

The 2010 'State of the City' address

11 March 2010

Executive Mayor Amos Masondo has opened the 2009 sitting of the City council with his annual State of the City address. The focus is on 'building of a caring society, Deepening democracy and making local government work for you'. Read the speech here.

Theme for 2010: The year of working together to speed up effective service delivery to the people”

State of the city address by the Executive Mayor of the City of Johannesburg, Councillor Amos Masondo, Council Chamber, Metro Centre, Braamfontein – Johannesburg.

Madam Speaker – Cllr Nkele Ntingane
MECs and Members of the Provincial Legislature
Executive Mayors
Members of the Mayoral Committee
Members of the Diplomatic Corps
Chief Whip of Council: Cllr Nonceba Molwele
Leaders of all Political Parties
Fellow Councillors
City Manager: Mr Mavela Dlamini
Managers and Officials of Council
Distinguished Guests
The Media
Fellow Citizens
Ladies and Gentlemen

INTRODUCTION

Madam Speaker, we come together today to reaffirm our commitment to the City and its residents, and to review our plans for the year ahead. We gather here not only to reflect on victories scored or problems encountered but to also answer the question: What more should

be done to catapult and catalyse local government delivery and take it to greater heights?

In order for us to give a meaningful response to this question, we need to clarify what the relationship is, between our long, medium and short-term planning. We need to shed light on where we want to be in the long-term, our approach to development, and the objectives we intend to pursue in the coming financial year.

Whatever we do, we cannot over-emphasise the need to address the challenge of poverty and underdevelopment.

The work that we do in this municipality should be informed by the unshaken commitment to implement ideas that seek to ensure a fundamental transformation of our society. At the centre of these changes is the need to improve the quality of life of our citizens.

To ensure that this becomes a reality we need to do the following:

- Ordinary South Africans and Johannesburg citizens must have a greater say in matters that affect their lives. The masses of our people should always be understood as their own liberators. This includes a strong participatory process led by Elected Public Representatives, supported by Ward Committees and other organisations of civil society;
- Ensure progressive realisation of basic services to people;
- Deepen democracy at a local level by building strong government institutions that are people oriented and sustainable; and
- Our approach to development must also be informed by the need to restore the dignity of our people.

It is important therefore to state that in order to succeed; we require a strong partnership across all the three spheres of government. We need a partnership with community, civil society organisations and business.

Madam Speaker, before I continue, please allow me to make an observation that in a period spanning nearly a decade, a lot of good work has been done in the City of Johannesburg. Although much much more still needs to be done, we need to acknowledge those who were with us in the trenches during this period. I request you to please rise and observe a moment of silence in remembrance of all the councillors, managers, officials and all the workers who have since passed on but who have made a sterling contribution to the work done by the City of Johannesburg in the past 9 years.

Madam Speaker, we are mindful that as we gather here, it is just under a year before the 2011 local government elections take place.

In this regard, one expects, as a matter of course, that the different political parties and formations will engage in robust and somewhat emotive debates. Given the fact that elections also tend to have a very strange effect on politicians, some may ask “how do you stop these politicians from playing to the gallery”. How do you ensure that these persons and individuals do not just do something merely intended to win an approval, get an applause or make them appear popular? Of course Madam Speaker, we should hasten to caution those who succumb to this temptation that they will be judged and dealt with by the electorate at the ballot box.

Election time also implies that there are a number of tasks that we will have to carry out. This Municipal Council will have to do the following:

- Assist the Independent Electoral Commission (IEC), which is charged with organising and managing elections, to provide logistical support and popularise elections.
- Make available required competent personnel;
- Engage in voter education, voter registration and promote other related civic responsibilities; and
- Help to create conducive conditions for a free and fair election.

MADIBA'S RELEASE

As we gather here we remain aware that this meeting occurs at an important time in the history of our country, when we are celebrating twenty (20) years of Nelson Mandela's release and the unbanning of the ANC, SACP and other political parties. Celebrating Madiba's release is a celebration of people's power and an affirmation of the pivotal role that they played in ensuring this historic moment.

THE SHARPEVILLE MASSACRE

Sixteen years into our democracy, we mark the 50th anniversary of the Sharpeville Massacre where civilians were killed by the apartheid state merely because they dared to express their democratic right to protest against oppressive laws.

CENTENARY OF A UNITARY STATE AND FORMATION OF THE ANC

In 1910, a hundred years ago, the Union of South Africa constitution was adopted. This marked a formal exclusion of all those other than white from all parliamentary and related institutions. In part, it was this development that led to the formation of the ANC on 8 January 1912.

2010 FIFA WORLD CUP

Madam Speaker, perhaps it is also appropriate to indicate that today, as we gather here, it is mere ninety one (91) days before the first ever 2010 FIFA World Cup is held on the African continent.

THE FREEDOM CHARTER

This year we will be commemorating the 55th anniversary of the Freedom Charter, adopted in Kliptown on the 26th June in 1955. Madam Speaker, we have gone some way to realise the Charter's vision and many of the provisions reflected in the constitution of the Republic. Let us remember what Oliver Reginald Tambo said on the Charter's implication to South Africa and all its people in the 1980 January 8th statement:

"The Freedom Charter contains the fundamental perspective of the vast majority of the people of South Africa of the kind of liberation that all of us are fighting for. Hence it is not merely the Freedom Charter of the African National Congress and its allies. Rather it is the charter for the people of South Africa for liberation...because it came from the people; it remains still a people's charter, the one basic political statement of our goals to which all genuinely democratic and patriotic forces of South Africa adhere."

We have a responsibility to ensure that this farsightedness and foresight is brought to fruition.

GOVERNANCE IN SOUTH AFRICA

In the Republic of South Africa, "government is constituted as national, provincial and local spheres". All three spheres of government are distinctive, inter-dependent and interrelated. They are underpinned by the principles of co-operative government and inter-governmental relations.

Local Government is essentially about well being of the people, service to the people, local democracy that seeks to, amongst others, empower ordinary citizens (the people). Ours is not simply - a representative democracy - not only about voting at the end of every 5 year political term. Ours is also a participatory democracy that seeks to ensure that people are involved on issues of local government and development.

Madam Speaker, local government is that sphere of government that is closest to the people. It is local democracy in action. Politically, it is constituted of elected public representatives who are supposed to be pre-occupied mainly with the 'bread and butter' issues of service delivery: seeking to address the day-to-day needs of local citizens and residents.

OBJECTS OF LOCAL GOVERNMENT

The Constitution of the Republic of South Africa in section 152, Act 108 of 1996, lists the objects of local government as:

1. to provide democratic and accountable government for local communities;
2. to ensure the provision of services to communities in a sustainable manner;
3. to promote social and economic development;
4. to promote a safe and healthy environment;
5. to encourage the involvement of communities and community organisations in matters of local government; and that
6. the municipality should strive, within its financial and administrative capacity, to achieve these afore-mentioned objects.

STATE OF THE NATION AND STATE OF THE PROVINCE ADDRESSES

Delivering his State of the Nation Address last month President Jacob Zuma, said "the defining feature of this administration will be that it knows where people live, understand their needs, and responds faster." The President also said:

On monitoring and evaluation of performance - that there is a need - to introduce new way of doing things in government by ensuring that Ministers are responsible for particular outcomes and sign detailed Delivery Agreements with the President.

- outline what is to be done, how, by whom, within what time period and using what measurements and resources?

On local government, the President emphasised that:

- municipalities must work and that local government is everybody's business.

- Must provide basic services e.g. water, sanitation, electricity, roads, etc
- On the question of community protests, the President said "no to violent protests" and "no grievance can justify violence and destruction of property."
- Development of cadres for public service
- Develop and enhance capacity of the state to minimise the tension between the political and management leadership.

On upgrade of informal settlements:

- provide proper services to at least 500 000 households by 2014
- Government will set up a guarantee fund of R1 billion to incentivise private banking and the housing sector.

On the economy:

- commitment to create 4 million jobs by 2014 by all sectors and factor the NEDLAC framework.
- Identify labour absorbing sectors
- Identify structural weaknesses in the economy
- Structure a partnership with specific institutions of higher learning

Referring to the Local Government Turn-Around Strategy, approved by Cabinet in December 2009, President Zuma, spoke about the ten (10) points, which I will elaborate on, later in the speech.

Taking this theme further, Premier Nomvula Mokonyane, referred in her State of the Province of Address to a commitment all municipalities in Gauteng have made, to ensure quality service delivery and sound administration.

OUR PLANS AND STRATEGIES

The City of Johannesburg has, since the 1st March 2006 Local Government Elections, re-committed itself to our vision: to build Johannesburg into a World-Class African City.

In order to realise this goal, the Growth and Development Summit which was attended by more than 1500 delegates was held on 12th May 2006 at Nasrec. This significant gathering produced the Growth and Development Strategy Document. The vision statement says:

"In future, Johannesburg will continue to lead as South Africa's primary business City, a dynamic centre of production, innovation, trade, finance and services. This will be a City of opportunity, where the benefits of balanced economic growth will be shared in a way that enables all residents to gain access to the ladder of prosperity, and where the poor, vulnerable and the excluded will be supported out of poverty to realise upward social mobility. The result will be a more equitable and spatially integrated City, very different from the divided City of the past.

In this World-Class African City for all, everyone will be able to enjoy decent accommodation, excellent services, the highest standard and safety, access to participatory governance, and quality community life in sustainable neighbourhoods and vibrant urban spaces".

This vision, Madam Speaker, seeks to articulate our long term desired outcome. It further enriches the work that we do on a day to day basis by concentrating our minds on the following:

- Ensuring the Pro-active absorption of the poor through our extended Social Package dispensation in respect of basic municipal services.
- A focus on settlement restructuring to improve the spatial form of our city from an apartheid layout to an inclusive and functional urban form.
- Seeking to enhance a balanced and shared growth meant to benefit the majority and not just an elite few.
- Improving social mobility and cohesiveness of society as well as striving to reduce inequalities.
- Striving to ensure sustainability by reducing wastage of scarce resources such as energy and water; at the same time promoting the green environment that is a heritage to all; and
- Seeking better and innovative governance solutions.

Madam Speaker I do encourage the house and all our residents to continue to engage with the full text of the Growth and Development Strategy (GDS) of the city as we keep on refining and shaping the future of Johannesburg.

In addition, the City, through an intensive consultation process has developed an annually reviewed five year Integrated Development Plan (IDP).

Through these strategy documents and all these plans, we are seeking to address the challenges of urbanisation and migration, economic development and job creation, service delivery, poverty, urban renewal and regeneration, the impact of globalisation, the need for information technology and the bridging of the digital divide and other related challenges. These challenges, Madam Speaker, are embedded in the following Mayoral Priorities:

- Economic Growth and Job Creation
- Health and Community Development
- Housing and Services
- Safe, Clean and Green city
- Well Governed and Managed city
- HIV and AIDS

Ours is a developmental local government. We seek to actively use the instrument of Local Government, the municipality, to improve the quality of life of all residents and citizens.

OUR POLITICAL PROGRAMME

Madam Speaker, maybe we need to pose the question: What are the government programmes and what informs them? These are:

- The ANC five (5) year 2009 manifesto priorities;
- The 10 point Local Government Turn Around Strategy; and

- 2010 FIFA World Cup.

It is important to note however that by stipulating these we do not in any way suggest that the ongoing work that has ensured continued transformation of local government and the improvement of the quality of life of people should be abandoned. Through the aforementioned, they are meant to be given more impetus and be carried out in a manner that suggests a sense of urgency.

MANIFESTO PRIORITIES AND PROGRAMMES

The ANC 2009 Election Manifesto has identified clear priority areas. These include:

- Creation of decent work and sustainable livelihoods
- Education
- Health
- Rural development, food security and land reform
- The fight against crime and corruption.

What does this Manifesto mean for us as the City of Johannesburg?

The ANC 2009 Election Manifesto has a lot of synergy with the mayoral priorities that we have singled out at the start of this political term. These include:

- Economic growth and job creation
- Health and community development
- Housing and services;
- Safe, clean and green city;
- Well-governed and managed city; and
- HIV/AIDS.

EDUCATION

- 98% of children between ages 7 and 15 are currently at school and we need to sustain this.
- Free and compulsory education up to under graduate level to be emphasised.
- Need to introduce external examination for grades 3, 6 and 9 to remove hype around matriculation results; and
- Need to engagement with teacher organisations and other stakeholders in order to ensure involvement of society in education.

HEALTH

- To ensure that we maintain the improved access to health service and that the quality of health care does not deteriorate;
- To emphasis should be on preventive rather than curative health;
- To delivery of quality health care in all facilities;
- To eliminate long queues at clinics;

- To reduction maternal death;
- The introduction of the National Health Insurance; and to
- Deepen work on HIV and AIDS.

THE ECONOMY - EMPLOYMENT CREATION, QUALITY JOBS AND SUSTAINABLE LIVELIHOODS

- To identify labour absorbing sectors and investment of resources;
- To identify structural weakness in the economy;
- To ensure realisation of the commitment to create 4 million jobs by 2014 by all sectors and factor the NEDLAC framework;
- To develop and enhance capacity of the state to minimise the tension between the political and management leadership; and
- Partnership with specific institutions of higher learning to be structured.

INTENSIFY THE FIGHT AGAINST CORRUPTION, NEPOTISM AND ALL FORMS OF MALADMINISTRATION

- Procurement and supply chain management processes must be strengthened to ensure that all forms of corruption are eradicated.
- To reviewing the MFMA and relevant regulations.
- Decisive and bold action to be taken against anyone found to be looting state and public resources.
- The strengthening and implementation of the Performance Management Systems to be deepened.
- The strengthening and implementation of the ANC's Code of Conduct for Councillors to continue; and
- The ANC and its Alliance to develop common messages on fighting corruption.

RURAL DEVELOPMENT

Madam Speaker, Johannesburg may not be classified as rural but we do have small holding plots across the City.

- Rural development has to be more integrated and taken beyond implementation of projects.
- To address infrastructure backlog, food production and food security especially in the economically depressed areas and;
- To accelerate access to housing, clean drinking water and sanitation.

OUR PRIORITIES AND PROGRAMMES - THE TEN (10) POINT LOCAL GOVERNMENT TURN AROUND STRATEGY

In 2009, the Department of Cooperative Government and Traditional Affairs undertook a nation-wide assessment of the state of local government in order to devise a strategic response and a plan of action for the next five years. The culmination of this work was a Presidential Imbizo, with the mayors and municipal managers on 20 October 2009 in

Khayelitsha in Cape Town. The aim was to reach agreement on the work that needs to be done to improve the performance of local government.

As a follow up from the Presidential Imbizo, the National Indaba on Local Government was convened in Ekurhuleni on 21 to 22 October 2009 by the Minister for Cooperative Governance and Traditional Affairs which deliberated and agreed on the development of the Local Government Turnaround Strategy (LGTAS), approved by Cabinet in December 2009.

The LGTS aims to restore the confidence of the majority of our people in our municipalities and rebuild and improve the basic requirements for a functional, responsive, accountable, effective and efficient developmental local government.

LOCAL GOVERNMENT TURNAROUND STRATEGY TO STRENGTHEN LOCAL GOVERNMENT IN JOBURG

COMMITMENT TO INTENSIFY AND SPEED UP SERVICE DELIVERY

The City is committed to ensuring that we entrench the good and sound values of serving the people and living the Batho Pele principles. In this regard, the work that we do in each municipal department and Municipal Owned Entity, should reflect a work ethic that is informed by the aforementioned.

Work is currently being undertaken to develop a simplified method to transfer funds from provincial government to the City. Taking lessons from most of the flagship projects such as Alexandra Renewal Programme and other initiatives that are currently being implemented jointly with our provincial counterpart, namely housing delivery, formalisation of informal settlements as well as the big infrastructure projects.

LOCAL ECONOMIC DEVELOPMENT (LED)

In support of the local economic development and job creation initiatives, the City will continue to implement its various programmes that are geared towards the creation of decent work and addressing unemployment, especially amongst the youth, women and those with disabilities.

The LED initiatives should also be informed by the need to create and support cooperatives as well as projects such as Dirang Ba Bohle (The Community Bank).

We should also be seeking to ensure that the Broad Band initiative and the creation of green jobs continue to position Johannesburg as a city of the future.

INTER-GOVERNMENTAL PLANNING AND IDP

The City has aligned its development plans to key inter-governmental strategies and policies, such as the National Spatial Development Perspective (NSDP), the Provincial Growth and Development Strategy (PGDS) and the Medium-term Strategic Framework (MTSF).

The NSDP highlights the national spatial priorities in terms of provision of basic services, alleviation of poverty and in addressing inequality. The City's Growth and Development Strategy (GDS) describes the long-term strategic perspective and should speak to both National and Provincial plans as well as vice versa.

DEEPENING AND REFINEMENT OF THE WARD COMMITTEE MODEL

The City's commitment to public participation and consultation is based on constitutional and legal obligations and the governance model. In line with the City's long-term vision, the City engages in public participation to ensure that through its planning processes it empowers communities to generate ideas and contribute meaningfully in the creation of a more equitable and spatially integrated city. In this regard, the City will ensure that it works with all role players in strengthening the role and the representation of ward committees. These committees should represent as broad a spectrum as possible of the existing sectors. The Community Development Workers should be aligned in such a way that they reinforce the work of ward committees.

FIXING ADMINISTRATIVE INSTITUTIONAL ARRANGEMENTS IN THE MUNICIPALITY

In April 2006 the City of Johannesburg approved its governance and institutional arrangements. The governance model is in part informed by the principle of separation of powers. This has meant that the local legislature, council, enjoys a separate but related existence to the executive. This model seeks to ensure greater oversight and accountability by the executive to council.

In addition, and in line with earlier council decisions, we have been able to consolidate the functioning and operations of the Municipal Owned Entities. These have been further reinforced by the introduction of the Performance Management System.

INTERGOVERNMENTAL RELATIONS

The City acknowledges that there is a need to strengthen IGR systems in order to ensure that our efforts of providing services to communities are coordinated and we accelerate the implementation of priority programmes.

The IGR Framework Act 13 of 2005 requires all spheres of government to co-ordinate, communicate, align and integrate service delivery effectively. The act gives legislative expression to intergovernmental alignment which refers to the following:

- align budgets across spheres of government
- consulting other organs of state (includes inter-municipal co-operation)
- co-ordinating actions on policy to maximize impact
- avoiding unnecessary and wasteful duplication of efforts
- share information across spheres and respond promptly to community needs
- joint participation in intergovernmental structures

INTENSIFY THE FIGHT AGAINST CORRUPTION, NEPOTISM AND ALL FORMS OF MISADMINISTRATION

Crime and corruption remains one of the priorities for this government and the City will continue to intensify the interventions aimed at fighting corruption and crime.

ADOPTION AND IMPLEMENTATION OF A SINGLE ELECTION CYCLE FOR LOCAL, PROVINCIAL AND NATIONAL GOVERNANCE

The City also welcomes the proposal to have the following alignment:

- The synchronisation of financial cycles across all spheres of government

- alignment and co-ordination and planning of priorities across government
- To hold elections for all spheres of government and legislatures simultaneously

Madam Speaker, we are convinced that the Turnaround Strategy will help us to restore the confidence of the majority of our people in our municipality, as the primary delivery machine of service delivery.

In the City of Johannesburg we will definitely make our contribution to re-build and improve the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government.

SERVICE DELIVERY PROTEST AND OUR RESPONSES

Reasons identified for protests include amongst others the following:

- Residents, media and research indicate poor service delivery e.g. housing, water, electricity, sanitation and refuse removal, as the primary reasons.
- High expectations
- Need to formalise informal settlements
- Migration, urbanisation and population growth
- Often spread of false and exaggerated rumours of corruption
- Intra party tensions and political divisions

We have at all times sought to paint a realistic picture of what government can and cannot do at this point in time. We have consistently refused to promise heaven on earth.

We have at all times provided honest and truthful answers to residents and also refused to provide opportunistic and convenient answers.

Madam Speaker, I am convinced that the Turn-Around Strategy will ensure an overall improvement in our work.

In the City of Johannesburg we will definitely make our contribution and ensure a more functional, responsive, accountable, effective, and efficient developmental local government.

FINANCE AND REVENUE COLLECTION

Madam Speaker, let me briefly comment on the City of Johannesburg's finances before the year 2000.

One of the negative experiences of the mid 1990s is the fact that the City experienced financial crisis during that period. It failed to pay its creditors for three (3) months and its actual capital expenditure was R309 million in the financial year 1998/1999. This financial crisis was as a result of a number of factors working together in a vicious cycle each reinforcing the other. These ranged from: unrealistic capital budgets, taking on additional responsibilities without additional revenue, fragmented revenue and expenditure arrangements, non-payment of rates and services and lack of proper focus.

Not many in the late 1990s, would have predicted this remarkable turnaround achieved by

our city. Today we can say with much confidence that our institutions are much stronger and our financial position is sound; demonstrated aptly by the five municipal bonds that we have issued. Every time each of the bonds were issued, they were oversubscribed.

The City continues to be committed to sound financial practices and management. This has led to the City's third successive unqualified audit by the Auditor General from the year 2007 to 2009.

Madam Speaker, the City of Johannesburg has managed to achieve one of the goals it set for itself at the beginning of this Mayoral Term, four years ago; to have an investment grade rating. The current rating from Moody's Rating Agency is Aa3.za and Fitch Rating AA-(ZAF). (Double A Minus Investment Grade for both Moody's Rating Agency and Fitch Rating).

It is important to note that with these achievements, we must also be mindful that the current financial year started against the backdrop of a recession - with the economy shrinking by about 6.4% in the fourth quarter of the 2008/09 financial year. This posed particular pressures on the City's finances, coupled with the fact that the City chose to accelerate the 2010 FIFA World Cup capital project.

To address these pressures, Madam Speaker, the City developed a City Financial Turnaround Strategy which entailed the following amongst other things:

- A rigorous analysis enabling a response to key challenges.
- Ensuring that the City sustains a path to long-term financial health.
- The Strategy needed to be sensitive to the poor, in order to ensure affordability to all classes of households and that it remains attractive to business; and
- The Strategy needed to ensure that the service delivery and development agenda of the City remains intact.

This Strategy has 3 phases:

- Phase 1: Stabilisation - this is short term 1 to 2 years;
- Phase 2: Consolidation - is medium term of 2- to 3 years; and
- Phase 3: Sustainability - which is long-term.

To date through phase 1 interventions the following has been achieved:

- Improvement in query resolution and shortening the turnaround time.
- Vigorous credit control initiatives are beginning to bear fruit increasing the collection rate to 92%.
- Various City departments and Entities are collaborating in the efforts to clean the data sources within the City.
- Through independent projects and in corporation with the private sector various gaps in the General Valuation Roll 2008 are constantly corrected due to supplementary rolls resulting in additional revenue that might have otherwise been missed.

- A self assessment project was approved by Council which is an initiative between the City and the private sector (represented by the Johannesburg Business Forum - task team) this will culminate in the improvement of the Valuation Roll. Although there have been some delays there is commitment from both sides.
- To date an amount in excess of R20 million has been added to the City's billing.
- The closing of these gaps is expected to also be of benefit in the compilation of the General Valuation Roll in the year 2012; and
- The City has allocated R 170 million for the final stage of the Phakama project which include the Land Information System (LIS). This System is a single data source for all properties within the City. The project is already into its second phase and beginning to produce results

EXPENDITURE INTERVENTION

Madam Speaker, in the first Quarter of the 2009/2010 financial year, the City engaged the services of an independent and reputable auditing firm to work together with the City to improve operational efficiencies.

Departments and Entities of the City are currently implementing the recommendations of the expenditure review programme. It is expected that there will be improvement in the control environment in the current financial year as well efficiency which will benefit the organisation going into the new financial year.

On the 25th February 2010 Council approved an adjusted budget and reprioritised on roads infrastructure. It appropriated over R1 billion for BRT infrastructure (committed by National) and the City borrowed the money on the basis that national government committed to pay it back. An additional R229 million has been allocated for the completion of Soccer City.

CAPITAL EXPENDITURE

The City has over the past financial years managed a Capital expenditure level of over 91% of Budget. In the current financial year the City has as at the second quarter managed to spend 59% of budget putting the organisation in line to spend more than 95% of Budget as an indication of commitment to service delivery.

This Capital expenditure has been funded from surpluses, Grants and borrowing. Some of the borrowing has been against the enforceable allocations from National Treasury.

According to the National Treasury Local Government Budgets 2009/2010, Financial Year Second Quarter Local Government Section 71 Report, the City of Johannesburg collected the highest proportion of its revenue at 52.2%, with Ekurhuleni Metro following at 48.4%.

Madam Speaker, it is worth mentioning that, in spite of what our critics say, we have brought stability and predictability to the way in which we manage the financial affairs in the City of Johannesburg.

DEVELOPMENT PLANNING AND URBAN MANAGEMENT FORMALISATION OF INFORMAL SETTLEMENTS

Madam Speaker, the Formalisation and Regularisation of Informal Settlements remain an

important part of our agenda. It continues to be a critical project, to be part of the Millennium Development Goals to eradicate all informal settlements by the year 2014.

On the 25th of April 2008, Council adopted a new approach to "Informal Settlements - Formalisation and Upgrade".

There are currently 180 informal settlements within the municipal boundaries of the City of Johannesburg comprising approximately 200 000 households.

The progress made thus far on all 180 informal settlements is reflected in the following five (5) categories:

1. The first category consisting of 73 settlements reflects projects where the legal processes (township establishment) are far advanced and services are being constructed in situ. The legal processes in relation to this category should be completed by 2011 and the provision of services and infrastructure should be well advanced by this time.
2. The second category, involving 17 cases, is about settlements that are hazardously or poorly located where residents will be relocated to projects that are also far advanced in terms of legal processes and services construction. The legal work in relation to this category will also be completed by 2011 and significant progress will be made in terms of relocations.
3. The third category of about 20 settlements relates to settlements that can remain in their current location but where formal projects and township establishment processes have not been initiated. The legislation of these settlements are being addressed through fast tracked interim measures that draw on experience from other countries including Brazil (this includes addressing matters relating to land tenure, land ownership and town planning)
4. The fourth category of settlements is tied to a programme for future formalisation but is not yet part of any specific project. An example of this, are settlements within Greater Alexandra Township that are being addressed through the Alexandra Renewal Programme.
5. The fifth category of 47 settlements is where feasibility studies have yet to be concluded and where decisions regarding future developments have not been made. These settlements may be relocated, or formalised through township establishment processes, or regularised using fast track mechanisms. It is anticipated that feasibility studies will be concluded during the current financial year (2009/2010).

The City of Johannesburg intends to give people living in informal settlements the right to occupy and use the land subject to certain conditions, which are spelt out in amendments to the town planning schemes. These relate to aspects such as building materials, spacing between shacks, density of dwellings, and use of dwellings for non-residential purposes. The intention is also to provide a "recognised address" to the households, this we hope will enable the residents, amongst others, to open bank accounts, and enter into contracts with organisations such as Telkom.

INNER CITY

THE INNER CITY REGENERATION CHARTER

The regeneration of the inner city remains one of the key priorities of the City of Joburg. The adoption of the Inner City Regeneration Charter in July 2007 gave impetus to the acceleration of the inner city transformation. The city acknowledges the meaningful role played by its inner city partners in accelerating growth, investment and development. However, more still needs to be done to reposition the inner city to its former glory as the 'Golden heartbeat of Africa' and vibrant business node. An independent assessment has found that the city has achieved 66% against the Inner City Regeneration Charter Commitments.

Although we face many challenges, it is important to recognize the milestones that we have achieved together with our strategic partners over the past few years. It is by no mistake that the city prides itself in championing the revitalization of areas such as the Mary Fitzgerald Square, Fashion District, Rokeby Raleigh Street in Yeoville, Doornfontein and New Doornfontein Precincts, Ellis Park Precinct, Ghandi Square, Public Environment upgrades in Berea, Hillbrow and Yeoville, New Retail Investment in Bree Street, Brickfields Social Housing and Anglo Ashanti Turbine Hall Headquarters, just to name a few successes attained by the city and its partners.

The city remains committed to achieving all targets set out in the Inner City Regeneration Charter and effective functioning of the Inner City Partnership Forum.

URBAN MANAGEMENT

The implementation of Quadrant based urban management model has started to yield positive spin-offs, resulting in improved business confidence and better day-to-day management of the urban environment. More than R7.9 billion has been poured into the Johannesburg Inner City strategic blocks by the private sector between 2006 - 2010. In support of growing business confidence in the Inner City, the city will roll out the block-by-block model in other strategic nodes of the inner city including areas outside the inner city e.g. Turffontein, Malvern and Cleveland.

The Johannesburg Development Agency will continue to support private sector investment by focusing on the upgrading of public environment infrastructure.

The focus will be on effective, efficient and proactive enforcement of by-laws targeting infringements e.g. street fires, illegal posters, illegal parking, illegal dumping, loitering, destruction of public infrastructure, illegal land use, etc. The city will through its improved Multi Disciplinary Daily Operations alleviate any kind of lawlessness in the inner city.

BUILDINGS INJURIOUS CONDITIONS

For years buildings in the inner city have been plagued by poor property management contributing to the broken windows syndrome, hanging of washing on balconies, accumulated trash, deteriorated building exteriors etc. To this end, the inner city office has appointed a special legal team to tackle injurious conditions. The pilot project started in March 2009 focusing on 66 properties along the 2010 Protocol routes. This project will be rolled out in the other six (6) blocks after the 2010 FIFA World Cup.

BUILDING HIJACKING

The inner city residents have endured harassment by the so called "building hijackers" forcefully removing them from their properties. The hijacking of building is one of the

major contributing factors to the escalation of slum buildings in the inner city. Since 2009 the city has established a special task team in partnership with other law enforcement agencies, SAPS, NPA, SARS and the Asset Forfeiture Unit and as from January 2010 the special task team was joined by 12 dedicated members of the Hawks Unit.

The city's target is to have the top 20 most wanted building hijackers and their associates arrested and successfully prosecuted by end of 2010-2011 financial year. It is reassuring to note that as from this month the special task team has started issuing warrants of arrest to the most wanted building hijackers.

The recently approved Bad Building Strategy will also respond to a typology of buildings e.g. buildings owned by slum lords, absentee landlords, small scale land lords, public sector owned building, vacant buildings and sectional title buildings. The city in partnership with its social partners intends to turn around at least (50) fifty bad buildings on an annual basis into viable properties.

METHODIST CHURCH

The problems at the Methodist Church received wide media coverage. Unfortunately due to certain legal challenges some of the proposed interventions tabled by the city could not be implemented as planned. However the city together with Provincial, National Government and affected stakeholders are working tirelessly to find lasting solutions to the humanitarian challenges at the Methodist church. It is anticipated that before the end of the next financial year a new plan of action will be developed and implemented to respond positively to the challenges facing the Methodist church. In the meantime the city has committed to ensure effective management of the environment around the High Court Precinct.

PROGRAMME ON THE NORMALIZATION - OLD ALEXANDRA (ARP)

Madam Speaker, Alexandra Renewal Programme's primary aim was "to conduct a sustained campaign against urban poverty and underdevelopment, bringing in the resources of all three spheres of government in an integrated and co-ordinated manner. The ARP fundamentally seeks to upgrade living conditions and human potential within Alexandra through:

- Substantially reducing levels of unemployment;
- Creating a healthy and clean living environment;
- Providing engineering services at an affordable;
- and sustainable level;
- Reducing levels of crime and violence; and
- Upgrading existing housing environments and creating additional affordable housing opportunities.

A new western outfall sewer was constructed and sections of the Bruma and Modderfontein outfall sewers were upgraded to eliminate outdated and malfunctioning pump stations. In addition, a new water reservoir was constructed in Linbro Park including a new supply line to link this new reservoir into the Alexandra network.

A water pressure management was introduced and this has resulted in water supply in Alexandra now being stable and reliable. Emergency services are also now able to effectively undertake fire-fighting due to sufficient water pressure in the network.

Vehicle and pedestrian connectivity has improved dramatically, both internally and into the sub-region of the City through the road and bridge infrastructure upgrade. The Vincent Tshabalala (old London) Road has been widened to improve connectivity towards the N3 and Old Pretoria Road.

Florence Moposho (Vasco da Gama) Bridge, the connection to Sandton was improved through the extension of Rautenbach Street. And approximately 22Km of sidewalks were paved and several local roads were tarred.

The Alexandra Plaza and Pan Africa Retail Centres alone yielded R417million in private sector investment. The Pan Africa Development project allowed the ARP to provide a formal Taxi Rank.

To date up to 11 250 housing opportunities of mixed tenure were made available to beneficiaries in Alexandra Township. Detailed planning and design were completed with projects totalling a further 1140 units.

In addition, land has been secured through Memoranda of Understanding for a total of 10500 housing opportunities in Modderfontein, Frankenwald and Waterval Estate. In the Linbro Park area a Spatial Development Framework has been approved, detailed planning and design of bulk engineering services is underway. An Urban Design Framework is in the process of being developed and the process of land purchase is underway. This area will see the development of an additional 5500 housing opportunities for people of Alexandra.

In 2001 it was found that the electrical network in Alexandra Township was unstable and considered dangerous. Madam Speaker, today I can proudly say that approximately 33 000 households have received new electrical connections from a new overhead electricity network.

The quality of the physical environment in Alexandra was dramatically improved once a new waste management system was introduced with sixty five thousand (65 000) new litter bins were distributed and a more sustainable waste removal system introduced.

Approximately 37 Ha of vacant land has been developed into formal parks and open spaces (Jukskei Park, Riverside Park, Nigeria Park, Guinea Bissau Park, Bumbani Park and Marlboro Combined School Playground).

The following have also been completed:

- The construction of a new police station;
- Refurbishment of 18 schools;
- Refurbishment of four primary health care clinics;
- Three new ambulances were purchased and are based at the Alexandra Fire Station and Alexandra Clinic;
- The Edenvale Hospital was upgraded to act as referral hospital for Alexandra and a new HIV/AIDS clinic was constructed next to the hospital; and
- The Soccer fields, No 3 Square, Altrek Sports Precinct and Alexandra Stadium were upgraded. This includes an all-weather tartan athletics track.

The Alexandra Renewal Project is a time-bound programme. It is supposed to come to an end on 30 June 2011; however, it may be extended to ensure its completion. We in the City of Johannesburg are convinced that the ARP should continue to be on our agenda and we will do everything possible to ensure that the overall vision of the ARP is realised.

ROADS AND NODAL DEVELOPMENT

TARRED ROADS

One of our proudest service delivery achievements is in the roads project. We have tarred 314km of roads in Soweto, to full service standards with kerbing; storm water drains and ensured proper signage at the cost of R485 million, four months ahead of our December 2005 schedule.

Many of our citizens, especially in the Northern suburbs, have always taken for granted the fact that the streets in their communities are tarred. In the past, we had indicated that for them, it would be unimaginable to drive home on a gravel or if it rains, on a muddy road. But this has been the daily reality of millions of our citizens for years. I am happy to indicate that this programme, as we speak, is being extended to areas such as Orange Farm, Ivory Park and Diepsloot.

NODAL DEVELOPMENTS

Urban management is about managing all aspects of the urban environment. In the past few years the City has had considerable successes regarding its urban regeneration and renewal projects. The following briefly captures the situation:

- In Soweto the impact of urban renewal projects are conspicuous and visible. These range from the Kliptown Walter Sisulu Square of Dedication and Housing project, the Bara Taxi and Bus Facility, the Soweto Empowerment Zone, and the R1 billion Orlando Ekhaya project.
- In Alexandra the impact has been on the Alexandra Renewal Projects (ARP), improved roads, bridges, public ablutions, the stabilisation of the Jukskei River bank, improvement of storm water drains, increased electricity accessibility and improved housing, primary health and libraries.
- Additional work has been done in areas like Doornkop, Greater Ivory Park, Orange Farm, and Diepsloot. All of these are areas, which still require significant attention in terms of both service provision and economic development.

Over the years, extensive capital investment initiatives have been made:

- Bulk water and bulk sanitation services;
- Improvements of primary health care facilities;
- Development and upgrading of sport and recreation facilities;
- Development of new parks and open spaces;
- Upgrading of the roads and storm-water network;
- Implementation of the electrical master plan.

There is a need to ensure greater effort at addressing urban management and turning dormitory townships like Soweto, Alexandra, Diepsloot, Orange Farm, Eldorado Park and other similar areas into viable sustainable settlements.

Our intention is to establish a clear structure of urban nodes well integrated with movement systems in the City, with an emphasis on new economic nodes in disadvantaged areas and by promoting densification in strategic locations as per the Spatial Development Framework (SDF) and Regional Spatial Development Framework (RSDFs).

BUILDING SUSTAINABLE HUMAN SETTLEMENTS

It is important to state that the population of Johannesburg is currently growing at a rate of between three and four percent every year. According to estimates, the number of people living in the City will grow by about 3, 7 million people in the next 25 years. This is not an experience which is unique to the City of Johannesburg. More and more people across the globe, especially in developing countries, are moving to and settling in urban centres in ever-greater numbers.

These figures illustrate, in part, some of the challenges facing the City of Johannesburg in its effort to provide housing and other services.

In Johannesburg we have set ourselves the objective of building 100 000 houses over five years. In the first three years of the Mayoral Term just over 56 000 units have been built.

This City has also embarked on a mixed income-housing development programme. This is in line with both the national and provincial government policies that seek to ensure integrated and inclusive human settlements.

Madam Speaker, to be able to achieve our target of 100 000 approximately 40 000 housing units must be built in the current and next financial year. The housing delivery trend over the past two years has been in the region of 20 000 units per year. This is impressive given that only a few years ago, in the year 2004, top structure delivery in Johannesburg was a mere 2 500 units and that the total public sector housing delivery in Johannesburg from 1994 to 2004 was just under 60 000 housing units.

It is important to indicate that the delivery momentum of 20 000 units over the next few years, given the current recession, will not be easy to attain.

According to the World Bank and International Monetary Fund, as quoted by the Minister of Human Settlement, Mr Tokyo Sexwale in his budget speech on the 30th of June 2009, "The global economy has deteriorated drastically. Developing countries face especially serious consequences as the financial economic crisis turns into a human and development calamity".

In addition, the Minister said, "in the housing and human settlement sector, we are already feeling the impact of the recession on the property market, building materials, and access to housing finance".

The City is, however, looking at how to minimise the negative impact of the global

economic meltdown by reprioritising its own programmes and focusing on key service delivery initiatives.

In an environment of financial uncertainties the accreditation of municipalities to undertake the housing function would go a long way to ensure better planning.

INFRASTRUCTURE AND SERVICES

One of the raging debates of late has been the impact of the incessant rain that led to so many of the roads in the city susceptible to flooding and potholes.

While every road that has been damaged in these rains deserves urgent attention, reality dictates that we have to start and prioritise our major corridors due to the vehicular and pedestrian traffic in such areas while further keeping an eye in our preparations for the World Cup

Although, the City has a mandate to deliver services to all its citizens, it also has a responsibility to manage wasteful consumption of these resources. The outages and load shedding experienced in the past two (2) years has had an impact on how the sector and the stakeholders looks at energy. The ongoing search for appropriate strategies ranging from our national needs to global warming are more than just topical questions.

The fact that South Africa is a water scarce country, the need to take extra ordinary measures to conserve water is dawning and becoming apparent to many.

INTRODUCTION - WATER AND SANITATION

Madam Speaker, we continue with our project of prepayment metres of reducing unaccounted for water. In addition, we continue to upgrade network infrastructure, fix domestic leaks, install prepayment metres and educate customers about use of water.

To ensure the efficient and effective provision of water and sanitation services the entity focused on infrastructure development, access to services, maintenance of water quality and water conservation.

WATER

Due to population growth and an increase in water consumption, water infrastructure upgrade programmes were undertaken. Between July 2006 and December 2009 an amount of R270 million was spent on water infrastructure upgrade.

A condition assessment (frequency rate of water bursts and service interruptions) of the water infrastructure was carried out and an infrastructure rehabilitation programme was implemented. The programme entailed the replacement of aging infrastructure. An amount of R185 million was spent between July 2006 and December 2009. The programme focussed on areas with a high frequency rate of water bursts and service interruptions. Six suburbs were identified in Soweto (Tladi, Zola, Orlando West, Emndeni, Jabulani and Mofolo South). Two reservoirs at a cost of R3 million were upgraded in Orange Farm. Water and Sewer connections in Orange Farm Ext 3 & 4 were completed. The rolling out of infrastructure and sewer connections in Ext 6 and other areas has begun.

WATER CONSERVATION

South Africa is a semi-arid country with an annual average rainfall of 464mm compared to

the world's average of 857mm. This is far below a reasonable level. The current annual water demand is 493 000 mega litres and historically the annual demand growth is 3.93%. Thus at this growth the annual demand in 10 years time would be 724 000 mega litres per annum and Rand Water can only supply approximately 500 000 currently and the allocation in ten years will be less than 600 000 mega litres per annum.

The entity has to contribute a saving of at least 90 000 mega litres over a period of ten years (2007 - 2017) in order to avert a water crisis by the year 2014. In the first two quarters of 2009/10 financial year, the water demand was reduced by 15 323 mega litres through a demand side management programme, which focused on encouraging behavioural change through communication. Failure to embark on a demand side management programme will lead to an even worse scenario and at even bigger costs.

WATER QUALITY

Johannesburg Water continues to supply water of the highest quality. The entity was awarded a Blue Drop Certificate by DWA for exceeding water quality compliance requirements and a Green Drop Certificate for excellence in the management of effluent in the wastewater treatment works.

UNACCOUNTED FOR WATER

Unaccounted for water still poses a challenge and with the favourable ruling of the constitutional court and the planned rollout of the water conservation and demand side management programmes the challenge will be addressed.

SANITATION

As a result of an increase in demand for sanitation services an amount of R495 million was spent between July 2006 and December 2009 as part of the sewer infrastructure upgrade programme in bulk wastewater and sewer network. The programme was rolled out in 19 suburbs with special focus on Stretford Ext 9 & 10, Kaalfontein, Ivory Park, Diepsloot and six suburbs in Soweto.

An amount of R242 million was spent between July 2006 and December 2009 on infrastructure rehabilitation for sewer network and wastewater treatment works. The rollout of access to basic services programmes saw the provision of access to water services to 26178 households translating to a coverage figure of 97%. Within the same period 28706 households were provided with access to basic sanitation translating to a coverage figure of 91%. Over and above the Universal provision of 6 kilo litres of free basic water per household per month, the provision of free basic water to registered indigents was implemented and ranges between 10 and 15 kilo litres per household per month.

Going forward emphasis will be on the development of a comprehensive asset management plan and the sourcing of adequate funding to address the ageing infrastructure.

ELECTRICITY

GENERATION - SUPPLY AND DEMAND

The fact that Eskom Generation Supply Capacity is not matching the ever growing demand is a challenge, and the fact that it takes many years to build a power station; means we have no option but to improve our demand management strategies. This means all existing users of electricity must reduce their consumption and it also means that all new development

must be energy efficient and have alternative sources of energy such as solar. We must be forward looking in our approach.

SUPPLY BY ESKOM AND CITY POWER

In the jurisdiction of the City of Johannesburg, the City is a service authority which has got two electricity service providers, namely City Power and Eskom. City Power is a Municipal Owned Entity, supplying 301,785 customers with electricity of which 81,988 total customers benefit from the Free Basic Electricity costing R37 million annually. Eskom supplies about 220,000 customers in Soweto, Orange Farm and surrounding areas, Sandton and Midrand, and 72,354 of these customers benefit from Free Basic Electricity costing R25 million annually.

ELECTRIFICATION

Since 2005, City Power has electrified 59,000 houses in the City of Johannesburg. The 2009/10 year-to-date electrification program has seen 1,836 connections been done and a total of 3,000 would have been electrified by year-end.

The following areas benefited from electrification programs; Alexandra Far East Bank Ext 7 and Ext 9, Alexandra Proper, Mountain View, Lehae and Nancefield Lifateng Hostel.

PUBLIC LIGHTING

As part of its contribution to the safety of its customers and the beautification of the City, City Power has rolled-out 184,264 public lights within Johannesburg, to-date. A total of 4,000 new public lights would be installed by the end of this financial year; and these would be in the following areas; Braamfischerville, Drieziek, Finetown, Ivory Park, Kaalfontein, Kleeve Hill-Petervale, Lonehill, Morningside, Mountain View, Parkmore, Poortjie, Rabie Ridge and Stretford.

DEMAND SIDE MANAGEMENT PROGRAMME

Demand Side Management has to play a key role in ensuring that our city does not experience incidents such as load shedding. It is therefore a great pleasure to announce that City Power and Eskom have embarked on a roll out of CFL's (Compact Fluorescent Lights) within Johannesburg. This initiative will ensure that 2,6 million high energy consuming traditional globes are replaced with 2,6 million energy efficient CFL bulbs. The project has commenced and will be completed by April/May 2010. This initiative will ensure that our customers consume less energy and therefore save money which they can use for other needs. Most importantly, this will ensure that less coal is used by our power stations and therefore help reduce the negative impact of environmental pollution.

City Power and the Department of Energy are busy with another programme which will ensure that 39,168 public lighting fittings are replaced with 39,168 energy efficient ones. This program will cost R21,9m and will reduce our public lighting consumption by 6.8MW and the program will be completed by April 2010. This intervention will ensure that the city makes some contribution to the reduction of carbon emissions.

PRE-PAYMENT METERS

City Power will continue to install automated prepayment meters since these have proven to be good tools on helping customers manage their demand.

Whilst all the mentioned DSM programs are in progress, City Power will continue to use the

existing geyser ripple controls and diesel generators to mitigate load shedding.

CAPITAL INVESTMENT

In the past 5 years, City Power has spent more than R4,8 billion of capital investment into its network infrastructure. The capital program included:

- Infrastructure upgrading
- Infrastructure refurbishment
- Infrastructure expansion to connect new customers
- Prepayment metering to improve the City's Financial Sustainability
- Demand side management
- Electrification
- Public lighting

These programs have led to huge reduction of unplanned outages, it is therefore important that City Power continues to spend its allocated capital investments to continue eliminating unplanned outages.

REPAIRS AND MAINTENANCE

City Power has also improved its maintenance of the network by moving from reactive to condition monitoring (proactive maintenance) asset management. This has ensured that staff and public safety has improved.

NERSA AND ESKOM TARIFFS

The National Energy Regulator of South Africa (NERSA) has recently approved Eskom tariffs of 25% for the next three years. This is four times higher than the rate of inflation. The pressures brought by such price hikes determine that we focus more on demand side management and alternative energy sources.

We remain concerned about the negative impact that this will have on communities, industry and the poor.

CHALLENGES

City Power is currently dealing with challenges such as:-

- Theft of electricity
- Theft of cables
- Theft of equipment
- Vandalizing of equipment

Recent arrests are encouraging. We are seriously disturbed by the seeming inability of the state to categorise this type of crime as economic sabotage. We intend lobbying the various spheres of government and legislatures to have a review of this situation.

FUTURE INITIATIVES

Future initiatives to save electricity and reduce global warming includes:-

- Solar Water Heaters, for all
- Solar Traffic Lights
- Solar Public Lights

- Wind Energy
- Customer Education

REMOVAL AND MANAGEMENT OF WASTE

Madam Speaker, we continue to deepen our Clean City Campaign. We continue to enhance the City's efforts through Pikitup to create a clean environment, in which people would like to live, work, play and do business. This includes the introduction of the underground bins project.

Refuse collection services continues to improve, however, the Inner City remains a challenge even though the collection is on an hourly basis.

The total waste disposed of at landfills by Pikitup amounts to approximately 1,5 million tons per annum. This combined with the green and dry waste diverted from the landfills amounts to approximately 1,6 million tons of waste handled by Pikitup on an annual basis.

On a weekly basis Pikitup services 709,846 customers in terms of refuse round collections. A further 185,738 informal settlement units are serviced daily or a minimum of three times per week. Pikitup also services 14,822 business customers

Of the total waste collected by Pikitup 281,705 tons are collected from illegal dumping spots and a total of 81,353 tons is collected from informal settlements.

Joburg's objective of cleaning the City, seven days a week, 24 hours of the day and 365 days a year continues to guide the efforts of Pikitup in the provision of effective and efficient waste management services to the City of Johannesburg.

In terms of the five-year plan, it is envisaged that illegal dumping will be reduced by 30%; as well as the reduction in waste to landfills to meet the objectives of the Polokwane Declaration. Pikitup further intends to sustain Inner City cleanliness levels.

The introduction of new technologies such as the underground bins and separation at source initiatives will assist in reducing waste. The landfill gas to energy project should result in the successful generation of electricity.

The challenges in the area of waste management are illegal dumping, littering, introducing new technologies and demand-side management initiatives such as recycling.

Achieving the targets of the Polokwane Declaration of zero waste to landfills by 2020 is one of our intergovernmental co-operation initiatives.

INTEGRATED TRANSPORT SYSTEM

BUS RAPID TRANSPORT - REA VAYA

Madam Speaker, please allow me to acknowledge the role played by the taxi industry, especially the Taxi Steering Committee, for making a sterling contribution to modernise and advance public transport through BRT Rea Vaya which continues to be a beacon of hope on the work we are doing on transport.

Rea Vaya is the product of an exhaustive process of public consultation and negotiations. We salute and appreciate the credible manner in which the Negotiation Facilitation Team continues to carry out its work.

We have reached a remarkable degree of consensus on all aspects of BRT including the routes the new buses will be travelling and the participation of the taxi industry, both owners and drivers. This is not to suggest that difficulties have not arisen and that all has been smooth sailing. We have and we will continue to grapple with all the complex challenges. We remain optimistic that we will achieve all that we have set out to do.

I would like to take this opportunity to appeal to the industry to consolidate on progress made thus far. I appeal especially to the few that are still outside the BRT process not to victimise and harass those individuals who are part of the BRT process. The doors of the city remain open. Let us all enter the negotiation process. Negotiations are about reconciling different view points. Let us make compromises, not for its own sake, but to ensure the improvement of the quality of life of all our people. The taxi industry has recognised the significant economic opportunities that arise from Rea Vaya including ownership/shareholding, the driving of vehicles and maintenance. They have been valued partners in the new network from the outset.

Since the implementation of Rea Vaya, passenger trips on the trunk route service reflected steady growth, averaging 16 000 to 16 500 trips per day during October and November, while the December trips exceeded normal bus business trends over the festive season.

Madam Speaker, in the next six (6) months, we would have introduced phase 1A of the Rea Vaya BRT services including feeder and complementary routes within Soweto and the Inner City with a target patronage of 69 000 trips per day.

We are confident that we will successfully provide a world class public transport service for the spectators for the 2010 FIFA World Cup - through the provision of Park and Rides and Park and Walk. During the Confederation Cup, we successfully transported an average of 20 000 spectators per match through Park and Rides.

Madam Speaker, we say, in many ways the Rea Vaya BRT journey is only beginning. The City and our partners will continue to extend Rea Vaya and create a broader integrated transport system that will be second to none in the world. This includes integration with the Gautrain and other bus systems, as well as upgrading the rail system, and taxi ranks.

Our doors remain open and we welcome input from all stakeholders, ranging from Taxi Associations, commuter organisations and communities.

Those elements who are trying to derail the process through intimidation or threats of violence will meet with the full force of the law. We will not allow anarchy to derail a public transport system that is so vital for the future of Johannesburg and its residents.

There are those who continue to say that we should provide leadership through a soapbox approach. Nothing can be so short sighted and folly. Such a foolish idea does not even deserve a consideration.

PUBLIC SAFETY

JOHANNESBURG METRO POLICE

Madam Speaker, JMPD continues to work closely with the SAPS and other critical stakeholders to reduce incidents of crime. It has re-deployed 130 officers to conduct block and visible patrols in the Inner City, ensured JMPD visibility in identified parks, shopping malls and pension pay points; conduct daily roadside checkpoints across the City and maintain an average response time of 15 minutes to incidences of reported crime.

The capacity to enforce by-laws has been increased, thus ensuring adequate by-law enforcement within the Inner City in particular.

Road fatalities were reduced by 24% compared to the same period last year. Pedestrian fatalities were the highest incidents, comprising 60% of all

In 2009, we launched the Alcohol Evidence Test Centre. Johannesburg's drive to make our City's roads safer for residents and visitors is being intensified. As our experience in law enforcement grows JMPD is increasingly making use of state-of-the-art technology to support their daily vigilance against those who break the law.

Perceptions about safety and crime remain negative. This City will take vigorous action against those who are involved in criminal activities. Madam Speaker, please let me commend JMPD and City Power for arresting employees of the City for stealing electrical cables. We would like to encourage the courts to deny these evil doers bail and to let them face the full might of the law. We intend lobbying both national and provincial government to adopt a strong attitude on this matter.

We have expressed outrage at the weekend attack on two paramedics who responded to an emergency call in the Durban Deep area.

We are deeply concerned that the two women were attacked by thugs while attending to an injured toddler.

This is the work of criminals with no concern for human lives or the important role that emergency personnel play in caring for the community.

The City will work closely with law enforcement agencies to ensure that the perpetrators are apprehended and punished.

The City has ensured that the victims of the attack received quality medical treatment and appropriate counselling.

We would also like to express our sincere appreciation to the City's emergency workers who have to perform their duties, often under very dire circumstances.

We have a world class Emergency Services as again displayed recently when Johannesburg members played a prominent role in the search for and treatment of survivors of the Haiti earthquake. Let us build on this.

The level of crime in our country is unacceptable. One (1) death is one death too many.

So together, let us fight crime. Let us not be ambiguous on this point.

EMERGENCY SERVICE DROWNINGS

In the last year, more than 30 children and adults have died in the City's rivers and private pools. Through the KARABO GWALA Safety Campaign (water safety, basic swimming and basic first aid) EMS reached 31895 children and over 5000 adults (domestic helpers, stay home parents) who received training on basic water safety, basic swimming and basic first aid.

The City has invested in pedestrian bridges in areas identified as high risks to cross on foot. These are in Ivory Park (2) and Randburg. Since the erection of these bridges no drowning has been reported in these areas.

It is however worrying that there is a growing number of drowning incidents whilst conducting baptisms and other cultural ritual. We wish to caution against water dangers. Particularly after rains, the Joburg rivers can turn into raging death traps. We will continue to engage various stakeholders (civil society- cultural and religious groups) to map out safe solutions.

REDUCTION OF FIRES

Fire incidents have been reduced by more than 21.8%. More than 5000 buildings (majority in the Inner City) have been inspected for By-law and safety compliance. Those that did not comply were prosecuted. We note that there has been a more than 10% improvement in building safety compliance which has contributed in the reduction of fire incidents.

Fire prevention and safe energy initiatives, such as Operation Uzungashi, Jozi Safety Kit and Juvenile Fire programmes, have been rolled out in high risk informal settlements. These will be intensified during the winter period, when there are greater risks of fire.

2010 DISASTER MANAGEMENT PLANNING

The City has launched the Spectator Safety Programme. This programme addresses spectator issues to avoid disasters. In addition to community awareness programmes, the City has partnered with the LOC and PSL to make Stadia DVDs. For the first time before every game, DVDs showing emergency exits, assembly points as well as how to avoid stampedes will be shown. This project has been launched at Orlando stadium and will be rolled out to Soccer City and the other stadia. This initiative will go a long way in preventing a repeat of the Ellis Park disaster.

In addition, Madam Speaker, the City has invested an additional R12 million to get the Joint Command Centre ready for any eventuality during the World Cup spectacular. This facility will be fully operational and will include multidisciplinary teams to be deployed at the centre and in every venue operating centre as well as on the ground. Mobile command vehicles (with cameras) will be deployed to ensure that any major security risk is attended to.

NEW AMBULANCES AND RESPONSE CARS

The City has acquired 48 new ambulances (20 Province, 28 City). This is in addition to newly acquired fire engines, diving and rescue equipment. We will acquire an additional 14 new ambulances. This will bring the total number of ambulances available in the City to 109. This investment is aimed at improving the response times of ambulance services in particular which has continued to be a challenge in some parts of the City.

ENVIRONMENTAL MANAGEMENT

The average compliance levels of most flagship projects, such as the Alexandra Renewal Project, Cosmo City and Gautrain, with environmental requirements, have improved, reaching above 80% compliance.

Waste minimisation is progressing well, with approximately 2.2% of waste diverted away from landfill sites (recycled). However, it still remains a challenge as the City generates approximately 1,8 tonnes of waste a year while at the same time approaching fast the end of available landfill space for disposing of our waste.

Madam Speaker, our greening project is on schedule, our commitment of the 2010 legacy project is that we will plant 200 000 trees by June 2010. I am proud to announce that to date we have planted about 175 000 and we will meet our deadline of 200 000.

The rehabilitation of wetlands and impoundments within the City to reinstate them to their ecological use still remain a challenge particularly that of Bruma Lake, Lakeside and Orange Farm impoundments.

CORPORATE AND SHARED SERVICES

- We continue to strive towards meeting the Employment Equity ratios.
- The need to ensure Gender mainstreaming remains critical.
- All direct reports to the City Manager (93) senior managers have undergone Labour Relations Training Programme, this programme is ongoing.
- A public convenience facility was officially opened in Lenasia, while the Chiawelo facility is 65% complete. Work is underway in preparation for the construction of 2 other facilities at Orange Farm and Swazi Inn.
- Mayoral Committee approved the establishment of a Talent Management and Retention Forum for senior management.
- During the 2009/2010 financial year, the City heard and finalised twenty (20) labour relations disputes and four (4) of those were decided in favour of the applicant and sixteen (16) on behalf of the City. This represents 80% success rate.
- An audit revealed that the City's buildings are accessible to people with disability and that there are no life threatening conditions that exist.
- The City's Employment Equity Charter was approved even though the implementation still remains a challenge.

HEALTH

Madam Speaker, the City is committed to keep on strengthening the Primary Health Care service. 80% of the City's health facilities now provide chronic care.

In our continual efforts to combat the challenges around HIV and AIDS, we activated three (3) new sites between July and December 2009, which provide antiretroviral treatment. The City's ward based Jozi Ihlomile Programme is now running in 24 informal settlements across the City and has employed 480 volunteers on a fulltime basis. Through this programme we reached 481 00 households.

The City's TB Cure Rate is continuing to improve, it now stands at 76,8% from 74% in 2007 and 54% in 2003. In 2009, the City embarked on the Mass Emergency Measles Immunisation Campaign targeted at 9 months old to 20 year olds and it reached 974 960 children. The City will embark on a Mass Immunization Campaign of Polio from 0-59 months and Measles 9 to 179 old months children in April 2010.

Madam Speaker, we have been able to extend clinic service hours from early in the morning until 06pm and we also offer Saturday morning service.

We will also appoint additional nurses, doctors and environmental health practitioners in the next financial year, 2009/2010.

The public awareness programmes on dumping and waste management, as measures to control rodents infestation remains a challenge, however, we will upscale it. Vector control blitzes will be conducted at 436 identified hotspots areas.

ECONOMIC DEVELOPMENT

Madam Speaker, following the deepest global downturn since the great depression of the early 1930s, global recovery is off to a better start. Latest economic data shows that not only is the global economy officially out of the recession, but the recovery is likely to be slow and painful.

In the last six (6) months we were able to do the following:

- Created 23,000 jobs through the Expanded Public Works Programme using our Capex projects.
- Attracted projects to the value of R1, 456 billion into the inner City through the Urban Development Zone (UDZ) Tax Incentive.
 - Some of the projects completed are the Turbine Square, Southpoint Mansions and the Johannesburg Land Company.
- Launched the Freedom song musical CD and book as part of supporting ex-combatants to participate in economic development activities. The book depicts the history of the armed struggle during the Apartheid Era.
- Through the Recognition of Prior Learning (RPL) process, 521 candidates were declared competent and awarded certificates across 13 trades (for example, bricklaying, plumbing, welding, mechanical fitting, boiler-making, tiling, painting, paving, electrifying etc)
- The Department facilitated the hosting of the Joburg Shopping Festival, of which 21 shopping nodes and centres, and over 600 major retailers participated in the festival.

And seven Airlines offered special fares for passengers into Joburg for the whole month of September 2009.

- Further to the launch of the Young Entrepreneurship Policy and Strategic Framework, the Department co-hosted the Alexandra High School Business Plans Competition with the Grey Hat Foundation and the Entrepreneurship Conference with the Development Bank of Southern Africa (DBSA).
- Upgraded 1 Techno-Hub in Orange Farm and provided training to 100 people from the community and simultaneously benefited 15 local SMMEs
- We will continue to promote the Urban Development Zone (UDZ) in order to attract an additional R500m investment into the Inner City.
- We will provide 2,000 micro-enterprises with funding to support their income-generation activities through Dirang Ba Bohle (DBB) Community Bank.

COMMUNITY DEVELOPMENT EXPANDED SOCIAL PACKAGE (ESP)

Madam Speaker, our Expanded Social Package Capacity is underway. Capacity to register the eligible population for the Expanded Social Package will be enhanced to accelerate registration towards achievement of the 500 000 target.

The basket of support services, including social grants, food, health, educational, life skills, sports & recreation support, benefited more than 13 000 orphans in the City, as well as 226 Child-Headed Households, with performance outcomes above expected targets.

The Displaced Persons Programme resulted in 81 children being removed from the streets, assessed and referred to places of safety or reunited with their families.

Africa History Week, the African Literary Development Programme and Joburg Carnival afforded us an opportunity to promote tolerance for migrants and to combat anti-xenophobic tendencies.

Beyond registration of 36 companies owned by people with disabilities, the City provided training and procurement opportunities to assist these companies to access opportunities within the City's services.

The women development strategy has seen more than 200 women registered on the Entrepreneurship Development Programme, linking them to business support and mentorship programmes.

We will continue to implement the Youth Development Strategy. We will enrich it further by practically supporting and reinforcing efforts of national service youth programme and the new National Youth Development Agency. Part of this focus is on employment creation, skills development opportunities and building decent work opportunities for young people. In addition, we will engage in various programmes aimed at mobilising young people and empowering them with life skills. We will ensure that young people are meaningfully preoccupied with social, cultural and other related activities.

MIGRATION MIGRANT HELP DESKS

The Migrant Help Desk was launched on 17 April 2007. The services continue to be offered to walk in clients in the Migrant Help Desk. The inner city desk services the majority of the walk in clients and those in the other regions in the main undertake outreach programmes prioritising communities where there is a large presence of migrant communities.

JOBURG MIGRATION ADVISORY COMMITTEE

The Joburg Migrant Advisory Committee was launched on 06 October 2009.

The launch of the Joburg Migration Advisory Committee (JMAC) headed by the Executive Mayor marked a significant milestone in the city's efforts to address the challenges of migration. A plan of action to guide the JMAC activities has been developed.

REBUILDING COMMUNITY RELATIONS

The efforts of rebuilding community relations after the xenophobic attacks almost two years ago are ongoing with the special focus on young people through the Afrika History Week Programme. The programme uses debates and poetry as a mechanism to get young people to share and build their understanding of migration challenges. These efforts in this financial year are predominantly targeting Alexandra, Diepsloot, Ivory Park, Inner City and Soweto.

The city's initiative to work with young people continues through the African Literacy Programme in various schools, indigenous Reading Programme and book discussions at the African Bookshop. In May the annual Africa Day Celebration will bring together various communities in Joburg in one of the most visible city initiatives affirming the efforts of integrating migrants into community life.

COMMUNITY DIALOGUES

The community dialogues facilitated in partnership with the Department of Home Affairs, South African Human Rights, United Nations High Commission for Refugees, labour, religious organisations and other stakeholders have been facilitated in all the administrative city regions. The main focus has been on human rights.

The next phase of the process of dialogues would be to get communities to identify local initiatives and ensure that we develop early warning mechanisms of xenophobic attacks.

EMPOWERING CITY PERSONNEL

The training of city staff to improve the service to migrants continues with special emphasis on the rights and legislative framework governing the refugees and asylum seekers. In recognition of the growing problem of human trafficking in partnership with the International Organisation for Migration the city will train 100 staff members drawn from JMPD, Community Development, Health and EMS

MUNICIPAL INTERNATIONAL RELATIONS AND INNOVATION AND KNOWLEDGE EXCHANGE

Madam Speaker the City of Johannesburg places a very high premium on cultivating and deepening its relationship with other cities, towns and municipalities.

Joburg has signed Memoranda of Understanding (MOUs) and sister city agreements with many local governments. These range from Addis Ababa, Windhoek, New York, London and Birmingham. In addition, we have also signed an agreement with Ho Chi Minh City in Vietnam, Shanghai in the People's Republic of China and St Petersburg in Russia.

At least twice a year we convene a meeting with all members of the diplomatic corps located in Johannesburg to share experiences and exchange ideas.

Over the last year the City continued to host various municipalities on knowledge exchange programmes. This is part of promoting and encouraging exchange of information, experiences and best practices on local government. The aim is not to copy what others do but to adapt good ideas to our own specific reality.

Municipalities that have visited the City as part of these knowledge exchange programmes include, amongst others, the City of eThekweni from KwaZulu Natal, Manguang Local Municipality from the Free State, Mbombela Local Municipality and Nkangala District Municipality from Mpumalanga Province, to name just a few

LEGAL AND COURT CASES

Madam Speaker, during the past year, the City achieved significant success in some major litigation. In the case of Mazibuko v COJ and Others, the so-called "Phiri pre-paid water meter case", the Constitutional Court in all respects found in favour of the City and Joburg Water. The Court found that:

- pre-paid water meters are not unconstitutional or unlawful,
- that the City's expanded social package policy was not unconstitutional,
- and that the free water allocation as provided by the City and Joburg Water was sufficient.

We won a court case challenge brought by some Thembelihle residents supported by the APF. One of the issues that the court had to look into was whether in fact the land was dolomitic. The court ruled in favour of the city

Lastly, the City and the Gauteng Province have joined forces to obtain certainty about the applicability of the Development Facilitation Act (DFA). The case was heard by the High Court and the Supreme Court of Appeals, who found that certain chapters of the Development Facilitation Act were unconstitutional. The Constitutional Court heard the matter on 24 February 2010, and the judgment is currently awaited. This will bring certainty to government institutions and private developers alike.

AWARDS AND ACCOLADES

Madam Speaker, please let me briefly share some of the City's efforts and achievements that have been recognised and appreciated by other role players.

- National Vuna Awards in 2006/07 and 2007/08 respectively as well as the Provincial Vuna Award 2007/08;
- Best Metro Award in the country - 2007;
- The Bontle ke Botho Councilor Achievement;
- Employer of Choice Award - 2008;
- Best Performing of the 4 district declared as TB Crisis areas in South Africa - 2008;
- Gauteng Health and Social Development - second best performing district in Gauteng - 2009
- Best Youth EPWP Development Programme - 2009
- National Alfred Nzo Award on Research on Air Pollution - 2007
- National Alfred Nzo Award on Research on Vector Control: Rat Bite Incidents - 2008;
- National Alfred Nzo Award on Research on Health Hazards caused by improper labeling of food - 2009;
- FULCONS Award : Soccer City - 2008 Unique design aspects, Building projects and Concrete in Architecture (for excellent and innovative use of concrete;
- Best World Project - Soccer City Category A winner - 2007;
- LivCom for outstanding achievement in planning for the future -2008;
- June 16 Trail : Mail and Guardian Awards;
- Rea Vaya: Honourable Mention at ITDP Award - 2010 in Washington;
- Star- Readers Choice for Best Bus Service;
- Gold Status Award from the Heritage Environmental Management Company;
- Gold Award for the Extreme Park Makeover in Diepkloof at the LivCom Awards in China;
- Skills Development Good Practices Award;
- Best EPWP Programmes;
- Constitutional Court- Award of Merit SAIA : The South African Institute of Architects -September 2006;
- Joburg Market CEO voted MTN Boss of the Year;
- Joburg Market voted in the Top 10 Best Employers by CRF Research Company
- City Power has achieved ISO Safety and Environmental Accreditation
- City Power Training centres are e-Seta (Energy Sector Education and Training Authority) accredited
- City Power Managing Director was voted Africa Utility CEO of the Year 2009.

These accolades continue to encourage us to work even harder.

2010 FIFA WORLD CUP

Madam Speaker, as I have stated before, we are ninety one (91) days away from the 2010 FIFA World Cup. As a City, we are constantly receiving favourable feedback from FIFA, the Local Organising Committee (LOC) and national government on our state of readiness.

The opening and closing ceremonies will be held here in Joburg. The opening game and the finals will be played here. Now we know Johannesburg will host 15 games.

In order to comply with the FIFA regulations the 2010 stadiums have undergone extensive upgrade and construction. Soccer City and Ellis Park Stadiums have been identified as

venues for the 2010 FIFA World Cup. Furthermore, Orlando, Dobsonville, Rand and Ruimsig stadiums have been identified as training venues.

Madam Speaker, let me reiterate that, we are on track and ready to host the World Cup. We are confident that everything will go well. Together we will deliver the best-ever World Cup experience and leave a lasting legacy for the people of Africa, South Africa, Gauteng and Johannesburg.

Let us all go out there to support our team Bafana Bafana and enjoy the beautiful game.

CONCLUSION

Madam Speaker please allow me, on behalf of all citizens of Johannesburg, to extend a word of appreciation to all the councillors present and past who have made a great contribution to all that has been achieved in the City of Johannesburg. The achievements made are part of the collective effort; this includes the administrative executive (senior managers), the political executive teams, the workers and all officials. Every contribution is greatly appreciated. Let us note Madiba's words: "every summit that we climb leads to a realisation that there are many more summits yet to ascend."

Madam Speaker, let us stand by our people at all times, deepen service delivery, intervene to promote economic development and advance democracy.

We remain accountable to the people. We seek to serve them and ensure that they play an important role in the struggle to improve the quality of life of all our people.

We are mindful of the challenges that still confront us - but we are equally excited and inspired by the opportunities that wait upon us in this vibrant and energetic City.

Thank you