



City of Joburg **2022** **Budget Speech**

MMC for Finance:
Cllr Julie Suddaby



The Golden Start

The solid foundation that started our roadmap to recovery

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

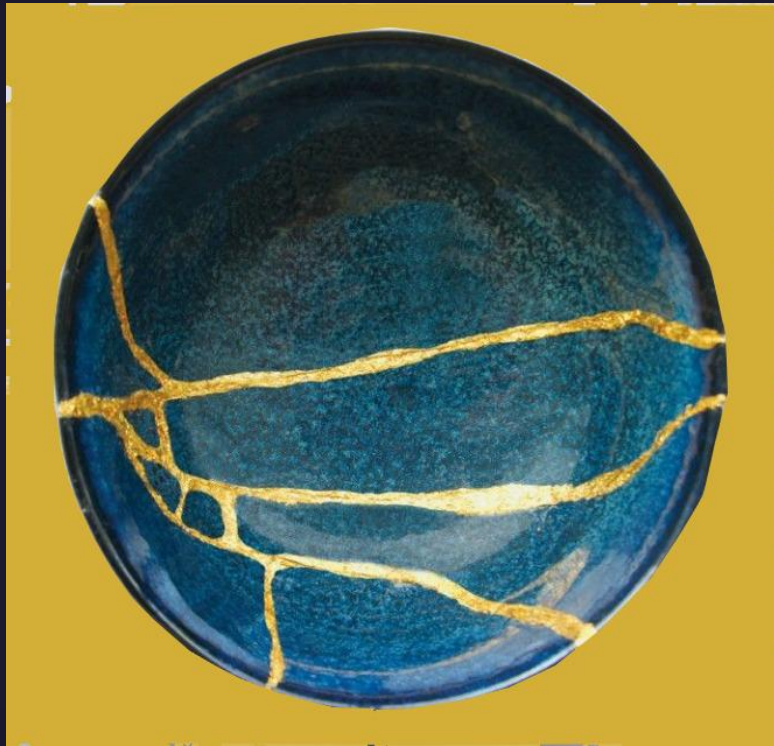


- **Broken Roads**
- **Broken promises**
- **Broken street lights**
- **Broken traffic lights**
- **Broken power substations**
- **Broken sewer pipes**

Our once
shining City is
broken



We are committed
to the next phase:
**the Golden
Repair**



The philosophy of taking something broken, honouring what went before and repairing into a beautiful piece of the whole – the art of Kintsugi, applied more importantly to our beloved City.

The Roadmap to Recovery



Fiscal Management:

The Challenge:

- To take stock of the funds available
- Make sound predictions of what is collectible during next 3 years (the perfect storm since pandemic)
- Gain a deep understanding of economic landscape and invest in operations/projects for growth & stability



Joburg Landscape



6.2m Population

**Sanitation
92.8%**

**General Unemployment
40%**

**Unequal
Society**

**Youth
Unemployment
55%**

**Refuse Removal
86.2%**

**Access to
Electricity
70.8%**

Poverty Rate 52%

**Access to Water
99.5%**



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Treasury found that:

Compared to previous years, this government has stabilised the City financially, but we need to actively manage expenses

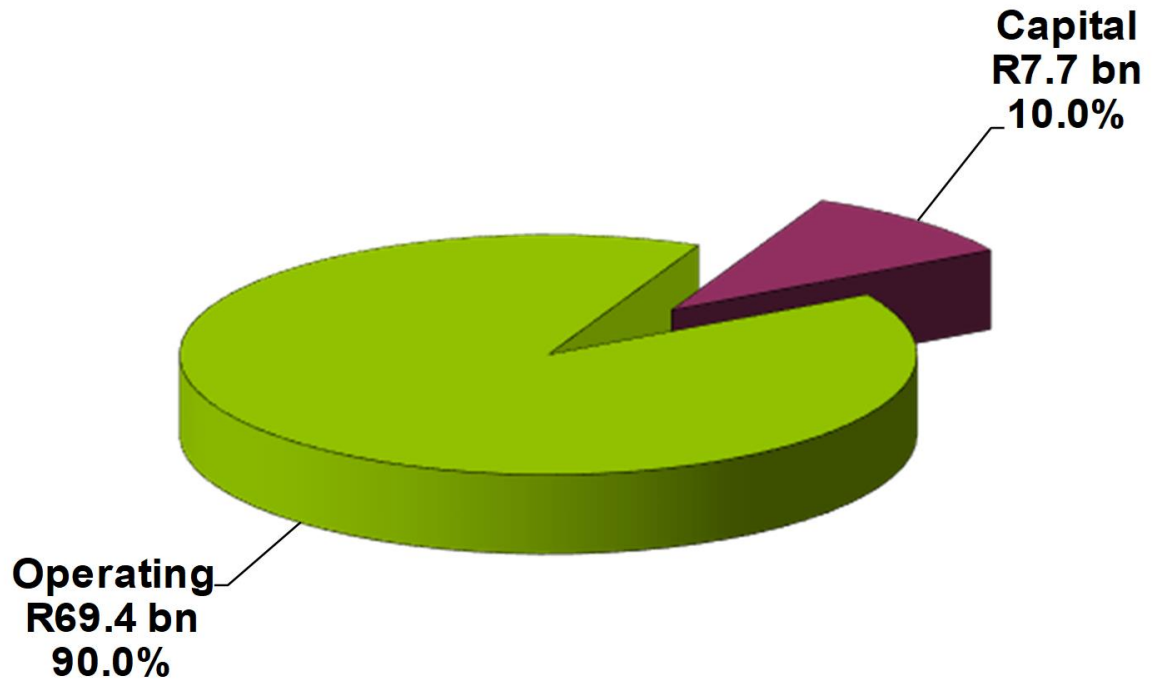
Our financial governance and health was assessed and found to be sound

We are moving in the right direction on the renewal / upgrading of existing assets

We are not too grant dependent and have an excellent capital funding mix

The Budget:

Total budget is approximately R77.1 billion





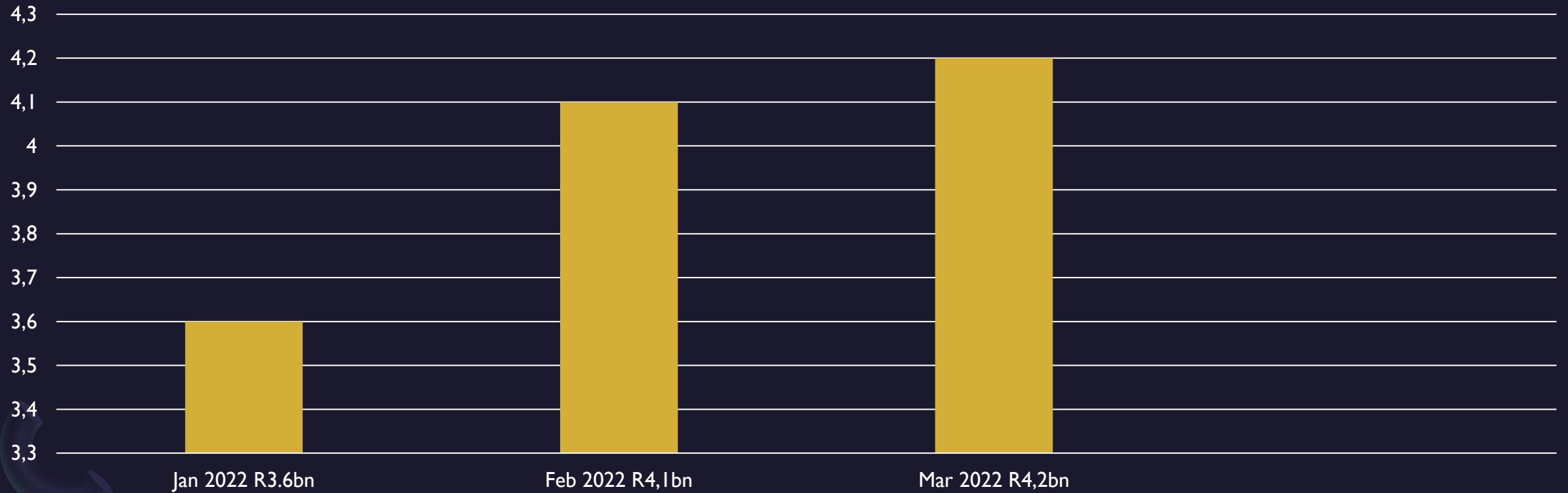
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We have planned...

Revenue Collections: 2022

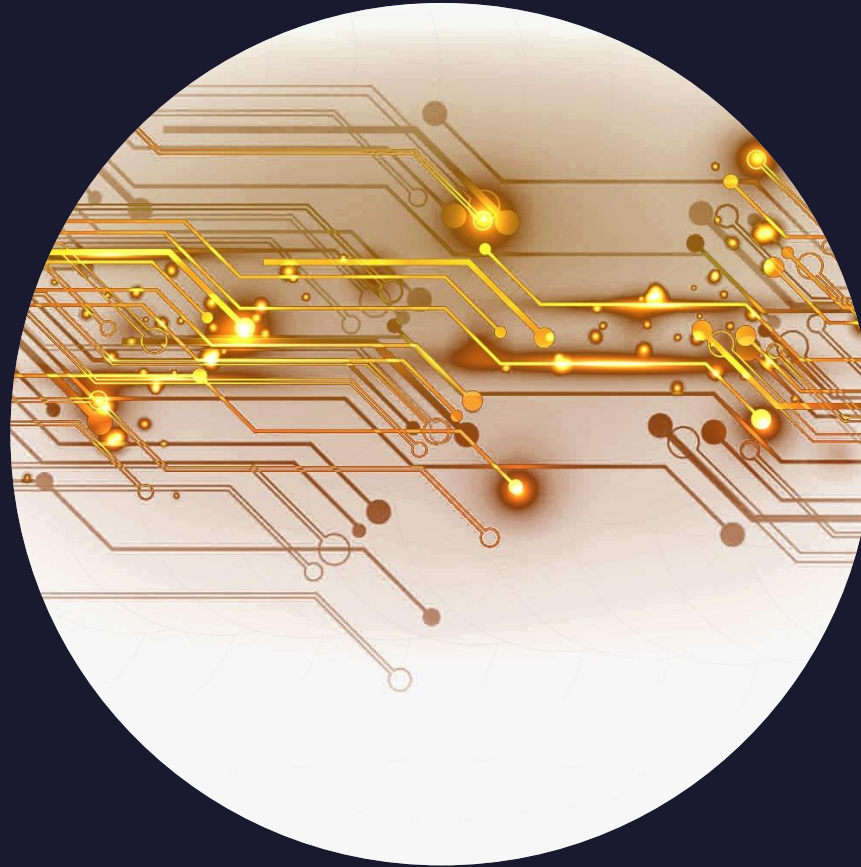
Revenue Collection



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

MMC for Finance:

Cllr Julie Suddaby



We, as the Multi-Party Government, are not starting over.

Our goal is to take what is broken and heal the cracks that are part of our story.



Tariffs

TARIFF	INCREASE
Property rates	4.85%
Electricity	7.47%
Water	9.75%
Sanitation	9.75%
Refuse	5%

Rebates | Ratios

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

GROUP	THRESHOLD
Business	Ratio maintained at 1:2.5
Residential	Maintained at R350 000
Pensioners	Property value retained - R2.5m
ESP	Property value retained – R500k
Unauthorised use	Ratio maintained at 1:6





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Mayoral Priority 1:
A City that Gets the Basics Right

The Golden Repair

focus on repair and maintenance

R1.2bn
Electricity
Infrastructure

R918m
Road
Infrastructure

R795m
Water Supply
Infrastructure

R600m
Sanitation
Facilities

R172m
Sports &
Recreation
Facilities

R79m
Community
Facilities

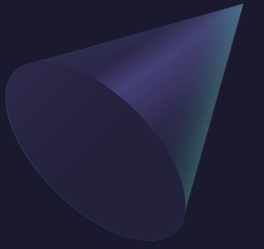
Getting the Basics Right

Amount	For
	City Power turnaround strategy
Capex R1.2bn	Infrastructure upgrades and refurbishments
Opex R1.6bn	Reduction of power outages
Opex R13.9bn	Joburg Water
Opex R500m	Improved waste management collection



Getting the Basics Right

Targets 22/23



SERVICE DELIVERY

- 122km lane roads resurfaced.
- 15km gravel roads upgraded to surface roads
- 2.7km of open storm water drains converted to underground systems
- 1000 public lights installed

FOCUS: CITY POWER

- Reduction in energy outages
- Upgrading of 88Kv overhead lines
- Replace obsolete energy meters with prepaid units
- Upgrade substations
- Installation of new public lighting

OTHER

- Clean drinking water
- Water leaks
- Potholes
- Pikitup (clean streets, recycling)





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Mayoral Priority 2:
A Safe and Secure City

Safe and Secure City

Targets 22/23

SERVICE DELIVERY

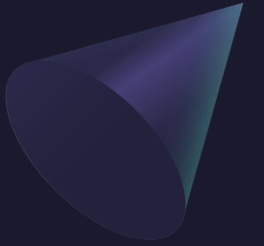
- R200m (Capex) for 20 new fire engines and equipment
- Reduce lawlessness: 1200 by-law enforcement operations
- 6400 traffic enforcement operations
- R1.3 m (Opex) for 150 park rangers to keep our parks safer

FOCUS:

- Operation Buya Mthetho
- Anti land invasion unit
- Integrated and visible policing
- Dedicated prosecution unit

OTHER

- Reclaim public spaces
- Regular inspections to crack down on illegal building and land use
- By-law enforcements (municipal courts)
- 400 drug search and seizure operations



A Safe and Secure City: the non- negotiables

Amount	For
Opex R6.1bn	Public safety





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Mayoral Priority 3: **A Caring City**

A Caring City

Amount	For
Capex R21.5m	Fully implement eHealth system
Opex R1.8bn	Health and social development votes
Opex R166m	Providing impetus to the goal of drug-free society



A Caring City

Targets 22/23

SERVICE DELIVERY

- Filling critical Social Development positions
- Minor works at various clinics across the City
- Drug-free society goal
- Upgrades to main building – Mandela Market

FOCUS:

- Building 10 new clinics
- Support vulnerable communities
- Various support centres
- Upgrade old age homes

OTHER

- Debt Rehabilitation programme
- Food security
- Skills development programmes





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Mayoral Priority 4:
A Business-Friendly City

A Business-Friendly City

Amount	For
	Goal: Attract and acilitate investment and business
R4.6m	Youth skills development programme and jobs database
R7m	Inner City parks development
R10m	Inner City informal trading stalls
Opex R79m	Joburg tourism company
Opex R4bn Capex R519m	Road transport





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Mayoral Priority 5: **An Inclusive City**

An Inclusive City

Amount	For
R1.7bn (over 3 years)	Increase in delivery of housing – expansion of site and service program
Capex R600m	Electrification of various informal settlements
R35.1m	Free wifi infrastructure in libraries
Opex R1.9bn	Toward adequate housing projects
Opex R1.4bn	Community development





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Mayoral Priority 6: **A Well-Run City**

A Well-Run City

Targets 22/23

SERVICE DELIVERY

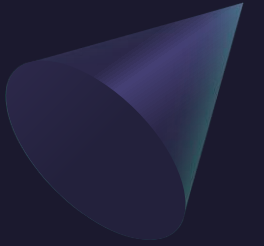
- Billing query resolved in reasonable turnaround time
- Fair and reasonable Debt Resolution
- 24-hour access to City services and interactive website
- Online portal with query live tracking and license renewal

FOCUS:

- Clean, honest Government
- Improving customer service
- Customer-centric service delivery value chain
- Qualified, well-trained, customer-centric City officials
- Zero-tolerance to corruption through effective governance processes

OTHER

- One-stop people's centre



A Well-Run City

Amount	For
Opex R20m	SCM automation system and State Employees Verification Tool





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Mayoral Priority 7: **A Smart City**

A Smart City

Amount	For
R21.5m	Implementation of eHealth system
R260m (medium term)	Automated fare collection system
R15m	Integrated Intelligence Operating System
R20m (medium term)	Fire detection and suppression equipment at major substations



The Golden Repair

**You spoke.
We heard.**

Keep the lights on

Keep the water running

Keep our City clean; and

Keep our City Safe





**We are
delivering.**

The 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, and God bless.



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