

# State of the Capital Address

Building the  
**people's capital**



CITY OF  
**TSHWANE**  
IGNITING EXCELLENCE



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**STATE OF THE CAPITAL ADDRESS BY HIS WORSHIP, THE EXECUTIVE MAYOR OF TSHWANE, COUNCILLOR KGOSIENTSO RAMOKGOPA, 14 MAY 2015, FREEDOM PARK, TSHWANE**

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**Remaking the people's capital through radical economic transformation and spatial justice**

Madam Speaker of Council;

Honourable Premier of Gauteng;

Representatives of Chapter 9 Institutions;

Chief Whip of Council;

Leader of Council Business;

House of Traditional Leaders – *Magoši le bašomišane mmogo ba bona*;

Your Excellencies, Ambassadors and High Commissioners;

Leaders of Faith-based Organisations;

Fellow Councillors;

Leaders of the Business Community and Civil Society;

Distinguished Leadership of our Academic Centres of Excellence;

City Manager and Senior Managers;

Members of the Media;

Comrades and Friends;

Fellow Citizens

It is now six decades since the multitudes of our people produced an inimitable point of reference with respect to the kind of a South Africa that we all desire and deserve. We are thus gathered here today for the 2015 State of the Capital Address which takes place in the context of the 60<sup>th</sup> anniversary of the adoption of the Freedom Charter in Kliptown in 1955.

That vision, as espoused in 1955 at the Congress of the People, endured through the ages to inspire our struggle and guided us through the vicissitudes of time towards the rise of that glorious sunshine on the morning of 27 April 1994.

That vision translated into the central organising principles upon which the edifice of the new South Africa was cemented. Some of the ideals enshrined in the Freedom Charter were codified in the Constitution of the Republic of South Africa as the supreme law regulating transformation and change in the country.

The Freedom Charter continued to find significant expression in innumerable policy changes introduced by the democratic government since 1994. The Reconstruction and Development Plan, the RDP, and the National Development Plan, the NDP, epitomise the veritable incarnation of the intrinsic edicts of the Freedom Charter, in both form and content.

The 2015 State of the Capital Address also takes place within the context of 15 years of the establishment of local government in its current form. Local government constitutes the most important sphere in the cooperative system of governance, which plays a crucial role in pursuit of the aspirations of the people of South Africa as spelt out in that 60-year-old set of ideals. It is here that the actual realisation of all the ideals of the Freedom Charter, the Constitution, the RDP and the NDP is driven. In our immediate context, we engaged the citizens of the capital city in a lengthy participatory process with a view to adapt and give local expression to the national goals of reconstruction and development as outlined in the Charter and its most recent variant, the NDP. That process culminated in the adoption of Tshwane Vision 2055, which articulates the significant milestones the people of Tshwane have set out to achieve on the road to the centenary of the Freedom Charter in the year 2055.

Over and above adapting national programmatic policy frameworks to local conditions, Tshwane Vision 2055 also articulates other yearnings of our citizens. The Vision embodies our concerted efforts to intervene decisively to break the cycle of generational poverty, inequality and underdevelopment. It denotes a principal platform from which to imagine, transform, remake and build a cohesive and adaptable society. It is a paradigmatic vision whose characteristic occupation is the *remaking of the capital* to ensure spatial justice, spatial sustainability, spatial resilience, spatial quality and spatial efficiency.

The 2015 State of the Capital Address also takes place against the backdrop of the historic opening of Reconciliation Road linking two of our heritage sites – Freedom Park and the Voortrekker Monument in 2011. These sit uniquely amongst a tapestry of monuments, complimented magnificently by the Union Buildings and UNISA; with the soon to be constructed Tshwane House complementing significant landmark architectural developments that define the landscape of our beautiful city.

The *remaking of the capital city* is also about intervening decisively in the transformation of human settlements, the space economy as well as the creation of functioning nodes. Thus, as Tshwane remakes itself, it will become home to new monuments as South Africans re-examine, rethink and reconstruct their stories of the recreated Tshwane.

In honour of our esteemed and venerable late President Mandela and the celebration of his ideal of reconciliation, we stage the 2015 State of the Capital Address as a symbolic journey from Voortrekker Monument to Freedom Park.

Madam Speaker,

Today we provide the balance sheet and a lap counter reading of our efforts to bring about demonstrable material changes in the living conditions of the citizens of our city under the theme: *Remaking the people's capital through radical economic transformation and spatial justice*. We present a dispassionate account of these exertions in the context of the second phase of our transition, whose ontological vocation is a tenacious and unyielding pursuit of the cherished ideals of the Freedom Charter. As an accountable, transparent and responsive administration, we lay bare our successes and shortcomings along the following four thematic areas: (i) detailed measures to impel radical economic transformation; (ii) specific measures to forge spatial justice; (iii) matters related to equitable access; and (iv) measures to ignite and sustain the culture of excellence.

We present this dispassionate interpretation of our successes, challenges and failures to serve as a framework for how best to accelerate social and economic transformation in the forthcoming term and beyond. Necessity dictates that we firmly retain the high standards we have set for ourselves so as to continue to be a living testament and shining example to the world on how best to build a socially inclusive and economically equitable democracy.

Madam Speaker,

In August 2013, we stood before all gathered here and beyond, and argued that internet access must be viewed as a basic service, undeniably analogous to that of water and electricity. To that end, we announced an ambitious project to provide free Wi-Fi in public spaces throughout low-income communities in Tshwane. Confounding sceptics, the City of Tshwane successfully deployed phase 1 of the Tshwane free Wi-Fi network in November 2013, beginning with a capacity of 25 000 users spread across five locations in Soshanguve, Mamelodi and Atteridgeville.

Today, the Tshwane free Wi-Fi project has reached unprecedented heights, all for the benefit of the citizens of Tshwane, and it boasts a current capacity able to serve over 2 million users across 575 sites, with a further 50 sites to be deployed by the end of the current financial year. In 2014, the average growth rate of usage was greater than 40 percent per month with an astounding growth rate of almost 185 percent between June and July of 2014 alone. We currently have coverage across all seven regions of Tshwane with at least one free Wi-Fi site in 96 wards. In addition, there are over 560 000 unique devices or users registered and almost 15 million total sessions have been logged thus far. In 2015 alone, there has been an average usage of 152 000 users per month, representing a growth rate of approximately 279 percent, in comparison with the last calendar year.

The provision of free access to the internet promotes social inclusion, stimulates inclusive growth, and supports learning through the accessibility of digital education material. For example, citizens are now able to telecommute and study after hours near their places of residence, as opposed to having to find transport to traditional places of study. The economic benefits of free Wi-Fi are the result of improved market efficiencies due to the reduction of information asymmetries.

Independent research indicates that, on average, every 10 percent increase in broadband penetration increases a country's GDP per capita by 1,28 percent, increases employment by 0,28 percent and facilitates the growth of SMMEs. For instance, SMMEs who make use of email and/or websites grow by approximately 50 percent more than those who do not utilise such services.

As an additional service to citizens, the City of Tshwane launched Wi-Fi TV in November 2014. Hundreds of unemployed young people were interviewed in order to recruit local journalist teams. In the first five months since its launch, Wi-Fi TV has had over 6 million views, immediately becoming the most popular content on the Tshwane Free Wi-Fi network. It has been a huge success in the media industry and provides further evidence that Tshwane is adding value to the lives of its residents and leading the way as a smart city in Africa.

Our secret to success has been in ensuring that costs are kept low, beginning with small successes with respect to the initial deployment of Wi-Fi, and in accelerating the speed of the project over short periods of time. The result is the fruition of a dream that many South Africans share – that internet access can be made available to the poor, thereby contributing towards bridging the digital divide and ensuring a prosperous South Africa for all.

Despite our unprecedented successes, only 14,7 percent of our citizens are currently within walking distance of a free Wi-Fi site. As a result, today, we announce an ambitious new initiative. Over the next 18 months, the City of Tshwane will deploy a further 1 848 sites, from Bronkhorstspuit to Hammanskraal, to Soshanguve, to Centurion and, indeed, to the rest of Tshwane, thus ensuring that by the end of 2016, every single citizen of Tshwane is within walking distance of free Wi-Fi. The City's vision is to eventually provide free Wi-Fi connectivity in every street, every corner and to every household in the capital city. We are well on our way towards tangibly realising this vision!

Madam Speaker,

The traditional method of public engagement – hearings and sittings – is outdated and has lost its appeal to young people, who, importantly, constitute the bulk of our population. We believe that our commitment made to universal access has significantly contributed towards the success of engaging Tshwane residents in what we have come to term the imbizo. The

#AskRamokgopa imbizo, a first of its kind, utilises platforms such as Twitter, Facebook and video via Tshwane Wi-Fi TV. This platform has provided us with the opportunity to engage with communities across all age and race groups in Tshwane in particular, and in South Africa in general. Since January of this year, we have held four imbizos and to date, we have reached in excess of 2 million people with an average of 300 inputs received per engagement.

In addition, today, we are proud to announce Tshwane Wi-Fi Chat, a service available over the Tshwane Free Wi-Fi network, which allows the City of Tshwane to effect real-time conversations with citizens. This hyper-localised social network creates secure imbizos, enhancing local government participation. The City will be able to create live chat rooms for any relevant discussion topic, such as question-and-answer sessions, City of Tshwane updates and debates. This could also include information relating to service delivery and community projects and surveys.

In keeping with our emphasis on accelerating the speed of service delivery, we are delighted to announce that Tshwane Wi-Fi Chat is live today! We encourage Tshwane residents to make use of this live platform to actively debate today's State of the Capital Address. Tshwane will continue to lead the way in demonstrating the manner in which municipalities can make use of technology to engage with residents, thereby actively promoting participatory democracy.

Madam Speaker,

The right to decent work as enshrined in the Constitution of the Republic is one of the fundamental rights towards human dignity. By launching an intense war on unemployment, we are at the same time launching a frontal assault on a significant element in the triple challenge defined as the focal point of our government. Both the State of the Nation Address and the State of the Province Address made known the significance of creating employment and employment opportunities as a core component of cementing social cohesion within our society.

Over this term, we have witnessed a significant reduction in Tshwane's unemployment rate and poverty levels. However, we are not oblivious to the fact that we are still confronted by alarmingly adverse socio-economic conditions and this is partly reflected by a large number of individuals who do not have access to employment, with the majority of these being young people, who constitute the majority of the citizens of the capital city. As a result, since the beginning of the term, we made a commitment to facilitate the creation of employment opportunities by attracting investment to Tshwane and embarking upon initiatives that seek to address job creation.

Our Extended Public Works Programme over the years has been but one intervention that has had a significant bearing on whether certain households sleep hungry or not. In the

2013/14 financial year, the City set a target to create 30 000 work opportunities and we have exceeded this target by 208 additional opportunities being created. Within the current financial year, the City has a target of creating 40 000 work opportunities.

Madam Speaker,

Without decent employment, the wishes of those who gathered in 1955 and declared that, in the South Africa of their dreams, there shall be work, security and comfort, will continue to ring hollow! One of our residents, Samuel Mashaba, communicated his concern with respect to job creation and industrial development towards advancing economic growth within Tshwane and, in this regard, we wish to outline some of the initiatives that the City is currently undertaking.

Madam Speaker,

You will also remember that, last year, we launched the Tshepo 10 000 programme aimed at empowering young people to become successful entrepreneurs. Beyond the training provided, we have set firm targets to ensure that the City of Tshwane's procurement processes are engineered to support cooperatives as envisaged by this revolutionary programme. To date, there are 405 newly registered cooperatives on the Tshepo 10 000 programme and 193 cooperatives are registered vendors. Our strategic partner, Absa, has trained 9 344 beneficiaries in team building, group dynamics and financial management and, in conjunction with the University of Pretoria, entrepreneurial training has been provided to over 10 600 beneficiaries. By 30 May 2015, the City will have awarded Tshepo 10 000 cooperatives with opportunities at a total value in excess of R273 million until the 2016/17 financial year. We are pleased that, today, we are joined by the following Tshepo 10 000 cooperatives: Lesedi 10k, Magical Waters, Tshwaranang, Tshepzane, Refilwe Tshepo, Tlhamaseko and Legae Housing.

We will rigorously continue with this programme in the financial years to come with an enhanced level of vigour to ensure that cooperatives play the dual role of mutating the service delivery mechanisms in the city and also contributing towards advancing economic development to the levels envisaged by Tshwane Vision 2055. We would further like to thank national and provincial departments and agencies as well as the private sector for their continued commitment to the Tshepo 10 000 programme.

In addition to the general provision in the supply chain policy to advantage black entrepreneurs, we have a minimum of 25 percent that is set aside within our procurement budget that must be subcontracted to local SMMEs and cooperatives. We are currently at around 21 percent of our target, which is below our expectations. For that reason, the City is focusing on this and our supply chain policy is currently being revised to ensure greater empowerment of targeted groups.

Madam Speaker,

The City in partnership with the Department of Environmental Affairs opened the Eco-Furniture Project in Ga-Rankuwa, which seeks to optimally utilise the biomass cleared through the Working for Water Programme. The primary output is school desks in support of the drive of the Department of Education to provide all learners with high-quality facilities so that no learner has to ever endure hours of learning while standing. To date, a total of six factories have been established throughout the country and the Ga-Rankuwa Eco-Furniture Factory is the largest site. We wish to congratulate the 65 Tshepo 10 000 beneficiaries who are participating in this project, represented today by Boitumelo Rampeng and Bontle Moatlhudi.

Altogether 30 percent of people employed by the factory come from the City's Tshepo 10 000 Programme, and 70 percent from local communities. It is expected that over 900 EPWP jobs will be created once the project is fully operationalised. To date, over 6 950 school desks have been produced through the programme and over 5 000 desks to a value of R20 million have been delivered to schools in the Eastern Cape. Plans are at an advanced stage to establish a full-fledged training academy and furniture incubator at the factory.

Madam Speaker,

We recognise that government is not the only player in the economy and therefore sharing in the country's wealth and creating work and security require a partnership between government and the private sector, including, of course, entrepreneurs. Among such initiatives, the City of Tshwane has partnered with the National Tooling Initiative towards the implementation of a tooling programme in 2014. In this regard, the Faranani Training Academy is operational and has trained a total of 80 learners, and a further 100 learners have been enrolled in the 2015 academic year.

Madam Speaker,

Without the financial means to translate our developmental plans into palpable gains, the ideal of a better life faces a grave prospect of becoming a hollow and distant dream. To circumvent this distinct probability, the City embarked upon an important initiative aimed at innovatively financing exponentially growing infrastructure deficits in the form of releasing a small portion of land in Tshwane. It must be emphasised that this method of financing is innovative because it does not place increased financial pressure on Tshwane residents to fund the growth. It is also the first of its kind in South Africa and, arguably, in sub-Saharan Africa.

The National Division of Revenue allocates less than 10 percent of nationally collected revenue to municipalities, although the country's metros account for over 60 percent of economic output in the country. The big metropolitan municipalities continue to have to deal with the impact of migration, which results in a significant financial strain on the large

metros, thus negatively impacting on the ability to deliver basic services and sustain economic infrastructure.

The land parcels that were auctioned and those planned for future auctioning constitute less than 0,05 percent of Tshwane's total land mass, less than 2 percent of the total asset base of the City and less than 7 percent of total land assets. Through the auction, we are essentially addressing two tactical elements: first, that of capital costs, especially for non-revenue generating infrastructure, and secondly, the funding of infrastructure, as the proceeds of the auction will fund principally our flagship revolutionary housing programme – *Re aga Tshwane*. Through this programme, we will issue title deeds and provide a basket of essential services, including prepaid electricity, water, onsite sanitation, refuse removal and road infrastructure. Upon full development of all parcels released, our most conservative estimation suggests that we will generate R16,2 billion worth of economic activity, create over 25 000 jobs and generate over R224 million in rates income for the City, on an annual basis, into perpetuity.

Through the first phase of the release of these land parcels, the City has raised approximately R190 million, which is dedicated towards funding infrastructure. Our expectations of the revenue generated have been surpassed in every respect.

In addition, we will continue to optimise the financial benefit of our real estate through, amongst others, ensuring that all property rental fees are escalated at market-related rates on an annual basis. The era of contractually predetermined escalations has come to an end. We will begin the exercise of reviewing all leases in the current year to ensure that they are aligned to their true market value and, where necessary, these leases will be renegotiated. The City will continue to explore ways to proactively alienate its land assets through sale or lease disposal mechanisms, thereby ensuring the optimal utilisation of these assets, ultimately for the benefit of Tshwane residents.

Madam Speaker,

Informal trading is a unique feature of African cities; it completes the DNA of an African city. Informal traders have demonstrated unparalleled levels of resilience and an extraordinary ability to innovate. The City of Tshwane insists on retaining this unique feature of the Tshwane landscape and has committed to working closely with the leadership of informal traders in Tshwane to cement their place within the economy of the people's capital. We express to the leadership of this important constituency of our economy the commitment that, once we have collectively identified all legitimate traders, we will accelerate the allocation of permits in a manner that enhances the sector's ability to generate greater income and ensures the peaceful co-existence with the formal sector, pedestrians and other road users.

The City commits to create bold opportunities for those identified traders who cannot be accommodated in designated spaces. This includes assigning a cooperative of informal traders the responsibility to clean the inner city and to assist with the maintenance of certain inner city infrastructure, thereby affirming our commitment to link the informal and formal economies. The details of this partnership will be concluded with the leadership collective of the traders. Our message to all identified street traders in the inner city is that none of you will go hungry; together, we will unleash your potential and show the rest of the country what can be achieved when all parties work together. We can assure you that you have a dependable, friendly and progressive ally in the City of Tshwane.

Firmly working towards the realisation of this commitment, we have successfully concluded negotiations with informal trading organisations located and operating in the inner city. The outcome included a declaration that was signed between the Office of the Executive Mayor and the Tshwane Berekisi Forum, Tshwane Micro, Tshwane Nafcoc, TITCO and the Tshwane Informal Traders Forum. This is representative of the first of many such future engagements across all regions of Tshwane.

In addition, we will continue to develop the necessary trading infrastructure for the informal sector over the next five years. The City will invest approximately R100 million towards this important endeavour. We will also focus on the creation of business development strategies targeting informal traders, which will contribute towards improving the competitiveness of the sector in Tshwane. This will include but will not be limited to the following: linking informal business with formal business; facilitating the provision of financial and non-financial interventions; identifying market opportunities as well as the training and reskilling of informal traders.

Madam Speaker,

We aim to accelerate our efforts to transform the stubborn apartheid character of our township settlements with the revitalisation of township economies as one of our core focal points. In line with the call by the Honourable Premier of Gauteng for the reindustrialisation of the township economy, we will be launching a youth-owned township bakery in Soshanguve as well as a brick manufacturing factory and plastic waste bag manufacturing factory at our underutilised industrial parks at Babelegi, Ga-Rankuwa and Ekandustria. At its inception, in order to demonstrate our commitment and confidence within these businesses, the City will enter into off-take agreements with the factories concerned. The City will also be investing in a new thriving business sector within the South African township domain, namely that of the car wash. We will support already existing entrepreneurs in the car wash space with dedicated land, infrastructure and free Wi-Fi connectivity in addition to associated amenities that will contribute towards the success of their businesses. In addition, the City will commit a certain number of its vehicles to be washed at these business operations. The first such project will be launched in Mamelodi in the new financial year and will bring together selected existing car wash entrepreneurs under the umbrella of a single cooperative.

Madam Speaker,

Healthy levels of trade and investment are vital ingredients in expanding our economy and it is, therefore, obligatory for our country to contribute towards successfully surmounting the triple challenge of poverty, unemployment and inequality. Accordingly, and in further recognition of the potential of the business process outsourcing sector, a BPO Park is currently being developed in Hammanskraal. It is estimated that it will attract investment to the approximate value of R525 million in infrastructure; and create 1 000 job opportunities during the construction of the first phase and 3 300 new job opportunities upon completion of all three development phases of the project. The park will also be offering an incubation facility for 50 SMMEs per annum and a training academy that will provide a steady supply of suitably skilled operators, both for the park and the local industry.

Fellow Citizens,

We have recognised the call from business to create an investor-friendly environment in Tshwane and we are pleased to confirm that we have concluded public participation processes on the City of Tshwane's development investment incentives policy, which seeks to catalyse growth and development across Tshwane. This policy will enable us to provide specific rates rebates on certain developments in Tshwane. The City has also established a high-level Strategic Investment Committee to institutionalise this mechanism and to expedite strategic developments in Tshwane. The policy will come into effect in July 2015.

Madam Speaker,

The Tshwane Market recorded a turnover of approximately R2,6 billion in the 2013/14 financial year, representative of a growth rate of 13,28 percent in comparison with the previous financial year. This indisputably places the market as the second largest in the country. It has also resulted in the market achieving a welcome surplus of R71,6 million in the last financial year. It is projected that the Tshwane Market will achieve a turnover in excess of R2,6 billion in the 2014/2015 financial year.

The Tshwane Market is implementing a major sustainability programme that seeks to ensure that it at least retains its market share by 2025, implying that turnover will need to increase to R3 billion with a required infrastructure investment of R450 million. The market will also introduce value-added services and facilities, such as online marketing and satellite retail outlets responding to the vast size of the Tshwane region.

It must also be noted that the market is in the process of developing a new trading system that will be wholly owned and managed by the City, thus enabling the market to compete and deal with the supply chain logistics of product procurement, distribution as well as overall business process re-engineering and optimisation. This is a strategic intervention that will propel and give the market a competitive edge over other role players in the industry.

Madam Speaker,

In line with our Vision 2055 outcome to create a resource-efficient and resource-resilient capital city, the Tshwane Agropolitan City, located in the east, has begun and the environmental impact assessment (EIA) is currently underway. The Tshwane Agropolitan City will contribute towards renewable energy generation through solar and biogas plants, urban food production, SMME development, employment creation and social cohesion. In addition, this important project will also contribute towards restoring the dignity of displaced farmers in the Bronkhorstspuit and Cullinan areas and will serve to re-ignite an interest in agriculture and agro-processing in the future.

Madam Speaker,

We must be proud of Tshwane's performance; according to the most recent economic data, the city achieved one of the highest GDP growth rates amongst metropolitan cities in South Africa, thereby maintaining our position as the fastest growing city in the country since 2001.

However, the challenge ahead remains significant – economic growth has slowed considerably during recent times and unacceptably high unemployment levels continue to afflict our communities. We are confident that we can address these challenges successfully to ensure that we are not only amongst the best in South Africa but also comparable to our international peers.

One of the 21<sup>st</sup> century lessons of best practice in pursuit of economic growth is that growth is better achieved when implementing targeted interventions to support sectors in which cities have a strong competitive advantage. For that reason, we have selected four sectors in which we want to focus our efforts over the next 15 years, ultimately towards the achievement of Vision 2055. The four sectors are: education and the knowledge economy; agriculture and agro-processing; business and diplomatic tourism; and the green economy. For each of these sectors, the City will have a renewed focus sustained by an implementation plan that is currently being developed in consultation with key stakeholders. The implementation plan will detail short-term, medium-term and long-term interventions that we will need to undertake in order to realise a shift within the current landscape of our economy for the benefit of all Tshwane's residents. We will continue to support our remaining traditional sectors, such as the automotive, mining, retail, finance and support services sectors, which already have strong plans and strategies and are core assets of our economy.

Madam Speaker,

In 2012, we resolved to forge a closer relationship with faith-based organisations and this was demonstrated by our land donations policy that commenced in 2013 to mark the anniversary of the 1913 Natives Land Act. This resolution was driven in part by a realisation that churches, as the key drivers of moral regeneration in society, are an essential part of

nation building and social cohesion. We acknowledge that while state machinery may be able to address the material needs of our people, it comes short of touching the soul of man and addressing his or her spiritual needs. We believe that through our collective efforts, not only will we improve the material conditions of our people, but we will also resolve many of the social ills found in our communities.

Madam Speaker,

We will continue to interact with religious leaders, as leaders in their own right, to share ideas and to give birth to a social movement that will extricate our people from the poverty of the soul, the absence of hope and the addiction to illicit substances such as nyaope.

Six decades ago our people assembled and unanimously proclaimed that “South Africa belongs to all who live in it” and “the land shall be shared among those who work it”. Accordingly, the City of Tshwane has transferred a significant amount of land by way of donation; over 148 land parcels have been transferred to churches and the taxi industry and leasehold has been converted to full title for over 50 black township business people in Mamelodi, Atteridgeville and Marabastad. This programme will continue in Soshanguve and Hammanskraal in the coming months. The land donated to churches holds a municipal value in excess of R60 million. These places of worship are now free to invest in the construction or extension of their places of worship to properly serve their congregations and surrounding communities. Similarly, the taxi industry will be in a position to convert the transferred portions of land into business enterprises that allow them, as a collective, to own and direct the value chain of their trade.

Madam Speaker,

We pride ourselves on the experiences of two particular senior citizens from Zone 1 in Ga-Rankuwa, Mr and Mrs Vilakazi, who have recently been honoured with the Papal Bene Merenti Award, a special award granted by His Holiness, Pope Francis to members of the clergy and laity for their outstanding contribution to the growth and development of the Christian faith the world over. We are thus honoured that citizens of our own land, emanating from Ga-Rankuwa, have been recognised by him.

Madam Speaker,

Aligned to our commitment of creating a liveable capital city that belongs to its people, 52 parks have been developed since the launch of the two parks per ward programme in 2012, including six flagship parks that include fitness and sporting components at a value of R112 million. In the current financial year, the City of Tshwane has invested approximately R20 million in the development of 12 additional parks, which have already been completed. The target for the IDP five-year cycle is 87 parks and, as such, 23 more parks will be developed in the 2015/16 financial year at a total cost of R35 million.

As for the provision of cemeteries, despite various challenges, we are proud to announce that by July 2015, the Tshwane North Cemetery, a 20-hectare site, will be ready for burial. In addition, an objection with respect to the development of a cemetery in Klip-Kruisfontein has been resolved and we are able to confirm that the cemetery will be ready for burial in the early months of 2016. These two cemeteries will provide much needed relief to the burial difficulties currently faced by our communities in the Soshanguve, Mabopane and Hammanskraal areas.

Madam Speaker,

The issue of access to decent shelter continues to affect many of our citizens, who are confined to informal settlements with limited access to services. At the beginning of the current term of Council in 2011, there were 150 informal settlements spread across the seven regions of Tshwane. To date, the number of informal settlements stands at 124 – a number we remain extremely unhappy with, and as a result, through the City's concerted efforts, we aim to accelerate the formalisation process through the *Re Aga Tshwane* programme.

We will through this intervention restore the dignity of over 100,000 people, who currently live in informal settlements without access to the most basic infrastructure. In addition, as mentioned, we will leverage the proceeds of the recent land auction to fund the growth in infrastructure requirements and invest in quality public open spaces.

Since the inception of the *Re aga Tshwane* programme, in May 2013, we have formalised 68 townships, equating to approximately 68,071 stands. Of the 68 townships formalised, 13 have already been proclaimed. Furthermore, phase 2 of the programme concerns the installation of infrastructure services such as sanitation, water and electricity. We are currently installing 4 355 electricity connections in various areas across Tshwane and we have begun installing sanitation services in Nellmapius Extensions 21 and 24, Mahube Valley Extension 2 and Temba View Extension 1. In the current financial year, we have formalised households in the Kudube and Nellmapius areas and a budget of R200 million has been committed to this game-changing programme.

Madam Speaker,

It will give us great pleasure to see land restored to the full ownership of our people. Between April 2011 and April 2015, the City has issued a total of 17 746 title deeds, with over 4 000 title deeds issued in the 2014/15 financial year. In addition, a total of 20 345 title deeds have been registered. However, the City has a total of 8 237 title deeds that have not been collected by their rightful owners.

We have resolved to have the names of beneficiaries whose title deeds are still in the care of the City advertised in various newspapers to encourage these beneficiaries to collect

their title deeds. We wish to urge those who know that they are beneficiaries of state-assisted housing to come forward so that they can have legal proof of their ownership.

Madam Speaker,

In line with the broader goals communicated by the Honourable Premier Makhura in his State of the Province Address, the City in partnership with the Gauteng Department of Human Settlements, has identified mega projects, which are defined as projects that have the potential to yield more than 10 000 housing units in the next five years. The R36,9 billion mega projects programme in Tshwane will result in the development of approximately 180 875 housing units in the next five years, which have been clustered into five nodes, namely: (i) Tshwane North, which includes Soutpan, Hammanskraal West Extensions 2, 3 and 4 and Winterveld; (ii) Tshwane Central, which includes areas such as Lotus Gardens, Fort West, Zandfontein, Capital Park, Vermeulen Point, Kruger Park, Timberland and Townlands; (iii) Tshwane South, which includes Olievenhoutbosch Extensions 27, 36 and 60; (iv) Tshwane East, including areas such as Pienaarspoort, Nellmapius Extensions 4, 21, 22, and 24; and (v) Tshwane Far East, which includes Zithobeni Extensions 8 and 9, Zithobeni Heights and Riama Park Extension 6. Together with Gauteng administration, various funding sources have been earmarked to ensure the smooth implementation of these projects. As a part of this programme, a total of 5 000 serviced stands are expected to be delivered in the new financial year.

We are also beginning to see the private sector coming on board in this regard with various mixed-income housing developments throughout the City. Of significance is the current development undertaken by a private developer in the north of Tshwane, which caters for low-income to middle-income groups, linking the areas of Soshanguve and Mabopane to the CBD. The development, which will yield 16 000 housing units, 1 300 of which will be RDP houses, comprises six residential-zoned townships that will be constructed over a period of seven years with an estimated capital investment of R3,5 billion. Also being undertaken by a private developer is another mixed-housing development, worth approximately R5 billion, that consists of 14 000 housing units to be produced over eight years in the Centurion area of Monavoni, which includes 1 400 RDP houses.

Madam Speaker,

Not all who live and work in Tshwane have firm roots in it. In this regard, the City is committed to bridging the current gap that exists with respect to affordable rental housing through partnering with various social housing institutions. In stark contrast to previous periods, primarily due to a lack of the appropriate level of accreditation, the Housing Company Tshwane is now able to fully participate in our human settlements programme, as it is now in a position to raise its own funding.

A total of 5 355 affordable rental accommodation units, spread across Tshwane, are at various stages of planning and include the Townlands development near Marabastad; the Timberland development in Arcadia; the Thembelihle Village in the West Capital Precinct;

and the Fort West development, in addition to planned projects within the areas of Lotus Gardens, Zandfontein and Chantelle Extension 39. In this regard, the City has already committed funding to the installation of services during the 2015/16 financial year.

Madam Speaker,

You will also recall that in recent financial years, we have committed to the redevelopment of hostels throughout Tshwane. The intention was to convert existing hostel barracks into safe family and community residential units, which were to be leased out to qualifying beneficiaries. Through the rollout of the project, we have realised that most hostel dwellers are unemployed or participate in the informal economy, which does not provide predictable and regular income. We are therefore exploring alternative ways of continuing with this initiative while we do not compromise the maintenance of these assets.

The City is exploring the redevelopment of old hostels into bachelor units as opposed to two-bedroom and three-bedroom units, which do not meet the needs and affordability levels of hostel residents. We will invest over R50 million in developing 200 affordable rental units in the Mamelodi and Saulsville areas by June 2016. In addition, in conjunction with the Gauteng Department of Human Settlements, a total budget of R60,5 million will be spent to develop 550 affordable rental units in Nellmapius Extension 22.

Madam Speaker,

Since the extension of the period for the lodgement of land claims in terms of the Land Restitution Act, the Land Claims Commission has received a number of land claims in Tshwane. While the City will not be drawn into a debate on the legitimacy of the claims, our submission will provide post-resolution options for partnership with such communities as opposed to expropriation. We will also consult broadly with our stakeholders to ensure that we make a valuable contribution to the final resolution of the land claims impasse that necessitated an extension of land claims to 2019.

Madam Speaker,

The regeneration of the inner city is one of the most important landmark developments on our roadmap towards becoming *the African capital city of excellence*. The inner city serves as the face and heartbeat of Tshwane and is critical to our image as the capital of the country. Through Tshwane Vision 2055, various interventions and strategic actions have been identified that will not only ensure the achievement of the vision but will also serve to guarantee that all Tshwane's residents experience tangible socio-economic and spatial transformation in their lifetime. Our interventions towards inner city regeneration are aimed at strengthening investor confidence and creating a vibrant, efficient and liveable city.

The proposed R100 million Caledonian Inner City Park is one of these interventions. The upgrade and transformation of the existing Caledonian Sports Ground to a civic park will

protect one of the last significant open spaces in Tshwane that, once lost, cannot be replaced. It will cater for a large and growing residential population and office workers in the vicinity of the park; protect and celebrate part of the historical heritage elements of the city; increase the value of surrounding properties; create a unique and special gateway into the inner city; create a place for a variety of large inner city events; and contribute to the capital city image, as the park will link to the Ceremonial Boulevard, which is the planned site for city parades.

The construction of the park is envisaged to commence during May 2015, with final completion estimated within 12 months. The renaming of the park will be considered through a process of public engagement, such as a “naming competition” that will involve local schools and other educational institutions.

The Government Boulevard, as mentioned in previous State of the Capital Addresses, will run predominantly along WF Nkomo Street and forms the basis for *Re Kgabisa Tshwane*.

Key to the precinct will be the use of public spaces, which will be created through the implementation of “people’s squares” – a celebration of South Africa’s heritage, culture and freedom. In addition, the Government Boulevard will focus on creating walkways and pedestrianising streets within the precinct, with construction already underway as part of the *Operation Reclaim* project in the area. During the course of this financial year, the implementation of the project has progressed well. The City has completed a detailed urban design framework, enabling us to now move beyond the planning phase, which has been approved by Council.

On 13 March 2015, Tshwane House definitively crossed the boundary from ever receding mirage to final reality with the financial close achieved on that historic day. Tshwane House has effectively become the catalyst for all major projects in the City of Tshwane pipeline, and due to the element of value capture the financial feasibility of large CBD development projects has in all probability improved. The project is thus far more significant than that of an isolated capital investment and will result in a range of socio-economic benefits.

The actual construction of the building commenced in December 2014 and handover for occupancy is envisaged to be in December 2016. Of significance is that the project is currently being realised within the mandate of Council with far more value for money benefits than originally anticipated. The total cost of the project over 25 years, including construction, operations, maintenance and life cycle replacements, is approximately R2 billion. In addition, the project will create almost 3 500 temporary jobs during the first two years of construction, with additional permanent jobs being created in the long run. We are pleased to announce that we will attain a five-star Green Building Council of South Africa grading, which is aligned to our aim of igniting excellence, particularly in the current South African sustainability environment.

Madam Speaker,

Macro interventions relating to spatial reconfiguration and infrastructure investment are being implemented in order to ensure spatial justice and radical economic transformation for our citizens. As pronounced by the Honourable Premier of Gauteng during the State of the Province Address, the Northern Development Corridor is anchored within Tshwane as the nation's capital city. This development corridor is critical in promoting growth within the Gauteng City Region and is focused on nodal developments concentrated within the automotive sector and the knowledge economy, amongst other areas. In this regard, we thank the Provincial Government, under the leadership of Honourable Makhura, for its support towards our efforts in remaking the city's space and economy.

The R6,1 billion African Gateway development is a significant landmark of mixed-use development in the heart of Centurion. The project is strategically located on an 80-hectare site and will be integrated within the planned government and Tshwane International Convention Centre (TICC) precincts. Furthermore, two multilateral organisations, the African Union and the United Nations, are expected to take up occupation within Tshwane. The steps to unlock this development are underway and agreements are being finalised with DIRCO to ensure that we comply with all the necessary requirements. We can report that the commencement of the construction of a 40,000 m<sup>2</sup> building is at an advanced stage, with public participation processes already completed.

Madam Speaker,

The East Capital Project covers Cullinan, Bronkhorstspuit and Rayton. The plan is to focus on developing a "green belt" of industries, agricultural beneficiation and green settlements. The East Capital development concept has been finalised and the minimum financial requirement of the initial intervention has been determined at R152 million. This will unlock potential private-sector investment of approximately R4 to 6 billion.

We have also completed a practical implementation framework detailing work streams, funding options, possible financing mechanisms and an action agenda that will enable the City to take the East Capital forward. We are currently packaging catalytic interventions required to fast-track the development and realise the requisite levels of economic growth and development in the far east of Tshwane. We have secured a service provider to package projects with respect to –

- industrial development;
- agriculture and agro-processing;
- green property development;
- sustainable infrastructure; and
- tourism, leisure and aqua development.

Within all these nodal developments we have outlined, we wish to communicate to our resident, Mpho Kgomo, who raised a concern around the provision of student accommodation. Tshwane is home to the country's largest student population. As such, student accommodation remains a fundamental component of the City's future interventions. We will continue to forge tangible partnerships with the private sector in this regard, particularly because we recognise education as a priority sector that will propel the City's economic growth and development trajectory.

Madam Speaker,

All of the above work undertaken by the City is dependent upon quality and reliable infrastructure services provision in terms of water, sanitation, electricity, waste removal and roads and transport. It is for this reason that it gives us great pleasure to update this esteemed assembly that the *A Re Yeng* project, which is also enabled with free Wi-Fi, has been operational from January 2015 from the CBD to Hatfield. To date, the *A Re Yeng* fleet has transported over 122,000 people between January and March 2015, with an average of 40% growth in daily ridership.

We are in no respect oblivious to the climate-change challenges which are currently confronting all cities. We remain convinced that future achievements of the City will depend on the adoption of an environmentally-sustainable approach towards the economic and social development of the capital. In last year's State of the Capital Address, we made a commitment with respect to the deployment of compressed natural gas (CNG) TRT buses within the city. The City is able to confirm that the first CNG bus will arrive in October of this year, with a further 20 and 19 CNG buses expected in November and December of 2015, respectively.

The *A Re Yeng* rapid transit system will continue to be rolled out in phases, with the CBD to Wonderboom Station expected to be operational in November 2015. Subsequent phases include the CBD to Mamelodi and the CBD to Kopanong Station in Soshanguve. The significance of this catalytic development is two-fold in the sense that it is a safe and affordable mechanism that will undermine current spatial distortions within Tshwane and potentially contribute towards reducing persistently high unemployment levels currently afflicting the large space that is Tshwane. In addition, the taxi industry will remain as the sole owner of the City's multi-billion Rand *A Re Yeng* as testament to our commitment towards the creation of shared wealth within the city.

Complementing the City's *A Re Yeng* will be the expansion and enhanced efficiency of Tshwane Bus Services, which have embarked upon an extensive turnaround strategy. This includes the procurement of 120 buses, the appointment of additional bus drivers, the installation of fuel and vehicle management systems on buses and the disposal of old buses. We are pleased to announce that the City will introduce much-needed new bus services in Bronkhorstspuit, Zithobeni and Ekangala in July 2015.

To Ignatius Mathole from Ashlea Gardens, we have listened and we invite you to come ride with us as we connect the city through a variety of transport interventions!

Madam Speaker,

As committed in last year's State of the Capital Address, we can confirm that we have indeed completed a pre-feasibility study for the light rail transit (LRT) system which is envisaged to complement current transport modes such as the Gautrain and the *A Re Yeng* systems. The outcome of the pre-feasibility study is pleasing, as it shows that the introduction of light rail in Tshwane is not only feasible, but also required. It will contribute towards transforming our economy, our current land-use and our existing transport system. The economic benefits of investing in the LRT will significantly outweigh the costs according to various funding scenarios that were rigorously modelled.

Madam Speaker,

Progress has been made with the introduction of scheduled flights at Wonderboom Airport and we will commence services from July 2015. In this regard, we are proud to welcome South African Airways and Airlink, who have entered into a commercial joint venture for the purpose of providing new scheduled air services at the airport. These services will commence during August 2015 and will operate initially between Wonderboom and Cape Town, with three flights scheduled per day.

As pronounced within last year's address, the process to involve the private sector in the development and management of the airport is progressing. The transactional advisory team appointed to assist the City with realising a maximum return on this lucrative asset has completed much of the preliminary work, and will be ready to communicate the way forward in due course.

Tshwane has a long-standing association with the aviation industry. Today, approximately 1,5 million advanced components are manufactured within its boundaries for commercial airline manufacturers such as Airbus and Boeing. This is a continuing testament to the innovation and technical skills of our world-class engineers who are also graduates of our local universities, and to the enabling environment for high-tech manufacturing within Tshwane.

A recent home-grown development that has drawn international attention to our city is the arrival of a fixed-wing fighter aircraft that was conceived, designed, manufactured and test-flown by the Paramount Group. The multi-role AHRLAC aircraft was produced at their Innovation and Training Centre in Centurion and the first phase of its flight-testing programme at Wonderboom Airport is currently being completed. A second demonstrator is currently in production and, based on the success of the aircraft's performance, on a local

and international level, it will go into serial production within the next 18 months, thereby potentially paving the way for further industrial aviation development within the city.

We are pleased to announce that Paramount Group is in discussion with the City of Tshwane for a long-term lease of a hanger within the Wonderboom Airport area, where Paramount will build a factory to serve as the global manufacturing base for the AHRLAC aircraft. The initial investment in the facility is estimated at R200 million with a current capacity of producing 4 aircrafts per month. This is expected to increase as production and the factory expands. It is envisaged that 400 permanent, high-skilled jobs will be created in a range of different engineering disciplines, with an additional 400 jobs being created in the local supplier base, thus tangibly demonstrating the potential benefit of the project to Tshwane residents.

Madam Speaker,

Aligned to our commitment of creating a resilient and resource-efficient city, we remain committed to creating an environment that is conducive to various forms of non-motorised transport (NMT). We have completed, amongst other initiatives, the upgrades of sidewalks and cycle lanes along Nana Sita Street between Paul Kruger Street and Nelson Mandela Drive. In addition, due to the high pedestrian volumes around the Sunnyside Station Precinct, the construction of NMT facilities has been prioritised within this area and is expected to commence in July 2015.

The City has maintained its commitment towards prioritising infrastructure provision within previously-disadvantaged areas of Tshwane towards the continued advancement of the physical and economic mobility of our residents. During the current financial year, we have constructed 11,4 km of roads and storm water systems in Soshanguve, and invested over R83 million in this regard. We have constructed 30,2 km of roads and storm water systems in the Mabopane, Winterveld and Ga-Rankuwa areas and spent a total amount in excess of R275 million towards the eradication of this backlog. Within the near-east of the city, we have invested over R100 million in the current financial year, which includes the doubling of Simon Vermooten Road over the N4.

We will continue with this much-needed programme in the 2015/16 financial year, wherein we will focus on a number of areas across the city, including Soshanguve, Mamelodi, Winterveld, Ga-Rankuwa, Hammanskraal, Zithobeni and Ekangala. The City plans to construct in excess of 49 km of roads and 39 km of storm water systems in the 2015/16 financial year at an estimated cost of approximately R672 million.

Madam Speaker,

The escalating national electricity supply challenge is a cause for real concern; it adversely impacts local economic development efforts. We are being affected by a series of load

shedding episodes and it has now become more apparent than ever that we have to radically alter the manner in which we approach the provision of energy, whilst simultaneously managing our carbon footprint and ensuring the reliability of supply. As a result, we have embarked upon a renewable energy and energy-efficiency drive. Through our cutting edge sustainability plans and actions, amongst other accolades, we have been selected by an international panel of experts as the Earth Hour Capital of South Africa, which is indeed a significant achievement.

The City has gone through a rigorous process that commenced in December 2013, where six projects were selected that will serve as the city's blueprint to radically alter its energy future. These include –

- a 20 mega-watt solar farm to inject a significant amount of renewable solar energy into the city's energy mix;
- the replacement of mercury, sodium vapour lamps and fixtures with energy efficient induction;
- LED and solar-powered street lighting; and
- up to 6 MW/h biomass powered electricity generation for use by targeted off-takers throughout the city.

In addition to this, we are proud to have pioneered a wheeling agreement with Bio2Watt to support the establishment of a 4,5 mega-watt biogas plant in Bronkhorstspuit, supplying most of the electricity generated to BMW in Rosslyn. We have been inundated by enquiries from other cities, entrepreneurs and businesses on the need to share our experiences on this groundbreaking partnership.

During the coming financial year, we will move with speed in investigating the possibility of natural gas potential within the city, be it through direct generation and/or strategic sourcing and the establishment of a resident supply facility. This is an initiative that will also require collaboration with the private sector. In addition to the initiatives outlined, we have piloted the mini-hydro generation of electricity in partnership with the University of Pretoria, and we have gathered valuable lessons from implementing this technology. To this effect a hydropower turbine will be installed in the Annlin reservoir that is currently under construction and will form part of the designs of all future infrastructure planned. There is potential to generate additional capacity of six mega-watts annually, thereby ensuring self-sufficiency if the installation is extended to other City reservoirs. The system will generate enough electricity for lighting as well as a telemetry system in the reservoir with any residual electricity being sent into the grid.

Madam Speaker,

As pronounced in the last address, we have decided to refurbish and resuscitate the City's power stations which have a potential capacity of generating almost 1,000 mega-watts. This is directly aligned to our commitment of creating an inclusive, sustainable and resilient capital city. Options currently being explored include the long-term lease of the Rooiwal Power Station, the long-term lease of the Pretoria West Power Station and/or the

establishment of a new 300 mega-watt power plant in Rooiwal. In this regard, we have concluded the first of our two-staged procurement process which shortlisted a number of companies. We remain confident that the successful bidder(s) will be appointed by September 2015. This initiative is significant towards ensuring the reliability and security of our future energy supply.

To mitigate the effects of the current power challenges in the short term, we have vowed to keep the power stations operational. For this winter, no less than 100 mega-watts will be generated from the City's power stations. In addition, and related to our efforts outlined, the City has installed uninterrupted power supply systems and LED signal heads at 200 specifically-selected intersections.

We have brought the City's smart meter project to an end in its current form. However, we remain convinced of the project's merit in terms of its demand-side management capabilities. For this reason, the City will commence with the requisite processes to appoint a service provider to continue with the roll out of smart prepaid meters. We will be in a position to provide additional information in due course.

Madam Speaker,

Solid waste accounts for 80% of the City's carbon footprint. In an effort to avert this amid all the institutional challenges that accompany new and innovative solutions, we have now identified partners that will embark on landfill gas extraction either for electricity generation or concentrated natural gas production as mentioned. In 2014, we announced plans for the development of a multiple waste treatment facility in Kwaggasrand and we are proud to report that contracting processes have been finalised. Construction at the facility has commenced with the aim of being fully operational by October 2015. Waste separation at source remains a key challenge for our residents and we will continue to improve our citizen outreach programmes to drive the message home.

In this regard, the roll out of a standard weekly waste collection service was initiated in 2009 and it has so far seen the roll out of approximately 60,000 240 l bins within the city. To complete the standardisation of waste infrastructure across Tshwane, over 200,000 240 l bins will be rolled out in Regions 7, 6 and 1 of the city. However, landfill sites are not a sustainable solution and in line with our new integrated waste management plan, the City has finalised procurement processes to attract investment on alternative waste management and material recovery programmes. These include a biomass energy generation plant, a landfill gas to energy plant, a biogas plant, a bio-waste digester facility and a garden waste to fertiliser plant.

Madam Speaker,

When we began this term of office, only 564,875 households in the newly-demarcated municipal boundaries had access to electricity. As of December 2014, we have provided electricity to over 50,000 households. By the end of the current financial year, this number will increase by approximately 8,000, thereby exceeding the 5-year IDP target of providing electricity to 68,3% of Tshwane households. The provision of electricity in the city has not been limited to that of formalised settlements. The electricity-for-all programme is focused on electrifying areas being formalised by the *Re Aga Tshwane* team and in excess of 16,600 additional households have been electrified since the inception of the electrification of informal settlements programme.

Madam Speaker,

Various projects relating to the capacity of Tshwane's waste water treatment works (WWTW) have started in earnest to ensure the wellbeing of the citizens of Tshwane. This will also improve the "Green Drop" score, currently at 70,5%, considered as fair performance with ample room for improvement. Amongst the projects that we are undertaking is the new Ekangala WWTW; the Temba Water Treatment Plant is currently under construction, and will alleviate the water shortages experienced in the Hammanskraal area.

Critical in our contribution towards enhancing water security is addressing the challenge of non-revenue water. We have achieved water savings by reducing non-revenue water from 26% in July 2007 to 22,3% in January 2015, in comparison to a national level of 36%. During the current Council term, the target of reducing non-revenue water losses by 0,5 percent per annum has been met. In addition, the upgrading of the City's water resource infrastructure is critical to ensure a reduced reliance on the import of water from the Vaal River and to optimise on the importance of the Crocodile River basin which is vital in ensuring the generation of a sufficient yield to enable water supply to the proposed Eskom coal-fired power plants in Lephalale.

Madam Speaker,

Since the beginning of the term, we have invested millions of Rand towards early childhood development programmes by supporting those that are City-owned as well as those that are independent. Since its inception, it has benefitted in excess of 50,000 children, including 13,660 children benefitting during the 2013/14 financial year alone. The City intends to continue investing in ECD initiatives.

As mentioned during the previous State of the Capital Addresses, the City was one of a few districts selected as a pilot towards the roll out of National Health Insurance (NHI). Our participation in the pilot saw the deployment of ward-based community healthcare workers whose main responsibility is to increase access to healthcare services. As part of our commitment towards the roll out of NHI, the City has rolled out ward-based outreach teams in 42 of the City's 105 wards, as planned. The City has partnered with the University of Pretoria to assist with training in this regard and a total of 517 community healthcare

workers have completed the training. The City's healthcare services proactively reach out to families and individuals, placing emphasis on early identification, health promotion and preventive activities.

Madam Speaker,

Comprehensive primary healthcare services are currently being rendered at 23 fixed facilities. A total of 15 healthcare facilities in the City will be upgraded to enable the full implementation of NHI. In addition, during the period under review, we have renovated and built new clinics within the Doornpoort, Olievenhoutbosch and Danville areas. In the new financial year, three clinics will be completed in the Gazankulu, Zithobeni and Soshanguve areas. In addition, during the current financial planning cycle, the City will also ensure that clinics within the Rayton and Bronkhorstspuit areas are appropriately upgraded to ensure universal and equitable access for all. We are pleased to report that our healthcare facilities have provided services to more than 3,4 million people between July 2014 and February 2015; this is indeed indicative of the confidence that our residents have in the quality of our healthcare provision.

Madam Speaker,

The problem of nyaope is a manifestation of our acute failure to resolve the other apartheid questions, the second generation rights, the economic affirmation of the poor and the deracialisation of capital. The contours of the nyaope problem exhibit race, class, age and geographic dimensions. The majority of the users are black, poor, young and residing in townships. Some are youths with huge academic potential who are only denied the right of passage to higher education by exorbitant fees. Others have completed their studies but the economy denies them the opportunity to participate.

Nyaope is an extreme social calamity and, if not attended to, it could result in the total collapse of community structures as we have come to know them. It will condemn the poor to involuntary economic solitude and subject them to stubborn poverty. Losing hope in these youths with innate promise is not an option. Greater investment in programmes aimed at their rehabilitation and expanding access to opportunities is our only option. The call for free higher education should be supported – education is the most enduring solution to many of our problems. In order to combat this scourge, the City of Tshwane has allocated R50 million in the 2015/16 financial year.

Clustered ward-based local drug action committees have been established in Ga-Rankuwa, Winterveld, Soshanguve South, Mabopane, Hammanskraal, Olievenhoutbosch, Eersterust, Mamelodi and Atteridgeville, and identified programmes are being implemented by social workers. These include training, community awareness campaigns, partnerships with relevant stakeholders and skills development for rehabilitated users. Current challenges faced include financial and human capacity constraints to implement all initiatives and, as a result, we call on the residents of Tshwane to partner with us in shaping the future people's capital – every volunteer can and will make a difference!

Madam Speaker,

The 3<sup>rd</sup> edition of the Tshwane Open took place in March 2015 at the prestigious 105-year-old Pretoria Country Club. The Pretoria Country Club elevated its prestige in the golf history books as the home of champions by producing this year's winner, our very own George Coetzee. Independent economic research by Grant Thornton found that last year the Tshwane Open had a total economic impact of about R54,4 million for the city and R98,4 million for South Africa as a whole.

Another significant legacy of the tournament has been the development of the game at the Mabopane Driving Range north of the city. This year 10 professionals from the European and Sunshine Tour joined 65 school children at the tournament's official golf clinic. The Mabopane Driving Range has already produced its first star in 16-year-old Kefentse Nukeri, who came through the ranks and now represents Gauteng North at the under-19 and under-23 levels. In addition, 16 of these children have also gone on to become fulltime members at golf clubs in the city. The City of Tshwane has decided to host the tournament for another 3 years as it believes that this will go a long way not only in positioning Tshwane as a capital city of excellence, but also in building and uniting its people.

Madam Speaker,

During last year's State of the Capital Address, we made a bold announcement that as part of celebrating South Africa's 20 years of democracy, the City of Tshwane would host a spectacular three-day Dinokeng Festival that would be comparable to the Glastonbury Music Festival in England. The Dinokeng Festival was expected to occur in September 2014 and it was to become an annual event that would generate significant revenue and contribute towards job creation in Tshwane. However, the festival had to be cancelled at exceptionally short notice due to a contractual dispute with the event organisers. We are currently embroiled in a litigation with the organisers with a view to recoup the money we spent towards organising the festival. At the conclusion of the legal process, we will be in a position to announce how we will take this initiative forward.

Madam Speaker,

We welcome the commitment by the Gauteng Department of Sport, Arts, Culture and Recreation to support the expansion of access to libraries by committing to build six libraries in Tshwane in the 2015/16 financial year in the Atteridgeville, Hammanskraal, Soshanguve, Ekangala, Akasia and Mamelodi areas.

We have also recognised the role of maintaining the cultural heritage of the capital and that of the country. In this regard, the long awaited liberation heritage route and the Solomon Mahlangu Square dedicated to the fallen heroes and heroines of the struggle have been

upgraded and restored. The second phase will proceed to build a theatre, a museum and a library in the new financial year.

Madam Speaker,

The Freedom Charter is unequivocal on equality before the law and associated matters of law enforcement. Amongst others it states that “the police shall be helpers and protectors of people”. Our job today is to support the ideals of the Charter and we have done exactly that.

Prior to 2011, access to Tshwane Metro Police Services was very difficult, especially from the northern areas of Tshwane where the majority of the population had to travel in excess of 50 km from dormitory settlements into the city. As a result, the Tshwane Metro Police Ward-based Deployment Strategy was piloted. This is an operational approach aimed at actively advancing the concept of local policing, which is able to generate rapid response times.

It was with this vision that the TMPD commenced with extending its strategic ward-based deployment within Tshwane. It can now be announced that the TMPD has seven operational regional offices, providing a 24/7 metro policing service. A total of 2,200 Metro Police trainees will formally graduate by the end of November 2015 and will be deployed to all 105 wards across Tshwane resulting in the realisation of 10 officers per ward. As committed to in last year’s address, the TMPD has continued with the roll out of CCTV cameras and an additional 151 have been operationalised within the city.

Madam Speaker,

Leveraging the City’s free Wi-Fi initiative, in February of this year, we piloted a smartphone app called Namola. The app allows citizens to be able to alert the Tshwane Metro Police of crimes in progress, immediately sharing the GPS coordinates of the scenes in question with the nearest available officers, thereby drastically reducing response times. The five-week pilot was an astounding success and it became apparent that Namola solved the following problems for police and citizens:

- (i) Citizens want to be able to report incidents quickly and effortlessly without the need to dial into a call centre.
- (ii) Police require immediate and accurate information with respect to incidents of crime, especially those pertaining to precise locations.
- (iii) Both citizens and police are able to provide real-time feedback regarding the incidents.

Namola resolves accuracy and language-barrier problems that can occur when a citizen has to report a crime in progress over the phone. Based on the success of the pilot, we have decided to deploy Namola across the entire city, installing smartphone devices in all

Tshwane Metro Police patrol vehicles, training over 2,000 officers and launching a resident awareness campaign to promote and entrench the use of Namola.

Madam Speaker,

The TMPD will also intensify its efforts to curb the prevalence of land invasion, land grabs and cable theft within Tshwane that result in adverse financial implications on the City. The protection of the City's assets is of utmost importance from the perspective of continued development and resource optimisation. The TMPD is in the process of upgrading existing building security systems, substations, water reservoir alarm systems and supplementary measures to secure other high risk sites and assets within the city.

It is important to note that the City renders licensing services to its citizens and visitors as an agent of the Gauteng Provincial Government. However, the City of Tshwane has decided to enhance service delivery by treating the service rendered as a core function of the Municipality. We have firmly acknowledged that licensing services can no longer be approached with a "business as usual attitude". Besides improving the immediate service delivery environment and enhancing the efficiency of business processes, it is of paramount importance to implement interventions to manage the excessively long queues our clients face on a daily basis. The solutions proposed by the City will be discussed with the Gauteng Department of Roads and Transport.

These interventions include –

- the introduction of a courier and secure postage service for the delivery of drivers' licence cards;
- the adoption of electronic renewal processes; and
- the introduction of after-hour services.

Madam Speaker,

Access to electricity and lighting also contributes towards the reduction of crime and ultimately the creation of a safer city. In order to address this need, we have accelerated the public lighting infrastructure programme and installed a total of 2,731 streetlights and 58 high masts in the 2013/14 financial year. Towards the end of the 2015/16 financial year, we aim to install 4,000 streetlights and 90 high mast lights.

Madam Speaker,

In previous addresses, we made it known that we are focused on laying the foundations for consolidating and advancing service delivery. We communicated our intentions to position the City as the fountainhead of excellence by continuing to subscribe to principles of good governance. Corruption and maladministration are the biggest enemies of a democratic South Africa. These two ills erode the ability of the democratic state to fully meet its

obligations, disproportionately punish the poor and diminish public confidence in the democratic state.

The City of Tshwane has categorically stated that it will have a zero-tolerance approach to any form of misconduct based on the underlying precepts of fairness and workplace justice. Accordingly, the City has suspended and instituted disciplinary action against both senior and non-senior employees and disciplinary hearings are currently underway. The City will continue in its endeavour to root out all forms of corruption at all levels of the organisation and is committed to running an organisation devoid of any form of misconduct and wrongdoing pursuant to our cardinal goal of igniting excellence.

Madam Speaker,

For the third consecutive year, the City has received an unqualified audit opinion, which indicates that our annual financial statements are credible with respect to the information reported. In the short term, we are working towards receiving an unqualified audit opinion with no matters of emphasis, implying that there are no findings on performance information and compliance with the law and regulations over-and-above receiving an unqualified audit opinion. This is analogous to what is popularly known as a “clean audit” and is the ultimate goal of the City in the short term.

The City of Tshwane has recently incorporated three municipalities with weak fiscal capacity resulting in increased spending pressure on already high capital expenditure requirements. On 4 March 2015, the credit rating agency, “Moody’s” announced the City’s credit rating to be A3.za Long-Term and Prime-2.za Short-Term with a stable outlook. This places Tshwane in the middle of the range amongst South African municipalities. The City’s credit profile reflects its strong growth and large and diverse economic base. It must be noted that the rating agency’s report pertaining to the City of Tshwane is an update to the market and does not constitute a rating action.

Madam Speaker,

In the State of the Capital Address last year, we shared our resolve to move away from manual business processes which are often tedious and cause unnecessary delays in the rendering of services to our people. In this regard, e-Tshwane has enabled the availability of certain services on a 24/7 basis and provides a real-time update of accounts. Over 30,000 account holders are already using the system since its launch in November last year; a total of 120,000 accounts have been registered. This is a bold step towards the national realisation of e-government services and we will continue to expand the services available on e-Tshwane.

Madam Speaker,

The City is constantly exploring ways to improve its services to residents. In 2012, ISO 9001 was identified as a key project to enable the City to document and improve the performance of its processes in all functional areas. ISO 9001 is a world-class management system that provides a structure for managing and standardising quality across the City.

In this regard, five of the City's service delivery departments have been certified and the ISO 9001 system has been implemented in all seven regions. The City of Tshwane is currently the only municipality in South Africa to have five departments responsible for direct service delivery certified on the ISO 9001 Quality Management System. The project will be completed in the 2015/16 financial year.

Our obdurate and single-minded focus on making sound and good governance a permanent feature of our approach to managing the collective affairs of the people of Tshwane is beginning to bear fruit. It gives us a great deal of pleasure to proclaim that the tide has significantly turned and our long walk to that ideal has become irreversible!

Madam Speaker,

At the end of their gathering during that historic event in 1955, the multitudes of our people assembled there declared that "these freedoms we will fight for, side by side, throughout our lives, until we have won our liberty".

With that, they were merely communicating to us how dearly they valued the aspirational contents of their deliberations, and spelling out the extent they were prepared to go to in order to see to it that they are translated into living reality. They were quite clear that it is not enough to merely list a set of wishes and dreams; but most importantly you need to be prepared to sacrifice for their realisation. In other words, our forerunners were extremely advanced in their understanding of the unity and inextricability of theory and practice. As we continue to imbibe their invaluable contributions, we dip our heads and pay homage to Mme Dr Ruth Segomotsi Mompati, passionately known as Mama Ruta within her community, *lala ngoxolo mbhokodo*. May Mme Mompati's selfless dedication be brought back to life within each and every one of us.

From them we have learned and absorbed the finest traditions of selflessness, egalitarianism and social justice. It is the legacy they bequeathed to us that cultivated within us the ethos of selfless service to humanity. The best way to pay homage to that generation of South Africans is to pursue our cardinal goals of inclusivity, resilience and liveability with a work ethic defined by hard work that is precise in its exertion, dexterous in its application and meticulous in its intensity. In that way, we will make sure that theirs becomes an enduring monument that inspires and guides generations to come. It is in this

vein that we undertook to make the pursuit of excellence an enduring habit of our daily conduct. And we said for that to happen, for excellence to be ignited and sustained, we need an army of men and women who populate the City of Tshwane to be fully imprisoned by a superior sense of duty.

Madam Speaker,

As the authentic custodians of the finest traditions and egalitarian values inaugurated by those who assembled in 1955, we will be remiss in our duty if we end this address without a word on two recent developments that carry a very distinct possibility to undermine all the good work that has been done since 1994.

We collectively bow our heads in shame over the regrettable events of the past few weeks in which an insignificant number amongst us committed violent and criminal acts that came to be characterised as acts of xenophobia. We say a trivial minority did this because we know, as a matter of fact, that the overwhelming majority of our people are perfectly at ease with co-existing and sharing in whatever they have with non-nationals. The massive turnout in several initiatives organised against these senseless acts of aggression has proven beyond reasonable doubt that our people are not xenophobic. We would once again like to express our heartfelt condolences and deepest sympathies to those who lost loved ones. Although we didn't experience any incidences within the realm of our city-life, we wish to add to all other voices in condemning these thoughtless acts and urge our people to never back down on the supreme principles of solidarity, social justice and human progress.

Madam Speaker,

We have also recently experienced a flurry of debates and activities around the nature and suitability of some of the existing national symbols and monuments inspired by the *Rhodes Must Fall Movement*. Whilst the debates have been fruitful in part by highlighting the crucial need to frankly deliberate on how we wish to be represented as a nation in the making, what was clearly not useful was the tendency amongst us to resort to undemocratic and outright illegal means of advancing certain ideas such as defacing public statues and monuments. In a maturing democracy we find this not only undesirable but downright deplorable.

Our democracy is grounded on the cardinal principles of communicative and deliberative justice in which every opinion must triumph on the judgement seat of reason. Clearly violence and patent disregard for due processes is not going to assist the evolution of our democratic way of life and must thus be roundly condemned. We believe that there is justifiable rationale and grounds to argue for the review and reconsideration of some of these monuments and statues in which violence and aggression simply have no role. Accordingly, the City commits itself to facilitating such rational dialogue, whose principal purpose is to forge a democratic and inclusive outcome.

Madam Speaker,

An emblematic aspect of the short 20 years of our democratic experience is the exponential growth in the global prestige and stature of our society. Over this period, our country has taken up its rightful place as one of the vanguards, leading nations with respect to the true meaning of democracy in the 21<sup>st</sup> century. Our country has emerged as one of the significant role players in the life of the African Union, BRICS and other multilateral institutions and progressive formations. This we could marshal on the strength and integrity of our achievements at fostering a humane and egalitarian society. We will continue to forge strategic partnerships and friendships with our counterparts based on principles of human solidarity. In this regard, we remain convinced of the inseparability of human freedom and make an undertaking to never rest until all of humanity is freed from the shackles of oppression and exploitation.

Social cohesion, equity, a shared economy and the provision of basic services are at the core of the Freedom Charter and remain as relevant today as they were 60 years ago. As we commemorate 60 years of the Freedom Charter and 21 years of democracy, we realise that the country's capital city, belonging to its people, has transformed into a mature but young adult ready to perfect the art of delivering exceptional, innovative and cutting edge services to all. As we look forward towards the 2016 local government elections, we reiterate our unwavering allegiance to the core imperatives of the Freedom Charter and proudly proclaim our readiness to accelerate the radical transformation of our economy to bring about an equitable, just, inclusive and liveable City!

I thank you!