



*Strengthening Social Maturity by advancing
social cohesiveness in pursuit of a prosperous and,
therefore, A Livable and Delivering City*



STATE OF THE CITY ADDRESS

25 March 2015



Cllr Mondli Gungubele
Executive Mayor
Ekurhuleni Metropolitan Municipality



City of
Ekurhuleni

**THE STATE OF THE CITY ADDRESS BY CLLR MONDLI GUNGUBELE,
EXECUTIVE MAYOR OF THE EKURHULENI METROPOLITAN MUNICIPALITY,
GERMISTON COUNCIL CHAMBER**

25 March 2015

Theme: *Strengthening Social Maturity by Advancing Social Cohesion in Pursuit of a Prosperous and, therefore, A Livable and Delivering City*

Madam Speaker, Cllr Patricia Kumalo
Chief Whip of Council, Cllr Robert Mashego
Fellow Councillors
Members of the Mayoral Committee
Leaders of Opposition Parties in Council
The City Manager, Mr Khaya Ngema and our Senior Management
Leaders of Labour, Business and Civil Society
Members of the Media
Fellow Residents of Ekurhuleni
Distinguished Guests
Ladies and Gentlemen

Avuxeni! Good morning! Sanibonani! Molweni! Dumelang! Goeie Môre!

I am humbled and greatly honoured to once again reflect on the state of this beautiful City. This year's reflection is unique in that it takes place as we move towards the end of this present term of local government office in 2016.

It takes place at a great moment in time in our history – exactly 42 days since the 25th anniversary of the release from prison of the country's first democratically elected president - our beloved Dr Nelson Rolihlahla Mandela.

This year also marks 30 years since the slaying of our very own artist and revolutionary Thami Mnyele who was killed in his sleep by the apartheid army when they carried out an aggressive onslaught in Botswana on those of our people, who they themselves had driven into exile.

Our hearts are still very heavy at the untimely loss of Minister Collins Chabane and his protectors, sergeants Lesiba Sekele and Lawrence Lentsoane. Minister Chabane displayed heroism, an incredible sense of discipline and great capacity for selflessness both as a minister and as an ANC cadre.

Let me also pay tribute to the martyrs of our struggle; JB Marks and Moses Kotane who were reburied at the weekend. These were ancestors of the ANC's tripartite alliance who understood that the stronger the alliance was, the better the chances of fulfilling the historic mission of the ruling party, which is to provide a better life for all.

Honourable Speaker

The ongoing senseless illegal mining-related murders that continue to bedevil our area are giving us sleepless nights and seem to be escalating. Just this weekend the municipality had to assist with the burial of several victims of these senseless killings. These people, including an 18-month old toddler, were mowed down by unknown gunmen in Chief Albert Luthuli 10 days ago.

The illegal mining activities call for urgent and aggressive attention from all of us. On many occasions these seem to have an element of xenophobia – which cannot be allowed in a city that is a major player in the socio-economic environment of Africa.

Honourable Speaker

As I deliver this State of the City Address, I am mindful of the fact that our people are keen on getting a status update following the mandate to advance the struggle for a better life which they gave us in May 2011. Once again they took us into their thoughts during the recent SOCA Tips Campaign, when

they highlighted their expectations. Indeed I must thank them for their contribution and interesting views. ***Enkosi kakhulu bahlali. Baia dankie. Thank you. Siyabonga.***

Today as we report back I sincerely hope that we will fulfill the reason why we were the correct choice back in 2011, and why we remain the right people to carry the baton beyond 2016. When we kick-started our journey in 2011 we adopted the theme: ***Strengthening Social Maturity by Advancing Social Cohesion in Pursuit of a Prosperous City and, therefore, A Livable and Delivering City*** because we understand that Ekurhuleni is a microcosm of the past, present and the co-architect of the future.

We opted for this theme because the ultimate future of this country lies in a cohesive and socially matured society. Indeed we must continuously examine the path we are undertaking towards this maturity.

As explained before, our case of social maturity also derives from the location of Ekurhuleni as an arrival city and meeting point of South Africans and citizens of the world from all walks of life. This social maturity we refer to is a culmination of decades of struggle. It is for this reason that we should always remember where we come from, so that the gains made thus far are not taken for granted.

Madam Speaker and Fellow Councillors

Let me remind this august house that the cause of our liberation, repudiated in practice by the colonial state and the minority regimes that misgoverned our country for well over a century, found a home in the acquisition of our freedom.

The national liberation movement led by the ANC championed democracy because our forebears recognised its intrinsic value as the basis for good, accountable government coupled with justice.

Our forebears sought to advocate for human supremacy. They mocked racism as a mark of human purity. They despised division as a form of human security. Our forerunners ridiculed sexism as an indicator of human capability. They had a scant respect for fascism for there is nothing worse in corroding foundations of human triumph.

Ladies and Gentlemen

These men and women who came before us opted for a contrary pursuit to apartheid. They opted for foundations of human cohesion which finds expression in unity, non-racism, non-sexism, democracy and prosperity - the inevitability of all these principles of the supreme human order.

Our leaders remained imprisoned in the conviction to pursue foundations of human cohesion without which human endurance and triumph would perpetually remain a pipe dream. Those who came before us knew very well that without the foundations of the human cohesion, the prospects of the human triumph would be the subject of an uncertain future. I want to submit that their main contention was that if death was a price to pay for becoming a cohesive nation - so be it.

They did this because they were clear that our prosperity as a nation would remain trapped in the absence of this truth.

Today we stand to celebrate the installation of the Constitution of the Republic from which the foundations of our national cohesion derive security. For this reason we remain indebted to our forerunners to live and die for the freedoms consequent upon the foundations for which our great grandmothers and fathers paid a price.

We, therefore, commit to reconfigure our apartheid spatial patterns. We will throw our energy behind the revitalisation of the township economy. We shall spare no effort as we invest in infrastructure development. We shall stop at nothing to provide quality, sustainable and equitable services.

We commit to doing all these things for we remain indebted to protect, with our lives, the freedoms consequent upon the foundations for which those who came before us paid a price.

Distinguished Guests

There can be no better way to express the unwavering conviction of our forebears behind our movement's historic mission which laid the foundation for our constitution, than through the words of Chief Albert Luthuli when he said, "**Ours is struggle against a racial system not a race.**" The Chief is further quoted as saying, when stating his critical view about the PAC revolutionary stance when they left the ANC, "**We cannot fight a racially exclusive oppression through a racially exclusive resistance.**"

The resonance with Chief Luthuli's views later found affirmation in the words of Tata Nelson Mandela during his trial when stating his attitude towards both white and black domination.

Honourable Speaker

No one can find a better way to articulate the basic tenets of the New Nation as viewed by our forebears when founding the people's movement, the ANC. The ANC philosophy enjoins South Africans whilst obligating ANC members in particular to despise human division from whatever angle it expresses itself.

For more than 20 years hitherto our people have pursued a common life across the trivial distinctions of colour and ethnicity to a great measure.

These are the people who for the significant length of time resided, schooled and played separately. Most of us across racial and ethnic groupings were born to believe that living apart on the basis of these trivial lines was the will of God. To date our people are celebrating Charlize Theron, Quinton de Kock, Lucas Radebe, Nelson Mandela, Oliver Tambo, Chris Hani and many more South African greats across colour and ethnicity in pursuit of the human course.

As we gather today our people are queuing together for payment at shopping centres, they are dining, playing and relaxing together in venues of hospitality. All this they are doing without consideration of colour or ethnicity. Whilst we are not yet in the destination aspired by our forebear, we dare not disregard these irrefutable manifestations of a maturing nation.

Residents of Ekurhuleni

It must be acknowledged though that it will be less than candid to deny the historic fact that amongst us there are still Thomases, who live in the present on the platform of the past. We know as we sweat every hour to consolidate and further deliver conditions of national cohesion, we do so to vindicate the believers of the present whilst complicating dwelling in the past during the present. We are obligated to the sacrifices of our forebears never to betray this cause.

Every day, every hour and every minute we spare no effort in focussing our nation on the objectives of a cohesive society, which is the only way to secure the energy we need to become a solid independent nation.

Distinguished Guests

The year 1994 marked the dawn of the historical democratic elections for South Africa. Millions of our people welcomed this milestone by queuing for hours to exercise the hard fought basic human right of choosing their own leaders. The ANC emerged victorious with a landslide victory and became the people's preferred government.

For the past 21 years the people of South Africa have repeatedly entrusted us with the responsibility of delivering a better life for all because they believe that we are equal to the task. Indeed we have made some great strides since then, hence the continued endorsement by the masses.

The ANC government has been hard at work since the first democratic elections driving the process of repealing the de-humanising apartheid legal framework. However, the pervasive and overwhelming nature of apartheid laws continues to strike us to this day. Yes, we defeated apartheid but reversing its legacy still remains our programme of action – hence our continued aggressive confrontation of unemployment, poverty and inequality.

We must continue taking radical steps to eradicate the psychological, social, economic and spatial manifestations of apartheid, because without us doing so the battle would not have been won.

Honourable Speaker

I can say without fear of contradiction that this ANC government has managed to equalise and broaden access to government services across all races. The ANC should also be applauded for initiating the **Truth and Reconciliation Commission**, a critical tool which played a fundamental role in assisting all South Africans to deal with the violence and human rights violations that took place in the past.

In an attempt to cement the values of democracy, South Africans went on to put in place one of the best constitutions in the world because our constitution-makers understood our history very well.

Honourable members know that the country's Constitution, which is one of the greatest achievements of our liberation movement and our country, has its roots in key ANC documents such as the 1923 Bill of Rights, the 1943 African Claims and the Freedom Charter.

Fellow Councillors

Despite our successes so far, it is very important that we do not become arrogant and lose sight of why we remain the people's choice. That is why the Minister for Corporative Governance and Traditional Affairs Mr Pravin Gordhan is making a clarion call for '**Back to Basics**'.

We must go back to basics with a firm understanding that the struggle that began with the Congress of the People in Kliptown, Soweto, with the adoption of the Freedom Charter in 1955 continues. The dedicated men and women who participated in this historical process shared one vision and mission – to create a South Africa where all can co-exist regardless of colour or creed, and enjoy the benefits of being South African.

We must, therefore, frustrate any efforts that seek to take us back to the dark days of racial discrimination and condemn incidents of racism at all costs. Racism is a cancer to any society and must never be allowed to rear its ugly head.

It is, therefore, no fluke that we have themed this year: **THE YEAR OF THE FREEDOM CHARTER AND UNITY IN ACTION TO ADVANCE ECONOMIC FREEDOM**. We did this because we fully understand that it is this charter that continues to guide us towards the promised land.

As we take this city forward, central to our agenda should be the successful advancement of our country away from the divided past towards the realization of the vision contained in the Freedom Charter – whose 60th anniversary we celebrate this year – 'a South Africa that belongs to all who live in it, black and white.'

Honourable Speaker

When we took office in 2011, we did so on the back of priorities and commitments contained in the elections manifesto of the ruling African National Congress, which directed us to:

- Build local economies to create more employment and sustainable livelihoods;
- Improve local public services and broaden access to them;
- Build united, non-racial and integrated safer communities;
- Promote community participation in local government; and
- Build a more effective, accountable and clean local government that works closely with provincial and national government.

In pursuance of this agenda we adopted the three-dimensional value beam.

The **first** dimension directs us to maintain the high standards of quality services enjoyed by our well-off residents, while at the same time extending and improving services to those in less affluent communities. The **second** dimension of transformation is informed by our will to ensure that everything we do should transform and develop our society. **Thirdly**, our resolve is that all this is necessary because we must ultimately become the destination of choice for investment.

We went on to formulate an inclusive and broad-based Growth and Development Strategy (GDS 2055), which is anchored on five strategic imperatives, namely:

- **Re-Urbanise** – to achieve sustainable urban integration;
- **Re-Industrialise** – to achieve job-creating economic growth;
- **Re-Generate** – to achieve environmental well-being;
- **Re-Mobilise** – to achieve social empowerment; and
- **Re-Govern** – to achieve effective co-operative governance.

Honourable Speaker

Effective implementation of these strategic imperatives, we submitted, should result in a future that can be defined in three inter-connected ways. These being:

- **A Delivering City** – between 2012 and 2020, the form of which will be a well-managed, resourced and financially sustainable city;
- **A Capable City** – between 2020 and 2030, characterised by an inclusive industrial economy and meaningful reduction in unemployment and poverty; and
- **A Sustainable City** – between 2030 and 2055, where we shall have a clean, green and sustainable African manufacturing and logistics complex in a liveable and dynamic city, highly integrated in its city region - Gauteng.

Honourable Speaker

Allow me to share some critical facts about our city.

Ekurhuleni has a population of about 3,2 million inhabitants, of which over 65% are below the age of 34 years. Although this distribution could be an advantage to the city due to longevity and youthful exuberance, the reality that we face is contrary.

Some cold hard facts demonstrate that only 15% of the population in Ekurhuleni has post-matric qualifications, whilst 4% have no schooling at all. Edenvale has the highest portion of post matric population in the region at 41%, followed by Kempton Park and Alberton with 35% and 28%, respectively. Three per cent of our people have primary school education and 35% have some secondary schooling, while a paltry 35% possess a matric certificate.

Relative to towns, former disadvantaged areas generally have higher numbers of people with no schooling – mainly primary school being the highest our people have achieved.

The official unemployment rate in Ekurhuleni was hovering at 23% between 1995 and 2013. As things stand right now it is at a stubborn 28%.

The bulk of the people of Ekurhuleni are employed in the formal sector within the City, with 72% being formally employed in 2013. The number of people employed in the informal sector has been increasing over time since 2003. Formal employment has also been on the increase despite a slight decline in 2009 as a result of the economic downturn.

Honourable Councillors

The main source of employment within Ekurhuleni between 2001 and 2013 was wholesale and retail trade, with catering and accommodation leading at 25%. This was followed by finance, insurance, real estate and business services at 18%, manufacturing at 15%, community, social and personal services at 15%, and government at 11%.

Almost a quarter of the population is employed in elementary occupations such as domestic work, street trading, and general work in the fields of agriculture, mining and construction. At 15% are service workers at shops and markets. Technicians, professionals, legislators, senior officials and managers combined account for almost 26% of employment in the City.

Our region's GDP stands at about R254 billion (current prices), contributing 8% to the country's economy and 25% to the economy of Gauteng. Our Gross Value Add (**GVA**) grew at an average of 10,1% per annum between 2001 and 2013 - slightly behind the national and provincial growth rates.

The town of Kempton Park was the largest GVA contributor at 12%, with Nigel being the lowest with 1%.

Distinguished Guests

These facts paint a disturbing picture of the City, but as Gauteng Premier Mr David Makhura pointed out in the *State of the Province Address*, the reconfiguration of the Gauteng City Region's (GCR) space and economy along the five development corridors that have distinct industries and different comparative advantages – coupled with our own plans as contained in the GDS 2055, there is a clear plan to turn this situation around.

The speech by the Premier also set the tone that our agenda for the next five years as the Gauteng City Region should be anchored on strengthening the economy. Indeed an improved Ekurhuleni economy will assist us in the fight against unemployment, poverty and inequality.

EKURHULENI IS A BETTER PLACE THAN IT WAS

Fellow Residents

Ekurhuleni is now a much better place since its advent in 2000, with an even brighter unfolding future.

Allow me to qualify this by telling you the transition story of this City which creates the basis for the interventions that we have undertaken and continue to employ to this day. It is this history that demonstrates how the City of Ekurhuleni has navigated its way to where it is today.

As honourable members, and the community would know, Ekurhuleni was established with a distinct set of fragmentations compared to other metros making it unique in its own right.

The fragmentation embraced the following:

- A legacy of nine towns and 17 townships with no single large administration as in the case of the former cities of Johannesburg, Cape Town, Pretoria and Durban – which had to coalesce around relatively mature big city administrations;
- A fragmented and dispersed urban structure of towns and townships with no identifiable city centre and the displacement and fragmentation caused by the superimposition of a regional freeway system;
- A declining manufacturing base combined with deteriorated town centres and a stagnant to declining property market with its impact on property rates;
- Extreme social isolation and fragmentation as the worst excesses of apartheid planning placed ever larger townships on the periphery of a weakened urban spine with deteriorated public transport;
- High levels of poverty and homelessness for the majority of citizens;
- Ageing infrastructure together with vast service areas;
- A diffuse and problematic civic identity gravely challenged by the relics of the former East Rand identity;
- Unstable labour environment; and
- Fragmented planning systems and department silos.

It is this fragmentation that necessitated an attitude of gritty determination and hands-on innovation that promised a rapid catch up with our sister metros in the GCR and eventual leadership in key areas, guided by a powerful GDS 2055 vision and transition path.

Considering our relative disadvantages and the fact that 77% of the population lived below the poverty line in the area, Ekurhuleni had to perform wonders to improve the standard of living.

This is despite the fact that over the first 10-year period (2001 – 2011) the population of Ekurhuleni had increased by an overwhelming 28% - with some 700 000 people coming from all over to seek opportunities and a better life.

Honourable Speaker

Despite all that, we managed, in a very short space of time, to achieve many accolades and stamp our authority as a major player in the GCR and South Africa at large.

This is confirmed by the 2011/12 and 2012/13 Household Satisfaction Surveys conducted by the Gauteng City Region Observatory (GCRO) which state that the overall municipal performance of Ekurhuleni has increased by 6% in terms of respondents' satisfaction. We must persevere with our hard work and improve on this public endorsement – for that is the mandate from our electorate.

On this note, **ladies and gentlemen** allow me to highlight some of the challenges we had to tackle in undertaking this journey since 2011. We had to encounter huge infrastructure backlogs; lack of comprehensive transport strategy and implementation plans; insufficient provision of human settlements; and lack of clearly defined nodes to stimulate economic growth. There was unreliable waste collection; illegal dumping was getting out of hand; inadequate and ineffective sports and recreation programs; and the general lack of taking care of our environment and open spaces.

Fellow Residents

In pursuit of being a livable city, we have done a lot of work over the years. Access to electricity improved by 7%; flush toilets by 3.5%; and clean water inside dwellings by 14,1 %. The population in formal housing has gone up 7% and access to weekly refuse removal grew by 0,5%.

The Municipality has extended access to clean water to all our people including those living in informal settlements. This includes the 27,119 additional households provided with minimum water supply during the past three years. In addition, the quality of our water has continued to improve, maintaining the blue-drop status for the past three years in a row.

I can say with unwavering pride that **our water remains the best water to drink in the country to date**. This must be attributed to the metro's boldness to invest around R12 million on water quality management each year.

Honourable Speaker and Fellow Councillors

In pursuit of providing adequate services and decent housing to all our people, 98 000 houses were delivered in this region between 1994 and 2013. This figure includes a total of 2 446 houses constructed since 2011 by the Metro, as well as a total of 13 649 houses constructed by the Gauteng Provincial Government in the same period. In the current financial year, with the available funding provided by the Provincial Government, we are already building 270 houses out of a projected target of 305.

Further to this, we serviced nearly 120 000 stands in the same period.

In providing our people with security of tenure, I am pleased to announce that the Municipality has, over the years, established 30 residential townships under the subsidised human settlements programme. This move has given full title and ownership of land to 21 656 people. Furthermore, a total of 11 711 households have received title deeds to date.

The number of households in informal dwellings continues to decline. Between 1996 and 2011 we experienced a drop from 29.1% to 21.5%. Despite a recorded 85% access to flush toilets, all our informal settlements continue to receive incremental access to clean water, sanitation, refuse removal, area lighting, roads and primary health care – restoring dignity to more than 250 000 people.

Distinguished Guests

The safety and security of our communities is an issue for all of us as a people of Ekurhuleni. We have to continue working together to create safer communities. Ultimately we must create an environment where our people can be assured of their safety and that of their property; where the young and old are not scared to walk the streets at night for fear of being mugged; where women can spend time in a park without fear of being raped; and where drug dealers and other peddlers of crime are flushed out of society.

We have seen great progress in our policing and by-law enforcement over the years. In a short space of time the safety of our communities and our state of readiness to mitigate all forms of disasters steadily progressed to meet international standards.

People of Ekurhuleni

In the past we committed to, among others, establish a fire-fighting reserve force to assist in informal settlements; build new fire stations where there was historically none; and introduce the community-based Peace Corps in each of the 101 wards for community safety purposes. We also committed to improving our response times for life threatening emergencies in order to improve the general quality of life of our communities.

It gives me great pleasure to inform you that indeed we have walked the talk. Today I can confirm that 1 010 peace corps (10 per ward) have been recruited, trained and placed in identified hot spots dealing with scholar patrol, traffic control and foot patrols; a fire-fighting reserve force of 600 members has been established and they have been instrumental in the reduction of fire incidents in informal settlements to date; and we have employed an additional 170 fire fighter and emergency care practitioners to increase capacity.

It is a sense of great pride that I can publicly declare that all our previously disadvantaged communities will have fully functional fire stations by June next year when the KwaThema Fire Station, which is under construction, is completed and operationalized. Since 2011 the City has spent **R46.8 million** in the construction of new fire stations in Tsakane and Zonkezizwe, and disaster management satellite offices in the Kempton Park and Tsakane.

Honourable Speaker

We come from a history where there were major delays in responding to life threatening emergencies either because there were insufficient ambulances or because of distance between the victim and the emergency facility. Bold steps had to be undertaken in this regard. Since 2011 we have bolstered our ambulance fleet with 69 new ambulances - with the City purchasing 48 of these in 2013 and 2014, and the rest coming from the provincial government.

In addition we procured nine fire engines and one disaster bus. This intervention has tremendously improved our response times. Just to share some few facts:

- Emergency Calls responded to within 15 minutes increased from 15.78% to 58.49%; and
- Emergency medical calls responded to within an hour increased from 4.44% to 100%.

Honourable Councillors

The people of Ekurhuleni can attest to the fact that the EMPD has made some serious and meaningful inroads to creating safer communities since its establishment in 2002.

However, before I dwell on the good story we have to tell in this regard, I wish to take this moment to salute the 55 members who have lost their lives since 2011. They must forever be respected for having taken the oath to serve the people of this city.

Let me now share some of the remarkable successes of the EMPD since 2011: a total of 13 824 operations were conducted between 2011 and 2014 resulting in the nabbing of 18 110 suspects; and 1 149 stolen cars were recovered in the same period— meaning in the region of 287 cars were recovered per year between 2011 and 2014.

With the rate of drug abuse sky rocketing among our communities, the metro police have been vigilant, making arrests week in and week out – with their biggest single arrest being the nabbing of a man of Nigerian origin in Springs who was found in possession of the drug Cat worth R1.5 million earlier this year.

As the scourge of drugs continues, I am happy to announce that we will soon be establishing a more specialised Drugs Task Team. The metro police's public order policing unit continues to play a critical role during service delivery protests and they are always hard at work mitigating and managing various acts of land grabbing as and when they threaten to unfold.

Fellow Residents

We have heard the cries of our communities that the EMPD is not doing enough to deal with traffic when the traffic lights are off. Indeed this is not acceptable. Our police must do traffic control every time the need arises.

Before I step off the EMPD story, let me inform our people that our quest to bring policing closer to communities continues. To date we have rolled out 22 metro police precincts and three more are under construction.

Distinguished Guests

In the current term of office we have had to manage the transition from a City that is fragmented, reactive, slow, complex, in-equitable, risk averse, with a spending focus, and conservative to lay the foundations for the Delivering City in the 2016 - 2021 term, that is cohesive, pro-active, fast, modern, simple, equitable and risk managed with an investing focus.

Already we can distinguish the following institutional drivers in the current term:

- **An Organic Driver** - we engage intensively with communities and customers to understand their needs;
- **A Customer Service Driver** - we have developed a range of response mechanisms to address the needs of communities; and
- **The Modernisation Driver** - we are developing systems to provide sustained service delivery and continuously improve such.

Honourable Speaker

In the *State of the Nation Address* the President of the Republic, Honourable Jacob Zuma, reminded us that, **“Local government is everybody’s business. We have to make it work.”**

It is at the back of this statement that we must internalise the thrust of the **Back to Basic** programme, which seeks to promote good governance and effective administration through cutting wastage by spending public funds prudently; hiring of competent staff; and ensuring transparency and accountability of municipalities.

Lest we forget that our people need water, electricity, waste removal, houses, roads, sanitation and a host of other services.

We must continuously demonstrate our steadfastness in our commitment to the vision of the Freedom Charter and the objectives of the National Development Plan (NDP). On this note I urge the people of Ekurhuleni to rally behind the NDP, to drive its implementation and to work with our government to eradicate poverty, reduce unemployment and eliminate inequality by 2030.

Indeed as I alluded earlier, in 2011 we made a number of commitments. I beg for your indulgence as I report back to our communities on these.

RE-INDUSTRIALISE TOWARDS RADICAL SPATIAL, SOCIAL AND ECONOMIC TRANSFORMATION

Honourable Speaker

It is well documented that the City of Ekurhuleni, as a microcosm of South Africa and Gauteng, is experiencing high levels of unemployment, poverty and inequality. These triple developmental challenges are the root-cause of most of the socio-economic ills that continue to ravage our communities.

In the spirit of the **Freedom Charter and Unity in Action to Advance Economic Freedom**, we remain committed to effect radical social, spatial and economic transformation during our lifetime.

In our effort to systematically intervene towards radical transformation, we have rationalised and aligned the city's flagship programmes to the imperatives of the GDS 2055. By implication, this means that we have prioritized radical socio-economic and spatial development as a cross-cutting imperative to achieve the objectives we have set ourselves in the area of economic transformation.

In order to achieve this imperative, the Ekurhuleni Aerotropolis programme has been adopted as an overarching flagship programme which encapsulates other flagships such as the Digital City, IRPTN, Beautification of Lakes and Dams, Urban Regeneration, Development of Township Economies and the Revitalization of the Manufacturing Sector among others, to drive the radical economic development and transformation agenda of Ekurhuleni.

We realise that these interventions shall not have the envisaged impact if they are not coupled with a systematic programme to crowd-in strategic investment into the City. We must put a concerted effort towards the redistribution of the wealth of the city as envisaged in section 217 of the Constitution of South Africa.

Furthermore, we have also resolved that in as much as our budget will be leveraged to advance this socio-economic programme, it is inevitable that a city such as ours, should adopt a posture that is welcoming to strategic partnerships and private sector investments.

AEROTROPOLIS DEVELOPMENT PROGRAMME

Captains of Industry

In September 2013, we announced the appointment of a consortium that had won the contract to develop a 30-year Ekurhuleni Aerotropolis Master Plan. There is no doubt that the Aerotropolis concept is now mainstreamed in the city and has ignited a new wave of investments in and around the airport catchment area.

It should be noted that the implementation of the Aerotropolis programme in Ekurhuleni intends to balance the distribution of economic activity between the nine affluent areas and the 17 townships of Ekurhuleni. This will be achieved through a systematic spatial and economic programme to enable the geographic spread. This way, our people will enjoy its benefits and improved quality of life from wherever they are without moving closer to the airport.

The Aerotropolis concept has been very successful in airport cities of Asia, Europe and North America; hence the Ekurhuleni Aerotropolis programme offers a unique opportunity to apply lessons learnt at these airports to develop a truly African solution to our economic system.

Distinguished Guests

Having leveraged the best global expertise in the development of the Aerotropolis programme in Ekurhuleni, the five-year Strategic Implementation Plan has identified 10 economic clusters that will be prioritized for development in Ekurhuleni.

Another good story is that the first wave of catalytic projects has been induced in the Catchment Area of the Aerotropolis namely:

- A R300 million PRASA Nerve Centre building next Kaalfontein station in Kempton Park as part of the R4 billion tender station upgrade programme by PRASA;
- The Air Traffic and Navigation Services (SOC) is developing its head office and training academy in Isando, Kempton Park.
- The Peermont Group's R320 million extension of their Emperors Palace Casino and Resort, to mention but a few.

We have also recorded several interesting developments in and around the Aerotropolis Catchment Area, wherein the following projects have been planned and developed to date:

- i. The Riverfields development in Kempton Park – which is a mixed-use development strategically located on the Portion of farm Witfontein 15-IR northeast of the existing Kempton

Park CBD and the Albertina Sisulu Freeway (R21) situated between OR Tambo International Airport and Tshwane;

- ii. Glen Erasmia Boulevard (430 residential stands) and Zimbali Cluster Development, in Kempton Park;
- iii. Gleneagle Estate (392 residential stands), 4 cluster developments (to be developed), Clubhouse, tennis court, squash court and extensive parks;
- iv. The Gleneagle Office Park, in Kempton Park which is currently being serviced and is practically sold out;
- v. Plumbago Business and Logistics Parks, Kempton Park, which is fully serviced and in the process of being developed. John Deere and Blue Sky Logistics have already taken occupation.

To date, approximately **R789 million** has been invested in a number of projects along Albertina Sisulu Corridor creating at least 1,506 jobs. As a result, the R21 expressway now features iconic buildings that house companies such as John Deere, DB Schenker, DBZ Eng, DHL Global Warehouse, DHL Global Head Office, Würth, Jonson's Workwear, TAL Warehouse, Fast Freight, DHL Supply Chain, DB Schenker, Takealot and many more.

Honourable Councillors

It is envisaged that the Riverfields Retail Mall in Kempton Park shall be established on the south-western intersection of the R21 and R25. This is a mixed-use and integrated development which includes residential, business, commercial, industrial, retail and other ancillary uses such as parks, recreational facilities, hotels, a hospital, schools and more.

Another mega project along the (R21) Albertina Sisulu corridor is the M-T Development mixed-use development which involves 21 industrial parks, medium density residential dwelling units, mixed land-use (business, retail, showrooms, residential), offices, warehousing and distribution and educational facilities. This project is estimated at **R50 billion** over 15 years.

Furthermore, 18 new mixed development projects ranging from industrial, commercial and residential are planned for the Pomona area.

INVESTMENT FACILITATION

Honourable Speaker

In addition to the identification of over 107 investment projects across Ekurhuleni through a process of strategic prioritization, we have identified 21 catalytic and eight strategic projects for implementation and investment over the next five years.

In order to realise these investment opportunities, I am happy to announce that since November last year Council has approved a 40% Rebate Facility on Bulk Contributions for Roads, which was a major stumbling block for strategic developments and investments into the city. This is but one intervention as we continue to package a bouquet of incentives to attract more investment.

Furthermore, the Metro has resolved to expedite the process to create a favourable investment climate by unlocking strategic land parcels, and respond positively to investors. To date 14 SLPs have been packaged.

The City is also at an advanced stage of organizing the Aerotropolis Investment Conference and Expo which is aimed at promoting the Aerotropolis catalytic projects to domestic and international investors.

As a Municipality our star is indeed rising and we are convinced that Ekurhuleni is poised to maintain its role as a major socio-economic player in Africa.

Leaders of Business

The City recently hosted the third edition of the Air Cargo Africa Conference and Expo which was attended by global, regional and domestic stakeholders. The main purpose was to understand the role we can play in air cargo and determine opportunities for the city and her people.

It is reported that by 2014, South Africa handled almost 360 000 tons of air freight, wherein 90% of that volume was handled through the OR Tambo International Airport.

It is further projected that Air Cargo traffic that is handled through the OR Tambo International Airport will reach 550,000 by 2025, thus placing our airport as a key role-player in the regional logistics and air cargo activities.

These increased air linkages between OR Tambo Airport and the African continent is critical in fostering inward investment growth. This then means a major accelerator of growth for the Ekurhuleni Aerotropolis shall be the increase in the volume of foreign direct investment as South Africa, and OR Tambo in particular, continue to be generally viewed as the gateway to Africa and the world.

Esteemed Guests

The 30-year Aerotropolis Master Plan will be finalised next month. This will soon be followed by a comprehensive public participation programme to integrate, educate and consult various stakeholders including business. This we shall undertake to substantiate the business-case for investments in Ekurhuleni going forward.

Furthermore, in order to embed collaboration between the three spheres of Government, landowners, developers and investors, we plan to host the Gauteng Premier's GCR Aerotropolis Business Consultative Roundtable to engage business stakeholders and facilitate strategic partnerships and/or investment towards implementation before the end of this financial year.

REVITALIZATION OF THE MANUFACTURING SECTOR IN EKURHULENI

Captains of Industry

Ekurhuleni and its sister cities within the GCR contribute just under 34% of the entire GDP of the country, and an estimated 40.6% of South Africa's manufacturing is generated in the province. The Ekurhuleni Aerotropolis Master Plan identifies a range of opportunities to accelerate upstream and downstream economic activities that rely on Just-In-Time (JIT) Airport Connectivity. Each of the target industries has a function within the Ekurhuleni Aerotropolis and varying levels of interaction and reliance on the connectivity of the airport.

Over and above this, target industries that are integral to the growth of the South African economy form an important aspect of the success of the Ekurhuleni Aerotropolis. In this regard, the Ekurhuleni Aerotropolis Master Plan is a wide-ranging Economic Development Strategy.

To date, the Ekurhuleni Investment Centre has registered and facilitated over 12 large-scale projects that are valued at billions of rands, and have the potential to create approximately **287,200** jobs over the next 15 years.

Included in the 12 large-scale projects above, is the PRASA-Gibela rolling stock manufacturing project in Dunnotar wherein 3 600 locomotives shall be manufactured. Since the announcement of this national project, I am pleased to inform you that the Metro has since approved the leasing of 288 hectares to PRASA/GIBELA, and the Township Establishment has been approved.

Whilst we await the finalization of the EIA Record of Decision, work is underway between the technical teams of EMM, PRASA and Gibela to design the route for the required bulk infrastructure as well as finalise the services agreement.

We are also working with the Gauteng Provincial Government to leverage the two Special Economic Zone licenses that have been granted in order to expand the scope of the license so that it incorporates the Gibela Consortium project in Dunnotar, Tambo Springs Inland Port in Vosloorus and the Sentrarrand Super Corridor in Etwatwa in order to leverage and maximise investment and development in these localities.

It is also worth mentioning that through this programme, the Premier's 4-4-2 (TMR) strategy is best put to practice as the Gibela Consortium has made critical commitments on localization, skills

development, employment, community development and enterprise development, which are earmarked for the people of our city primarily.

In this regard, in order to mainstream local companies in the rolling stock programme, work is underway to implement a comprehensive Black Industrialist Development Programme wherein prequalified manufacturing entities in the region shall be mainstreamed, and incubated over a period of time to become preferred suppliers to the project.

Just over a week ago the Metro, PRASA and the Gibela Consortium hosted the inaugural Supplier Day workshop at the Alberton Civic Centre wherein suppliers were given a comprehensive briefing on the project and the programme of action. Next month the Metro shall be handing-over the site to the Gibela Consortium. Soon after, we can expect a date for the sod turning.

Honourable Speaker

In order to consolidate our gains in this sector of the economy, we have formalised partnerships with Productivity SA to implement an industrial upgrade programme in those areas of industrial agglomeration.

We shall also be hosting a Manufacturing Roundtable with strategic companies in Ekurhuleni as well as launch the Ekurhuleni Business Council with local stakeholders and partners from civil society, business, academia, organised labour. This we are doing with the aim of developing joint programmes, quarterly stakeholder engagements and surveys to benchmark the performance and transformation in the sector.

TOWNSHIP ECONOMIES DEVELOPMENT

Honourable Councillors

You will recall that a process to develop a comprehensive Township Economies Development Strategy was activated. The proposed strategy has focused on the five township complexes of Ekurhuleni with a primary focus on the development of Township Economic Hubs.

The characteristics of these Township Enterprise Hubs are facilities that have an agglomeration of more than one business use such as industrial parks, fabrication laboratories, business incubation centres, skills development centres and trading facilities - in order to enhance the identified economic nodes in the five township complexes.

Furthermore, training, mentorship and support services are also extended to local enterprises especially SMMEs, Cooperative and Emerging Farmers in partnership with our strategic partners SEDA, SEFA, Anglo-Zimela, The Business Place, SEDA Construction Incubator. At the end of the day we must enhance our offerings to communities.

Last year, we committed to opening the first ever Ekurhuleni construction incubation centre in Etwatwa. However, due to lack of suitable land in the area, we ended up moving it to Chloorkop where it has been operational since July. To date 33 local emerging construction companies are being incubated into sustainable enterprises over a three-year period at the tune of R6 million to the Metro.

Having announced the establishment of 20 Youth Empowerment Centres previously, we report that 14 Youth Empowerment Offices have been operationalised in partnership with the National Youth Development Agency to provide both financial and non-financial support to local youth. To date several qualifying youth-owned businesses now qualify for funding.

In keeping to our resolve to stimulate Township Economy, I am also happy to announce that the construction of the Thokoza Enterprise Hub in Kumalo Street, and the Tembisa Enterprise Hub on Thami Myele Street, have both been completed. A process to immediately populate and operationalize these centres is now underway. Furthermore, construction of the Duduza, Barcelona (Etwatwa), and Khulisa (Vosloorus) enterprise hubs is already underway. The projects will cost the City R30 million. ***Siyaqhuba!***

Distinguished Guests

In an effort to ensure better access to business support services for communities of Ekurhuleni, a process is underway to audit the services offered through our various enterprise development centres in order to package a bouquet of Township Enterprise Hubs that could enhance entrepreneurship in Ekurhuleni.

Having suffered some setbacks in the management of the Spaarwater Incubation Farm, a decisive intervention by senior management of the Metro managed to normalise the situation. However, we acknowledge that this farm has even greater potential.

In our efforts to stimulate community participation in the agricultural sector and enhance the management of the Ekurhuleni farm assets, the Metro will be inviting interested parties through a Request for Proposal process to look at possibilities in this area.

I am pleased to announce that in collaboration with the Gauteng Department of Economic Development, we successfully hosted a Township Economies Regional Conference which was attended by no less than 3 000 entrepreneurs in Tsakane.

Furthermore, the Township Economies Development Strategy has been developed and subject to approval, a comprehensive public participation process shall ensue in order to engage various stakeholders, social partners, organised business and the broader community of Ekurhuleni.

Fellow Residents of Ekurhuleni

We are extremely proud that the first group of **Vukuphile** learner-contractors has graduated. You will recall that for the past three years we have been patiently incubating 20 learner contractors and 20 supervisors in construction through the **Vukuphile** community development programme. These youngsters graduate after undertaking projects worth R210 million over three years – meaning that each was allocated projects to the value of at least R7 million to implement.

The **Vukuphile** programme continues to be the beacon of hope for enterprise development and economic empowerment among our young people. In this regard, we are now preparing to launch the EPWP **Vukuphile 3 programme**, wherein we are targeting an intake of at least 40 learner contractors for a three-year development programme. It remains our resolve to increase the volume of projects allocated to them from R210 million to **R500 million**.

SKILLS DEVELOPMENT

Honourable Speaker

Subsequent to our SOCA commitment of 2013/14 to rollout the Recognition of Prior Learning (RPL) programme, the City has received more than 3 000 applications from individual community members who expressed interest. Through a partnership with the Ekurhuleni East and West Colleges, 1 200 applicants, who met the minimum requirements in the different trades, have already been captured and pre-selected.

These prequalified beneficiaries are now undergoing assessments at Indlela Trade Test Centre in Olifantsfontein, from which they will go back to Ekurhuleni East and Ekurhuleni West Colleges for top-up training and a trade test preparation programme. It should be noted that this intervention is part of our three-year programme to develop community artisans as part of the Decade of Artisans campaign. We have invested R6 million in the programme over its three-year duration.

In partnership with UIF and the SA Solar Academy, a little over 300 young people from among other areas Daveyton, Etwatwa, Benoni and Watville underwent a two-month comprehensive training programme on plumbing and solar water heating installation. They were later placed with third party companies for practical training and I am pleased to announce here today that these youngsters are now qualified solar water heater installers Level 2. They possess a National Certificate in Hot Water Systems Installation.

Due to the successful completion of this pilot project, we have been selected as one of 77 municipalities country-wide that will participate in the national roll-out of solar heaters – a programme to be conducted by the Department of Energy in the near future.

Honourable Speaker and Fellow Councillors

The City of Ekurhuleni is making a substantial investment on the youth of this region. Last year we made a commitment to place 725 young people in a job readiness and graduate placement programme, and this commitment was over achieved by 1 159. These youngsters were placed both within the Municipality and in private companies. To date this figure stands at 4 507 at a cost of **R35 million** per year to the municipality.

As a municipality we firmly believe that ‘a community that does not take care of its youth is doomed’, especially in a city that has 65% of its population as young people. In this regard the City has increased the number of beneficiaries of the Ekurhuleni Metro community bursary scheme. This year the intake was 464 taking the total number to 810 at a cost of **R13,8 million** per annum.

We have further resolved to increase the allocation towards community bursaries in order to enable many more of our children to improve their high-school performance in preparation for tertiary education. We shall be introducing a full bursary programme which should cover all the needs of the learners at tertiary including tuition fees, stationery and boarding fees.

Currently, in partnership with our social partners, we are conducting roadshows at 84 high schools in Ekurhuleni, a process which will culminate in the Annual Job Summit and Career Expo now in June.

JOB CREATION BATTLE PLAN

Fellow Citizens of Ekurhuleni

The Municipality has resolved to combat unemployment and eradicate poverty within Ekurhuleni by establishing strategic working relationships with social partners such as business, organised labour, civil society and other spheres of government, state owned companies and state owned entities.

These strategic partnerships are meant to incentivise these social partners to adopt an all ‘hands on deck’ approach to job creation. This we believe can be effectively achieved by creating a favourable business climate to promote and attract job creating investments and leverage the Metro’s Capex and Opex budgets through the promotion of local procurement, enterprise development and local production.

The primary objectives of these public sector community works employment initiatives are largely to provide a safety-net that assists in restoring dignity to communities by engaging them in income earning opportunities, whilst leveraging their skills to develop the economy of their areas.

Fellow Councillors

Back in 2011, we committed to the creation of 180,000 job opportunities in Ekurhuleni. When we did this we did not anticipate the prolonged effects of the global economic meltdown which affected the flow of credit, export demand and production chains the world over, wherein the Ekurhuleni Economy shed at least 27 927 formal jobs between 2011 and 2012 - across all sectors of the economy.

Be that as it may, the net effect is such that the Ekurhuleni economy has since demonstrated its resilience by recording the creation of 16 680 new jobs in 2013, and 39 000 in 2014 – as per figures released by *Global Insight*.

Since Council’s approval of the Job Creation Battle Plan, we have realised moderate gains in the area of Youth Employment, Community Works Employment and Expanded Public Works Employment to date.

In this regard, this job creation programme prioritises the provision of training and skills development to improve the employability of citizens and to expand their entrepreneurship options. I am proud to announce that to date we have sustained and created no less than 28,246 job opportunities since

2013 under the EPWP and CWPs in the areas of: Community Emergency Response; Community Peace Corp; Youth Work Readiness Programme; Waste Collection; Fire Fighting; Fire Hydrant Inspection; Rodent Control; and Environment Management among others.

As the battle against poverty and unemployment continues, through several strategic partnerships with public and private sector organizations, an additional 1 500 unemployed young people are being placed in companies such as FNB, Stallion, McDonalds and Dischem on a year-long training and placement programme.

Going forward we envisage that by the end of the financial year 2015/16, over 15 000 work opportunities, mostly for the youth, shall be created by the Metro, cementing our contribution to the Tshepo 500 000, the GCR Youth Empowerment programme.

YOUTH ECONOMIC EMPOWERMENT

Honourable Councillors

Having confronted the reality that ours is a Metro that had limited local suppliers who leveraged the SCM process, I am sure our people will be excited to hear that we have resolved to correct and normalize this area of our business.

This we are doing in line with Section 217 of the Constitution of the Republic, which stipulates the need to implement a procurement policy that will provide for categories of preference in the allocation of contracts; and the protection or advancement of persons, or categories of persons disadvantaged by unfair discrimination.

Furthermore, Premier David Makhura during his *State of the Province Address* on 27 June 2014, set the tone for a radical phase of transformation when he underscored the role of SMME development towards economic development and job creation. The Premier further stated that,

“All municipalities shall work to ensure that government procurement policies facilitate the formation of co-operatives and SMMEs by young people, women and including people with disability who have demonstrable commitment to succeed in the world of entrepreneurship.”

It gives me great pleasure to announce that with effect from 1 July 2015, the Ekurhuleni Community Empowerment Package shall come into effect as follows:

- **R2,9 billion** of procurement value shall be ring-fenced for prequalified businesses owned by the youth, women and people with disabilities; black industrialists; and community job creation initiatives in compliance with the SCM policy.

These prequalified entities shall be facilitated into strategic partnerships and/or sub-contracting relationships to enable skills transfer and localisation of the procurement spent in Ekurhuleni, such that no less than 30% of all awarded contracts per ward are localized.

In practical terms, the ring-fenced budget shall focus on the following interventions:

- **R1 billion** (34%) ring-fenced for Youth-owned Enterprises (targeting at least 1 190 businesses);
- **R589 million** (20%) ring-fenced for Community Works Programme;
- **R500 million** (17%) ring-fenced for Learner Contractors under the EPWP Vukuphile Programme (targeting at least 40 businesses);
- **R500 million** (17%) ring-fenced for Black Industrialist (targeting at least 50 businesses);
- **R101 million** (4%) ring-fenced for Lungile Mtshali Community Development Programme (targeting community businesses in 101 wards);
- **R100 million** (4%) ring-fenced for Community Social Entrepreneurship through Grant-in-Aid (Targeting at least 500 local businesses);
- **R115 million** (4%) ring-fenced for Job Fund Leveraging Projects and Programme implementation.

Honourable Speaker

The strategic objectives of the Ekurhuleni Youth Empowerment Packages are to:

- Confront and combat the high levels of structural unemployment;
- Create a Black-owned Cadreship of emerging farmers, entrepreneurs, producers, suppliers and enterprises;
- Incentivise business and social entrepreneurs to create jobs through non-conventional interventions;
- Favourable business climate to promote private sector participation and attract inward investment into townships; and
- Leverage the Metro's Capex and Opex for job creation through social partnerships.

Honourable Councillors

The introduction of these interventions shall put-paid to our motto which reads **"a partnership that works"**. We are humbled that by introducing this Community Empowerment programme perhaps we should consider reconfiguring our motto to **"a partnership at work"**.

It is our humble appeal to youth-owned businesses, black industrialists and community social entrepreneurs to ready themselves by ensuring that all the required procurement documentation are readily available. In meeting such businesses half way, the Metro will undertake a comprehensive vendor registration process from next month until June 2015.

Teams shall be visiting our 20 Customer Care Centres for this purpose. The exact dates will be communicated through the media hence our appeal for the public to be on the look-out for the adverts.

Indeed, through this bouquet of interventions, we believe that the City of Ekurhuleni is demonstrating its unwavering resolve to empower its communities. Indeed ***Mintirho ya hina ya Vulavula*** as we systematically intervene to impose radical social, spatial and economic transformation in Ekurhuleni.

As I move on, I would like to leave this area of our work with this quotation:

"One of the most dangerous forms of human error is forgetting what one is trying to achieve"
– Paul Nitze, Secretary of the Navy, USA.

INITIATIVES TO RE-URBANISE AND RE-MOBILISE TO ENSURE A LIVABLE EKURHULENI

Honourable Councillors

As a municipal government we recognise that the capital investment programme of the City must be expedited to focus on human settlements, urban and township infrastructure, public transport, energy, water and sanitation. In part to facilitate this, urgent steps must be taken to strengthen public to public partnerships as well as public-private partnerships. At all times these partnerships must embrace all communities.

I now turn to housing. The campaign for the provision of proper housing for our people continues. As articulated earlier, a lot has been done since 1994, but a lot more still needs to be done.

Since our last *State of the City Address*, I am pleased to inform you that we have commenced with the fast-tracking of the planning of stands to be serviced for households in informal settlements and for families on the waiting list.

Notwithstanding the fact that we may not have all the resources to build comprehensive human settlements and houses, we remain steadfast in doing the best we can to improve the living conditions of our people. In this regard, we have since resolved to fast-track the provision of basic services to those of our people that have a backlog in basic services and infrastructure.

Already, a total of 7 621 stands are at various stages of approval for the roll out of water, sanitation, roads, storm-water and electricity. A total of 76 informal settlements of the 117 have been assessed to ascertain suitability for in-situ upgrading and/or relocation. Sixteen of these are targeted for be upgrading before the end of June.

People of Ekurhuleni

In the financial year starting in July, the Metro will be embarking on an incremental programme of projects to provide fully serviced stands to households in informal settlements as well as to households allocated from the waiting list. In this regard we will be commencing with Balmoral Extension 4 (Delmore) and Alliance Extension One (Lindelani) which are ready for infrastructure rollout.

In these areas we will be providing not only water and sanitation, but surfaced roads and storm-water, street and high mast lights and electricity reticulation. In essence the beneficiaries will now have the choice to build for themselves as they will already be enjoying the full benefit of permanent municipal services.

Honourable Speaker

The Metro recognises the fact that staid dormitory townships devoid of vibrant and active economic activity, limited or no economic opportunity, and with little or no integrated socio-economic infrastructure characterize our inherited legacy of human settlements development.

In order to balance the opportunities of scale with spatial integration and socio-economic sustainability, we intend implementing a suite of five megaprojects which will be implemented in conjunction with the Province and National spheres of government.

During the *State of the Province Address* Gauteng Premier David Makhura confirmed this fact when he said,

“In order to change human settlements paradigm, more than 100 000 housing units will be delivered in the next five years in areas such as Chief Albert Luthuli, John Dube Ext 2, Tsakane Ext 22, Germiston south, Leeuwpoort, Rietfontein and Clayville Extension 45.”

It is also exciting to note that a minimum of 12 informal settlements in our region have been prioritised as part of the project pipeline for the suite of mega projects to be implemented by both the Provincial and National Departments of Human Settlements. These settlements include Madelakufa; Freedom Square; Winnie Mandela; Vusimusi/Enhlanzen; Tswelopele; Gabon; KwaThema (Ekuthuleni, Ext 5 and 7); Tsakane Ext 10; Somalia; Mpilisweni; Sakhile; and Ramaphosa.

On our part as a Metro we shall continue to speed up the delivery of housing and reduce the waiting list - hence we further pledge to provide a minimum of 59 000 fully-serviced houses over the next five years starting in the forthcoming financial year. I concur with the premier that these initiatives will indeed create a new economy and spatial landscape in Ekurhuleni, and generate much needed jobs and economic opportunities for our people.

Honourable Speaker

Our Metro has identified four urban centres for socio-economic infrastructure upgrading for the crowding in of public to public and private to private, as well as public/private investment. These urban centres are Kwatsaduza, Daveyton-Etswatwa, Actonville-Wattville and Katorus. The business plans have been completed and during the 2015/16 financial year, we will commence with implementation of catalytic projects in two of the areas, and the other two centres shall follow.

In addition, the urban renewal strategies for the Tembisa and Germiston urban nodes have already been completed. In this regard the construction of the Germiston Theatre and a new fire station for the town have already started, while the precinct plan for the redevelopment of Germiston Station which we are doing with PRASA is in the process of completion.

The design and construction of 250 rental units in Delville and the fire station will commence in the new financial year. This development will supplement the current stock of the Ekurhuleni

Development Company. In order to continually improve our service offerings to tenants in council owned rental stock, refurbishment and maintenance of metro-owned rental stock continues with 32 complexes expected to be completed by the end of this financial year.

Fellow Residents

Recognising that the success of the Provincial Human Settlements plan is interdependent on the support and development initiatives and plans of our Council, I am pleased to announce that over the next three years we will actively embark on the development of 16 784 serviced stands for people living in the informal settlements and registered on the waiting list in our area.

The first beneficiaries in this regard will be Ulana and Lindelani. Plans to rollout this intervention are at an advanced stage. Over the next three years this intervention will be extended to communities of Gugulethu/Everest, Sakhile, Mpilsweni, Holomisa and Anchor.

Furthermore, residents of Kwatsaduza who are on the waiting list will finally be allocated houses in the ongoing Tsakane Ext 22 project which commenced last year.

The City understands the hunger for housing in our area. We have done our bit to date and can assure our people that our efforts will continue to improve especially with the advent of impending accreditation to be awarded by the province to municipalities allowing them to receive funding directly from the National Department of Human Settlements to implement housing programmes.

Honourable Councillors

In the area of water, allow me to raise an alarm that we are still among the main contributors to the country's water loss woes of **R7 billion**-a-year articulated by the President in the SoNA. The Honourable President raised this as a fundamental issue and called on all South Africans to treasure and protect water because it is a scarce resource. People of Ekurhuleni! Let us heed the call!

The City of Ekurhuleni's efforts to deal with water losses are being accelerated. To date we have been able to deal with leaks to 10 551 properties belonging to indigent families and our target is to reach 43 000 properties by December. The municipality also attended to leaks at 27 local schools.

I must however voice some disappointment at the behaviour of some of our people who are frustrating the rollout of this intervention, especially where the water leaks project is delayed for weeks by local communities who have unrelated grievances. **Masisebenzisane bantu bakithi.**

Honourable Speaker

Still on the issue of preventing the loss and waste of water, 106km of water pipes were either replaced or upgraded in the previous financial year alone, while at least 15km of sewer pipes were also replaced in the same period. These interventions have reduced our non-revenue water from 40.3% to 36.9% – this as at the end of December 2014, translating to **R670 million** in material loss.

We continue to replace faulty and leaking water meters having replaced 41 699 to date and hoping to reach a target of 90 000 by the end of June in 2016.

Understanding the strain of water resources requires innovative thinking. In this regard, given the challenges on the water resources availability, the Ekurhuleni Metro municipality is seeking to diversify the mix of its water sources.

In this regard, we are exploring the options of reclamation and re-use of treated effluent from its ERWAT waste water treatment works, rainwater harvesting, ground water and use of the neutralised or desalinated Acid Mine Drainage water. We will also encourage our communities to explore the use of the treated effluent as a substitution for potable water for irrigation requirements and for potable direct or indirect use.

The social acceptability for the use of reclaimed water from the waste water treatment works for direct potable purposes is a major consideration to be taken into account and is fundamental to the success

of this intervention. However, the presence of heavy metals, pharmaceutical active and Endocrine Disrupting Compounds (EDCs) in waste water effluent remains a major cause of concern that needs to be considered and thoroughly researched. **Siyaqhuba.**

Madam Speaker and Fellow Councillors

We continue to fast-track the rollout of clean water and proper sanitation to our communities. In this regard you will be excited to know that between July and December last year, we had completed new installations in Etwatwa extensions 18 and 35; upgraded the Rockville sewer pump station in Nigel; replaced the Casseldale outfall sewer; and concluded the water supply connection project to Tsakane Extension 6.

For many years the community of Zonk'izwe had been complaining about lack of proper sewer and ablution facilities in that township. We listened, we heard and intervened accordingly. To this end I wish to inform the house that 912 water borne toilets have already been constructed there. Even more exciting about this project is that it has been done through the **Vukuphile programme**, an initiative introduced by the City to develop emerging contractors.

As we continue to restore the dignity of our people living in informal settlements, an additional 2 410 chemical toilets were added taking the total of just under 11 000. An additional 125 water service points have also been provided to informal settlements since March last year.

Fellow Residents of our City

I beg for your indulgence as I turn to the sensitive issue of energy, a hot potato of late. At the outset we must welcome the national government's commitment to prioritise the issue of power generation in this country. Indeed we all have a responsibility to use power sparingly and help stabilise the grid and contain the load shedding.

The present power situation is not good for the economy of the country especially for a City like ours which thrives on manufacturing.

On our part, our Energy Department continues with relief efforts – having already installed 138 518 energy efficient lights in all Council buildings – saving the city **R11.2 million** per year. We are also forging ahead with the programme of looking for alternative sources of power as per the mandate of the provincial government in its efforts to reduce the pressure on the national grid.

Our efforts of introducing renewable energy sources are moving with speed. We have commissioned the Biomas Power Plant at Simmer and Jack Landfill Site to generate electrical energy using landfill gas. One Mega-Watt of power can be generated from the landfill site and transmitted to the Wychwood Substation in Germiston thus relieving the pressure on the national grid.

Still on the issue of alternative energy sources, a 200kVA Leeuwpan Dam solar plant has also been completed at the OR Tambo Cultural Precinct in Wattville and this is the first PV Plant fully owned by local government in the country. These are but some of our efforts to date but we will soon be investing more resources henceforth especially in the areas of solar and landfill gas.

Fellow Councillors

Electricity has become one of the basic needs of our communities. In this area, let me inform you that we continue to make great progress in rolling out new installations. From 2011 to date a total of 22 008 new connections were made in Geluksdal Extension 3; Chief Albert Luthuli 2, 3 and 5; Endayeni; and Palm Ridge Phase 5. Further connections took place in Kwa-Thema Extension 5; Mayfield Extensions 6 to 11; and Esselen Park Extension 3.

Our communities have over the years raised an alarm for crime as a result of dark streets. We have heard them. In this regard we have installed 229 high mast lights including 10 Solar High Mast Lights, and 4 283 streetlights throughout the city, with the main focus being areas that never had the service. A total of 26 688 informal units now have PV solar lighting units which is a 10-15Wp panel, battery and charger which provides lighting points and a cellphone charger. This intervention has changed the lives of our people and I am pleased to inform you that 10 000 more families will receive this service between July 2015 and June 2016.

The Metro's commitment to providing quality and sustainable services to our residents cannot be doubted as proven by our investment of **R1.14 billion** into our electricity infrastructure programme since 2011. The money has gone to among others the upgrading of the Benoni Industries, Daveyton, Vosterskroon, Palm Ridge, Benburg, Classglass, Krugersrus, Alberton and Tsakane substations.

Madam Speaker and Fellow Councillors

I now turn to transport where we are moving with speed to modernise public transport and other infrastructure.

The ability of our communities to be provided with quality, affordable and safe transport remains one of the cornerstones of our commitment to allow our communities to access socio-economic opportunity and improve household sustainability and quality of life.

The construction of the **Integrated Rapid Public Transport Network (IRPTN)** which commenced almost two years ago continues to be aggressively implemented, and we remain on track to unleash the first BRT bus on the streets of Ekurhuleni in the first quarter of next year. We are now going to be engaging stakeholders as we seek to finalise the modalities around the operationalization of this project. Very soon we will be making an announcement in this regard.

Also forthcoming in the near future is the name of our bus rapid system.

The aim of the IRPTN is to create an affordable high quality public transport system across Ekurhuleni. This system will be one of the key drivers for the regeneration of inner-cities and the renewal of townships in our area.

I am delighted to update the community that the complementary route of 2.2km, north of the Civic Centre in Tembisa has already been completed. This portion was widened from a single to a dual carriageway.

The section of the route between Esangweni and the R25 is progressing well with the commencement of construction on the trunk route. The first 5kms of the dedicated bus lanes of the trunk route is expected to be completed by 30 June 2015. During 2013/2014 financial year a total of 7kms of the IRPTN complementary routes were constructed and upgraded in Tembisa and Rondebult Road, in Boksburg.

Distinguished Guests

Another exciting development flowing from the IRPTN initiative is our dedication to provide alternative modes of mobility and transport through the provision of Non-motorized Transport infrastructure (NMT). To date 18.8kms of pedestrian and cyclist paths have been constructed in Tembisa, Kempton Park, Dawn Park, Freeway Park and Rondebult.

The infrastructure that is being provided is three meters wide allowing cyclists and pedestrians to share the space with motor vehicles. The same walkways are universally accessible allowing people with special needs, be it the visually impaired or wheelchair bound persons to use the same with little or no assistance.

Also lay-bys have been constructed, allowing buses and taxis to load and off-load passenger safely without obstructing traffic. As we speak another 6kms of NMT is being constructed.

Honourable Councillors

On the matter of licensing hubs, a state of the art licensing business desk was opened in December last year. This facility handles bulk service for companies with large fleet who just drop a file and collect renewed licensing later without having to queue. This intervention has resulted in an increase in licensing revenue – with a collection amount of an unprecedented **R8.3 million** in December 2014 alone.

The total licensing revenue collection between July and December last year was a record **R196 million**. This places us at the forefront of licence revenue collection in Gauteng.

In an attempt to improve our efforts to eliminate fraud and corruption at our testing facilities, we have introduced automated break-rollers for the issuing of roadworthy certificates in the following areas Alberton, Bedfordview, Benoni, Brakpan, Germiston, Nigel, Kempton Park and Springs.

This system has eliminated the human element from the process as the computer records the condition of the vehicle and formulates a report which cannot be manipulated - unlike in the past when you could interface with an examiner and offer bribes to issue a fraudulent certificate.

We have also computerised the learner licence systems in Alberton, Bedfordview, Benoni, Brakpan, Kempton Park, Benoni, Nigel and Springs to prevent possible fraud and corruption in the issuing of learners' licenses which may result in unqualified and dangerous drivers on our roads.

Madame Speaker and Fellow Councillors

Since the introduction of the indigent licensing programme, which focuses on assisting underprivileged children in obtaining licenses, the learners in 269 schools have benefitted. The number of learners who benefited from the programme in the current year is 2 886 of which 692 were learners from indigent families.

In our quest to promote the seamless movement of people throughout the city as well as knit and integrate the spatial fabric of our city, we introduced six new bus routes namely: Meadowbrooke – Johannesburg; Meadowbrooke – Katlehong; Reiger Park to Rhodesfield; Vosloorus to Rhodesfield; and Vosloorus to Braamfontein; and Katlehong to Rhodesfield.

Our people will also be happy to hear that we will soon extending our municipal bus service to areas that historically have not had access to alternatives modes of transport services to date, to promote the seamless movement and integration and access to socio-economic opportunity for all of our communities across the region. The city will be taking delivery of 14 new buses in June 2015 and an additional 14 in the new financial year, to be introduced in the eastern region of Ekurhuleni.

New taxi ranks have been completed and operationalized in Leralla, Daveyton and Ramaphosa. Recently I received a call from a concerned resident that some of our taxi ranks do not have ablution facilities. In this regard I have requested the Transport and Provisioning Department to intervene with haste. The dignity of our people cannot be compromised.

Ladies and Gentlemen

I beg for your indulgence as I reflect on the work we are doing in respect to roads and storm water infrastructure. The road infrastructure is a major catalyst for the economic fortunes of the region as it ensures seamless accessibility and mobility of goods and services which ultimately stimulates the economy. It is therefore imperative that we invest heavily on this infrastructure. As a city we have not done badly at all.

Since 2011 we have constructed 266.5km of roads in, among other areas, Tembisa, Edenvale, Alberton, Tsakane, KwaThema, Germiston and Nigel. To safeguard the infrastructure and prevent flooding to properties and residential areas, a total of 110 storm water systems were improved with over 1 700 maintained.

We have just embarked on the cleaning of storm water drainage systems to minimise the effects of flooding to communities.

With the recent heavy rains that left some our roads infested with potholes, I wish to reassure our road users that this has been identified as a priority area and with the help of Bidvest Velocity; great strides are being made to clear the pothole backlog so that our residents can once again enjoy quality roads. We have allocated **R213 million** for road rehabilitation and pothole patching between now and the end of June – starting with priority roads.

Distinguished Guests

We have a responsibility to create healthy communities because we understand that if we are to prosper as a country we need healthy communities. Campaigns to reduce non-communicable and

communicable diseases as well as non-natural causes of death must be the corner-stone of our campaign for healthy lifestyles.

As I deal with the state of health in Ekurhuleni, you will see that we have scored some significant gains in this area. This must, however, not be misconstrued as arrogance or complacency on our side.

The City's decision to extend operating hours at some of our clinics is proving to be just what the doctor ordered for our communities. To date 8 of our Primary Health Care clinics have extended their operating times to 24-hours, and on operates 12-hours seven days a week. In addition 16 clinics provide extended service hours on Saturdays. As result of this intervention, I am proud to announce today that over a million residents have benefitted since 2011 – translating into an average of 250 000 patients visiting these facilities per year.

As at December 2014 we had 90 Primary Health Care Facilities, having added 15 state-of-the-art clinics between 2011 and now. We have also replaced four ageing and non-sufficient clinics with state of the art level two facilities – bigger clinics that provide a full bouquet of primary health services.

Fellow Councillors

We must always remind our constituencies that elements that may be determinants of healthy living include nutrition, intensity and type of physical activity, appropriate footwear and clothing, climate, stress levels, abuse of alcohol and drugs, and sleeping patterns.

In advancing our call for healthy lifestyle I am very excited to inform you that the city will soon unleash 60 eco-gyms throughout the region. As from July this year 60 of our existing parks will be refurbished and fitted with gym equipment. As an additional incentive to the community, these will also offer free aerobics classes twice a month. ***Siyaqhuba!***

Honourable Speaker

The City continues to surpass the national target for the TB cure rate of 85% - with ours standing at 87, 6% as at June last year. Our dedication to beat TB was recently acknowledged by the provincial government which awarded us the Gauteng Trophy for the best TB Cure Rate in the province for the past two years in a row.

Our government's comprehensive plan to deal with HIV and Aids, which combines awareness, treatment and home-based care continues to be implemented with virgour by the Metro. In this regard all our Primary Health Care Facilities are implementing the Antiretroviral Therapy Programme with 151 042 patients initiated into Antiretroviral Therapy between July 2011 and December 2014.

The robust approach of the City on the HIV and AIDS Programme has contributed significantly to the reduction of new infections from 27% in 2011 to 14% by December last year.

The people of Ekurhuleni are indeed showing appreciation of our efforts to broaden primary health care services. To this end let me to share with this noble house that over six million patients (6,108,269) were treated by the municipality's health facilities in the 2013/14 financial year. The total number of patients who visited our facilities between July 2011 and December 2014 stands at just over 21 million.

In pursuit of user-friendliness, efficiency and professionalism at our clinics, we are steadily migrating to **e-health**. In this regard we are already piloting this digital intervention at nine of our clinics, these being Bedfordview, Joy (Etwatwa), Katlehong, Kempston (Benoni), Nigel, Rondebult, Tembisa, White City (KwaThema) and Wannenberg in Germiston.

This innovation has already resulted in the introduction of the SMS service to remind chronic patients of their next consultation dates, thus prolonging their lives. These clinics now employ the electronic registration of patients, which has significantly reduced the queuing time.

It is our envisaged end state that in the near future all our clinics are paperless – eliminating the sometimes clandestine filing system for digital. We want a situation that will enable our residents to

access health care in every part of the city without having to worry about their files as their data would have been captured and saved in a universal system.

Ladies and Gentlemen

With so many informal settlements in our space, we have decided to extend our services to those informal areas that are far from clinics. In this regard we have already increased our mobile clinics from five to 10. It is rather unfortunate that one of these very important units was set alight during a recent protest in Winnie Mandela.

Distinguished Guests

Early childhood is a critical part of human development. It is a time of remarkable physical, cognitive, social and emotional development in the child. Children enter the world with a limited range of skills and abilities. We therefore have a responsibility to assist our children develop new motor, cognitive, language and social skills in a proper manner.

It is for this reason that as a metro we shall continue with the rollout ECD centres throughout the region. I am pleased to announce that a total of 5 150 ECD practitioners have received professional training. This will ensure that the quality of service rendered to our youngsters at these centres is of high quality. To date the programme has benefitted almost 30 000 young people and we are working hard to extend this figure.

Another piece of exciting news in the area of ECD is the fact that 12 of the Metro's libraries have introduced Toy Libraries – an initiative aimed at assisting children in the areas of reading and using toys for stimulation.

Furthermore the city has introduced the Kiddies Olympics which has attracted **16 310** participants since 2011. We have the Art as Healing programme for the visually impaired children, physically disabled children. This programme also targets traumatised and abused children during counselling.

In actual fact I invite you to an ongoing Human Rights Exhibition featuring the works of these children. The event is taking place at the Springs Art Gallery.

Our elderly must also be taken care of. Four day care centres for older persons have been constructed in Duduza, Daveyton, Tembisa and Tsakane catering for 274 beneficiaries. Three of these facilities have gym facilities to keep the elderly fit so as to enhance their health. An Old Age home was launched in Tembisa last year and it accommodates 35 elder persons.

Fellow Residents

With the scourge of **nyaope** destroying our society, in the next year we will be establishing a substance abuse rehabilitation centre for the region.

Honourable Speaker

I now move to the state of City's hygiene and cleanliness. This remains one of the most important focus areas for this administration. It is our resolve that the state of our cleanliness defines who we are. Indeed, we have over the years made headways in dealing with issues of waste. However, to win the battle against illegal dumping we need the co-operation of our communities.

Almost a million households in our area receive weekly refuse removal. In addition to this, we render a daily waste collection service to all our informal settlements through the community co-operatives we introduced last year. Indeed they are doing great work.

To make sure that the waste removal service in the city is broadened and goes on uninterrupted, 88 specialised vehicles were purchased in the year ending in June last year and we await delivery of an additional 37 in the next few months.

As we continue promoting the culture of recycling, I am proud to announce that 10 of our customer care centres have mini recycling facilities which also contribute towards the 10% of the total waste

generated within the region being reclaimed annually. In addition a total of 33 mini dump sites will be upgraded into recycling stations as from July this year.

The City's decision to roll out 240-litre wheelie bins to all formal households throughout Ekurhuleni has gained momentum. This time last year we had only distributed 38 100 of these, to date 300 000 households have received these – and work will continue in earnest until all our households have received them. The Metro's target is that by the end of June this year 500 000 of our households must have received the bins and the remaining 400 000 by the end of June next year.

Honourable Speaker and Fellow Councillors

These bins are very strategic because they provide households with adequate storage for waste in between the waste collection cycle thus reducing the risk of illegal dumping. The impact of this intervention has already produced impeccable results in keeping people's properties and neighbourhoods clean and hygienic, and denying pests and rodents the sustenance they need to multiply and terrorise our communities.

As we soldier on with our efforts to keep the streets clean, we have since 2011 erected 10 000 swivel bins along strategic routes in areas like Katlehong, Germiston, Bedfordview, Kempton Park, Edenvale, Tembisa, Boksburg and Daveyton. These bins make the lives of our people especially pedestrians easier in terms waste disposal thus reducing littering.

We have also completed the upgrading of the Alberton transfer station, Germiston waste depot and the Boksburg co-operative office, making these more user friendly for the staff and public alike.

People of Ekurhuleni

Let me share some exciting news with you. In response to numerous complaints about the state of the cleanliness of our CBDs, we investigated the matter and concluded that it was indeed true. In this regard, I am proud to announce that as from the beginning of June we are adding night shift cleaning services to our CBDs over and above the day service. Such an intervention has already been piloted in Kempton Park and Boksburg – and proved to be very effective in keeping our CBDs clean. ***Siyaqhuba.***

Honourable Speaker, allow me to reiterate what I said in last year's *state of the city address*: **'No city can be said to be livable unless it is kept clean and hygienic at all times.'**

Fellow Councillors

I now turn to the area of sports, heritage, arts and culture. It has been scientifically proven that the direct effects of engaging in regular physical activity are particularly apparent in the prevention of several chronic diseases including diabetes, cardiovascular disease, cancer, hypertension, depression and osteoporosis.

Loosely translated this means sport and physical activities are essential to the well-being of the people of Ekurhuleni.

Honourable Speaker

I would like to start in the area of libraries where, in the past four years, we have constructed four new libraries in Winnie Mandela, Langaville, Olifantsfontein and Leondale – creating 765 jobs in the process. This intervention will expose an additional 230 000 people to our library services. In addition we are busy with the construction of three more libraries in Kingsway, Tsakane and Brakpan to be completed before the end of June next year.

We have gone on to upgrade Wattville, Duduza, KwaThema, Katlehong, Vosloorus, Tsakane and Geluksdal stadiums. The City's investment in these facilities has allowed local teams campaigning in the regional and provincial leagues of SAFA an opportunity to host home games in their own communities. With some of the new-look facilities boasting basketball, volleyball and netball courts, athletics tracks, group training is picking up with community sports clubs utilising these facilities for their training needs.

Ladies and Gentlemen

Our efforts to introduce water sports in our communities, in 2011 we introduced the learn-to-swim programme for primary schools. To date 30 schools from all over the city including five special schools – Zimeleni (Daveyton), Phela (KwaThema, Reiger Park, Matshidiso (Tsakane) and Isiphosethu (Vosloorus) are participating in the programme.

We have gone on to rehabilitate a number of swimming pools among them Benoni, Olympia Park and Boksburg North, while introducing the sport of canoeing at some of our schools in the Metro.

Distinguished Guests

It is proper to welcome the pronouncement by the Premier in the SoPA that the provincial government 'in celebrating the heroes and heroines of our struggle will be officially unveiling the statue of one of our own – the legendary Mam' Bertha Gxowa at KeDitselane Cultural Village in the near future. This is excellent news indeed especially for our own heritage as a city.

The City is proud of the progress made in the area of heritage to date. Among the success stories so far have been the declaration of the Oliver and Adelaide Tambo Memorial as a national heritage site (2012). Still on Tambo, I am happy to announce that the museum component of the Oliver Tambo Precinct will be officially opened during this year's Tambo commemorations in October.

We recently also witnessed the declaration of the gravesites of Sam Ntuli and Mam' Bertha Gxowa as provincial heritage sites last year.

Honourable Speaker

In cementing our heritage footprint, now in April we shall be unveiling the new Chris Hani Memorial at the Thomas Nkobi Cemetery. We hope that in future this will also be declared a heritage site.

Furthermore we are in the process of completing the Duduza Reconciliation Park in memory of the victims of that notorious Eugene de Kock masterminded 'Zero Hour' operation which left some of our young people dead and others maimed. The historical Indaba Tree in KwaThema, where the elderly used to meet to discuss community issues, is also undergoing a facelift.

The City is presently busy finalising a process of a heritage audit to assist the SA and Gauteng Heritage Resources Agencies in declaring sites of national and provincial significance, respectively. We are quietly confident that with the historical background we have, more declarations are coming.

People of Ekurhuleni

I must admit that looking at the amount of facilities we are constructing and refurbishing, we need to do more in introducing sports, arts and culture programmes in our communities. Indeed some work has been happening but there is clearly room for improvement.

This is not to say that we have not been doing well though. Among the success stories is our three-year old World Aids Day Marathon which takes place annually in Katlehong. The half marathon attracted 538 runners in 2012 and the figure stood at 656 last year. The 10km race started at 577 entrants and last year it was 731 runners. This event has potential hence the need to market it better to attract more athletes.

The annual Golden Games which are aimed at promoting health and wellness of older persons through sport, arts and culture continue to be popular among our elders. We have also introduced the Ekurhuleni Games which gets our communities together in various sporting codes such as soccer, netball, athletics, volleyball, karate, boxing, volleyball and table tennis.

In taking care of our people living with disabilities, we have dedicated games for them known as the Spirit Games. On top of this, 45 of our libraries are equipped with Daisy Players, a special reading device for the visually impaired and the blind.

Honourable Speaker

It is also a source of immense pride to note that the City's annual Thami Mnyele Fine Arts Competition continues to development and cement its reputation as one of the leading arts competitions in the country. This is a contemporary fine art competition which caters for artists of all ages, from all over South Africa, producing various medium of art works. Awards are presented to winners in different artistic approach categories which includes the overall first prize pay cheque of R40 000. It is one of the oldest visual arts competitions in the country averaging 300 entries each year.

The City has also introduced the ***My Body My Space Public Performance Festival***, an initiative which seeks to bring arts to our public open spaces. This year 200 artists were trained and performed at taxi ranks, shopping malls and other public spaces. This culminated in a well-attended festival held at the OR Tambo Precinct last month. ***Siyaqhuba!***

INITIATIVES TO RE-GENERATE EKURHULENI

Honourable Councillors

I now move to the area of environment and global warming. In terms of Maslow's hierarchy of needs the most basic need for people is food, followed by water, shelter and clothing. If the environment within which we live and in which we are provided with water, clean air and land for socioeconomic development, is not properly managed, the cost thereof will be extremely high.

As a city situated in the grasslands biome and rich in water bodies, I am happy to inform this august house that since 2012 the City's initiative of beautifying the lakes and dams has resulted in the overhauling of the Germiston Lake. Work is underway to redevelop Murray Park, Boksburg Lake and Dries Niemandt.

Our efforts are already paying off with throngs of people flooding our new-look facilities for leisure purposes. Dries Niemandt is steadily becoming a regular host of some of the big music festivals in the country, family gatherings and picnics, while on the international front Germiston Lake has become the natural home of the Iron Man 5150 Triathlon Africa Championship and a number of other big water sports events.

Furthermore, we are of the view that with over 200 natural water bodies, Ekurhuleni must become the mecca of water sports, hospitality, tourism and leisure. We must see economic activity boom around these water bodies so that they can also assist in our quest to create jobs and fight poverty. We have concluded that if we are to succeed in promoting the idea of intensifying investment and development around the lakes and dams, we must get the aesthetics right.

Ladies and Gentlemen

Moving to climate change management, in mitigating the threat of climate change we have identified the greening of our city as a major foundation. Last year alone we planted 11 000 trees throughout the region in one day. This was done because we understand the importance of trees in generating oxygen to breathe and absorb carbon dioxide which is a greenhouse gas that contributes to global warming.

We have also gone on to revamp 10 air quality monitoring stations to assist with air quality management in our industrial areas.

The City's efforts to protect natural resources have been intensified with the screening of infrastructure projects and external development applications for environmental compliance. We seek to elevate the monitoring of compliance with environmental legislation and law enforcement. We are also exploring alternative ways of building capacity in this field.

Honourable Councillors

We are mindful of the challenges that we have been experiencing around unkept and overgrown grass. I wish to inform you today that great strides are being undertaken to improve the situation.

Henceforth we must move to an era where we cut the grass and beautify the areas. We are also committing to cutting 1 100km of grass on a monthly basis henceforth.

Let me confirm once more that the overall objective is for functionality, aesthetics and eco-system balance within neighbourhoods. Reliability and consistency are imperatives for this function.

Ladies and Gentlemen

In order to improve the management of council property we have put in place a real estate strategy. This strategy will be rolled out incrementally. We have commenced with it already. We expect residents and citizens to experience an improvement in the functionality of our buildings and property in general.

INITIATIVES TO RE-GOVERN EKURHULENI

Madame Speaker and Fellow Councillors

I once again beg for your indulgence as I turn to our efforts to re-governing the city.

As we continue to cement our footprint as one of the leading municipalities in the country, allow me to brag about our first ever clean audit which we received for the year 2013/14 from the Office of the Auditor General late last year. As if this was not enough, five of our entities (Brakpan Bus Company, Ekurhuleni Development Company, Lethabong Housing Institute, the Greater Germiston Phase Two Housing Company and Pharo Park Housing Company) all walked away with the same accolade.

The attainment of the clean audit assures citizens and investors that the Metro is serious about good governance. The biggest task is to ensure that we sustain this clean audit by ensuring that:

- The financial statements continue to fairly present the financial position of the Metro,
- Ekurhuleni accounts for the services delivered to its citizens; and
- Continuous drive to comply with legislations such as the MFMA and policies approved by the Council.

Distinguished Guests

Having said all this, I am very much aware that corruption is a cancer that is ravaging our institutions and communities. In this regard we have moved swiftly to intensify our anti-corruption and fraud program. Most of our senior managers have undergone vetting by the State Security Agency and the next level of management and officials holding critical roles will soon follow. We also intend to extend the programme to politicians.

Furthermore, bid adjudication committee meetings will from July this year be open to the public to enhance transparency of the process.

Honourable Councillors

Moving to financial sustainability, I must indicate that whilst noting that the current revenue collection has been slightly below the 93% target, with an average collection rate of 92% in the past three years, our concerted revenue collection efforts, the prudent and sound financial management practices, we continue to contribute towards a financially sustainable Metro.

Despite this concern, we pride ourselves with having a healthy liquidity ratio in that the city can continue with operations and meet its financial obligations for a period of over 60 days in the case where there is no sufficient revenue inflow from service charges.

With such financial viability we have successfully issued our fifth bond for investment in economic infrastructure.

As a Metro we never underestimate the need for partnership with private investors to enable the facilitation of economic development and address the socio-economic requirements of our city. This is also encouraged by the Minister of Finance Mr Nhlanhla Nene who in his budget speech said,

“The Treasury, the Department of Cooperative Governance and the Development Bank of Southern Africa will host a conference on urban infrastructure investment later this year to enable private investors to obtain further details of financing opportunities that will arise from this new programme.”

Our strong and robust credit worthiness will enable us to fully take advantage of this platform in pursuit of the opportunities it seeks to expose us to.

Honourable Speaker

We are presiding over an institution that has a low exposure to credit risk and thus far has been able to service both its long- and short-term debts without default. The **Siyakhokha Siyathuthuka** and **e-Siyakhokha** (online payment system) currently have **121 077** registered users with **170 136** registered accounts – translating to a monthly payment of services of about **R33 Million** a month. As part of the **e-Siyakhokha** we will be rolling out 29 self-service machines that will be placed in areas convenient to our citizens, including shopping malls in order to make it easy for our people to carry out their transactions – be it pay for services or purchase prepaid units.

In pursuit of our vision of a delivering city, the **Siyakhokha Siyathuthuka** programme for the coming year will include the implementation of a smart grid for electricity and water, to enhance communication between the city and citizens. This will increase the number of users that are on an automatic smart metering system, assist with electricity demand management on a larger scale, and help ratepayers in managing their consumption as the information will be in real time. We further believe that this innovation will go a long way in curbing electricity theft.

Allow me **Honourable Councillors** to thank members of this august house for having approved the City’s long term funding strategy. This move will unlock other sources of income for the Metro which will result in more investment on service delivery.

Our indigent registration drive has thus far yielded an increase of 14.5% since the 2013/14 financial year. To date, the total number of registered indigents is 101 556 inclusive of those deemed indigent. In the next few months we will continue to embark on ward visitations and outdoor campaigns as part of our continuous effort to increase the indigent data base because we believe that more of our people are being left out.

Let me take this opportunity to appeal to the people of Ekurhuleni to seize the opportunity we are presenting to them and come forward and register. However, be warned that you must be genuinely indigent to apply because we are extremely vigilant when it comes to this process.

People of Ekurhuleni

Let me move to the Achilles heel of this Municipality. Historically we have a challenge when it comes to Capex, and I must express our dissatisfaction with the low spending of the Capital Budget. For five financial years in a row we posted over 92% Capex and in the 2013/14 financial year the situation worsened when we recorded a Capex of 87%.

As I stated in the last *State of the City Address*, problems cited included among others poor planning, ineffective project management, lack of technical capacity and inefficient supply chain management. Seeing that these are old reasons we have always made a call for improvements particularly where we have direct control.

Despite these challenges the Metro is still targeting 95% expenditure of its Capex Budget of R3.8 billion for 2014/15 financial year. The following interventions have been put in place to ensure that this happens:

1. To beef up project implementation as well as technical capacity challenges – Development Bank of South Africa has been appointed to provide turnkey solutions to unlock those projects that are slow or not moving at all;
2. Institutional capacitation focusing on project management, SCM practitioners, engineers; and
3. To address track project status - an enterprise project management system and software is being developed and will be rolled out before the end of the financial year.

Distinguished Guests

To be the delivering city we aspire to be, long term infrastructure investment is essential. In this regard our capital budget has increased by almost two fold in the past four years. In the 2011/12 financial year it was **R2.2 billion** and this financial year we are sitting at **R3.8 billion**. All we need to do is increase our Capex.

Furthermore, I am proud to announce that the City will be investing **R12 billion** over the Medium Term Revenue and Expenditure Framework period which is informed by our capital investment framework (CIF). A total of **R3.6 billion** has been allocated for urban restructuring; **R4.8 billion** for upgrading and renewal; and **R3.6 billion** for economic development.

We will be intensifying infrastructure investments to reduce backlogs and address additional infrastructure requirements for new investments.

Fellow Residents of Ekurhuleni

For us to carry the hopes of our people and deliver on our mandate, we must have state machinery with the capabilities and talent to deliver.

The Human Resource Management and Development Department has finalised the Institutional review process in order to ensure that the Metro has the right human capital in place to respond to the emerging needs of communities, and deliver quality services to its citizens.

As we gear up for the implementation of the last phase of the institutional review, transitional arrangements are being put in place to ensure a smooth transition from the current way of doing business to the one required in order to promote a result-oriented service delivery culture in the entire organisation. Human Resources are the most important assets and at the centre of the transition phase.

Therefore, transformation processes will be sensitive to the capacity and cultural shifts required of employees in the organisation. Change management processes will be implemented to ensure that employees at all levels are capacitated to deal with the transitional impact to ensure talent retention and development, change, learning, and continuous improvement within the organisation.

Key to the continuous functioning and stable workforce is the retention of employees. The department has developed an Employee Retention Strategy to meet the demands for adequate service delivery, ensure that the Metro is well-resourced with the right level and type of skills, expertise, and knowledge across all departments. We shall continue implementing our Workplace Skills Plan with priority given to scarce and critical skills.

Honourable Councillors

I would be failing in my duties if I did not thank the labour movement in the City for working with us in bringing stability to this institution. The City now has a functional Local Labour Forum where all stakeholders engage robustly on issues pertaining to workers and ultimately come to amicable conclusions. **Siyabonga basebenzi.**

Moving forward, in our quest to ensure that all sectors of society are properly taken care of in the work we do as government, allow me to highlight that we will soon be proposing to this Council, the introduction of three new directorates - Youth, Women and Military veterans.

Distinguished Guests

Building a caring, effective and responsive state continues to be prioritized by the city. Our decision to prioritise and channel a lot of resources in our Customer Relations Management has resulted in much-needed impetus in our responsiveness to customer complaints. Our call centre, which was an Achilles heel for the city for many years, has turned the corner and it is playing a primary role of being the eyes and ears of the business. However, I must warn that failure to use its available intelligence can diminish the entire organisation's standing in society.

I dare say that all the **R17 million** investment we have made in upgrading this facility over the years including the recruitment of 250 new call centre operators, have been value for money.

According to global best practices as per the International Finance Corporation a subsidiary of the World Bank, our service level at the call centre is at 90% as compared with the global performance of 80%; our call abandoning rate is below 3% against 5 – 8%; and the City's average speed to answer calls is comparable with the global metric of 28%. We stand at 29%.

While these statistics compare with the rest of the world, we believe that there is still room for improvement, hence our resolve to mandate members of the mayoral committee to provide leadership at the weekly meetings of the Organisational Rapid Intervention Team in an attempt to ensure that complaints received by the call centre are effectively processed and responded to timeously by relevant departments.

The current status of the facility is that 85% of the queries are resolved within the customer service standards approved by council, and our aim is to improve this by another 10% before the end of the year.

As we continue to improve our interaction with communities and the response to public queries, we have opted to invest in the automation of customer interaction and service delivery performance. In this regard all petitions, memorandums and Izimbizo reports will as from the end of June be automated – meaning at the click of a button you will be able to determine the performance status of any query brought to the municipality's attention.

Madam Speaker and Fellow Councillors

In pursuit of our vision to become ***the Smart, Creative and Developmental City*** we are making great strides to penetrate the digital wave or the paperless era which is taking the world by storm. Ours is a two-pronged strategy that focuses on network stabilisation and modernisation.

In the area of stabilisation we have increased network availability, reduced mean downtime to 40 hours from 210 hours, and increased the availability of application to 97%. We have also made sure that our optic fibre backbone and wireless grid are properly connected and maintained.

In the area of modernisation, the City's fibre and Wifi expansion plans have been defined and are being rolled out over a period of three years – from 2015 until 2017. Loosely translated, all our people will enjoy the availability of free Wifi by 2017.

Our communities will be happy to learn that while at the end of the 2013/14 financial year we had only 29 municipal buildings with free WIFI, the figure is expected to rocket to just over 200 spots by the end of December this year.

The development and operationalisation of the Unified Command Centre, which will ultimately lead to citizens having access to Municipal information at the click of a button is also steaming ahead with phase one, which is mainly the backroom work plans and designs for the construction of the facility, having already been completed and approved.

We will soon be introducing the exciting document management system – meaning we are migrating to an electronic filing system as a municipality. Ultimately this intervention will make us an efficient, professional, reliable and responsive city, ensuring that citizens can expect quicker turn-around times when they interact with us as a municipality.

Honourable Speaker

We remain on course to become a **Digital City**. We are taking all measures to ensure that we become a smarter city that leverages the use of digital technologies to enhance performance and wellbeing, to reduce costs of business and development, improved resource use and consumption, and engage more effectively and actively with our citizens. This will allow us to respond faster and effectively to city, regional, national and global challenges.

CONCLUDING REMARKS

Fellow Residents of Ekurhuleni

If we are to achieve the objectives as set out in this *State of the City Address*, we need honesty, integrity and a commitment to fairness, equity and equality. We who are entrusted with this privilege should possess a strong sense of responsibility to act with efficiency and competence, and to discipline personal desires to the standards of law and democratic expectation.

We need to adopt a high level enforcement of anti-fraud and anti-corruption strategy which will seek to reinforce our objective of ensuring good and clean governance, and accountability. Therefore, our fights against all forms of corruption must be tackled head on.

Let me take this opportunity to urge the public to assist us fight corruption by reporting such illicit activities to our internal audit team via the Ekurhuleni Fraud Hotline at **0800 123 321**. Our people can do this without having to identify themselves meaning that they are guaranteed anonymity.

GRATITUDE

As I conclude, let me once again reiterate my heartfelt gratitude to the people of Ekurhuleni for continuously supporting our programmes and ensuring that we remain on track as we pursue the quest for a better life for all. Your positive attitude towards the payment of services; attendance of government programmes; and active participation in public consultation platforms such as izImbizo, taking caucus to the people, Service Delivery Fridays and the Integrated Development Programme (IDP); have over the years enabled us to do that which you elected us to do.

Gratitude must also go to the Members of this august house, the Councillors whose voices represent the multitudes of our people – mainly the voiceless. Your commitment to conveying these messages are the reason the City gets to hear most of the views of our people and ultimately listen to their cries and action them.

A special word of thanks to the business community, NGOs and other stakeholders for the role they continuously play as and when their experience and expertise are needed. **Re a leboga.**

To the City Manager, the management and staff of our City, I have said it before and will repeat it: **Inde Lendlela.** We may have come a long way thus far but there is still plenty more kilometres to undertake. Your efforts have been great so far but there is definitely room for improvement.

I remain quietly confident that a firm foundation has been laid and all that must be done now is to accelerate on that which we have committed to deliver to the people of Ekurhuleni.

I wish to take this opportunity to also thank my wife, Queendy Gungubele, children, family and friends for their continued understanding and support.

Ladies and Gentlemen

This being the year of the **Freedom Charter and Unity in Action to Advance Economic Freedom** – the challenge that I put to all of us is to rededicate ourselves to the mission of making Ekurhuleni the best place to stay, work and play. Our people need up.

This ladies and gentlemen is the report on the State of the City of Ekurhuleni.

Ke a leboga. Hi khensile. Baie dankie. Ndiyabulela. Ngiyabonga. I Thank You.

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