

Chaotic reckoning of tariffs nothing new to Johannesburg, writes Chantelle Benjamin

Denial of billing crisis irks metro residents

JOHANNESBURG mayor Amos Masondo's assurances last week that the present billing crisis was exaggerated and that the city was "not experiencing a crisis" have been met with outrage by many of the metro's residents, and not without reason.

Putting aside the long queues at council offices that could still be seen yesterday, and the fact that at least 65 000 of the city's residents and some businesses are affected, the real issue is that Johannesburg has not been without some kind of billing crisis for at least the past seven years, and probably longer. And as a frustrated property developer, who has battled for years to get electricity and water rates

was also cited then as a major contributing factor, as it was last week by Mr Masondo.

The CEO of Johannesburg's revenue service at the time, Roland Hunter, in an interview with Business Day in August 2005, said the city had inherited a number of incompatible systems when it consolidated all the municipalities and operations, making communication between these systems difficult and inefficient.

However, Mr Hunter denied then that there was a billing crisis, saying it had been more a "customer service crisis".

"We have not managed our customer services and we are not treating customers well," he said.

At the time, the city, which

Johannesburg did improve its revenue collection substantially and cut down on its bill queries during his tenure.

Last week, however, the city was once again dealing with disgruntled Johannesburg residents who found themselves without electricity despite having lodged a query with the council.

Mr Masondo — rejecting claims that Project Phakama, the city's system application programme, is a failure — attributes the problem to human error.

"Our investigation has revealed that in the course of doing our work, certain inexplicable errors have been committed. These include grossly exaggerated bills that have been sent to individual households,

from systems interface" problems. He has said that the introduction of Project Phakama last year was to blame, suggesting the city has been grappling with the system for just six months.

The truth is that Project Phakama has had a chequered history.

Apart from costing taxpayers R580m, instead of the R280m first mooted, it was in fact implemented in pilot projects in February 2006 and was supposed to be completed in 2008.

It was touted by all, from Johannesburg officials to the former provincial and local government minister Sydney Mufamadi, as the great hope.

At the same time, Project Consolidate was implemented to assist

rates and service levies. The contract to turn around the billing system was awarded to empowerment company Masana Technologies in 2005, but the company collapsed in 2009, and IBM and Dimension Data — subcontractors on the project — then took it over.

When migration to the new system was completed in July last year, the city was initially able to bill only 744 852 customers.

Mr Masondo said through "data cleansing efforts" the city had been able to increase the number of customers billed to 1,04-million.

Of this number, no more than 8% of the city's 1.3-million billable customers registered queries in respect of their bills, he says.

What he does not say is that the