



CITY OF JOHANNESBURG
METROPOLITAN MUNICIPALITY



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Welcome Address by the Executive Mayor Councillor Dada Morero Signing of the Protocol on Interim Financial Statements at Brixton Multi-Purpose Centre

Programme Director, Deputy Mayor Cllr Loyiso Masuku;
MEC for Cooperative Governance and Traditional Affairs, Mr Jacob Mamabolo;
Mr Fhumulani Rabonda, Business Unit Leader of the Auditor-General of South Africa;
Mr Peter Msiza, Deputy Director-General of the Gauteng Provincial Treasury;
Representatives of the South African Local Government Association;
Executive Mayors, Mayors and Members of Mayoral Committees from across Gauteng;
Councillors, Municipal Managers, Chief Financial Officers and officials;
Members of the media;
Ladies and gentlemen.

Good morning, and welcome to the City of Johannesburg. Welcome to Brixton.

On behalf of our residents, Council and administration, it is my honour to host this gathering of Gauteng municipalities, united around one purpose: financial accountability and audit readiness. I thank the MEC and the Department of Cooperative Governance and Traditional Affairs for convening us, and I thank the Auditor-General, Provincial Treasury and SALGA for standing with local government today.

Programme Director, for Johannesburg, today's pledge is not new. It is a promise we made to our residents more than a decade ago, and one we have now come to renew. When the City adopted the Joburg 2040 Growth and Development Strategy, and carried it into our planning from 2012/13, we set out a long-term vision for the kind of city we wanted to become. Alongside improving quality of life, building a resilient and liveable city, and growing an inclusive economy, we committed to good governance: to becoming a high-performing metropolitan government.

At the heart of that commitment was a simple principle. The City must be accountable to its citizens. Not to itself. Not to its officials. To the people who live here, work here and pay for the services we provide. GDS 2040 understood that no other ambition in the strategy can succeed without good governance. You cannot build a world-class African city on unreliable financial records. You cannot attract investment if you cannot account for public money. And you cannot ask residents to pay for services if they do not trust how their money is used.

So today, as host, I must ask honest questions. More than 10 years later, have we kept that promise? The truthful answer is: not always, and not consistently. Like many municipalities in this province, Johannesburg has had years where our audit outcomes did not reflect the standard we set for ourselves in GDS 2040. Our residents know this. The Auditor-General has recorded it. But accountability begins with honesty. We cannot fix what we refuse to name. By standing here in public, before the Auditor-General, Treasury, SALGA and the media, we are choosing to be measured against our own words.

Accountability is not only about cleaning books. It is also about what happens when public money is misused. The Municipal Finance Management Act and the Regulations on Financial Misconduct Procedures require every municipality to establish a Disciplinary Board to investigate allegations of financial misconduct. In Johannesburg, our Disciplinary Board has become one of our most important instruments of good governance.

Over the past financial year, the Board has investigated cases relating to irregular, fruitless and wasteful expenditure. These investigations have led to disciplinary action against officials, referrals to law enforcement agencies, and amounts identified for recovery from those found liable. Let me be clear: we take no pride in these cases. Each one represents failure. But we will not hide those failures either. If officials, or anyone acting on behalf of the City, misuse public funds, they will be held to account, regardless of rank.

The message to every employee of this City is simple: the residents' money is not ours to waste, and it is not ours to take. Every rand a municipality spends belongs to a resident. It is the pensioner who pays her rates on time. It is a small business in Soweto, Tembisa or Sebokeng paying for water and electricity. When that money is lost to poor records, irregular expenditure or late reporting, the cost always lands at someone's front door: a pothole left open, a streetlight left dark, a service left undelivered.

That brings me to today's focus: interim financial statements and audit readiness. Too many municipalities still treat the audit as a year-end event. Records are assembled in a rush, reconciliations are done under pressure, and problems are found when it is too late to fix them. Interim financial reporting breaks that cycle. When we close our books properly every quarter and every half year, we see problems while they are still small. Councils get accurate information to make decisions. Oversight committees get something real to scrutinise. And we arrive at the annual audit prepared, not panicked.

A clean audit should not be the result of a last-minute effort. It should be the natural outcome of a well-run municipality. That is exactly what GDS 2040 meant by a high-performing metropolitan government. Allow me to say what this commitment must mean in practice, for Johannesburg and for every municipality here.

First, leadership must own it. Political principals cannot delegate accountability and then claim surprise when things go wrong. We must read the reports, ask the hard questions and insist on answers. Second, we must build capacity. Our finance teams need the skills, systems and support to produce credible statements in-house, with less reliance on consultants. Third, oversight must be strengthened. Our MPACs, audit committees, Disciplinary Boards and internal audit units must be independent, empowered and taken seriously.

Fourth, we must be transparent with residents. People deserve to know how their money is spent; in language they understand. Programme Director, Johannesburg cannot meet its GDS 2040 goals alone, and no municipality in Gauteng can succeed in isolation. Our economies, our residents and our infrastructure are connected across this city region. The Province's vision of Growing Gauteng Together by 2030 and Johannesburg's GDS 2040 point in the same direction: capable, accountable government that earns the trust of the people. Today's protocol is where those visions meet in practical terms.

The partnership in this room is our greatest strength. The Auditor-General brings independent assurance. Treasury brings technical support. CoGTA brings coordination. SALGA brings the collective voice of local government. Together, we can make audit readiness the norm across

Gauteng, not the exception. Distinguished guests, in 2012/13 Johannesburg wrote down a promise: to be accountable to its citizens. Today, together with our sister municipalities, we sign our names to that promise once more. But a signature costs nothing. What will matter is what we do tomorrow, and every working day after that. Let us leave Brixton with more than a signed document. Let us leave with a shared resolve that every resident of Gauteng will one day say, with confidence: this is a government that accounts for every rand.

On behalf of the City of Johannesburg, you are most welcome. I wish us productive and honest engagement.

Thank you.