



Special Edition

STATE of the CITY ADDRESS

EXECUTIVE MAYOR ALD. NKOSINDIPHILE XHAKAZA



Executive Mayor,
Ald Nkosindiphile Xhakaza

STATE OF THE CITY ADDRESS 2026

Executive Mayor Ald. Nkosindiphile Xhakaza delivered a bold and forward-looking **State of the City Address (SOCA) 2026** at the OR Tambo Government Precinct Council Chamber, Germiston on 25 March, under the theme: **“Fixing Local Government – Fixing the Frontline: From Barren Years to the Season of Hope.”**

The address set a decisive tone for rebuilding the City and accelerating service delivery.

“We refuse to be remembered as the leadership of words and phrases, but that of tangible and impactful outcomes.”
— Executive Mayor Xhakaza

The City's programme of action is anchored on six key

pillars:

1. Provision of quality and sustainable services to all residents;
2. Rebuilding of a strong financial base to support the city's development;
3. Conducting essential repairs and maintenance of public facilities;
4. Investment on critical infrastructure in partnership with the private sector;
5. Economic development growth and job creation with a special focus on the Aerotropolis and the revitalisation of the manufacturing sector; and
6. Preserving good and ethical governance.

STATE OF THE ECONOMY:



Ekurhuleni remains one of the largest manufacturing hubs on the African continent, contributing significantly to both provincial and national output.

Within our City, strategic investments particularly in the Aerotropolis, infrastructure renewal, and industrial revitalisation are laying the foundation for long-term competitiveness and job creation.

In response to global economic uncertainties, the City is advancing a focused economic agenda that will ensure Ekurhuleni remains one of the largest manufacturing hubs and that can be achieved through;

- Reindustrialisation and localisation to strengthen domestic value chains and reduce vulnerability to global shocks;
- Infrastructure investment, particularly in energy, transport, and logistics, to support industrial growth;
- Support for SMMEs, which constitute the backbone of economic activity and inclusive growth in South Africa;
- Skills development and innovation, ensuring our workforce is equipped for the industries of the future.

“Our task is clear: to harness our industrial strength, adapt to a changing global economy, and ensure that growth translates into jobs, inclusion, and dignity for all our people”

- The Vumela/ DBSA item has been prepared and is in the process for Council approval.
- The Vumela funding is to stimulate and unlock investments within the City. DBSA (Development Bank of Southern Africa) will serve as the city's implementing agent for this initiative.

GOVERNANCE:



The narrated governance lapses and perceived municipal performance decline are not only attributable to limitations in the City's governance framework, executive political oversight and scrutiny but they are also attributable to instances of deliberate administration leadership neglect and opportunistic avoidance of internal controls.

We are therefore encouraging the City Manager and his team to engage in the following:

- *Focus on results;*
- *Hold each other accountable;*
- *Commit as a team;*
- *Resolve conflict; and*
- *Build Trust in the institution.*

It is worth reporting that the recent Mayoral Lekgotla resolved to create an oversight institutional framework for the City Manager's 'Fixing the Frontline Programme' – a progressive programme introduced to ensure that our

employees are well resourced to meet their service delivery obligations on the ground.

METRO TRADING BUSINESS UNITS:

Our endeavours to build internal capacity are based on simple principles of appointing an individual based on ability, competence, and performance, rather than on background, social status, or personal connections.

The transitioning of our core service departments (utilities) to **Metro Trading Business Units** should create opportunities for reconfiguration and reacquisition of the requisite skills.

On the trading business units, the City is concluding stages of the Metro Trading Services Reform Process working in collaboration with National Treasury. This reform is set to ensure that these units are self-sustainable with adequate investment in asset renewal, and to cater for future growth – meaning money generated by each unit is ringfenced to service the utilities before any surplus other priorities.

STABILITY OF REVENUE:

- Through significant investment in our systems; our automated meter reading accuracy now stands at an impressive 97%, compared to the 84% when the function was taken over by ICT. This means residents can have confidence that their meters are being read correctly, billed accurately and fairly for the services they use.



- A decisive consequence management plan was executed, which resulted in the suspension of the Chief Information Officer, in this regard there is currently an ongoing disciplinary hearing taking place.
- We are focused on recovery. We are turning these bills into collected revenue that can be ploughed back into service delivery. In the second quarter of this financial year, a total of **R648.7 million** has been collected from these historical accounts – an improvement of **R283 million** from the first quarter. Out of a total identified value of approx. **R2.1 billion**, we have to date successfully billed nearly **R1.84 billion**. There is a further **R621.6 million** that is in the process of being billed, following the necessary dispute and agreement period.

FINANCIAL SUSTAINABILITY:

Credit control measures are being reinforced through targeted outreach programmes to ensure consistent enforcement of the Credit Control Policy. Council has approved a revised Debt Relief and Rehabilitation Incentive Scheme, which provides conditional debt write-offs while securing payment commitments over a 36-month repayment period.



Furthermore, in support of our revenue diversification, I am proud to announce that this administration's determination to improve the state of our finances has led to the Revenue Enhancement request for proposals (RFPs) being awarded, and we are now at the level of finalising Service Level Agreements. This intervention aims at exploring alternative revenue streams beyond traditional trading services, should bring us **R2 billion** in the first 24 months, **R7 billion** in five years and ultimately **R15 billion** in 10 years.

In the 2nd Quarter our total revenue stood at **R34.542 billion**, compared to a budgeted **R34.311 billion**, a positive variance of **R231 million**. The City's cash on hand has improved and is currently sitting on 19 days.

The City's bank balance has also increased to over **R2.1 billion**, a **310%** improvement from **R512 million** in the 1st Quarter. Furthermore, our investment balances have seen a remarkable increase from **R372 million** to **R439 million**.

INFRASTRUCTURE CLUSTER:

Human Settlements



As part of our ongoing commitment to restore dignity and expand access to secure, well-managed housing,

- Since 2024, the City has delivered a total of 2 980 houses, with a further 839 to be ready for occupation in June.
- During the same period, 2 890 serviced stands were handed over and another 300 are ready and should be handed over by the end of this fiscal year.
- The John Dube Mega Housing Project continues to make steady progress, with the completion of 295 units, alongside 172 units in Chief Albert Luthuli and 68 units in Helderwyk, marking significant strides in addressing the housing backlog.
- A total of 1 220 title deeds were handed over since 2024 and an additional 800 title deeds in the remainder of this budget year.
- The re-blocking of Mgongo informal settlement in Brakpan will take place within the next three months, covering 1 030 units.
- The renovation of Tweedy Park will include the installation of 132 fire extinguishers and 28 electric geysers, ensuring safer and more dignified living environments. Access to basic services remains central to our approach.
- The electrification of Tsakani Railway Extension 21 will benefit a total of 829 families, bringing reliable electricity to households and enhancing both safety and economic opportunities.
- A total of 36 housing units will be completed in Germiston through the Ekurhuleni Housing Company (EHC), contributing to the availability of affordable rental accommodation for our people.
- At the same time, we are taking firm steps to reclaim and protect our public housing assets. In this regard, further evictions in Delville can be expected in May 2026, as we act decisively against the illegal occupation of EHC properties to ensure fair and lawful access while improving the financial position of the entity.

- R10 million has been allocated to upgrade units in Pharo Park and make them more livable. This work will be done by the end of the month, and new tenants will be moving in. The income generated there will be reinvested in the upgrading of the Airport Park to also make the residences more livable.

Water and Sanitation

- Five new reservoirs and eight pump stations are currently under construction, significantly strengthening our bulk infrastructure capacity and ensuring consistent supply across our communities. These are the Eidelweiss tower, Russel Road reservoir and Thembisa towers which are complete; Almanac Reservoir in Nigel is at 85%; Fairlands Reservoir in Benoni is at 95% and Vogelfontein in Boksburg is 70% complete.
- **R125 million has been invested** for the following projects: Brentwood Park Water Supply, Construction of Bredell-Kempton Zone Water Supply System; construction of the Bedfordview water line; construction of the Nigel bulk water line; the Germiston CBD water network replacement programme; installation of Reiger Park-Elsark bulk pipeline; and the replacement of the existing water supply infrastructure at the Dunnottar Reservoir.
- On sewer, **R165 million** is being spent to upgrade our sewer infrastructure in Etwatwa; the Elsburg Koppies Outfall Sewer Phase 3, Germiston: The upgrade and replacement of Dekema outfall sewer **Phase 3**, Pomona: New Eastern; phases **2 and 3** in Kempton Park; Rondebult (Boksburg); Thembisa Ext 25; and Thembisa 1.



Energy

In the Energy Department, we have not only met our targets but we exceeded them:

- 37 high mast lights have been installed, surpassing our target of 30, bringing much-needed illumination and security relief to areas such as Emandleni, Madelakufa, Somalia Phase 1, and Palm Ridge Extension 9.
- In addition, 214 new streetlights were installed throughout the City, exceeding the target of 200, thereby enhancing visibility and safety along key routes, including Khumalo Street in Katilehong.
- 3,287 new electricity connections to households in areas such as Clayville Extension 77, Chief Albert Luthuli Extension 6, and Msholozzi Phase 1.
- To stabilize the grid and ensure quality and sustainable service to these areas, the City is busy with the upgrading of 2nd Input (**R20 million**) and Atom Road (**R20 million**) substations in Germiston. This will provide significant contingency and improve quality of supply to industrial areas in Wadeville and Roodekop.
- The City is further replacing obsolete oil-filled cables in Kempton Park (66 kV) (**R50 million**) and Vulcania and Dalpark in Brakpan (33kV) (**R280 million**).



A further **R80 million** is being pumped into Anderbolt and Witkop substations to eliminate power outages.

- **R25 million** has been provisioned for the refurbishment of the E/D main sub in Thembisa and a further **R18 million** in the refurbishing of the Morehill substation in Benoni.

Roads and Transport

Integrated Public Transport Network (IPTN) and Harambee Public Transport Programme



- We have achieved the completion of additional bus lanes, walkways, streetlights, and kerbside bus stops, significantly improving the safety, accessibility, and efficiency of public transport.
- The City has undertaken an extensive programme of road rehabilitation and pothole patching and allocated an additional **R40 billion** for this purpose. This includes the upgrade of over 20 kilometres of roads in the Kempton Park CBD, focusing on major arterial routes such as Monument Road and Highveld Road, as well as the rehabilitation of 3.9 kilometres of Pretoria Road in Benoni and the full upgrading of Nala Street in Duduza.
- We are further paying critical attention to the fixing of traffic signals with six contractors already appointed to enhance internal manpower, while an additional **R12.5 million** has been allocated for this purpose in the next three months. A further **R67 million** will be made available by the end of the year.
- The Flint Mazibuko Bridge in Hospital View in Thembisa, has been completed and reopened for public use.
- Motsu bridge is still under construction.
- The upgrading of Tsavo, Bimako, and Uhuru roads, as well as the tarring and stormwater improvements in Etwatwa West, and construction of Brazil Road in Mayfield, Ward 96 in Daveyton are also underway.

Waste Management



- Across the City, refuse removal services have been sustained without interruption, reaching all formal service points and recognised informal settlements.
- All municipal landfill sites are now functioning continuously, supported by strengthened daily operational controls such as compaction, covering, and access management.
- Through a partnership with C40 cities, we are advancing a climate-smart organic waste diversion pilot at the Northmead Public Offloading Facility.
- 12 new compactors have been introduced into the fleet, bringing the current operational capacity to 44 trucks.
- A further 8 new compactors will be delivered.

As a City that understands the prioritisation of repairs and maintenance of critical infrastructure, are increasing the

budget from **R3.8 billion** in the current financial year to **R4.6 billion** in the 2026/27 financial year – an increase of **R800 million**.

We have also taken a deliberate stance to spend our resources in completing incomplete projects while properly resourcing our employees – hence our decision to prioritise **Fixing the Frontline** to propel faster service delivery to our communities.

Developmental Planning and Real Estate:

- The City's Expanded Public Works Programme (EPWP) has created 9,677 work opportunities.
- In the area of property management, the department is overseeing a substantial portfolio comprising 699 lease agreements. From a contractual standpoint, the portfolio reflects a mixed status:
 - 254 active leases remain fully operational;
 - 240 leases have expired, with the highest number recorded in Benoni (50);
 - 176 leases are classified as indefinite agreements; and
 - 22 properties are without formal leases, in Brakpan (17).
- A further 7 properties are governed through Memoranda of Agreement.

Strategic Land Parcels

- Two strategic land parcels in Alberton, covering 14 hectares have successfully been adjudicated for development.
- Land measuring approximately 9.79 hectares in Brakpan has been earmarked for commercial, industrial, and residential development.
- Land has been released for the construction of KwaThema Police Station
- The City is advancing a pipeline of catalytic projects currently at various procurement stages, including Gillooly's Park, the proposed Etwatwa Mall, Benoni Plaza, Thembisa Precinct and the Benoni Golf Course.



SOCIAL AND CORPORATE SERVICES CLUSTER

Community Services

EMPD

- 68 new vehicles have been handed over to EMPD to improve their capacity to fight crime and protect critical city infrastructure.
- The Edleen and Benoni EMPD precincts are ready and should be handed over by the end of June.
- Repurposing 100 ambulances for various law enforcement purposes, including turning them into alcohol evidence testing centres, and mobile speed cameras.
- New Katlehong Fire Station to be unveiled in June.



DEMS

- Purchasing of specialised equipment including the Jaws of Life of which delivery is imminent.

METRO PARKS

In the area of **Metro Parks and Cemeteries** - The City has prioritised the acceleration of grass cutting programmes across cemeteries, open spaces and road reserves.



In sport,

- Refurbishment of the Duduza and Tsakani libraries are underway;
- Upgrading the swimming pool at CNR Pienaar and Highveld in Kempton Park.
- Ebuhleni Swimming pool is also high on our priority list.
- The Sam Ntuli Youth Centre and the Thokoza Auditorium will receive attention
- The Thembisa Multipurpose Centre has been completed and ready for unveiling to the public.
- The refurbishment of the Germiston Lake Golf Course has been approved by Council to proceed to tender.

EKURHULENI UNIVERSITY

- The student intake is scheduled for 2027, with the application process set to open later this year

Bursaries

- The bursary programme is being expanded through an additional allocation of **R15 million** for the City to meet its target of 100 bursary awards, with the

advertising process now at an advanced stage.

- The City is offering bursaries in the following fields-
 - Engineering (Civil, Electrical and Mechanical);
 - Town and Regional Planning and Architecture;
 - Environmental Sciences;
 - Finance, Accounting and Auditing;
 - Information Technology and Data Science; and
 - Health Science.



MADLANGA AND OTHER GOVERNANCE MATTERS

- A team to monitor and track all issues raised before the Commission has been established.
- Decisive steps have been taken, including the suspension of senior managers implicated in serious allegations, in line with the applicable regulations governing senior officials.

Supply Chain Management (SCM), we have directed the administration to implement the following to tighten control of the public purse

- Reinstate the open bid adjudication process to the public;
- All tenders that have been identified for non-compliance be cancelled and be reported to National Treasury for blacklisting;
- Consequence management on officials that have failed to prevent non-compliance;
- Foster a stronger partnership with National Treasury on training of staff in supply chain compliance; and
- Lifestyle audit and security clearance for all role-players in supply chain processes.

