



Diphetogo

Moving the City forward in the right direction

State of the City Address – Full Speech
2 May 2018

Speaker of Council, Councillor Vasco Da Gama,

Chief Whip of Council, Councillor Kevin Wax,

Chair of Chairs, Councillor Alex Christians,

Members of the Mayoral Committee,

Fellow Councillors,

City Manager, Dr Ndivho Lukhwareni,

Distinguished Guests,

Members of the Media,

And most importantly, the Residents of our City of Johannesburg.

I greet you all in the name of CHANGE.

Today marks the second State of the City Address under the multi-party coalition government.

One thing I can assure you, is that a coalition government takes NOTHING for granted.

We wake up each day, with the privilege of serving the people of our City, driven by the knowledge that we are NOT protected by a majority in this Council.

Whether this government lasts another day, another month or the rest of the term, every day will be used to deliver change to the people of our City.

We explore ideas beyond the scripts of our own individual manifestos.

We do this because this is what the people of our City wanted; for no single party to believe that they will be able to rule arrogantly over our people.

The result of this has been a better government.

A cleaner government.

A government more connected to its people, more accountable to the legislature.

Today, I am proud to say that change has taken root in our City.

For the FIRST time, in a LONG time, this City is moving forward in the RIGHT direction.

Let me be clear, we do not delude ourselves or operate our government from a fantasy world.

Our reality is not different from the lived realities of our residents.

We know that the cold truth is that we have a LONG, LONG way to go.

Our inherited service delivery backlogs within the City are staggering.

They are the product of years and years of neglect and they manifest in the daily service delivery issues that plague our communities.

The 100 000 potholes in our City arise from a shocking R11.8 Billion backlog in our road network.

In 2017, over 3 900 kilometres of our roads had fallen into the classification of poor or very poor conditions.

This is the equivalent length of road that would take someone from Johannesburg to Nairobi.

This has been made worse by a R56 Billion backlog in storm water drainage, that results in the increasing the structural decline of our roads.

This is also seen in the flooding in our communities, including the whole of Soweto where no storm water drainage has ever been installed.

78% of our 900 bridges in the City are classified as being in either poor or very poor condition. R6.5 Billion is required to address this.

Our electrical network is no better.

Over 27% of our bulk transformers now operate beyond their useful lifespan, ranging between 48 and 91 years old.

That is right, some of these transformers were built in 1927.

Our electrical infrastructure backlog sits at a staggering R17 Billion.

This is experienced by our residents suffering 170 000 low voltage outages in this financial year alone.

Our water network can be likened to the cartoon character, with their fingers and toes plugging the leaks of a ship.

Available data from 2016/17, shows that the water network suffered 45 000 leaks per year. This is despite the fact we know that water will be one of the greatest challenges in our future.

Our housing list stands at 152 000 people, with a need for 300 000 City produced housing opportunities.

Incidentally, the R18 Billion of fraud and corruption under investigation would have been enough to build houses for all of our people on the housing list.

The unofficial backlog, including those in the 'missing-middle' of the housing market, is **MUCH, MUCH** larger.

It can be seen in the legacy of back-yard dwelling, landlessness, illegal land occupation and frustration in our communities.

Possibly the most staggering backlog of all are the finances.

In 2012, this City took a decision to invest R100 Billion in Capital Expenditure over 10 years. You may remember this from the many billboards, radio adverts and full page newspaper spreads.

This entire plan was premised on the idea that the City would improve its revenue collection and generate huge cash-backed surpluses that would be matched by National Treasury.

Needless to say **NEITHER** of these 2 assumptions materialised.

Rather than backtracking on all of that marketing, the City began borrowing from future revenue that had not materialised yet.

Upon stepping into office, we were saddled with debt in the region of R17 Billion; R5 Billion of which was due this year.

It was perhaps **THIS** particular inheritance, which was the most challenging of all, limiting our ability to address the service delivery backlogs which confronted us.

The plans of this multi-party government have to be aligned to overcoming these enormous backlogs, in order to grow our economy, create jobs and provide quality services to all of our residents.

Fellow Councillors,

I stand before you today, to tell you of the kind of change that has taken root in our City.

While the City's infrastructure has been allowed to decay over many years, with less than 2% spend on repairs and maintenance, I am pleased to inform our residents that repairs and maintenance spend now stands at over 6%.

The job of keeping our infrastructure working will require a delicate balance between repairs, maintenance and refurbishment. This is a monumental task viewed against a background of historic failure.

Our road network has been a priority of this government, knowing what the network means to the people and businesses of our City.

Since coming into office, the City has repaired 181 000 potholes across the City and resurfaced 520 kilometres of our roads.

This represents the greatest achievement in this field of work compared to any other similar period.

As part of the 'No Join Policy' implemented last year, 120 traffic signal intersections have been dug up and re-cabled to reduce their down time, arising from rain and electrical storms.

We can report that the implementation of this policy at 120 of the busiest traffic intersections has reduced traffic light down time by 72%.

It is critical that we expand this project in order to improve the movement along our road networks, and the experience of our road users.

The reliable provision of electricity is a critical task faced by our government.

To combat this, we have overseen the complete refurbishment of 39 sub-stations. We have also conducted repairs and maintenance on 37 of our transformers.

Fellow Councillors,

We have witnessed the ugly future of water shortages in our country through the drought that has hit parts of South Africa.

The TRUTH is, Johannesburg would not be able to fight off a drought with the state of our water network.

To make this point, in the 2016/17 financial year real losses of water amounted to 107 billion litres of water lost through our dilapidated water network.

Whilst the responsibility for bulk water supply is that of National government, we as a City must start preparing for a water-constrained future.

We need to begin investing in technology that helps us save water. More than this, we need to begin changing how we all support the responsible use of our scarce water resources.

In this financial year, Joburg Water has succeeded in refurbishing 37 kilometres of the City's water pipes. In those communities, the taps will no longer run dry.

Ladies and gentlemen,

We have identified 5 clinics as priorities to introduce drug rehabilitation services to communities.

In February this year, the first was opened at the Tladi Clinic in Soweto.

Mr Gumbi from Jabulani, Soweto, who is here with us today, had the following to say.

I now quote from him:

"I am grateful to the City of Joburg for opening the Tladi substance abuse treatment centre. I took the son of a neighbour to the centre. The young man was using drugs and terrorizing his mother. But since he started attending sessions at the centre, there is progress."

"I am grateful to the City of Joburg for having listened to our cries. The Tladi centre is a blessing from GOD. We are now able to assist and refer our children, who are being swallowed by these drugs, to the centre. We are grateful."

Mr Gumbi, to you Sir I want to tell you that your words stir us to greater heights in combatting this horrendous trade.

Within the coming days and weeks, similar facilities will be opened in Westbury, Riverpark, Joubert Park and Eldorado Park.

These communities will form part of a growing number of residents who will receive this critical, life-saving care from our government.

In my last State of the City Address, I told you about the Maziko family.

This family lived in a small two room shack without water supply.

The oldest daughter contracted tuberculosis and suffered from at least two fits every day.

During my interactions with residents in the community, a number of people told me of family members, neighbours and friends who had contracted a similar illness.

From my predecessor's budget for international travel, which I had little intention of using, we were able to extend the Princess Clinic's operating hours late into the night, over weekends and on public holidays.

Today, I am pleased to tell you that we have extended operating hours at a total of 13 clinics in our City, offering after-hours health care to the communities of Zandspruit, Doornkop, Protea North, Dobsonville Gardens, Slovoville, Nancefield, Turffontein and Doornfontein to name a few.

We have recorded over 87 000 patient visits at these clinics during the extended hours, and a resulting decline in the waiting times during ordinary hours of operation.

During these extended hours of operation, these clinics have dealt with 178 emergency cases, which involved life threatening conditions, that otherwise untreated, could have resulted in patients losing their lives.

In a message, Innocentia Dlephu who is here with us today, from Freedom Park says if it was not for the Freedom Park clinic opening until late, her 7 month old daughter might not be alive today.

She says, and I quote:

"We rushed her to the clinic. It was late in the day and the nurses at the clinic stabilized my child and called an ambulance. She was later admitted at Baragwanath hospital. If it was not for the help from the clinic, I do not know what would have happened that night."

Mrs Dlephu, it is stories such as yours Mam, which will continue to inspire this government to bring this critical service to more communities.

We have also extended the operating hours of 11 libraries in our City, so that more people can have access to a safe place to learn, study, read or prepare to enter the job market.

Fellow Councillors,

The job of stimulating economic growth of our City is the most essential task of this government.

Ultimately, it is when people gain meaningful employment that they will be able to improve their lives. This will allow government to focus on those who need our support the most.

The best intervention that we can achieve is to raise investor and business confidence in our City.

Johannesburg has always been the economic engine of our Country, despite national government having failed to achieve the basic conditions that inspire confidence.

Businesses must receive a stable supply of services; the road network must be improved; the rule of law must prevail; and Johannesburg **MUST** be an attractive place to set up business.

It is our efforts in the small business sector which inspires hope.

We have thrown out the previous SMME hubs which were disastrous.

They provided little value, services were outsourced and nobody seemed concerned that businesses did not grow and employ more people. They were used as a box-ticking exercise.

With this, we have launched the new Opportunity Centres, opening the first in Marshal Street in the Inner City. The remainder will be launched in the coming days and weeks.

These centres will focus on a basket of services that will achieve the real empowerment of small businesses.

This includes registering companies on the City's supplier database and training to improve the ability of these SMMEs to tender for City projects.

This initiative has been supported by SARS, CIPC, SAICA, SEDA, the Innovation Hub and a number of private sector partners – offering a full suite of services to incubate small businesses and access funding.

Since the launch of the first Opportunity Centre, we have been overwhelmed by offers of support from major private sector companies to take this initiative to new heights.

I remember my personal excitement in 1994 when I expected to witness an explosion of black entrepreneurship in our Country.

Those entrepreneurs, who had weathered the oppressive restrictions of the Apartheid Government, should have flourished under a free South Africa.

But this did not happen. Instead the entrepreneurial spirit was killed by oppressive red-tape and a business culture of patronage and dependency.

Our new Opportunity Centres will house the City's soon to be launched Work Seekers' Database.

This will effectively replace Jozi@Work, and do away with middle-men determining access to these opportunities.

The database will serve as a resource, where qualifying persons, can register to benefit from temporary work opportunities in the City on a fair and rotational basis.

The City will begin registering thousands of work seekers on our Work Seekers' Database who for the first time, they will begin to receive opportunities, previously reserved for the connected few.

Arising from this database will be beginnings of a massive artisan training programme.

We have an aging generation of brick-layers, electricians and plumbers in our Country who are reaching retirement.

As a Country, we have **FAILED** to train young people and provide them with these critical skills.

Shortly, in Johannesburg, 300 youth will begin artisan training provided by the City.

This is the start of a much bigger project that will see thousands of youth trained, gaining the requisite certification and experience in partnership with the private sector.

By so doing, we ensure that our youth have access to opportunities that allow them to not only access the job market but to meaningfully advance through it as well.

This said, the core role of government is actually ensuring that an enabling environment exists for businesses and entrepreneurs to thrive in the City.

To this end, we must work to progressively cut red-tape which prevents the expansion of businesses and subsequent job growth.

Over the past year, we have progressively reduced turnaround times for land use and development applications in order to promote industrial development across the City.

Indeed, in the past financial, we achieved the processing of 95% of submitted building plans within 30 - 60 days.

This is as a result of the City's commitment to service delivery turnaround times, which affect not only residential, but also commercial and industrial developments.

Ladies and gentlemen,

The sense of growing change is indeed evidenced in the facilitated investment which continues to be made in the City.

At this mid-year point, R5.6 Billion of external investment has been injected into our City which has already exceeded the annual target, and the achievement of any full prior year in our City's history.

This is an indication of the business sector's growing confidence, in the City's future prospects.

Although there is still much work to be done, these are encouraging signs indeed.

Fellow Councillors,

Johannesburg carries the worst scars of the apartheid-era spatial planning.

The poorest of our residents continue to live on the fringes, far away from economic opportunities in the city.

With the spatial mismatch between communities and jobs, studies reveal that most South Africans spend up to 70% of their limited household income on food and transport.

This is not to mention the time lost, which people could have put to better use at work, leisure or with their families.

It is clear that the situation needs the strongest action.

Firstly, we must diversify existing townships, to include more jobs opportunities and amenities.

Secondly, we must direct the provision of new housing to areas closer to jobs, schooling and public transit hubs.

While government has a number of tools for affordable housing provision, we believe that government cannot address the problem alone.

We, like many cities across the world, believe that the private sector has a role to play in the provision of affordable housing.

This role stems not only from social responsibility, but also from the huge value that municipalities provide to developers in terms of land use rights and bulk infrastructure.

Some of this value must be returned to the residents of the City.

One way of addressing this crisis is to rid ourselves of the mistaken belief that there is no good business to be done in the affordable or low-cost rental housing market.

What better way can there be to do socially responsible business than to offer affordable housing to people who really need it?

The luxury property markets, although hugely rewarding, cannot solve the problem that faces us in Johannesburg.

This is especially so when one considers that, in Johannesburg, 50% of households earn less than R3 500 a month.

There is also preliminary evidence that the new-build housing market is already evolving to incorporate lower income housing options.

As demand for luxury housing slows, the vast market for affordable housing has come into play.

In this context, the City of Johannesburg, through its Development Planning and Housing Departments, is set to introduce an inclusionary housing policy, with the draft currently out for public comment.

The draft policy proposes that **EVERY** new development of 10 dwelling units or more, must include 20% inclusionary housing.

I am all too aware of the fact that for us to stand a chance of providing dignified housing to our residents, we must strike a balance between our objective and incentivising business to buy into our plan.

Our vision is that inclusionary housing, when managed privately, should cater for households with an income of R7000 or less per month.

Ultimately, we must all ask ourselves, irrespective of our views on how to do business, what kind of City do we want?

Do we want to further entrench apartheid spatial planning or do we want an inclusive city whose development will foster economic and racial integration?

The people of Johannesburg want an inclusive City, that no longer reflects the painful memory of a segregated past.

Ladies and gentlemen,

The Johannesburg Inner City is full of potential.

Its 500 derelict buildings have the potential to provide quality low-cost housing opportunities for the many people who form the 'missing middle' of the housing market.

It holds the potential to be a space for small businesses and start-ups, unable to afford the rentals of Rosebank and Sandton.

Whenever I think of the Inner City, and its potential, I am reminded of my upbringing. My own mother worked as a domestic worker, and my father passed away when I was 2 years old.

My brother, three sisters and I were forced to fend for ourselves, **BECAUSE** we lived far away from the work opportunities my mother could access. She spent most of her wages travelling over weekends to see us, and we survived on very little.

It is to families like this to whom I dedicate the plans of the Inner City; to give them hope of a life beyond a backyard shack and three taxis to seek work.

Late last year, we began the process of releasing derelict city owned buildings for the purpose of developing quality low-cost housing for our residents.

I am pleased to report to you that 12 properties have already been released and developers are coming forward with proposals that meet these expectations, while another 71 will be released soon.

I ask you to join me, in imagining the transformation of our Inner City when construction begins on these 83 buildings.

We are also engaged with private property owners of derelict buildings, so that those buildings can also form part of our plan to turn the Inner City into a construction site.

Home ownership is not just about putting a roof over one's head, it is the affirmation of human dignity and the hope that government is working to steadily undo the injustices of the past.

I am happy to announce that, since taking office, we have delivered 5145 title deeds to the residents of Johannesburg. Giving over 5200 of our poorest residents the dignity of home ownership.

This is compared to past where the City did not deliver a single title deed in the 2012/13 financial year.

To date, the City has also constructed 1 089 new RDP homes, which represent new housing opportunities to be provided to our residents.

A further 1000 homes await only electrification to be complete.

Fellow Councillors,

During the last State of the City Address, I spoke of the need for us build a City where our residents could safely walk our streets at night.

A City where criminals lived in fear and not our law-abiding residents.

To that end, I am pleased to report that we have completed the recruitment of 1500 additional JMPD Officers.

These recruits are currently undergoing training so that they may join the fight to keep our communities safe.

They are well-led by our new Chief of Police, Mr David Tembe, who is already proving to be an excellent leader in our law enforcement operations.

In fact, JMPD has effected over 20 000 arrests since the multi-party government came into office. It is worth noting that this is more arrests than were achieved between the years 2009 to 2012 combined.

I will not shy away from the fact that we have arrested 577 people in connection with hijacked properties, including undocumented immigrants who must then be processed by the Department of Home Affairs.

I will **NOT** apologise for this, and nor will our efforts subside, because, the rule of law must prevail in our City.

Many people from across the continent and world, seek a better life in South Africa, and Johannesburg in particular.

The reality of our City is, that many undocumented immigrants, are forced to live on the fringes of our society with limited protection afforded to them.

From the City's perspective, illegal immigration compounds serious challenges, not only for the provision of accommodation but also for the provision of other basic services as well.

We **WILL NOT** turn a blind eye in the hopes that the problem will magically disappear.

It is therefore crucial that a comprehensive plan be developed which will finally start addressing these pressing concerns.

That is why we have engaged the Department of Home Affairs to demand that something is done in the City of Johannesburg.

You will be surprised to know that in a City such as ours, Home Affairs does not even have a refugee centre.

People who come to our City seeking asylum, in accordance with our laws, have to go to Musina, Marabastad or Durban to access asylum application.

The time to act on this pressing crisis is now and not a moment later.

Ladies and gentlemen,

When taking office, I was struck by the utter lawlessness that had been allowed to take root in our City.

Criminal syndicates had been allowed to carve up the City for their own notorious ends, terrorising our residents.

It was in response to this that we launched Operation Buya Mthetho – Bring back the law.

This led to the formation of a multi-disciplinary law enforcement unit that conducts raids throughout the City addressing violations of our by-laws, environmental health and building codes and the illegal consumption of services.

The project's success have been commendable, and we are beginning to see the kind of crackdown on lawlessness in our City, that has been demanded by our residents.

Of particular note, are the efforts to identify those businesses which are consuming services through illegal connections, amassing historical debt and without ever paying.

Those days are now gone. In its few months, Operation Buya Mthetho has brought in a total of R341 million. These businesses will now be billed every month, bringing in recurring income.

We will continue to shift the pressure off our law-abiding citizens, and placing that pressure on these businesses who shamelessly steal water and electricity.

Fellow Councillors,

The K9 Narcotics Unit, which we launched at the end of 2016, continues to grow from strength to strength.

To date the unit has achieved 1 193 arrests, recovering 123 illegal firearms, 136 kilogrammes of drugs and over 1000 hijacked vehicles.

The work of this unit has to focus on the major dealers and distributors of drugs in our City, because we can never succeed by waging this war against the small time dealers and users.

It will continue to be the focus of this government that Johannesburg becomes a city too dangerous for criminals to operate in.

Ladies and gentlemen,

The work which is starting to take root in our informal settlements has made me proud to serve as a part of this multi-party government.

We must acknowledge, there is still so much to be done.

However, I am excited by what we have planned to achieve for our residents whose dignity is compromised on a daily basis because of their living environment.

To date, we have converted over 50 kilometres of gravel roads in informal settlements to tarred roads.

The communities that have benefitted from this work include: Kaalfontein, Mayibuye, Doorenkop/Thulani, Slovoville, Tshepisoong, Drieziek, Poortjie, Diepsloot, Lawley and Protea South.

In the adjustment budget, passed in February, an additional R62 million was allocated to expand this work, and I am looking forward to further results.

Our efforts to electrify informal settlements have meant that 5083 more households will no longer rely on dangerous illegal connections and will now have their children studying under a light bulb, for the first time.

These residents have now witnessed this change brought to them by the multi-party government, bringing hope and dignity to their lives.

In this respect I would like to share a story which shows the kind of dignity we have started to deliver in our City.

In 2015, the residents of Slovo Park took the City to court for its failure to provide services to them after, what was then, 21 years of democracy. I now read from the court judgement:

“They have been residing in Slovo Park for a period of up to 21 years. For all of this time they have lived in deplorable conditions, they have no access to electricity, shack fires break out at a rate of 1 every 2 months and are often fatal and ambulances refuse to collect the sick from Slovo Park because the roads are not formally demarcated, do not appear on a map, are not signposted and as a result individual residents cannot be located.”

The judgement goes on to refer to how this community had been promised by ALL three spheres of government to provide services, but these promises never materialised.

These were the forgotten people of our City.

I am pleased to report, to this Council, that on the 19th of February this year, the residents of Slovo Park, for the first time, awoke to the sounds of the City installing electricity and roads in their community.

To address safety issues in our informal settlements, public lighting has been installed in Klipsruit Ext 6, Protea South, Messi Park, South Hills, Kaalfontein Ext 10, Bluehills, Meriting, Poortview and Swaartkoppies.

Joburg Water has achieved the rollout of water provision in informal settlements that will result in 2500 households receiving tapped water for the first time.

The City now has 55 000 VIP toilets in informal settlements, and 5 266 chemical toilets being serviced on average twice per week.

By no means is this a perfect situation.

This is only an interim solution to a pressing human crisis. More work needs to be done in this area in order to deliver permanent solutions which fully promotes the dignity of our people.

Despite the success of such stories, our cold reality is that informal settlements are growing on a daily basis, reflecting the painful legacy of landlessness in our country.

Along with this growth is the increasing number of people who will require our intervention to bring dignity to them in the future.

I recall meeting a young woman during one of my visits to Alexandra.

She took our delegation to her shack, and we noticed that it had no ablution facilities, whatsoever.

I recall asking her how she survived without a toilet, and her answer will NEVER leave me.

She responded by saying that, over many years she had trained her body to only require a toilet while she was at her place of work.

If there was EVER a story that illustrated the need for us to do more to provide the dignity of sanitation in our informal settlements, it is this story.

Ladies and gentlemen,

The launch of *A Re Sebetseng* in 2017 was a milestone for our City.

In my travels around the world, one place that impressed me most was Kigali.

The streets of Kigali are spotless, and people have such pride in their environment.

This is because every month the entire Country of Rwanda comes to a standstill to volunteer their time in the Umuganda Day to make their country cleaner and better.

Following their example, we launched *A Re Sebetseng* – which in seSotho means “Let Us Work”.

On a monthly basis people from across our City have come out and volunteered their time, alongside government, to clean the spaces around which they live.

Without fail, every month, I have been deeply moved by the spirit of our people.

I am also moved by the spirit of corporate Johannesburg who have joined this campaign, including the likes of Coca-Cola, Anglo Ashanti, Adcock Ingram, Avis Fleet and many, many others.

We have partnered with Miss Earth SA, Universities, Places of Worship, Ratepayers Associations, Community Organisations and the International Community.

Since its inception in September 2017, 11 022 events have taken place across our City, collecting an incredible 245 000 tonnes of waste.

Going forward I am pleased to announce the diversification of *A Re Sebetseng* into further areas of volunteerism that will take place simultaneously with our cleaning campaign.

A Re Sebetseng Schools will see communities working alongside government in adopting schools.

In these monthly operations we will work together to improve the learning environment for some of our poorest schools.

We will be establishing teams of educators who are willing to give of their time to help students in need.

It is through *A Re Sebetseng* that we will continue to unite people in our City by a common cause of volunteerism and a spirit of community, shared between all people.

In my last State of the City Address, following engagement with the EFF, we announced the insourcing of security personnel.

At the time the City had in the region of 4000 security personnel operating under 108 contracts to various City Departments.

Each Security guard cost the City in the region of R14 000 per month, payable to the security companies city-wide, to the tune of over R600 million per annum.

The sad truth is that each security guard worked, earning as little as R4 100 per month.

Today I am pleased to report to you that we have advertised the 4000 vacancies and verified the applicants who were eligible to benefit from this arrangement, on the basis that they were employed at the time of the announcement.

Already, I am pleased to announce, that on the 1st of June, the first insourced security personnel will arrive in the City to begin work with decent pay and benefits, taking home a minimum of R6 500 per month.

This insourcing process could easily be argued as one of the largest and most complex undertaken by a local authority.

Earlier this year, I was also alerted to the plight of some of the former Jozi@Work contract workers who had operated in Pikitup for years.

What struck me as grossly unfair, is that these contract workers were doing the very same work, for R2 200 per month without any benefits, as the full-time employed workers in Pikitup.

Once again, middle-men were used to recruit these workers.

This was abuse of the worse kind under the veil of Jozi@Work.

To address this, 1 400 workers will go from receiving R2 200 a month with no benefits under Jozi@Work to R6 000 per month, including full benefits, and receiving the dignity of work they deserve.

Our efforts to insource catering services have also progressed.

These individuals will provide catering services to the City, on a full-time basis, and will provide these services at a lower cost than the City has traditionally paid.

In each and every one of these cases, the City has been able to run a process that does not increase its costs for these services, **WHILE**, meaningfully provides the dignity of fair pay and benefits to those who have been mistreated in the past.

By the next State of the City Address we will be conveying what has been achieved in the insourcing of our cleaning services which has to be our next priority.

I would like to express my appreciation to the EFF for their engagement with us on these matters.

This speaks to how we can work together, locating common ground between us to achieve what is right, and improve the lives of our people.

Fellow Councillors,

We continue to wage war against corruption in our City.

The latest statistics reflect that we have over 3 500 cases at various stages of investigation, involving a staggering R18 Billion in fraud, corruption and maladministration.

The staggering loss of public money, against the massive backlog of services in our City, is unforgivable.

To date I am pleased to report that over 709 people have been arrested since the establishment of our Group Forensics Unit, of which 38 cases are currently before the courts.

An internal recoveries unit is being established to ensure that the City can begin the process of pursuing the perpetrators and culprits to recover these public funds.

We can then ensure that these public funds are returned to improve service delivery in our communities, the places from which these public funds were stolen.

We are on the brink of closing the investigation on the Metropolitan Trading Company, known as MTC.

In 2010, the City commissioned the Build, Operate and Transfer of broadband network throughout the city. It was a massive project that would have brought benefit to our City.

After just 4 years, of the 12 year BOT contract, the City decided to buy-back the broadband network, despite having no expertise or capacity to manage it. The price of this decision you may ask? R2.3 Billion.

The City went to the extent of setting up a Municipal Owned Entity, MTC – in an attempt to justify this decision.

But, as usual, what lay behind the decision was insidious corruption, characterised by benefitting the cadre networks.

A series of companies benefitted through this buy-out deal.

And a simple search of these companies revealed no less than 2 National Ministers listed as Directors.

These two Ministers will be named in due course because this report is expected to be finalised in the near future.

A concerted and coordinated effort was made to destroy documents and evidence, but we will get to the bottom of this case and nothing will stop the truth from coming out.

From the massive to the absurd, I present to you the case of Sotheo Engineering, the company appointed to build sub-stations in Eldorado Park and Hopefield to deal with constant electricity outages in the areas.

They submitted a forged bank guarantee to secure the tender, and proceeded to receive over R100 million for work estimated to the value of **NO** more than R 1.5 Million.

This, while the people of these communities continue to suffer from an unreliable supply of electricity.

I am pleased to report to Council that the 2 directors of this company have been arrested, are out on bail and will return to court on the 5th of June this year to answer for their crime against our people.

Our efforts to hunt down corruption in our City have been labelled ‘witch-hunts’, and I am accused of being uncaring in my approach.

Hear it from me now, and hear it from me again, we will not be deterred, we will not slow down.

Our fight against corruption **WILL NEVER** rest in this City.

I would like to applaud the majority of this Council for their support in combatting corruption.

To those in this Council who do not yet support this fight, who label it as a witch-hunt, the invitation to join this fight remains open.

The true fight against corruption knows no compromise, no fence-sitting and no middle ground.

It requires a clear commitment to ensuring that public money is understood to be exactly that – it is public and entrusted to our care.

My commitment to achieve a professionalised civil service remains a cornerstone in our efforts to turn around the City of Johannesburg.

Nothing we do will be more important than this, because the accumulative effort of having 33 000 employees committed to a common cause – which is our people – will exceed all other interventions we can possibly achieve.

In this respect, the skills audit has been concluded for levels 1 and 2 in the City, with recommendations arising that we must implement to upskill our senior managers.

The audit is commencing for levels 3 and 4 with a view to being completed by the financial year end.

Our Service With Pride campaign continues to identify officials in our City who go beyond the call of duty for our residents. Every week we champion those who serve our City with pride.

I give you the example of Inspector Rikhotso of the JMPD, who is here with us in the gallery today.

Inspector Rikhotso, if I may ask you to please stand.

One of our residents was on her way to OR Tambo in a taxi where the driver was being aggressive and refusing her to get out and find another taxi.

An off-duty Officer Rikhotso observed something was wrong and helped the resident out of the taxi.

The resident was shaken and worried sick that she would not make it to the airport in time – so the off-duty Officer Rikhotso drove her to the airport herself.

This is the kind of service, which goes beyond the call of duty, and I ask you join me in celebrating the proud service offered by Inspector Rikhotso here today.

As we proceed with our plans for 2018/19, they will be coupled with an extensive series of engagements with employees of our City.

The plans for delivering the kind of change demanded of our government must be shared by every person working in our City, whether they wear a suit or an overall to work.

In the process of informing the strategy for the 2018/19 financial year, I have come to the conclusion that this City had its priorities wrong, for a VERY long time.

Somewhere along the way, the City Leadership became obsessed with the self-pleasing idea of the 'World-Class African City.'

This was to impress international bodies, but the problem was that our predecessors bought into their own spin.

So the operations of the City were engineered to include programmes and projects that really belong to a City which already has the basics right.

The focus became about active lifestyle programmes more than it was about providing the dignity of sanitation.

Spending on sports and recreation received 10-times more than the effort to combat the deadly trade of drugs that hold so many young people down.

More was done for swimming pools than was done for the potholes or street lights.

Essentially, the approach of the City seemed to be about meeting the expectations of the countless international bodies on which it served, rather than delivering what people actually needed.

Soon the budget was being spread too thinly, across too many areas of intervention.

Government became too preoccupied in deciding what people, communities and businesses needed, instead of actually listening to them directly.

Our people want the City to focus on the basics of local government, the bread and butter issues that impact their lives, on a daily basis.

They want a City that builds housing opportunities to address the painful legacy of dispossession of land and title in our Country.

For those who have services, they want reliable provision of electricity, water, sewerage and refuse removal.

They want to drive on roads that do not damage their vehicles, and through intersections where the traffic light works.

They want to live in a City where more is done to keep their families safe and where criminals find the City a dangerous place to work.

They want a growing economy that creates jobs.

They want a City that provides for the needs of its residents, with quality primary health care that take care of their weak and weary.

They want to be treated with respect and dignity.

In considering the plans of the multi-party government, I am reminded that the residents in our City voted for CHANGE in 2016.

What must drive the work of government, is **defining** that change, alongside budgeting and planning sufficiently to achieve it.

It must start with a realisation that the change the majority of our City had in mind, was not small changes.

It was not about fiddling here and tweaking there.

The change that was demanded of the multi-party government was **REAL** change, **FUNDAMENTAL** change.

There is a word in SeSotho which captures this notion beautifully, **DIPHETOGO**.

Diphetogo can be directly interpreted to mean real change, transformational change. It captures the idea that change is not an event but a process.

This is why Diphetogo speaks to defining an end state and ensuring that long-term planning and investment follows to achieve it.

It was at this point that our planning for the 2018/19 financial year became known as the Diphetogo Program.

The first job was about listening to our residents to define the areas where this change must be prioritised over the long-term to achieve Diphetogo.

Our residents and businesses who currently have access to water, electricity and refuse removal must enjoy a more reliable provision of these services.

Service outages must be reduced notably to the point that the current state of affairs becomes a distant memory of a painful past.

Our residents who do not yet enjoy the dignity of these services will see the City doing more than it has ever done before.

These services are a basic requirement of local government, and will no longer be rolled out as though government is doing these residents a favour.

Our road users on our 13 500 kilometres of road network must experience better roads, fewer potholes and clear road markings.

Roads must be dug up and re-laid where they have been allowed to decline to the point where pothole repair is futile.

Our 1 000 kilometres of gravel roads, much of which exists in our informal settlements, must start to disappear.

It is a relatively small matter, but an important one to say that our policy will not be to change street names in the City – unless they are historically offensive.

But our approach will be to ensure that our residents living in our informal settlements have the dignity that comes from a tarred street, with a name and an address.

Our residents must see more being done in the Housing space than has ever been done of before.

We have to invest in all housing typologies to address the historical legacy of our painful past, and provide the dignity that comes with ownership and title.

Our approach is to reverse this backlog, and not just making small incremental inroads into it.

We must diversify Housing beyond the RDP tradition and look to site and service, formalising informal settlements with services and the potential the Inner City holds for massive low-cost affordable housing.

Our residents must experience street lights being installed and maintained across the City in a way which makes our streets less desirable to criminals.

We must make Johannesburg shine brighter at night, and assist the work done by the JMPD must keep our communities safer.

Visible policing must increase in our City with more on-duty officers in more vehicles being seen and felt. By-law enforcement must be aided by the newly established municipal courts to ensure that offenders are made to answer to the law.

Intelligent policing initiatives must see massive rollout of CCTV camera networks being monitored in our Operations Centre, and the use of gun-shot fire technology must augment our police force in responding to crime scenes faster.

Our residents must find more of our clinics and libraries operating with extended working hours. Those in need of primary healthcare must receive it earlier, later and over weekends.

Those in need of a safe, conducive environment to study must find our libraries open to their needs.

In response to a motion by the EFF in Council, our efforts in primary health care will receive a boost by initiating the procurement of mobile health clinics.

These vehicles will take primary health care to those areas most in need while the rollout of Clinics continues throughout our City.

The continued rollout of drug treatment and rehabilitation services in our clinics must expand.

There can be no doubt that not enough has been done by Provincial and National Government to combat drugs in our City, and it requires us to step up and do more.

The historical debate of this being a national or provincial competency cannot continue while our young people are dying from this scourge.

Many of the Diphetogo I have spoken of are major drivers of economic confidence, growth and job creation, **BUT** we have a direct role to play as a City.

In this respect, our newly revamped Opportunity Centres must expand into more areas, supporting more small businesses with a greater basket of services.

We will not, as before, seek to create winners and losers in this space **BUT** we will support the small businesses that have weathered the failure of government to support them over the last two decades.

We will expand artisan training programmes in which thousands of young people can learn the trades of brick-laying, plumbing, tiling and electrical services.

We will rollout WIFI throughout the City, focussing on areas which will drive economic growth.

Studies, worldwide, have indicated that for every 10% rollout of access to WIFI, a City can achieve a corresponding 1% growth in its economy.

This is one of the Diphetogo that will receive investment that exceeds anything before.

Arising from the valued input of Councillor Jay Maharaj of COPE, the City will now begin a pilot project for the provision of free bus rides for pensioners and persons with disabilities during off peak times.

This pilot project will allow the City to make the necessary preparations for a full rollout of this initiative in the future.

Our residents must experience improvements in our customer care.

Waiting times and queues must be shortened and our residents must receive the red carpet treatment which was the exclusive preserve of political leadership in the past.

While we are working to address long-term backlogs in our City, our residents must be treated as partners and not adversaries in customer care.

Our efforts in these Diphetogo priorities speak to the need to invest in our infrastructure, our communities and our economy.

It requires of us to do MORE... we must be **BETTER**... we must deliver **FASTER** than the City has ever done before.

In this respect I have used my delegated powers to initiate the establishment up a Service Delivery Unit in the Office of the City Manager.

This unit's purpose will be to plan, monitor and manage the rollout of these priorities in our City.

It will operate as a monitoring and evaluation tool to make sure these projects are rolled out efficiently and effectively.

Having identified the Diphetogo areas of priority, we had to deal with the question of the quantum of change envisioned in these projects.

The mandate for change we received in 2016, was not for small, incremental changes.

It was for real changes...fundamental changes...Diphetogo.

Given the state of the City we have inherited, and the financial constraints arising from this, it requires that we begin to take the bold decisions needed to achieve change.

Change cannot be achieved is we do what has been done before. We must invest heavily to ensure that change is realised in this term of office.

In our situation, this kind of change will only be realised by focusing our attention on priorities.

When the basics of local government have been neglected, trade-offs need to be made. These basics of local government will never be achieved unless the trade-offs are made.

Should the only working electrical outlet in a community really be the pump of the new swimming pool? I do not believe anyone would advocate this.

Can we really justify building multi-purpose centres and community halls to service communities that do not yet have the dignity of toilets?

No community I have engaged with would choose a community hall instead of seeing their children studying in their homes, under a light bulb.

HOW can we justify prioritise precinct beautification programmes when our infrastructure is crumbling in ways that threaten the economy of our City?

The over R1 billion that was historically spent on street art, swimming pools and recreation centres need to be redirected to get the basics right in our City.

Through this kind of reprioritisation we can ensure that our limited financial resources are channelled in a manner where the Diphetogo priorities of our people will receive more long-term investment than ever before.

Ladies and gentlemen,

The milestones we have reached in this administration and the programme of change which the City continues to embark on, do not belong to one party alone.

It is a programme of change and delivery, forged from the contributions brought to the table by each of the coalition partners who make up this government.

What we have achieved so far is testament to the change we can deliver when we work together, for the benefit of all our residents, transcending party politics and the limits of each of our individual party manifestos.

When the people of Johannesburg voted this administration into power, they spoke with a clear and unambiguous voice.

They want to see bold steps taken to move Johannesburg forward into an era of change.

I would like to take this opportunity to thank our coalition partners for the continued service to the people of Johannesburg.

My deepest appreciation goes to Councillor Mzobanzi Ntuli, MMC for Housing, and Councillor Helen Makhuba, MMC for Transport, both of the IFP for their dedication and support.

Equally my appreciation goes to Councillor Meshack van Wyk of the ACDP, Chairperson of Community Development.

Councillor Thandi Nontenja of the UDM, Chairperson of MPAC

Councillor Franco de Lange of the Freedom Front Plus; Chairperson of Economic Development.

Councillor Jay Maharaj of COPE, Chairperson of OCOL.

I thank each of you for yours and your party's unwavering support in setting this multi-party government's agenda.

Although not a coalition partner, I wish to express my thanks to the EFF, led in Johannesburg by Councillor Musa Novela for the honest and robust engagement with our administration.

Together, we all understand that the residents of our City required each one of us to put aside the things that make us different from one another, in the interests of what we all have in common.

I am grateful to each of you for your willingness to come to the party.

Allow me to take this opportunity to recognise the presence here today of the Provincial Leadership of our coalition partners.

From the IFP, the Honourable Bonginkosi Dlamini,

From COPE, the Honourable Lefu Honong,

From the ACDP, the Honourable Lydia Meshoe,

In his absence, the Honourable Jaco Mulder from the Freedom Front Plus,

And also in his absence, Mr Mluleki France, from the UDM.

Again, though not a member of the coalition, I recognise and appreciate the presence of Honourable Mandisa Mashego from the EFF.

I would also like to appreciate the presence here today of Honourable Prince Mangesuthu Buthelezi, Leader of the IFP.

You honour us, with your presence.

I would like to recognize the National Chairperson of the EFF, Advocate Dali Mpofu who is here with us today.

You grace us with your presence, thank you Sir.

I would like to thank the Honourable Mousia Lekota for joining us here today. It is a great privilege, for which to have you with us, and I thank you Sir.

I thank you all for your commitment and your support for change in our City.

Let me also take this opportunity to recognise and appreciate the presence of the Leaders of my own Party;

DA Gauteng Leader, John Moodey;

DA Johannesburg Regional Chairperson, Dr Heinrich Volmink,

The Deputy Chair of Federal Council Thomas Walters

and DA National Spokesperson, Refiloe Nt'sekhe.

I thank you all for your unwavering support.

Ladies and gentlemen,

Today, we recommit ourselves to delivering change to the people of Johannesburg.

The change of which I speak is fundamental change, total change and change that impacts the lives of our people in the most meaningful ways.

We have started a journey on 23 August 2016, and now just 21 months later our City is moving in the right direction.

It has to be the focus of our government to ensure that the pace of change increases, and that it reaches into the lives of more people, more businesses and more communities.

Despite the mammoth task ahead of us, we continue to draw strength and inspiration from the enduring spirit of the people of our City.

They have endured many years of hardships and neglect, while their most important needs took a back seat in the work of government.

It is the spirit of our people that will continue to inspire our government.

It is the strength of our people that must drive us to higher levels of achievement.

It is the suffering of our people that must guide us to be more caring and responsive.

It is the patience of our people, in the work of turning the City around, which must forge partnerships between government and communities in achieving change.

It is our people that must remain in the centre of every effort of our government, because if this is true, surely the change cannot fail in the City of Johannesburg.

I thank you.

Cllr Herman Mashaba
Executive Mayor
City of Joburg

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