



CITY OF JOHANNESBURG
METROPOLITAN MUNICIPALITY

OFFICE OF THE SPEAKER

City of Johannesburg Budget Speech 22/23 - 24/25
25 May 2022
Cllr Julie Suddaby, MMC for Finance

Speaker of Council, Cllr Vasco da Gama;
The Executive Mayor, Cllr Mpho Phalatse;
Chief Whip of Council, Cllr Tyrell Meyers;
Chair of Chairs, Cllr Colleen Makhubele;
Members of the Mayoral Committee;
Esteemed fellow Councillors;
Leaders of Political parties;
Acting City Manager, Mr. Tiaan Ehlers;
Members of the media;
Distinguished guests; and
And most importantly, those whom we have been elected to serve: the
Residents of the City of Johannesburg.

Good morning.

Honourable Speaker, before continuing I would like to extend my sincere condolences to the African National Congress Caucus and the loved ones of late Cllr Mpho Moerane. It has been a difficult start to this new term, we have buried 3 councillors. And it has been a difficult season for the ANC: they have buried 2 mayors and a former mayor in less than 12 months. Cllr Mpho Moerane was a dedicated councillor, a devoted son, a loving husband, and a doting father. He will be missed by friends and colleagues of all walks of life and all political persuasions.

Today, almost 60 years ago the Organisation of African Unity, the precursor to the African Union, was founded. The AU, a liberation movement, has not only invested in freeing the African people, but has also stood for unity amongst all on the continent. The AU has been a catalyst for great change and we honour those who have committed themselves to this worthy and indeed necessary cause. We must always endeavour to celebrate the progress made, but we must never be content. Successes include enhancement of African

agency on the world stage, socialisation of the majority of the African political class to accept democracy and liberal values as the foundation for international cooperation in Africa.

Speaker, it is indeed an honour to deliver the Multi-Party Government's maiden budget speech today.

In the Local government elections on the 1st of November 2021 the residents of Johannesburg again did not give **any single political party** a clear mandate to govern. This council is made up of 18 political parties – a testimony to a robust democracy, but also an indictment on governments gone before. We cannot govern without each other. Coalition politics are our reality for the foreseeable future. This presents us with an opportunity to deepen democracy and strengthen a culture of collaborative politics and governance.

This Multi-Party Government was established on the 14th of December 2021. In January 2022, we launched our Golden Start.

The Golden Start committed to immediate and visible service delivery based on the Multi Party Government's 7 mayoral priorities. To prove to you, our residents, that this is not a glibly chanted wish list, but a framework to govern and guide every decision that is made and every rand that is spent, those 7 mayoral priorities are:

1. A city that gets the basics right
2. A safe and secure city
3. A caring city
4. A business-friendly city
5. An inclusive city
6. A well-run city
7. A smart city

In the process of delivering on the commitments made at the launch of our Golden Start, the Mayor and the Members of the Mayoral Committee discovered how broken our City is.

Sadly, the residents of Johannesburg have become hopeless in their discontent. This ought never to be. When I look at the state of the City, I consciously consider our children and the environment we have created for them.

It should not be considered normal for toddlers to be left alone in their homes while their parents are forced to travel great distances to go to or look for work.

It should not be considered normal for children to use bricks as stepping stones to cross a road flowing with raw effluent.

It should not be considered normal for young adults to feel so despondent that they do not even bother to look for work.

It should not be considered normal for breadwinners to be dependent on grants and rebates to be able to put food on the table.

It should not be considered normal for our Gogos and Tatamkhulus to have lost their dignity.

It should not be considered normal, Mister Speaker, for all of our residents to no longer dream about a better future.

Mister Speaker, our once shining City of gold, is broken.

A City of broken roads and broken promises. Broken street lights and broken traffic lights. Broken power substations and broken sewer pipes.

Our residents are not fooled by comforting clichés and catchy phrases. Social platitudes of many words saying nothing of value. The reality is that we are broken.

There is an art form where broken pottery is carefully restored by filling the cracks with gold. The repaired object unashamedly showcases its flaws, but is once again useful, and is even more precious than before. The artist's painstaking work not only shows care, but also a hope that what was once broken can be repaired. This process is called The GOLDEN Repair.

Our goal is not to hide our breaks and imperfections. What is broken will be redeemed as we work **together**, our communities and the City, to heal the cracks that are a part of our story. In the end, our City will be even more vibrant due to this Golden Repair.

We have decided to use the basis of what we have to express resilience in the face of the challenges ahead. Restoration takes time and focus. The glue must dry and harden before it can be dusted with gold, teaching us patience as our Egoli is brought back to her glory days.

We know that all things are "destined to be broken someday," which offers us a depth of understanding, a resonance that others who haven't traveled our path may not possess. This wisdom is now ours to embrace, and I firmly believe it is something we should treasure. This Multi-Party Government is not starting over, not scrapping what was done before. Besides the fact that it would be an enormous and unforgivable waste of money, we are embracing all of our histories **together**, and building a new future **together**!

The Golden Start has taken root. This next phase where we cultivate the Golden Start, we are proud to call "the Golden Repair".

The Multi-Party Government has accepted the shared responsibility of transforming our City into a place of golden opportunity, magnificence and a place where all Johannesburg residents can thrive wherever they are in life. This budget shows our commitment to take what is broken and repair it.

Today, I am delivering the Golden Repair roadmap. As representatives of our communities we have adopted the principle of "Nothing for Us Without Us". You spoke, we heard, and we are now responding. But, residents of Johannesburg - the City cannot be repaired without you.

A society is built on an agreement – a social contract if you will. It is time for us to rethink our current agreement. For our Golden Repair to succeed, this Multi-Party Government, all politicians represented in council, all city employees and you, our residents, need to embrace a new culture. A culture of cooperation, a culture of collaboration, and a culture of mutual respect.

It is with this Golden Repair in mind that I table the 2022/2023 budget.

The challenge that we face at the start of every budgeting process is to take stock of the funds that we have available.

The Covid pandemic had an incalculable effect on our City. We are however encouraged by the signs of recovery. Sadly other global factors are now in play. The war in Ukraine has led to uncertainty that will very likely have an effect on the South African economy. Closer to home, interest rates increased last week, the fuel price will increase in June and inflation continues to rise. The result is heightened pressure on our residents' income. The City must be more strategic than ever. We need a deep understanding of the economic landscape and appreciate the investment required in operations and projects that will lead to growth and stability.

The City of Johannesburg has a population of roughly 6.2 million souls, rivaling cities such as New York, Hong Kong and London and vastly exceeding the populations of major cities like Toronto, Berlin, Sydney, Nairobi and Los Angeles. What we also have in common with Toronto, London, Hong Kong and New York, is that we live in a very unequal society.

Johannesburg has an unemployment rate of 40% and the youth unemployment rate is a devastating 55%. Our poverty rate is 52% and only 71% of households have access to electricity. We cannot develop a budget without taking these factors into account - and we believe that we have succeeded in doing so.

National Treasury has assessed the City's budget and found an excellent capital funding mix, that we are not too grant dependent, and that we are moving in the right direction on the renewal and upgrading of existing assets. Our financial governance and health was assessed as sound and our budget is funded. Added to which Moody's ratings agency upgraded our outlook to stable on the 7th of April 2022. National Treasury encourages us to continue to actively manage our expenses.

Our budget is approximately R77.3 billion. We need every Rand to fund the Golden Repair. In the 2021/2022 financial year the City struggled to attract loan funding. This was a global phenomenon. Capital markets have in recent times been risk averse particularly to investing in local government. The auditor general found that 1 in 4 municipalities in South Africa face financial ruin and irregular expenditure has reached a conservatively calculated R26bn in the past financial year.

It is important for us all to understand, given our lack of dependence on grant funding our main source of funding is the City's revenue. 100% of our operational expenditure budget is funded by our revenue. 60% of our capital budget is funded by our revenue. That revenue is the money you, our residents, pay the municipality for property rates and services delivered. This is why we need you to partner with us.

Our commitment to you our residents is to resist unfunded mandates by making sure we access every grant that is available to us as the City of Johannesburg from both National and Provincial government, and once we have received the grant funding to make sure that we utilise it fully for the projects that they are ring fenced for.

Revenue collection has increased steadily with R3.6bn collected in January, R4.1bn collected in February and R4.2bn collected in March, adding to 11.9bn which is an increase of R1.6bn over the same period in the previous financial year. I want to take a moment to thank the residents of Johannesburg for fulfilling their obligation to pay their accounts on time.

It is well known that our customers owe Johannesburg a lot of money in unpaid rates, taxes and services. Revenue owed to this City is no longer counted in millions, sadly it is now counted in billions of Rands. This government is not unsympathetic to our residents' financial situation, on the contrary we have put a comprehensive debt rehabilitation programme and **rebate structure** in place to aid those who are struggling to make ends meet.

We find ourselves caught in an unproductive cycle - residents are averse to paying their municipal accounts due to a prevailing experience of unsatisfactory service delivery. On the other hand the City is struggling to deliver satisfactory services without the required funding to do so. We have no choice but to break this cycle.

The status quo is untenable. We acknowledge that previous governments have to bear some responsibility in that they neglected to administer credit management impartially, leaving City Power and Joburg Water experiencing a decline in surpluses and cash. In January of this year this Multi-Party Government launched an intentional campaign to collect from those who are able, but unwilling to pay.

Mr. Speaker, the numbers are staggering. National and Provincial government establishments in Johannesburg owed the City close to R700 million, of which we have collected R300 million to date. Hundreds of businesses called "platinum debtors" each owe the City more than R100 000. We made all reasonable attempts to negotiate with these customers, but when they failed to respond proactively, their services were cut.

I have come to view this as a moral issue - every single government department, business or individual that is unwilling to pay, is disrespecting every single hard working ratepayer - who despite their own difficulties - is consistently paying. To those ratepayers I want to thank you again for your commitment to your City.

In an attempt to further increase revenue collection we have endeavoured to hold more open days than ever before. This has brought massive relief to customers in our regions, especially to those who do not have easy access to walk-in centres. Customers can now also receive their bills via sms making it easier to view and pay municipal accounts.

Mr. Speaker, it takes two to tango - and just as we are pleading with our residents to pay their accounts we have to improve our level of service to them. Our residents must know that their financial contributions are valued and they must be treated with respect

when dealing with the City. We must make sure that every Rand that we spend for goods and services achieves market-related value for money. An example of this taking place is that in the Development Planning department contracts have been canceled because subcontractors have not delivered on their service level agreements.

Another initiative is that over 500 frontline staff members are undergoing customer service training to better equip them to provide world-class services to our customers who call a call centre or visit a walk-in centre. We demand excellence. Our goal is to keep our query resolution teams to account and expect them to perform in terms of their service level agreements, a living document that will be constantly improved.

Our target is to have a 90% collection rate in the coming financial year - this will go a long way in repairing our City.

When coming into office I had the perception that residents were dissatisfied by rates and tariffs in general, but via the IDP process found that there are a few key areas of concern. Mainly, residents are not averse to increased tariffs, but would like to receive value for money. Sewer charges have been requested to be billed by usage as opposed to the current fixed charge. This requires a policy review and discussions with relevant stakeholders have been scheduled in June.

Lower increases were requested for the poor and to encourage investment in the Inner City. This requires area rezoning, which we will investigate in this fiscal year.

We cannot give everyone everything they have asked for, but we believe that the tariff increases are reasonable and competitive. The rates that we have control over are increased within current inflationary targets. The current CPI is 5%.

The following increase apply from 1 July 2022:

- A. Property rates will increase by 4.85%;
- B. Electricity will increase by 7.47%, which is a significant reduction of the increase in the previous financial year of 14.59%. This increase is determined by NERSA and we currently have no option but to pass it through to our customers.
- C. Water will increase by 9.75%. This increase is also a pass through cost from Rand Water.
- D. Sanitation will increase by 9.75%; and
- E. Refuse increases by 5%.

To assist our residents we have adjusted our rebate structure for pensioners.

Income levels for pensioners will be increased from the lower amount of R10 783 to R11 305 and the higher amount from R18 481 to R19 377. This amounts to an average increase of 4.85%.

The following parameters have not changed:

- A. Business ratio has been maintained at 1:2.5;
- B. Residential threshold rebate has been maintained at R350 000;
- C. Pensioner rebate threshold property value has been retained at R2 500 000;
- D. ESP property value threshold has been retained at R500 000; and
- E. The ratio for unauthorized properties will remain at 1:6.

Mayoral Priority 1: A city that gets the basics right

Over the past few months our residents have spoken to us in clear and in no uncertain terms. Over 9 000 residents attended 29 community-based planning sessions and 16 integrated development planning sessions. We received 1 912 electronic and 2 927 physical submissions. For the first time we hosted targeted stakeholder engagements with Women, People with Disabilities, Academia, Business, the Youth, the LGBTQIA+ community, Property investors and Faith Based Organisations.

The mandate was clear. In a sense an echo in different languages - we heard you:

One - Keep the lights on, Two - Keep the water running, Three - Keep our City clean, and Four - Keep our City safe. These requests speak to this Multi-Party Government's priority of being a City that gets the basics right.

Mister Speaker, I am proud to announce that this budget is a direct response to our residents' cry for help.

Our budget theme - The Golden Repair - naturally denotes a focus on repair and maintenance. Aging infrastructure that is well past its intended lifespan has caused massive losses, threats to safety and is depriving residents from benefiting from enjoyment of community and sports facilities. Rebuilding will be, in some instances necessary, but we are also allocating substantial amounts to repair existing infrastructure and facilities. We have made the following capital expenditure allocations:

- A. R1.2 billion capital expenditure on electricity infrastructure
- B. R1.1bn capital expenditure on road infrastructure
- C. R930 million capital expenditure on water supply and sewer infrastructure
- D. R89 million capital expenditure on sports and recreation facilities

Getting the basics right is a broad concept, and during this financial year we will focus on the following.

If I were to ask any resident what their main complaint was with regards to service delivery 9 out of 10 times they would mention power outages and loadshedding. Power

outages and load shedding have a boundless negative impact on our City. City services are inextricably linked to a reliable power supply. Business, and especially small business, is suffering vast losses, resulting in further job losses. Educational institutions are losing valuable study time. Unlit streets and public spaces are increasingly dangerous. The health sector cannot provide critical care, and, no less important, our home lives are constantly disrupted- food going to waste, appliances breaking and children forced to study by candlelight, to name but a few.

For the City Power turnaround strategy we are utilising both capital and operational budget - capital expenditure will amount to R1,2bn funding infrastructure upgrades and refurbishments. The operational budget for City Power is R20.5bn, of which R1.6bn is earmarked for reduction of power outages. This allocation is justified given historically low expenditure on City Power that has led to a breakdown in the City's power network.

Another major point of concern is access to clean and reliable drinking water. Section 27 of the Constitution enshrines the right to have access to water. Even though 99.5% of our residents have access to water - it is an idle boast when we take into account the reliability and quality of supply, and also the lengths that some have to go to in order to access water. It is for this reason that we have allocated R13.9bn operational budget to Joburg Water. We have set high service level standards for the entity, including 95% of water pipe bursts repaired within 48hours, 92% of sewer blockages cleared within 24 hours and 95% of water supply interruptions concluded within 12 hours of notification.

This Multi-Party Government is putting a heightened focus on keeping the city clean. The well-known broken window policy is a theory that I believe is quite apt when talking about waste management. A clean City evokes pride, whereas dirty streets, litter ridden open spaces and filthy City buildings unleash disgust and ultimately apathy. Many of our residents illogically view littering as job creation or have become so accepting of the state of our City that they do not think twice about littering or dumping illegally. We have allocated an amount of R3.5bn of operational budget to Pikitup in an effort to clean up our City. I would be remiss if I did not plead with our residents to share this responsibility.

To conclude my remarks on basic service delivery I want to share our targets for this financial year:

- A. 122km of lane roads will be resurfaced;
- B. 15km of gravel roads are to be upgraded to surface roads;
- C. 2.7km of open storm water drains will be converted to underground systems; and
- D. 1000 public lights will be installed.

Mayoral priority 2: A safe and secure City

Safety is another non-negotiable: we all crave it, it is important to a quality life and strong economic growth, and we will achieve this through dedicated partnerships, technology, and investment in our safety and emergency services. We need to be tough on crime, but even tougher on the causes of crime.

Our main focus is the following:

1. Reducing lawlessness through improved by-law and traffic enforcement;
2. Integrated and visible policing where SAPS, private sector, and community organisations collaborate;
3. We will establish an anti-land invasion unit;
4. R1.3 million operational budget has been set aside to employ 150 park rangers to make our parks safer;
5. An amount of R200 million capital expenditure is allocated to acquire 20 much needed fire engines, which will be delivered by June next year.
6. A dedicated prosecution unit will be formed and municipal courts will be revitalised, R1.1 million operational budget has been allocated to realise this.
7. We will ensure that by-laws are taken seriously and transgressors, including cable thieves and vandals are prosecuted to the fullest extent of the law;
8. Regular inspections will be conducted to crack down on illegal building and land use;
9. We aim to reclaim all public spaces; and
10. Operation Buya Mthetho's hands will be strengthened to deal with theft and asset losses.

Johannesburg is rated amongst the most violent cities in the world. Areas like Diepsloot, Kya Sands, Midrand, Lanseria, Fourways and Dainfern have become targets of crime. Streets like Kelvin street, Pretoria Road, Witkoppen, and 1st Avenue in Alex are infamous for hijackings.

Our main priority is the safety of our residents, but we should also heed the negative effect crime has on business and investor appetite. We have allocated R6.1bn in operational budget towards public safety making it the fourth largest allocation in this year's budget, clearly showing that we take crime prevention seriously and that we are fiercely dedicated to having criminals brought to book. The City will be conducting 1 200 by-law enforcement operations, 6 400 traffic enforcement operations, and 400 drug search and seizure operations. This government stands for the Rule of Law and will not compromise on enforcing it. City officials and our residents can aid us in this pursuit. We ask that you be our eyes and ears, reporting crime when you see it. We ask that you do not offer bribes and our officials not to accept them. Since coming into government we are doing everything possible to clean house. The JMPD Internal Affairs Directorate is stepping up its efforts to root out corruption within the municipal police service.

During the budgeting process we invited departments to motivate additional fund allocations over and above that that was already assigned. This process resulted in an additional R17.5 million allocation to capacitate the law enforcement unit in development planning and also an extra allocation of R50 million for the acquisition of fire engines.

On the 6 of May Marshallstown was hit by another devastating fire - affecting over 200 residents. Needless to say the City is not adequately equipped to respond rapidly. I am therefore happy to say that the City has allocated R40 million to build a new fire station in Marshallstown and we trust that, God forbid, any such incident will occur in future, emergency services will be able to instantly respond. A station does not mean much without the necessary equipment and we therefore budgeted another R10 million to acquire fire and rescue equipment.

Again, I would be remiss if I did not plead with our residents to share the responsibility in helping to prevent fires. With winter fast approaching and I plead with our residents to be extra vigilant around the use of fires and heating appliances.

Mayoral Priority 3: A caring City

A society can be judged on how it takes care of its most vulnerable such as the LGBTQIA+ community, women, children and persons with disabilities. This Multi-Party Government will make sure that there will be improved healthcare, drug recovery process programmes, support for the homeless, food security programs, and dignified old age homes. We are adopting a holistic approach to keeping communities in good health.

Mr. Speaker - I do not believe that it is necessary for me to state the massive impact that Covid-19 has had on us all. Unfortunately, this virus is not going away and as is ever the case - prevention is better than cure. In a bid to protect our residents 80% of all clinics in the City will be providing Covid vaccinations. We urge our residents to do the responsible thing and get vaccinated.

In 2016, under the leadership of our Executive Mayor, then the MMC for Health and Social Development, the City extended clinic hours - to make healthcare services accessible, especially for those who are unable to visit a clinic during working hours. We are excited to announce that we will be increasing clinics with extended hours to 47. Additionally we will be building 10 new clinics over the next 3 years - undoubtedly increasing accessibility and allowing our residents to get the care that they deserve.

To further the quality of care in our clinics we have allocated R21.5 million to fully implement the eHealth system over the medium term. This system will greatly enhance the level of service at our clinics in that patient records will be easily accessible and will reduce queues and waiting times.

In total the Multi-Party Government has allocated R1.8bn in operational budget for the health and social development votes. This allocation will increase incrementally over the medium term.

Sadly, in Johannesburg education is no longer the great equalizer, drug abuse is. Affecting young and old, the rich and the poor. Drugs have had a devastating effect on many communities, tearing families apart, exacerbating crime and sometimes leading to unnecessary and tragic deaths.

There is a great need for more facilities to deal with drug and substance abuse. Existing facilities must be improved to accommodate a more holistic approach to treatment. To

this end we have budgeted an amount of R116 million in operational budget over the next 3 years to provide impetus to the goal of a drug-free society.

This Multi-Party Government is of the intention to invest heavily in the upliftment, health, recovery, and empowerment of our residents. Apart from these salient undertakings we cannot neglect investment in the financial health of our residents.

On the 24th of February this year council approved the implementation of phase 3 of the debt rehabilitation programme. This programme aims to rehabilitate defaulting customers while bringing them back into good standing with the City. In a further attempt to assist our residents we expanded the qualifying criteria even further. To date we have written off approximately R500 million.

Mayoral Priority 4: A business-friendly City

The City of Johannesburg is well-known to be the economic hub of South Africa, contributing over 16% of the national GDP. The government can no longer be seen as an employer. Instead we must do everything possible to create an environment for positive economic growth. This will enable entrepreneurs and businesses to invest and create jobs that will grow Joburg into the City of Golden Opportunity. In the coming financial year the Government will support 14 500 SMMEs, with the expectation that if these businesses flourish, more jobs will be added to the economy.

There are various factors contributing to the creation of a business-friendly City: quicker turnaround times for development applications, a safe and reliable transport system, investment in opportunity centres, apprenticeship programmes, fair access to EPWP opportunities, the promotion of tourism, the revitalisation of central business districts and an active participation in the green economy.

To this end we have set the following targets for this financial year:

1. To facilitate investment and business to the value of R35bn.

In order for Johannesburg's economy to grow, it requires significant investment from both foreign direct investment and local investment. Additionally, to improve the ease of doing business in the City, specific interventions must be developed to facilitate and promote inward investment. In the case of Johannesburg and its current economic state it may be relatively easy to facilitate investment, but retaining investment is a challenge. The necessity of retention places another emphasis on the City's capacity to supply reliable electricity and water and also the need for after-care services.

2. To create 17 504 EPWP work opportunities.

EPWP opportunities can economically empower many disenfranchised residents, while creating another layer of basic service delivery. The youth skills development programme and the job seekers database were allocated R3.4 and R1.2 million operational budget, respectively.

As previously mentioned the unemployment rate in the City is shocking, especially among the youth. Artisanal training especially in technical fields are highly sought after and will in all probability result in a steady job. We have set a target of enrolling 200 participants in artisanal training. Measures will also be put in place to facilitate a proper exit strategy for the learners having completed the training.

3. Inner City revitalisation Programme

This programme will comprise out of several components such as the Inner City partnership fund - with a capital budget of R16 million in 2022/2021 and R78 million over the remainder of the medium term. Inner City parks development will receive a capital budget of R7 million, and revamping of Inner City informal trading stalls will receive a capital budget of R10 million.

To successfully revitalise the Inner City the road infrastructure must be drastically improved. To this end we have allocated R110 million in capital budget for the upgrade of roads.

Tourism is a relatively untapped market in Johannesburg. Our goal is to welcome 1.5 million visitors to Johannesburg in the coming financial year. To this end the City will invest R79 million operational budget in the Joburg tourism company.

To reach our target of transporting 65 000 passengers per day using Rea Vaya and Metrobus, we cannot solely focus on transport assets. The usability of the paths that buses travel is just as important. Dedicated public transport lanes and the recabbling of traffic signals will positively contribute to buses arriving, not only safely, but also on time. Road transport will receive an operational budget of R4bn and a capital budget of R519 million.

In my opening remarks I mentioned how we should not ever become accustomed to children being left at home in order for their parents to travel vast distances to look for or go to work. The Township economy must be revitalised and invigorated. To work close to where you live has many advantages; enjoyment of family life, savings on transport costs and the opportunity to uplift your community. Township industrial parks that are safe will also attract investment leading to more job opportunities. The City will also provide township development rebates of 75% for the first 2 years and 50% for the first 2 years of the industry being operational.

Mayoral Priority 5: An inclusive city

To be a truly inclusive City we need to make every corner of Joburg a place where residents have all the amenities they need to live a quality life, with access to housing and job opportunities. To achieve this priority we have allocated a capital budget of R194 million.

This priority envisions the following:

1. An increase in the delivery of housing. We will hand out 3 000 title deeds, supporting the expansion of the site and service program by developing 1 876 stands. To achieve this we have allocated operating expenditure of R1.7bn over the next 3 years. An additional initiative is to give access to housing vouchers for qualifying residents who choose to self-build and benefit their local economy.
2. For the upgrading of informal settlements with basic services, emergency access and tenure security, we have budgeted an amount of R1.7bn over the medium term. In the coming fiscal year we will provide 2 252 houses in informal settlements, with basic sanitation services. We have also budgeted R600 million capital expenditure for the electrification of various informal settlements across the City over the medium term.
3. We will build 2 500 low rent and rent-to-buy units in mixed-income developments and 895 social housing units.
4. We have budgeted R35.1 million for free wifi infrastructure in libraries that will connect residents to income-generating opportunities and learning.

Everyone has the constitutional right to have access to adequate housing. Government is obliged to put reasonable legislative and other measures, within its available resources, to achieve progressive realisation of this right. In response to this the Multi-Party Government has prioritised R1.9bn in operating expenditure to the housing department.

This allocation will see to the realisation of the following projects:

1. 10 informal settlements provided with permanent infrastructure through the Upgrade of Informal Settlement Programme. This programme will run in Kanana Ext 22 (Meriteng), Poortjie Ext 1 (Phase 3), Bottom Compound, Lilly's bioskop, Heaven Valley, Diepsloot West Ext 5, Zandspruit Ext 85 (Phase 3), portion 9 of the farm Roodepoort, Portion 27 of the Farm Vlakfontein.
2. The refurbishment of Daniel Flats Westbury, Davidsonville Row Houses, Chiawelo Flats, Alexandra Township - Alex Flats, Cairngorm court, and Bellavista.
3. The refurbishment of old age homes in Ivarna, Reuven, Northam Place, and Market Street.

Community Development plays a large role in uniting communities and contributes to a quality life. We have allocated R1.4bn in operational expenditure to the community development department.

Some of the programmes to look forward to:

1. 12 culture programmes will be implemented, including 2022 Joburg Arts Alive programme, Afrika Month programmes, Youth Month programmes and exhibitions.
2. 12 healthy lifestyle programmes will be implemented. Examples include Regional street aerobics through the Cyazeevocavoca programme, learn to swim and senior citizens exercise programs, kiddies games, a holiday program, parkruns, water aerobics and recreational walks.

Mayoral Priority 6: A well-run City

The intention of this Mayoral priority is to make Johannesburg the center of clean, honest government. Practically this means: we are putting our residents first, we're spending money wisely, we're improving customer service and providing methods to supply services that meet individual needs and circumstances. We consider all of the above as priority areas.

A City's financial sustainability goes hand-in-hand with being a well-run city. It is a two-way street - we cannot be financially stable without good governance, and good governance is reliant on financial sustainability. In order to strengthen our City's financial position, we must succeed in the following areas:

1. Customers' billing queries must be resolved within a reasonable time;
2. Debt resolution that is fair and reasonable;
3. Customers must have 24-hour access to the City via the call center and an interactive website;
4. Developing an online portal to among other solutions report any issues, live-track resolutions and license renewal.
5. A customer-centric service delivery value chain, utilising qualified, well-trained and customer-oriented city officials, to be found in a one-stop customer help centre.

We own the fact that our service standards are not where they need to be. As I stand here today, I want to assure our residents that this is changing. The quality of City services and good governance will not improve overnight. Progressive change starts somewhere - and the time is now!

Other administrations have expressed an intention for zero tolerance to corruption and maladministration, however this administration is taking real action, through implementing effective governance processes and actual consequence management.

We recognise the need to minimise human intervention when it comes to supply chain management processes and therefore allocated additional funding . We have allocated an amount of R20m in operational expenditure to acquire a SCM automation system and State Employees Verification Tool.

Mayoral Priority 7: A smart City

A truly successful city makes the most of the talent and innovation available - we need to maximise our use of technology to empower residents and find solutions to our most pressing challenges.

The concept of Smart City has been on Johannesburg's agenda for some time. When evaluating our progress in this regard, it is apparent that we have a far road ahead of us to reach internationally accepted standards.

Our smart city maxim is to embrace ICT innovation as a force for good. In keeping this we have prioritised the following projects:

1. We have allocated R21.5 million for the implementation of the eHealth programme;
2. The automated fare collection system for the Rea Vaya bus service has been allocated R260 million over the medium term.
3. We have invested R15 million in the Integrated Intelligence Operating Centre to strengthen our law enforcement capabilities.
4. New security equipment for fire detection and suppression at major substations will greatly assist in ensuring reliable power supply and therefore we have allocated R20 million over the medium term.

When I drive by City libraries or the JMPD head office there is always a small crowd of people making use of the City's free Wi-Fi. In our current age internet connectivity can safely be called a basic human right. The internet connects us to each other, gives our residents access to job opportunities, allows students to facilitate their study requirements and allows us to engage with our residents wherever they are.

To bring access closer to our communities we will roll out a further 500 Wi-Fi hotspots.

Conclusion

I want to thank the Executive Mayor for her trust in me to be at the financial helm of the City. I equally want to thank the Multi-Party Government for their ongoing support and sharing the responsibility of compiling this inclusive budget that seeks to deliver basic services to all.

Thank you to my long suffering and patient Husband, Ian, for his unwavering support. He might not agree with everything, but he is my number one fan.

Just like we need each other to make a success of this Golden Repair, I could not have tabled this budget today without the help and guidance from the Budget Office. Their collective wisdom and institutional knowledge is the cornerstone of this budget.

In conclusion I trust that you, our residents, agree that this budget addresses the most important concerns as discussed with us during the public participation process. We are

keeping the lights on, we are keeping the water running, we are keeping the city clean and we are keeping you all safe, from Ivory Park to Orange Farm.

Our commitment to you, our residents, is to deliver the projects in this budget to the best of our ability - to treat you with respect when you visit a walk-in centre or call us on the phone. We are building roads, we are maintaining bridges, building clinics, refurbishing JRA depots in all the regions, to name but a few.

Our goal is to improve your lived experience in our City of Golden Opportunities. We want to empower you to once again have hope, to dream about a better future.

This Golden Repair is the start of a new era, an inclusive, collaborative and cooperative approach to good governance, founded on our relationship with you.

I thank you.