had progress and achieved 87%.

How did we do it? I will tell you again. We created a Revenue War Room that thoroughly analysed several programmes aimed at enhancing revenue collection. This War room focused on implementing the 8-step change programme which included and still includes:

- 1. Installation of new smart meters- with an intention to help protect our revenue.*
- 2. Registration of new equipment to the billing system*
- 3. Creation of meter reading schedules*
- 4. Meter readings*
- 5. Uploading of meter readings*
- 6. Analysis of billing out sorts*
- 7. Analysis of implausible billing*
- 8. Billing and invoicing*

By following this step change programme, we can ensure Councillors, that the revenue collected is complete, accurate, and includes all the City's services. It is essential to intensify the War Room's efforts since revenue collection is currently at 87%, well below the norm. As we know, the scope to collect more as the City, is on the basis of the R46 billion that we are being owed by our customers in the City. Such as our high debtors' book is unsustainable for any City or company, and we need to take immediate action to improve revenue management and collection.

Madam Speaker, the third step was to develop a funded budget, which will give comfort to Council, Treasury and the Department of Cooperative Governance and Traditional Affairs, that we are functioning within the legislative framework of the Municipal Finance Management Act. Yesterday I informed society that Treasury is concerned about the state of investment infrastructure. Furthermore, they are also concerned and classified the City's fragile on the basis of a number of governance challenges that the city has been facing. We listened to the guidance and indeed this realist and funded budget starts the process of addressing their concerns.

Lasty, in case you missed it. Our final step was to consult the people of Johannesburg, so that we can understand how we should manage the property rates tariff. Our initial proposed increase on property rates was 5,3%. The Community of Johannesburg said no. We listened and now that the property rate is reduced to 2% and awaits your approval. This can be argued as one of the lowest increases in the country. The people of Johannesburg are trusting us with their R80.9 billion. This is the money they work hard for. Let us not blow it. Thank you, Speaker."

COMMENTS BY THE EXECUTIVE MAYOR

The Executive Mayor acknowledged the Speaker; the Members of the Mayoral Committee; Whip of Council; Chair of Chairs; the leaders of all political parties; Councillors and the residents of the City of Johannesburg.

He said that he was proud to be part of the Government of Local Unity that had demonstrated as a collective, that their collaboration was considerate of the City of Johannesburg and its residents in entirety. He added that as a coalition, with their dedication to the residents of the City of Johannesburg, wanted to thank the MMC and his team across all the Departments and Entities, that had contributed strategically to arriving at a budget that was as balanced as the one presented. Although in difficult times, he was confident that the professional nature of those that are employed in leadership and management positions across our municipal entities. That they would be able to implement this budget in a manner that will yield change and progress within our beautiful City.

He thereafter said that he did not want to say much, except that on behalf of the City of Johannesburg, the coalition partners and all Councillors represented in the House, to thank MMC Finance for a well-presented and well-rounded finance speech and budget.

3.3 RECOMMENDATIONS TO COUNCIL

Item 1 2023/2024 INTEGRATED DEVELOPMENT
 PLAN (IDP) AND 2023/2024 DEPARTMENTAL
 AND MUNICIPAL ENTITIES BUSINESS PLANS

After the deliberations, the Speaker put the item on vote and the results were as follows:

YES: 164
NO: 66
ABSTENTION: 3

Therefore, the item was approved.

RESOLVED

That the City of Johannesburg's 2023/2024 Integrated Development Plan (IDP) and 2023/2024 Departmental and Municipal Entities Business Plans be tabled at Council for final approval.

(GROUP STRATEGY, POLICY COORDINATION AND RELATIONS)
(Mokgadi Ngobeni)

Item 2 TABLING OF THE 2023/24 INSTITUTIONAL
SERVICE DELIVERY BUDGET AND
IMPLEMENTATION PLAN (SDBIP)

NOTED

That the 2023/24 Service Delivery and Budget Implementation Plan (SDBIP) be noted by Council.

(GROUP STRATEGY, POLICY COORDINATION AND RELATIONS)
(Mokgadi Ngobeni)

DA AND VF+ DISSENT

Councillor Harris H (ACDP) registered with Council that Councillor Mkhonza NF (ACDP) had to leave for an urgent matter.

Item 3 THE 2023/24–2025/26 MEDIUM TERM
BUDGET AND RELATED DOCUMENTATION
FOR THE CITY OF JOHANNESBURG

After the deliberations, the Speaker put the item on vote and the results were as follows:

YES: 166

NO: 68

ABSETTIONS: 0

Therefore, the item was approved.

RESOLVED

**ITEM 3A: 2023/24 – 2025/26 MEDIUM-TERM OPERATING
BUDGET FOR THE CITY OF JOHANNESBURG**

IT IS RECOMMENDED

- 1 That the consolidated operating revenue of R75.4 billion, operating expenditure of R73.3 billion, taxation of R80.2 million and capital grants and contributions of R3.2 billion for the City of Johannesburg for the financial year 2023/24, and the indicatives for the projected medium-term period 2024/25 to 2025/26 be approved as set out in the following attachments:
 - (1) The consolidated operating budget for the City, Core Administration and Municipal Entities as reflected in Annexure A, B and C.
 - (2) The operating revenue and expenditure budget by vote for the City as reflected in Annexure D.

- 2 That the subsidies payable by Core Administration to the following Municipal Entities be approved:
- 3 That the supporting information contained in the 2023/24 – 2025/26 Medium-Term Revenue and Expenditure Budget document as required in terms of Section 17(3) of the Municipal Finance Management Act (Act 56 of 2003) be approved in conjunction with this report.

**ITEM 3B: 2023/24 – 2025/26 MEDIUM-TERM CAPITAL
BUDGET FOR THE CITY OF JOHANNESBURG**

IT IS RECOMMENDED

- 1 That the capital budget of R7 642 206 000 for the year 2023/24, R8 099 386 000 for the year 2024/25 and R8 652 054 000 for the year 2025/26 of the City of Johannesburg be approved in terms of Section 16 (3) of the MFMA as set out in the following schedules:
 - (1) Capital budget by vote for each of the Municipal Entities and Core Administration as reflected in Annexure A.
 - (2) Capital budget by project for each of the Municipal Entities and Core Administration as reflected in Annexure B.

**ITEM 3C: OUTCOMES OF PUBLIC CONSULTATION ON THE
PROPOSED 2023/24 BUDGET AND ITS REVENUE
RAISING MEASURES AND THE TECHNICAL EVALUATION
LED BY NATIONAL TREASURY**

IT IS RECOMMENDED THAT THE COUNCIL:

- 1 Note that the outcome of the public consultation process for the 2022/23 financial year that based on the assessment of submissions received, the outcome of the benchmarking exercise, and public perceptions as per the print media, it can be concluded that the tariff proposals for the 2023/24 MTB have been reasonably determined.
- 2 Note that considering the input received from the public participation process on the tabled budget, the views expressed via the IDP process, consideration expressed somewhere through platforms such as the media, the Budget Steering Committee decided to maintain the majority of tariff increases as per the tabled budget. And in relation to property rating, the property rates tariffs have been reviewed from the previous 5,3% of the tabled budget to 2% increase in the final 2023/24 MTB.

- 3 After careful consideration of the comments made and contained in this report in terms of Section 11 (3)(i) and 75a (1) and (2) of the Local Government: Municipal Systems Act 2000, 32 of 2000, as amended, read with Section 24(2)(c)(ii) of the Local Government: Municipal Finance Management Act, 56 of 2003 and also Section 14(1) and (2) of the Municipal Property Rates Act, 6 of 2004 hereby, approve the proposed property rates and tariffs for 2023/24 financial year, as set out in annexure 1 to 23 to the report with effect from 1 July 2023.
- 4 That the approved property rates and tariffs be implemented with effect from 1 July 2023.
- 5 That, in terms of Sections 17(3)(a)(ii) and 22(a)(i) and (ii) of the Local Government Municipal Finance Management Act, 56 of 2003 and Sections 21, 21A(1) and 75A(3) of the Local Government Municipal Systems Act, 32 of 2000, as amended and also Section 14(3) of the Municipal Property Rates Act, 6 of 2004, note that the City has complied with the following legal requirements required via the IDP process, which are that the City of Johannesburg's Municipal Manager:
 - (1) Display a copy of the resolution in the manner prescribed Section 75A(3)(a) of the Local Government: Municipal Systems Act, 32 of 2000, as amended.
 - (2) Note that notices on public consultation on the proposed tariffs were advertised in newspapers of general circulation in the manner prescribed section 75A(3)(b) of the Local Government: Municipal Systems Act, 32 of 2000, as amended. And that via the IDP processes, the consultation period was extended to ensure full compliance with the local government legislative framework.
 - (3) Through the period of public participation in the month of April – June 2023, the message on tariffs, budget and IDP was conveyed to the local community by means of radio broadcast covering the area of the City, the information contemplated in Section 75A(3)(c) of the Local Government: Municipal Systems Act, 32 of 2000, as amended.
- 6 A copy of the notice be sent forthwith to the MEC for Local Government as well as the National and Provincial Treasury in terms of Section 75A (4) of the Local Government Municipal Systems Act, 32 of 2000 as amended.
- 7 That a copy of place or display of the finally approved Tariff of Charges be sent forthwith to the National and Provincial Treasury in terms of Section 24(3) of the Local Government Municipal Finance Management Act, 56 of 2003; and
- 8 That in terms of sections 5, 6 and 14 of the MPRA, the property rates policy and property rates by law be approved to give effect to property rating; and the following administrative processes be complied:
 - (1) Property rates bylaw further be published in the Provincial Gazette and be effective from 1 July 2023, and
 - (2) Municipal Manager be delegated to prepare a notice within 60 days on the property rating tariffs as per the MPRA read with its regulations.

ITEM 3D: DRAFT RATES POLICY AND RATES BY-LAW

IT IS RECOMMENDED

- 1 That Council approves the 2023/24 draft Rates policy and 2023/24 Draft Rates Policy By-laws.
- 2 That Council notes the submissions received from various stakeholders during public engagements.
- 3 That Council notes the responses that were provided by the City to the stakeholders.
- 4 That Council notes minutes of the public meetings.

ITEM 3E: FUNDING PLAN FOR MEDIUM TERM CAPITAL BUDGET

IT IS THEREFORE RECOMMENDED

- 1 Long-term Borrowing:
 - (1) That Council approves the raising of the budgeted external long-term borrowing of R2,500,000,000.00; R2,500,000,000.00 and R2,530,000,00.00 for the 2023/24, 2024/25 and 2025/26 respectively per the approved budget or after Council approved adjustment/ revised budgets as may arise using either a bilateral loan, DFI funding, bond issuance, assets backed finance, private placements or combination thereof.
 - (2) That Council approves the raising of approved budgeted borrowing or revised budget as may arise of bilateral loans from any or combination of the following financial institutions: ABSA Bank, First National Bank, Nedbank, Standard Bank and Investec; DFI funding from development institutions such as: Development Bank Of Southern Africa (DBSA), Agence Francaise De Developpement (AFD), KfW, China Construction Bank; African Development Bank (AfDB), European Investment Bank (EIB), International Finance Corporation (IFC); New Development Bank and any other financial institution procured through an official procurement process or legislative provisions.
 - (3) That Council approves the pricing of no more than 500 basis points above the government benchmark bond for long term debt for financing medium term capital budget for 2023/24 to 2025/26.
 - (4) That Council approves the exploring and executing of the long-term debt refinancing up to R5 billion for the 2023/24 financial year to lower the City's weighted cost of borrowing in line with Section 46(5) of the MFMA.

- (5) That Council approves the utilisation of the alternative sources of funding and off-balance sheet mechanisms such as Infrastructure Funds, Land Value Capture; PPP's, Project Finance, Assets Backed Finance, Pension Funds, ECA's, and other potential funding structures to ensure funding of approved unfunded economic capital projects in the 2023/24 financial year.
- 2 Short-term Borrowing:
- (1) That Council approves the utilization of the standby banking credit facility from Standard Bank of up to R675 million that is part of the current transactional banking offering during the 2023/24 financial year in line with the current extended contract expiring on 1 November 2023 or upon any future extended date(s) should any further extension(s) of the contract be granted.
- (2) That Council approves the increase and utilization of the standby banking credit facility from Standard Bank by R325 million to be up to a total of R1 billion during the 2023/24 financial year in line with the current extended contract expiring on 1 November 2023 or upon any future extended date(s) should any further extension(s) of the contract be granted.
- (3) That Council approves the establishment and utilization of a short term bank facility or raising of short-term debt with any or combination of the following institutions: ABSA Bank, Rand Merchant Bank, Nedbank, Standard Bank, Investec and Development Bank of Southern Africa, or issuance of commercial paper or utilisation of the new standby short term bank facility as part of the new transactional banking contract for a total not exceeding to R3 billion at a cost of Jibar plus up to 450 basis points in the 2023/24, 2024/25 and 2025/26 financial years to mend any short-term cash flow mismatches that may arise.
- 3 That in the event of a credit rating downgrade or other event which results in capital market failure, the City Manager, the Group Chief Financial Officer, and the Group Head: Treasury and Financial Strategy be authorised to adjust all the proposed pricing thresholds that are necessary to protect the interests of the City and to align to the new credit rating.
- 4 That the City Manager, the Group Chief Financial Officer and the Group Head: Treasury and Financial Strategy be authorised by Council to negotiate and finalise the terms and conditions of all agreements (loan contracts and debt capital markets listing documents) and any other documents to give effect to the external borrowing requirements as well as for utilisation of all newly approved grant funding/ technical assistance, in consultation with the Group Legal and Contracts Department subject to such terms and conditions that are necessary to protect the interests of the City.
- 5 That Council authorises the City Manager to sign all long-term and short-term debt agreements and related documents, in accordance with the prescripts of Sections 45 and 46 of the MFMA.

(GROUP FINANCE)

(Ntuthuzelo April)

(DIRECTOR: GROUP BUDGET AND PLANNING)

(Tel. (011) 358-3290)

Item 4 LOAN FUNDING FOR 2022/23 FINANCIAL
YEAR: INTERNATIONAL FINANCE
CORPORATION ("IFC")

RESOLVED

- 1 That Council approves the provision of 15-year amortising loan for an amount of R1,830,000,000.00 at an indicative floating interest rate of 3-month Jibar plus a credit spread of up to 2.30% from the International Finance Corporation "IFC" for funding of the City's capital expenditure in the 2022/23 financial year.
- 2 That Council approves the loan agreement between City of Johannesburg and International Finance Corporation.
- 3 That Council approves the front-end cost of 1% of the total loan amount due to IFC 30 days after the contract signing date, which equates to about R18,300,000.00 for a loan of R1,830,000,000.00.
- 4 That the City Manager, the Group Chief Financial Officer, and the Group Head: Treasury, and Financial Strategy in consultation with the Group Head: Group Legal and Contracts be authorised to negotiate and effect changes on the debt agreement should they be required to protect the City's interest as well as execute on the final terms of the long-term loan to be provided by the IFC.
- 5 That the City Manager be authorised to sign the final IFC loan agreement and any subsequent amendments that may occur.

(GROUP FINANCE)

VF+ Dissent

4 ANNOUNCEMENTS BY THE SPEAKER

The Speaker thanked Councillors for attending the meeting.

THE MEETING ADJOURNED AT 18:36.



.....
SPEAKER OF COUNCIL

05/09/23

.....
DATE