



CITY OF JOHANNESBURG

COUNCILLOR DADA MORERO

MEMBER OF THE MAYORAL COMMITTEE: FINANCE

Media Release

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Government of Local Unity seeks to relieve the poor – MMC Morero

Cllr Dada Morero, the Member of the Mayoral Committee (MMC) for Finance, says the City's Government of Local Unity (GLU) is working hard and around the clock to ensure that, indigent residents of the City are taken care of.

Cllr Morero reiterates that, the City has heard the concerns from residents and various stakeholders regarding the R200 surcharge on prepaid electricity meters.

"Calls by residents and all affected parties for the City to review the R 200.00 charge due to tough and impactful economic challenges in the country has not fallen on deaf ears, the GLU commits to reviewing this charge while noting the importance of infrastructure maintenance and upgrades including the cost of supply studies done by City Power," says Cllr Morero.

Cllr Morero says there needs to be a balancing the act, between those who can be able to pay for electricity and those who are struggling to pay.

"I would like to emphasize that the objective of Government of Local Unity is not to overburden residents and businesses of Johannesburg, ours is to ensure a financially viable City that is well maintained and well run for the benefit of more than 6 million residents of Johannesburg," says Cllr Morero.

The tariff determination by the City takes into account the lived experiences of residents. It then bases any increases on what is affordable to the City and residents. This is clearly depicted through the City's lowest rates and taxes increases out of the 8 Metropolitan municipalities in the country.

The City's R 200.00 electricity availability charge is a fixed charge that is levied to ensure revenue availability for sustained service delivery to carry out infrastructure maintenance and upgrades towards seamless supply of electricity to residents.

The review of the charge should not be taken as mere reversal of the charge, it should be viewed as the City's balanced approach, relooking at affordability to the residents while committed to infrastructure maintenance as urgently needed.

The comment by the Energy and Electricity Minister that the affordability of electricity should be investigated as electricity generation and distribution costs is something that requires a multifaceted approach by all spheres of government, is encouraging.

“Residents of Johannesburg can rest assured that decisions taken by the City are in their best interest including that this additional R 200.00 charge will be reviewed in consultation with City’s Executive Committee, City Power, NERSA and Eskom,” adds Cllr Morero.

This review will follow the processes of s28 and s72 of the Municipal Finance Management Act which states that a municipality can only adjust the budget once in a financial year after reviewing the mid-year performance. As part of the review of the charge and ensuring that it is changed during the adjustment budget, National Treasury will also be engaged.

The MMC would like to reiterate that cries of residents have been heard and that action will be taken to review the R 200.00 charge on prepaid electricity. A clarion call goes to all rate payers to continue paying their bills every month whenever they are due.

Cllr Morero calls on rate payers to continue paying their municipal accounts every month as per reflected due dates on the monthly invoice.

Issued by the MMC Finance, Cllr Dada Morero