

CITY OF CAPE TOWN

5 YEAR PLAN FOR CAPE TOWN

Integrated Development Plan (IDP) 2007/8 – 2011/12

2008/09 REVIEW



(M6) Sea Point
M CTICC
Waterfront
Strand Street



CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU



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MESSAGE FROM THE EXECUTIVE MAYOR

Our Integrated Development Plan (IDP) is a plan for how the City of Cape Town will spend its money until 2012, on what, and where. It is a plan to help us set our budget priorities. The IDP is agreed upon between local government and residents of the city. It is a plan for the entire city and not just for specific areas.

It is part of a bigger process that we follow each year, which includes us drawing up a draft budget, a final budget and the setting of rates and service charges. There are difficult choices that we need to make, for example, we have to match the amount of rates and tariffs we charge with the level of services needed in a city that is growing rapidly, and whose infrastructure is badly in need of maintenance and upgrades.

Our IDP is also guided by the Constitution, which gives specific powers and responsibilities to local government. We are responsible for providing roads, electricity distribution, water and sewerage systems, wastewater treatment, public health, traffic safety, urban planning, by-law enforcement, and sites and services for housing. This division of responsibilities between different spheres of government is important to understand.

Local government cannot address problems in schools, hospitals, or in the South African Police Services, to give just three examples. These are under the control of the Provincial Government.

After doing careful studies of the main challenges in Cape Town, and after consulting widely with the public, we decided that our main focus area for our IDP should be infrastructure led economic growth. We want to use our services and our investments in infrastructure in a way that will make Cape Town more attractive to investors and skilled workers, and more globally competitive. Investors create jobs, and help to drive development.

They create more opportunities for everyone, especially the poor and unemployed. If we don't invest now in better services in infrastructure, investment and new developments will be constrained, and new opportunities, especially jobs, will not materialise. For this reason, our IDP also focuses on making our local government a more efficient organisation, with well managed human resources and enough staff capacity to deliver services in greater quantity and of better quality than ever before.



INTRODUCTION BY THE CITY MANAGER

The City has reviewed the Integrated Development Plan (IDP), canvassing our residents, commerce, industry and many other stakeholders. The Message from the Executive Mayor above outlines key adjustments made to the IDP as part of the review process in a rapidly changing environment in order to deliver on the City's strategic objectives. These adjustments show our responsiveness both to the views and needs of our residents and stakeholders, and our awareness of the changing environment in which Council and the Administration functions.

Every year we need to review our course and make the necessary adjustments to arrive at the City's desired end destination. The City Administration has been working hard to stabilise its structures and make them efficient, effective and accountable. Our realignment is almost complete after a huge corporate effort.

In order to make sure that we continue on the right path toward our main objective of infrastructure led economic growth, we must review our IDP each year and make adjustments after consulting with residents.

Our IDP must be able to take into account shifts in the global and local economy over the past year and any practical challenges that arise.

Firstly, we have to address the fact that the international economy and the South African economy are slowing, which will affect growth, investment and job creation in the city.

Secondly, we have to find ways of maintaining service levels in the face of an energy crisis caused by Eskom's failure to meet national demand, and the regular power cuts this causes.

Thirdly, the shortage of technical skills across South Africa is also becoming an increasing challenge for economic growth and for government service delivery.

Fourthly, rapid urbanisation in Cape Town means that for every family now receiving a house, 350 are still waiting. A number of incidents over the past year, including violent protests and invasions of houses, have also shown that this situation can create social upheaval.

And finally, on the positive side, investments around 2010 from National and Provincial Government are helping Cape Town to upgrade infrastructure, particularly public transport.

In response to these developments our reviewed IDP for 2008 introduces the following new proposals:

- An added area of focus in the IDP – Energy Efficiency for a Sustainable Future. This is intended to address Cape Town's energy needs with the help of a new political oversight committee and administrative team. It is intended to drive the conservation of energy in the short term, to minimise power cuts, and in the longer term to reduce the amount of pollution that Cape Town generates in order to protect the environment.

- The formation of a new Development Facilitation Unit, a team in the City that can support investors and help to make investment in Cape Town easier.
- The development of a fibre optic network in the metropolitan area to cut the City's own information, communication and telecommunication costs, and to provide spare broadband capacity to the private sector in order to bring down the cost of telecommunications in Cape Town.
- The development of the first phase of a Bus Rapid Transit (BRT) programme with dedicated bus lanes to improve public transport, as part of our plan to introduce a rapid bus transit system that will make commuting in Cape Town easier.
- Building stronger relationships with tertiary educational institutions (universities, technical colleges and so on) in order to share knowledge and to encourage these institutions to train more people with the kind of skills that Cape Town needs.
- Pursuing our application for housing accreditation. This will allow us to deliver housing without having to get approval from the Provincial Government on new projects, which will remove a layer of red tape and enable the City to deliver housing more efficiently and effectively.
- Improving local service delivery by setting up systems that help the public hold councillors and City officials accountable for the level of services, with local teams reporting to subcouncils on service programmes and responses to complaints from residents

I believe these initiatives will help us meet our key objective of infrastructure led economic growth. You have the opportunity to comment on the revised IDP, including the above proposals, and we very much want to hear your views.

HELEN ZILLE



EXECUTIVE MAYOR

We have been placing displaced staff, finalising job descriptions, establishing parity in pay scales, and recruiting scarce technical skills where needed. This has done much to stabilise the Administration and create a platform for effective and responsive service delivery. An improved, faster procurement process has also added to that capability. This makes it possible to ensure that the capital budget is fully spent on Cape Town's infrastructure, so that our roads, stormwater, electricity, water, sewerage and solid waste systems, as well as our community, sport and recreational facilities are kept in the best possible operating order.

Getting the City's Administration into a strongly functional state thus allows the effective and efficient provision of municipal services to our residents, commerce and industry. Extending basic services to our Informal Settlements is a key element of our business plans. We are also investing in infrastructure, and aligning the City's investment programme

with those of National and Provincial Governments and state owned enterprises. This enables the private sector to invest confidently in our City, and generate the economic growth and job creation we desire. The 2010 FIFA World Cup™ has been a catalyst for the accelerated investment programme into public infrastructure that is well under way, strengthening our basis for future economic growth.

I believe we are well poised to improve service delivery to our community and we are setting the platform for long term, sustainable, economic growth.

ACHMAT EBRAHIM



CITY MANAGER



INTRODUCTION



On 1 July 2007 the City of Cape Town (City) implemented a new five year Integrated Development Plan (IDP) for the period July 2007 – June 2012 to inform the current elected public representatives' period of office. This document is the first annual review of said plan.

According to the Municipal Systems Act, section 35, the City adopted the IDP as its principal strategic planning instrument to guide and inform its planning, management and development. It binds the City in the exercise of its executive authority, except in cases where it conflicts with national or provincial legislation, in which case such legislation prevails.

It furthermore compels all other persons to the extent that those parts of the IDP that impose duties or affect the rights of such people have been passed as a by-law. It also informs the City's contribution to the work initiated through intergovernmental processes involving Provincial and National Government. The IDP has been refined through a programme/project prioritisation process informed by budget parameters. Its implementation relies on partnerships with external role-players and institutional improvements within the City.

The City's governance and management structures currently find themselves confronted by a mixture of challenges and opportunities. Cape Town's participation in the hosting of the 2010 Soccer World Cup event is concentrating unprecedented public sector investment and stimulating new momentum amongst private sector role-players.

However, the City faces real infrastructure provision and capital funding challenges and institutional capacity problems. Its ability to provide the key infrastructure to achieve sustainable and shared economic growth is at the heart of the IDP.

In order to achieve this vision, the City must:

- actively contribute to the development of its environmental, human and social capital
- offer high quality services to all who live in the city, do business in it or visit it as tourists or holiday makers
- be known for its efficiency, effectiveness and clean and caring government

A focus on infrastructure investment and maintenance to provide a sustainable drive towards economic growth and development must spearhead the achievement of this vision. This also needs to be supported by a strong social drive for improved indigent support and programmes focused on upgrading informal settlements.

The City's Strategy

The City needs short term plans and long term strategies. In recent years, it has compiled several sector plans, including an Economic and Human Development Strategy, an Integrated Waste Management Plan, a Water Services Development Plan, an Integrated Transport Plan and an Integrated Metropolitan Environmental Policy.

The City has also begun to turn its attention to a longer term planning horizon of 30 to 40 years. Although work on this is ongoing, the aim is to develop a comprehensive long term development strategy for Cape Town. This means that the five year IDP will need to be reviewed to accommodate the process of strategy development and refinement.

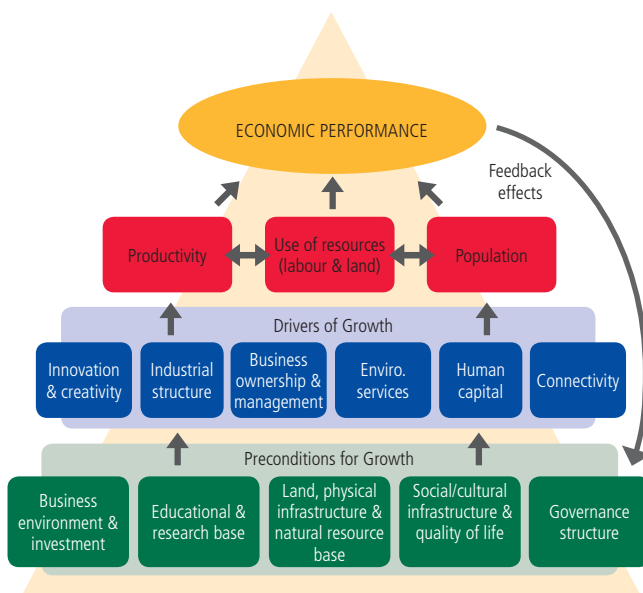


Figure 1: Preconditions for Growth¹

The City's long term vision

The political leadership elected for Cape Town in March 2006 envisages:

- a prosperous city in which City Government creates an enabling environment for shared growth and economic development
- a City known for its effective and equitable service delivery
- a City that distinguishes itself as a well-governed and efficiently run administration



¹ Prof Edgar Pietersen – Proposals towards a Regional Plan, August 2007

The graphic depicted on the previous page sets out the preconditions for economic growth and development that must be implemented. These preconditions provide a framework to drive growth, human capital, the environment, innovation and creativity, business ownership and industrial structures, which are in themselves necessary to boost economic performance through higher productivity, the effective use of resources and the development of the local population.

The City's development strategy is based upon its comparative and competitive advantages. Cape Town is a key player in the national economy and is the centre of the regional economy. Its unique natural environment and people also help to position it as one of the country's leading tourist attractions and as a centre of education, innovation, learning and creative thought.

In terms of the Accelerated Growth and Investment Plan for South Africa (ASGISA) the expected GDP growth target for the City of Cape Town is set at six to eight percent. Given the recent downturn of the world economy, the achievement of this target is seriously doubtful. Over the long term, a proper cost benefit analysis will be undertaken to assess whether this 5 Year Plan for the City and specifically identified City programmes has contributed towards the required economic growth.

Proper analysis regarding key inhibitors and appropriate actions must also be performed by Provincial, City and state owned enterprises. Budget processes should also be synchronized.

The 5 Year IDP Strategy and Strategic Focus Areas

The following figure illustrates the City's IDP strategy in graphic terms. The shared growth and development strategic focus area is of primary importance, as it aims to contribute towards the achievement of national Gross Geographical Product (GGP) targets. This will be done by strengthening the pillars of urban efficiency, which necessitates establishing the required infrastructure and resources, and improving institutional effectiveness.

Human development will be achieved through improvements in the material status of individual residents, households and the city's population as a whole.

GOAL:

- a) A prosperous City
- b) Effective and equitable service delivery
- c) A well governed and efficiently run administration

STRATEGIC FOCUS AREAS:

- 1. Shared Economic Growth and Development
- 2. Sustainable Urban Infrastructure and Services
- 3. Energy Efficiency for a Sustainable Future
- 4. Public Transport Systems
- 5. Integrated Human Settlements
- 6. Safety and Security
- 7. Health, Social and Community Development
- 8. Good Governance and Regulatory Reform

URBAN EFFICIENCY

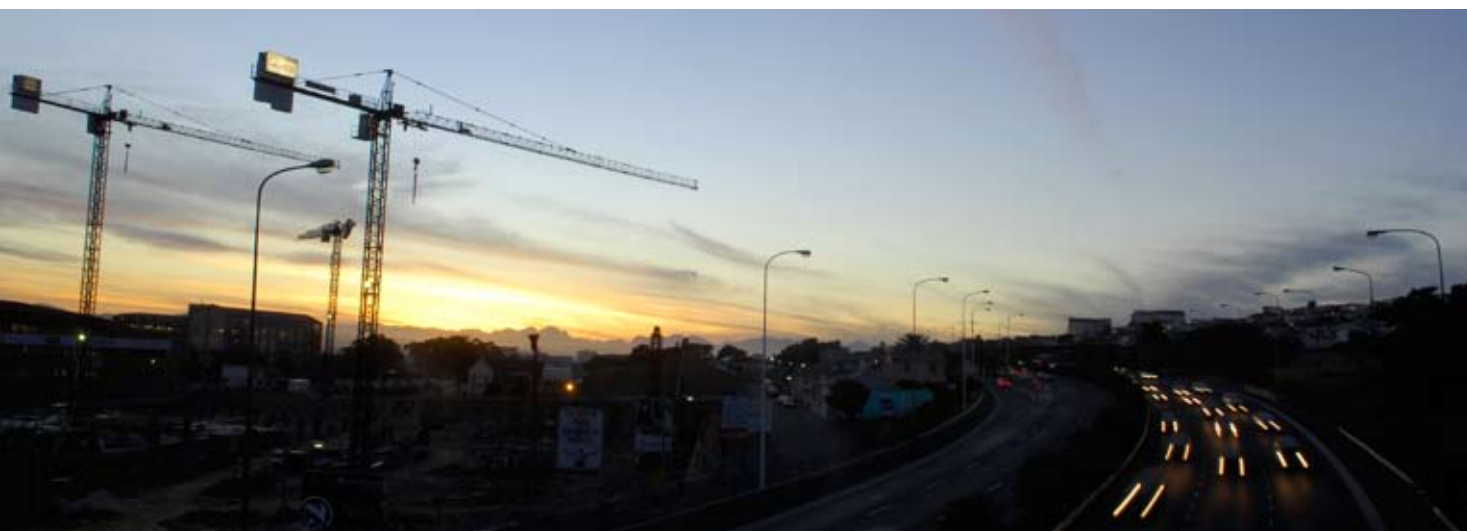
INSTITUTIONAL EFFECTIVENESS

Figure 2: Strategic Framework

The City has opted to focus on eight strategic areas to overcome its challenges, achieve its vision statement and successfully implement its other strategic considerations. These not only form the framework of the IDP five year plan, but function as internal strategic levers to facilitate shared growth and development and enhance urban efficiency and institutional effectiveness. A number of key objectives have been identified for each of the eight strategic focus areas to ensure that the City achieves the implementation of its strategic intent. These form the foundation from which strategies and the allocation of City resources can be cascaded downwards into the organisation.

These objectives will be used to further develop Key Performance Indicators (KPIs) against which City performance, implementation, monitoring and reporting will be measured. To ensure the operational implementation of the City's key objectives, it was decided to unpack the objectives into Service Delivery and Budget Implementation Plans (SDBIPs), which will in turn provide detailed operational plans at City-wide, directorate and departmental levels.

The following graphic gives a spatial depiction of major infrastructure initiatives that the City has planned over the next five years.



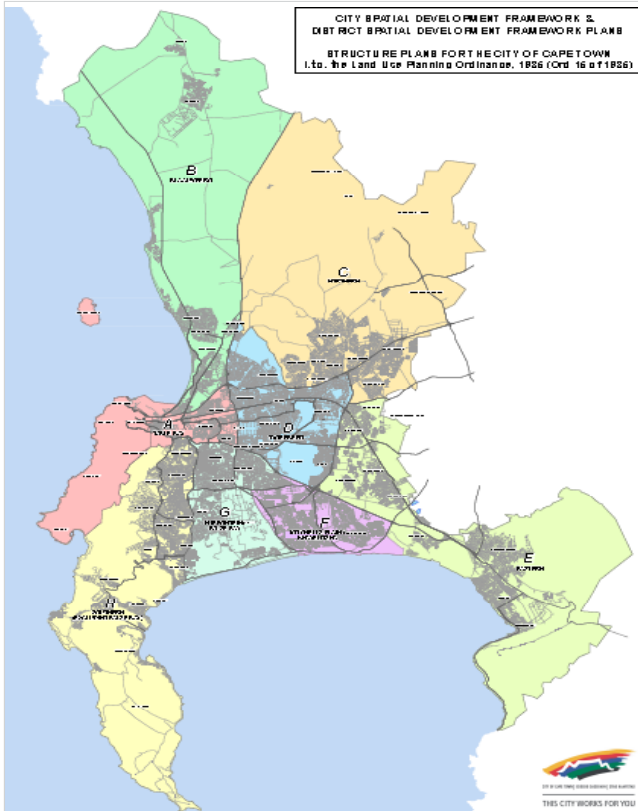


Figure 3: Five Year Spatial Development Strategy

Cascading Strategy into Operations

The figure opposite illustrates how the five year IDP strategic focus areas have been unpacked into strategic responses, objectives and programmes for budgeting and operational implementation.

This diagram, which is of prime importance, explains how corporate strategy is cascaded towards the lower levels of the organisation by means of the Balanced Scorecards methodology, and how it influences and shapes the operating and capital budgets of the different directorates and departments within the City. It shows how the City's visionary framework is unpacked into objectives, KPIs and targets for implementation. These are then broken up into SDBIPs that reflect the detailed projects, which are then allocated a budget.

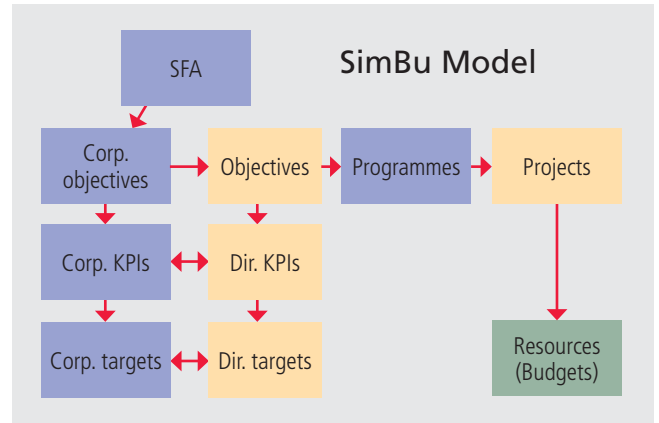


Figure 4: IDP and Budget link

This concept also includes the City's performance management system, as the KPIs that are contained in the SDBIPs are monitored and reported on quarterly.

Spatial alignment of public and private investment

The role of the state should be to create the framework for market development whilst simultaneously protecting its assets (e.g. the environment and infrastructure). The alignment of the City's investments with those of other stakeholders such as state-owned enterprises and the private sector will be emphasised in its strategy development so as to meet short and medium term targets, especially in light of the City's hosting of the 2010 FIFA World Cup™ where very specific objectives are required to be met.

An analysis of the capital budgets and project priorities of the various sectors that impact on the spatial organisation and operation of Cape Town has been undertaken. This reveals that in the short to medium term, the vast majority of public funds will have to be focused on maintaining existing infrastructure and dealing with basic infrastructure backlogs. Major bulk infrastructure provision decisions that either unlock or prevent urban expansion will therefore shape the spatial development of the city over the next five years.



Generally speaking, the City's spatial development strategy will be containment, densification and infill. It will seek to limit Cape Town's spatial expansion (footprint) and make more effective use of existing infrastructure capacity. This will require the upgrade of existing infrastructure in the areas where densification is considered. It will also require prioritisation in terms of the budget (added to the funding of repair/replacement backlogs of bulk and reticulation-type infrastructure that will form part of the future asset management plans).

It is therefore strongly advocated that new developments are located on vacant and underutilised residential, industrial and commercial land, where:

- Infrastructure capacity exists for all/most services, for example: central Cape Town, the southern and northern suburbs, the Blue Downs/Eerste River area, Montague Gardens, Killarney Gardens, Atlantis, Black Heath and Saxenburg industrial areas
- Existing infrastructure capacity is to be maintained and upgraded e.g. parts of the southern suburbs, Strand/Somerset West and Atlantis
- Investment is already contractually committed to cater for new demand e.g. Blaauwberg East

Spatial Development Considerations

The City has an approved Metropolitan Spatial Development Framework (MSDF) that it adopted in the 1990s. Since then Cape Town has entered a dynamic period of change and development that has not been captured in said MSDF. In 2006 the City initiated a debate on the future spatial development of Cape Town. It proposed a set of ideas and propositions called Future Cape Town that focused on the issues and choices facing the City over the next 30 - 40 years.

It is vital that Cape Town be understood within its regional context. Such thinking has formed the basis of the ongoing work that the City has undertaken with the Provincial Government of the Western Cape as to a development strategy for the City's functional region. Key discussion points of regional significance arising from the Future Cape Town work undertaken thus far include the reconsideration of the use and long term location or configuration of key components of economic infrastructural importance, such as the ports, airport and major transport routes.

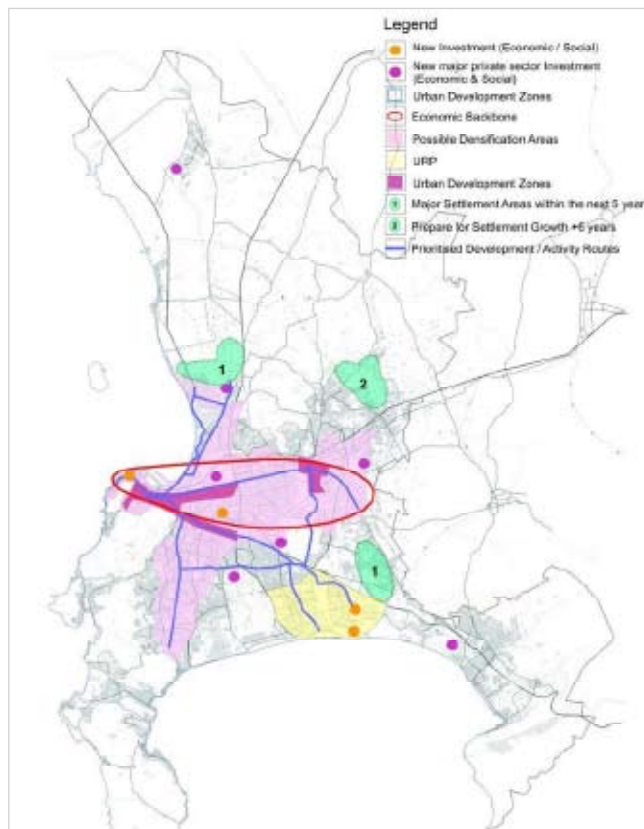


Figure 5: Proposed Planning Districts

The Future Cape Town initiative also establishes the basis for the preparation of the city-wide Spatial Development Framework (SDF) which is intended to guide Cape Town's long-term development. The SDF will provide a broad, long term spatial concept and support policy for issues such as open spaces, transport and land use integration, sustainable neighbourhoods, densification, urban growth paths and the urban edge.

District Spatial Development Plans (SDPs) are currently being prepared for the eight functional planning districts that Cape Town has been divided into, in parallel with, and informed by the city-wide SDF. These plans are intended to replace the existing frameworks and are due for completion by the end of 2008, with approval in terms of the Land Use Planning Act (LUPO) scheduled thereafter.



On completion, both the city-wide SDF and the district plans will inform the preparation of the annual IDP review.

A demographic overview of the eight planning districts and the draft proposal can be seen in Annexures D and E, which are attached to this document.

Principles Informing the Spatial Framework and District Plans

The concept for Cape Town's future spatial development within its metropolitan boundaries has been developed in response to existing challenges and new dynamics. It aims to create the basis for sustainable long-term urban growth and development using a robust conceptual framework that is both equitable and integrating.

The principles informing the spatial framework are based on the premise that Cape Town should work better for its citizens, who are for the most part ordinary people, while simultaneously accepting its inevitable growth as more people make the city their home. The basis of said premise is the realisation that we need to protect and improve the existing natural and urban environment that makes the city a unique and a desirable place to live, work and invest in. It is also critical to take the economic, service and social value of the natural resources of the region into account.

Geophysical features (such as the mountains, plains and coastline) and natural resources (such as a valued system of biodiversity and agricultural lands that have a high potential, water systems and cultural landscapes) act as both a constraint and an opportunity in guiding the direction of future city growth and, ultimately, greater economic prosperity. These crucial assets need to be identified and define where intense urban development cannot be permitted.

The debate on the spatial framework will argue, inter alia, the following three proposals:

- That urban development should not expand eastwards and should be selective in growing northwards
- That a linked system of open space that supports ecological sustainability, water system integrity and safety and optimises recreational opportunities is identified and protected

- That it is necessary to densify urban areas to create more compact urban footprints and to limit urban sprawl and protect the natural environment. With this in mind, the challenge is to drive the direction of new development, and renew or protect existing areas, to achieve an economically vibrant and more equitable, integrated and sustainable city.

Current concerns about Cape Town's movement and access network make it necessary to question whether a move away from the existing radial pattern of movement towards the establishment of a hierarchical and equitable movement grid prioritising the public transport network is necessary. This would necessitate a strengthening of the city's south-north movement linkages to support renewal and development along the corresponding development axes and a renewed effort to encourage non-motorised transport.

Future investment and settlement should be linked to economic drivers and opportunities. Individual business decisions and private investment cannot be dictated to by a public sector plan.

However, the location of public investment in infrastructure, especially transport systems and proactive land management and related infrastructure, will provide a level of certainty and direction for such investors. The future economic backbone within the metropolitan area, which is defined as the area extending beyond the historic CBD, has been identified as focus area for intensive mixed urban development supported by high-quality public transport, public spaces and institutions.

Future settlement strategies include strategic infilling within the existing urban growth boundary, and taking advantage of new settlement opportunities to the north, which would be realised in the longer term in a phased, co-ordinated growth process.

Investment that supports settlement and development opportunities should be led by major infrastructural investment in the aforementioned key south-north growth axes. Further public investment should be focused on developing natural and cultural 'special place' opportunities.



Land Development Principles

The following land development objectives have been prescribed on a national level and the local public have been asked to comment thereon:

- The integration of communities, especially low income communities into the urban area as a whole
- The sustainable utilisation of the environment
- Access to and the planning of appropriate transportation
- Provision of services/bulk infrastructure for the purpose of appropriate land development
- Overall densification of settlements with due regard to the context
- Optimum utilisation of natural resources
- Linked, co-ordinated and applied land use management
- Positively performing settlements (that are convenient, equitable, efficient and attractive; that also promote economic growth, are higher-density where appropriate and contain sprawl; people-scaled development, good public space quality and land use, spatial, social and urban and rural integration)
- Working harmoniously with nature (hazard avoidance, respecting uniqueness, recognising ecological inter-dependencies, designing with natural principles in mind, ecological sustainability, respecting landscapes and creating a sense of place)
- Accelerating the pace of development (overcoming line function fragmentation and conflict resolution)
- The need for a better planning system (integrated planning and development, local decision making, public participation, public/private partnerships and better resource utilisation)
- Promoting security of tenure (rental or individual, collective, communal ownership)

Development Guidelines for Long-Term Development

The following draft development guidelines/objectives underpin the City's approach to the long-term development of Cape Town:

- Promote integration between areas to improve access to social facilities and services, and increase the economic potential of fragmented or marginalised areas
- Improve the accessibility and efficiency of the City's resources and opportunities for all communities by means of appropriate investment in transport infrastructure and critical movement linkages; and support land use management decisions
- Protect, manage and enhance valuable natural and rural resources and apply precautionary principles to development proposals affecting natural resources, areas and amenities
- Focus on improving the quality of the public environment in degraded areas and as an integral part of all new developments
- Promote all new settlement areas as mixed use, mixed income sustainable developments supported by public transport and optimise the use of scarce resources
- Promote densification in selected areas and along appropriate portions of major public transport routes
- Manage urban expansion by containing the City's urban footprint and carefully direct all new development areas to appropriate and viable locations that can be sustainably served by co-ordinated infrastructure investment
- Respect the rights of others and the general public in the exercising of development rights

As part of the new spatial development framework, these land development principles will be expanded into a checklist system to assist with land use management decision making.



Towards a Medium to Long Term City Development Strategy (CDS)

The Executive Management Team (EMT) has approved a process plan for the preparation of a City Development Strategy (CDS) that will draw on the background studies that have been undertaken for the regional development strategy planning process and the Organisation for Economic Co-operation and Development (OECD) territorial review study on the Cape Town functional region. The CDS is scheduled for completion in 2008.

Economic Growth as a Poverty Eliminator

The impetus of the long-term growth potential of the economy depends on a more equitable distribution of income and capabilities; and the geographic location of communities and economic activity that will enable the benefits of growth to be shared. If poor people are given access to tangible assets, such as land, housing, water, energy, sanitation, transport and credit, or intangible assets, such as education and health, they obtain the means to participate in economic activity and are therefore better placed to benefit from economic growth. A shared growth strategy is therefore simultaneously pro-growth and pro-poor.

Cape Town as Part of the Region

Cape Town has a large concentration of people, resources, services and infrastructure. It is an important driver of, or gateway to, regional, provincial and national development. Cape Town has 64 percent of the Western Cape's population (Census 2001), generates 76 percent of the region's Gross Domestic Product (GDP) and 11 percent of the national GDP (Quantec 2005). It is the region's major service centre for health care, education and shopping, providing employment and attracting people from within the region and beyond.

The City and the Provincial Government entered into a series of planning and budget planning engagements in November and December 2007 in an attempt to develop a system of open dialogue about their budgets pertaining to service delivery. Both tiers of government simultaneously attempted to develop a system of pragmatic methodologies for aligning planning and collaborative budgeting processes.



Functional linkages

Links with surrounding towns are growing. Cape Town's water is increasingly drawn from further and further away. This places the natural resources and valuable agricultural land belonging to adjacent municipalities under pressure. Effective planning for Cape Town can only be undertaken within the context of a joint strategy for the region.

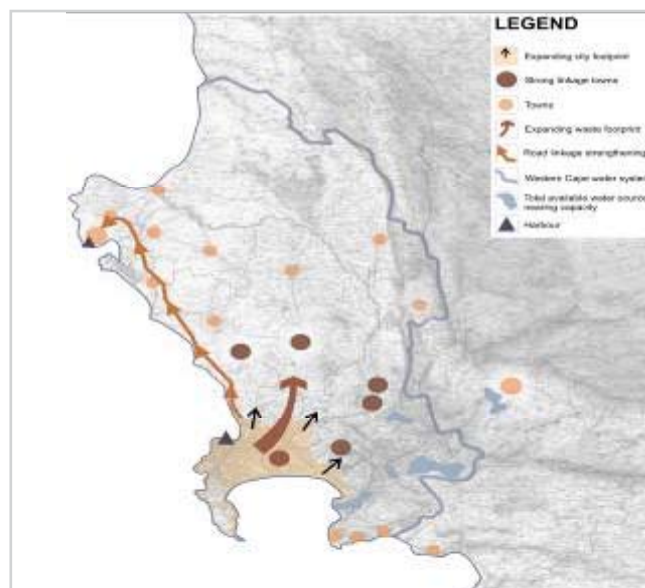


Figure 6: Shared Functional Regional Challenges

Regional infrastructure

Key strategic infrastructure includes the Cape Town port, which is set to undergo a major expansion, and its counterpart at Saldanha, which has the potential to be the catalyst for further large-scale industrial development. The National Ports Authority is considering the interdependent roles of both ports, especially with respect to long term capacities. The third major infrastructure element is the Cape Town International Airport, at present located in a strategic position in the centre of the metropolitan area. Given the importance of this site, which is situated on the N2 freeway between major economic backbone areas, such as Bellville, and the impoverished and under-developed areas in the south-east, the question of the location of the airport in the long term should be raised for discussion.



Ultimately, as the airport becomes busier, the long-term environmental health implications for the surrounding high-density residential areas may become a cause for concern. Alternative sites that can be investigated include the west coast area, which would if chosen would form a natural axis with the abovementioned ports. Such investigations should also investigate the additional infrastructure and other socio-economic impacts of these proposals.

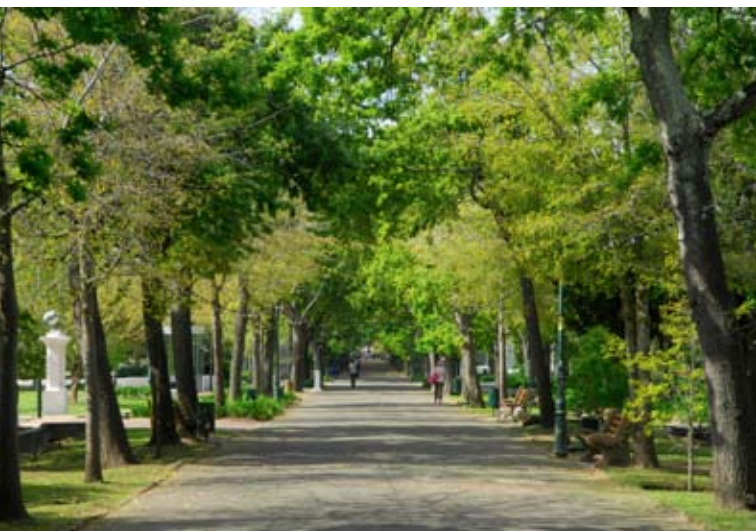


Figure 7: Cape Town as Part of the Region

An intergovernmental development task team was established in January 2006 to draft an Agenda for Action.

Three critical outcomes (each with targets to be achieved by 2014) were identified:

- **Shared prosperity** - six percent average GGP growth per annum to 2014 and a 50 percent reduction in unemployment and poverty
- **An inclusive and equitable society** - 50 percent improvement in the access index (incorporating proximity to service centres, public transport, education, health and recreation



facilities and the upgrading of informal settlements), 50 percent improvement in the integration index (which includes settlement and economic activity patterns, black economic empowerment and gender) and 50 percent increase in the skills index (which incorporates pre-school, school and post-school learning performances)

- **An ecologically sustainable future** - No increase in the per capita ecological and per capita carbon footprint

This process was followed up with the development of regional development proposals to achieve the following outcomes:

- A revitalised sense of purpose and unity between the City, the Provincial Government, private sectors, civil society and citizens
- A strong set of linkages and networks between leaders and decision-makers in the City region as a foundation for a multi-stakeholder partnership, innovation and increased action
- A strong common agenda for achieving accelerated, shared and sustainable growth reflected in a bold strategy to guide the partners' own planning processes
- The national and global projection of our City region as a dynamic and visionary place to live and invest in
- A strong base of regional data and analysis
- The basis for a strong process of public engagement within a second phase

Engagements took place in three sectoral clusters in which both Province and the City presented their investment footprint in terms of the Premier's seven key intergovernmental agenda². In principle agreement reached between the Province and the City may be described as 'collaborative.' The discussions revealed that the most urgent projects require collaborative contributions by talented people in both spheres of government on account of the fact that both Province and the City operate in a society that is complex and technologically sophisticated.

There are simply too many problems to be identified and solved, too many connections to be made and too many limited resources for a single sphere of government to adopt a 'lone ranger' approach. However, although the case for collaboration has been made, the idea of collective creativity continues to be somewhat resisted. The next step is to outline a mechanism of 'How' collaboration will work.



2 The Premier's seven key intergovernmental agenda was conceptualised in his most recent address at the Cabinet Lekgotla in which he highlighted the seven key challenges facing Western Cape communities. These challenges, which the Premier highlighted as uniform across all municipalities, should form the basis of the Intergovernmental Relations Agenda between government spheres. They are: Poverty; Economic Development; Public Transport; Bulk Infrastructure; Human Settlements; Disaster Management; and Intergovernmental Relations.

Alignment with Provincial and National Government

Cape Town's development plan needs to align with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are six critical elements: Accelerated and Shared Growth Initiative-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS), Provincial Spatial Development Framework (PSDF) and the Intergovernmental Development Agenda for Cape Town. All of these feed into and influence the City's IDP. The diagram shown below provides an illustration of how the different strategy and policy instruments are aligned.

Although the national economic development incentives are important, the City is a dominant driver of the regional economy and it has specific (regional) unique challenges. It is necessary to distinguish between potential linkages between economic activity specific to the City and activity in the outer regions. This will have a far reaching effect in terms of creating understanding of the potential for downstream beneficiation.

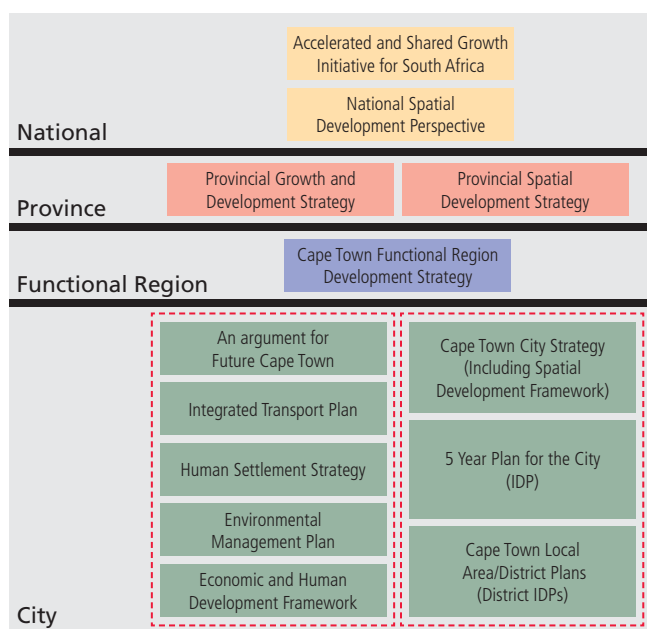


Figure 8: Alignment of Government Strategies

For the past few years, the City's economy has been driven by the construction, tourism, retail and property sectors. Both Province's and the City's growth strategies extend beyond these sectors. The City is continuously investigating actions that are required of other spheres of government to ensure the growth of its target sectors, such as spending on education, crime prevention, energy policies, and protection of the environment, transport policies and suchlike. Each of these sectoral strategies will be developed to support and complement the IDP and National, Provincial and Regional policies and strategies.

Accelerated and Shared Growth-South Africa (ASGI-SA):

The core objective of ASGI-SA, as set out in 2004, is to halve poverty and unemployment by 2014. To achieve these objectives, ASGI-SA has set out a state-led investment plan that involves State Owned Enterprises (SOEs), strategic partnerships and all spheres of government. Emphasis is placed on high impact state-led projects that will achieve accelerated and shared growth. The City of Cape Town is aligned with ASGI-SA in terms of its service infrastructure development, 2010 FIFA World Cup™ and associated infrastructure as well as the urban renewal development programme.

National Spatial Development Perspective (NSDP):

This was endorsed by the cabinet in March 2003. On a national level, it advocates capital investment in areas of growth potential, with an emphasis on providing basic services and access to social services and human resource development in areas of need and in those that exhibit less potential. The major metropolitan economic centres have thus been identified as a focus for substantial state investment in infrastructure to support further shared growth and development. The City of Cape Town is aligned with the NSDP in terms of fixed asset and infrastructure development in areas of growth potential (this has been especially seen in the growth and development of the Cape Town CBD) and in the provision of basic services to the informal settlements.

The Provincial Growth and Development Strategy (PGDS):

The PGDS takes the name 'iKapa Elihlumayo' and has a mandate from provincial stakeholders to define shared growth and integrated development targets and objectives for 2014. The initiative focusses on strengthening growth sectors, the management of resources and the implementation of strategies. The key pillars of the proposed development path are: growth, equity, empowerment and environmental integrity.



The City of Cape Town shares various philosophical objectives as expressed in the iKapa Elihlumayo strategy. The City needs economic growth to contribute towards poverty reduction and to improve people's livelihoods and give them opportunities.

It is important to note that the manner in which government invests in infrastructure lays the foundation for the location, form and type of economic development that consequently develops. It is therefore critical to define the type and the scale of growth for planned infrastructure expenditure. Transport consistently emerges as the path-breaking action required to fundamentally shift the City's economy towards a shared growth and integrated development path. Although this sector needs a massive injection of finance and effort, considerable groundwork has already been undertaken in partnership with Provincial and National Governments.

The Provincial Spatial Development Framework (PSDF):

This aims to address urbanisation pressures on natural resources and economic and social divisions within the provinces' cities and towns. It provides a policy context for urban development and environmental resource protection. The various engagements between the City of Cape Town and the Provincial Government that have formed part of the consultative process towards the finalisation of the Spatial Framework of the City have resulted in clearly aligned principles and frameworks.

The National Industrial Policy Framework (NIPF) has a fundamental role to play in achieving the ASGI-SA goals of accelerating GDP growth to over six percent by 2010 and halving unemployment and poverty by 2014. The National Industrial Policy Framework (NIPF) aims to provide strategic direction to the economy with respect to industrial development. It provides greater clarity and certainty to the private sector and its social partners with respect to investment decisions leading up to 2014 and beyond. It also provides a reference point for substantial improvements in intra-governmental co-ordination.

The NIPF will tackle three areas of industrial development that have not emerged strongly enough in post-apartheid South Africa – a suitably cost-competitive production base, sufficient levels of industry upgrading and movement to higher value activities, as well as adequate inclusion of historically excluded people and regions in the formal economy.

Positioning the City in the Global, National and Provincial Arena

Cape Town plays an important and ever increasing role within the South and southern African context. It is a valued contributor to the national economy and, together with the Gauteng Global City Region and Ethekeweni, anchors the SADEC regional economy. For Cape Town to strategically position itself nationally and internationally, and to meet the needs of all its citizens, it is necessary to address its development challenges in a coherent manner (this will require a comprehensive economic development vision and/or plan that would guide focused infrastructure investment, the sustainable utilisation and protection of global common goods, including climate/air quality, biodiversity and water) and recognise that it has a larger responsibility to fulfil as a globally relevant City in the growth and development of the African continent.

At the beginning of the 20th century, benchmarks such as port capacity and manufacturing capabilities were the driving forces for success among global cities. New forces are emerging as more modern and relevant. Intellectual capital, transportation assets, costs of doing business, technology IQ, innovation and ease of doing business (eliminating red tape) are now seen as important levers to facilitate growth and development.







STATE OF THE CITY: A BRIEF SUMMARY

In recent years, Cape Town has benefited from significant economic growth (four percent annual increase in GGP over the past decade, with highs of six percent in 2004, 2005 and 2006), which has coupled with improvements in the provision of basic services (water, waste, electricity) and rising tourist numbers to make the City an attractive place to live and invest in.

With this new found economic and service delivery buoyancy, the City has also experienced rising development challenges. During the past decade, poverty has increased twofold and the housing backlog has more than doubled. Drug related crime has tripled and HIV prevalence has increased tenfold.

Economy

A healthy and growing economy that benefits all the people of Cape Town is a prerequisite for attaining and achieving the objectives of a more sustainable City.

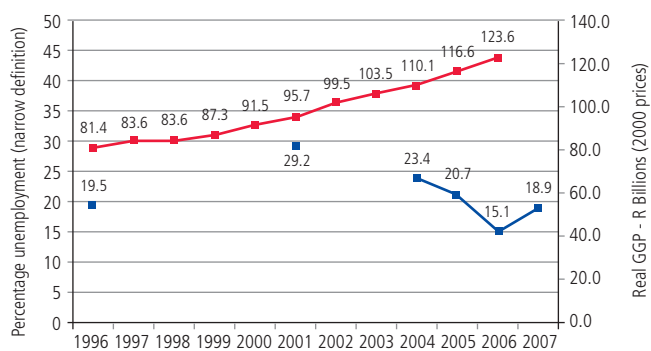
Cape Town generates approximately 78 percent of the GGP of the Western Cape, and contributes approximately 11 percent of the national economy (11,6 percent in 2006). Cape Town has a relatively diverse economy with approximately 93 percent of its businesses being small, although they contribute 50 percent of total output and 40 percent of total formal employment. However, in line with international trends, the City is increasingly shifting towards the services sector with the largest areas of growth identified in finance, business services, trade, catering, accommodation, tourism, transport and communication.

The finance and business services sectors dominate the local economy, and account for 32,3 percent of total economic activity within the City. Financial services experienced an average annual growth rate of 5,9 percent in 2005. Manufacturing, which accounts for 16 percent of employment, has declined in relative terms in recent years. Although it underperformed the average growth rate of 5,9 percent in 2005, it remains an important source of employment. It accounted for 17,9 percent of the City's total economic activity and 77 percent of the Province's manufacturing activity. The sector grew by 5,2 percent.



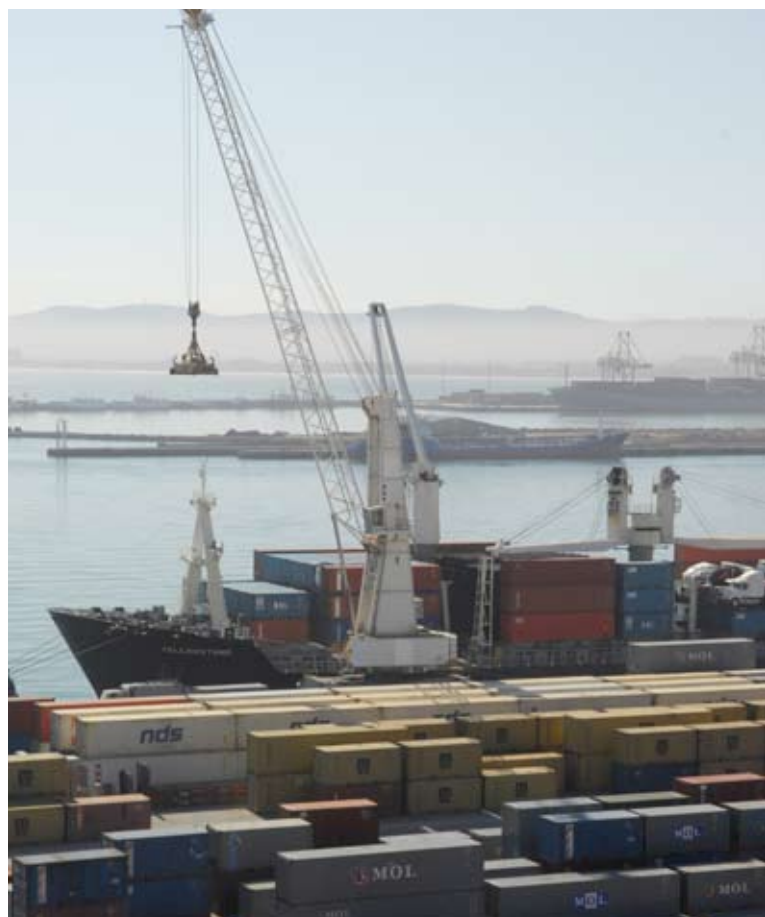
3 (Socio-Economic Profile for Cape Town 2007 - Provincial Treasury, 2007).
4 Source: Strategic Development Information & GIS using Quantec and STATSSA Labour Force Survey data

The construction sector expanded by 13,5 percent to become the fastest growing sector in 2005³, followed by transport and communication (6,7 percent), wholesale and retail trade (6,3 percent) and finance and business services (5.9 percent). Unemployment (narrow definition) decreased from 23,4 percent in 2004 to 15,1 percent in 2006, although there has also been a marked increase in discouraged workers and a continuing mismatch between available skills and those that are needed by the economy. In 2007 unemployment increased and the number of discouraged work seekers decreased. It is likely that many of the previously discouraged work seekers (not officially classified as unemployed) were now seeking employment (hence classified as unemployed).



Graph 1: Unemployment and GGP growth⁴

There is a pressing need to create productive employment opportunities. For the City to achieve growth, it must become globally competitive. City government can improve the business environment by gathering and sharing information with local businesses, reducing the cost of doing business and enhancing safety and security, especially in areas in which development is needed.



Infrastructure and Services

Urban growth in the past 20 years in Cape Town has not been effectively managed or co-ordinated, which has forced reactive and unco-ordinated public investment in infrastructure. The result has been ineffective and largely unsustainable urban development. Urban sprawl, due to the location of informal development along the City's periphery has placed immense strain on the City's finances by requiring new bulk and link infrastructure extensions.

Investment in public infrastructure such as public transport and bulk services systems has lagged behind advances made in the extension of basic services (see Table 1 for improved basic services levels). The replacement, rehabilitation and preventative maintenance of existing infrastructure has suffered as a result of the persistent focus on the (often reactive) extension of infrastructure and has also been limited by budget shifts to cover other prioritised expenditure.

There is thus an urgent need to raise investment levels for remedial work, upgrading and replacement of the City's ageing municipal services infrastructure.

Table 1: Infrastructure Service Levels⁵

CITY OF CAPE TOWN	1996	2001	2006
Demography			
Number of households	653 176	777 396	902 278
Population	2 565 018	2 893 246	3 497 097
Refuse removal			
Percentage of households without weekly refuse removal	11,40%	5,82%	5,80%
Number of households without weekly refuse removal	74 467	45 217	52 337
Water supply			
Percentage of households without piped water on-site	10,49%	15,59%	4,97%
Number of households without piped water on-site	68 530	121 177	44 836
Toilet facilities			
Percentage of households without flush toilet	10,73%	12,68%	7,23%
Number of households without flush toilet	70 080	98 604	65 262
Electricity supply			
Percentage of households without electricity supply	13,20%	11,23%	5,62%
Number of households without electricity supply	86 226	87 294	50 704

5 Source: Strategic Development Information & GIS using STATSSA Census and General Household Survey (2006) data

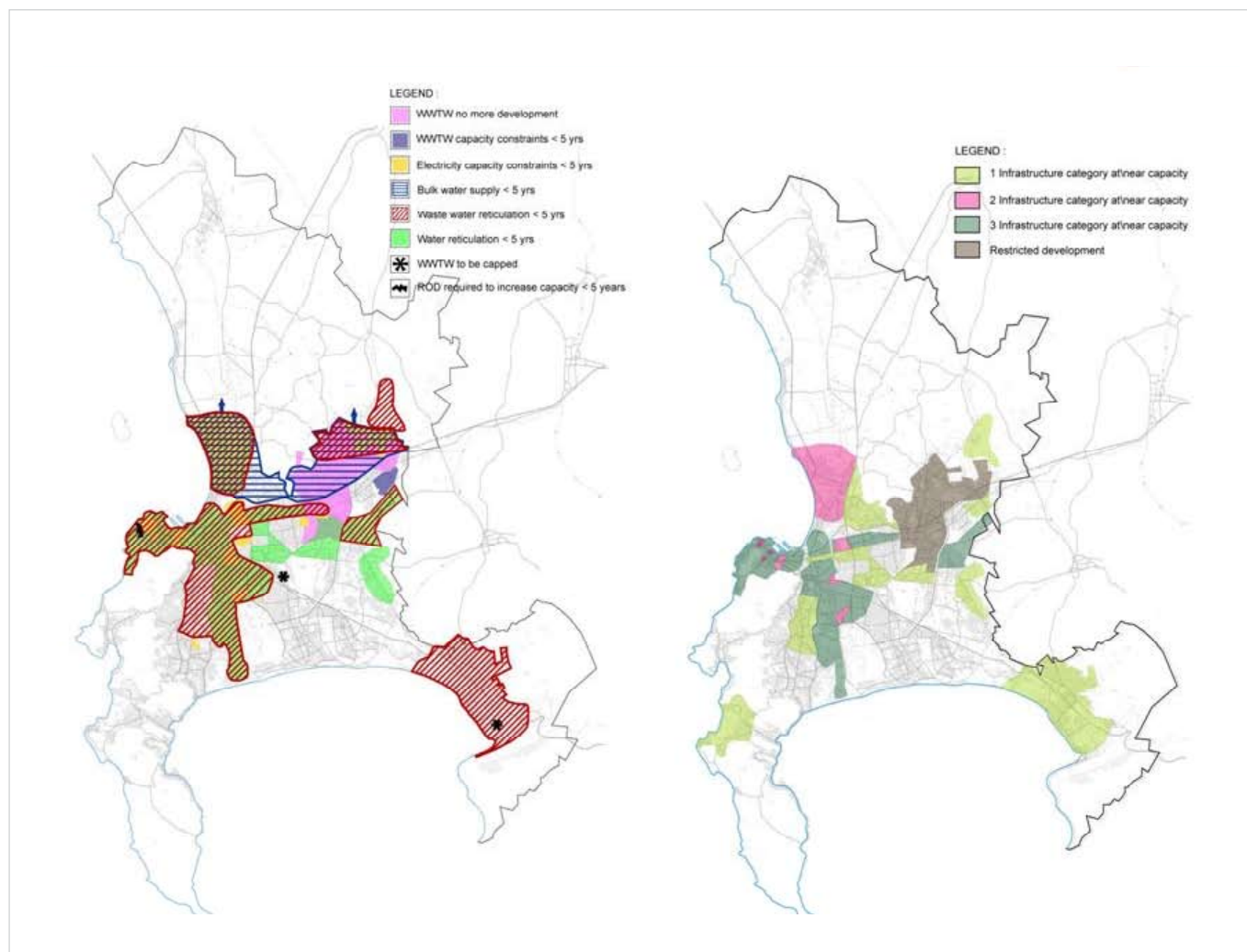


Figure 9: Anticipated Infrastructure Constraints if there is no capital investment in the next 5 years

Environment

Cape Town is home to some of the most beautiful and unique natural environments and landscapes in the world, and possesses a diverse and exceptional cultural heritage, which increases its allure for international and local visitors. The City is located in the heart of the Cape Floral Kingdom, one of the world's six floral kingdoms, and is the smallest and richest per unit area outside the tropics. The City has one of the highest proportions of endemic species in the world, with over 70 percent of the approximately 9 600 species that occur here being found nowhere else in the world. Cape Town also comprises 300 km of coastline, which features some of the world's most sought after beaches and constitutes an extremely dynamic and rich coastal and marine environment.

Cape Town's natural environment is arguably its strongest asset, as it largely drives local and international tourism, and attracts skilled migrants to the City. However, Cape Town is an urban area with high rates of economic and population growth, and growing patterns of consumption and pollution that threaten the rich and highly vulnerable ecology, landscapes and resource bases that underpin and sustain the region. Within this context, the Cape Floral Kingdom has officially been identified as a 'global biodiversity hot spot,' placing an international responsibility on the City to ensure its conservation. The Cape Floristic Region is recognized globally as one of the world's biodiversity hotspots, a term which specifically refers to 34 biologically rich areas around the world that have lost at least 70 percent of their original habitat. The remaining natural habitat in these biodiversity hotspots amounts to just 2,3 percent of the land surface of the planet yet supports more than half of the world's plant, bird, mammal, reptile, amphibians and fresh water fish.

Although the City owns and operates 23 nature reserves, over two thirds of the region's natural vegetation, mostly occurring outside of formal reserves, are classified as Endangered, or Critically Endangered, putting them on the brink of extinction. Distressingly, Cape Town has the highest density and number of threatened plants for any metropolitan area in the world. This number has increased dramatically in the last decade according to the latest Red Data List (November 2007 draft): 13 are extinct and 318 are threatened with extinction.

The City's environmental quality remains under pressure and continues to decline. Resource use and consumption is increasing, while our ability and that of the environment to absorb urban generated waste is decreasing.

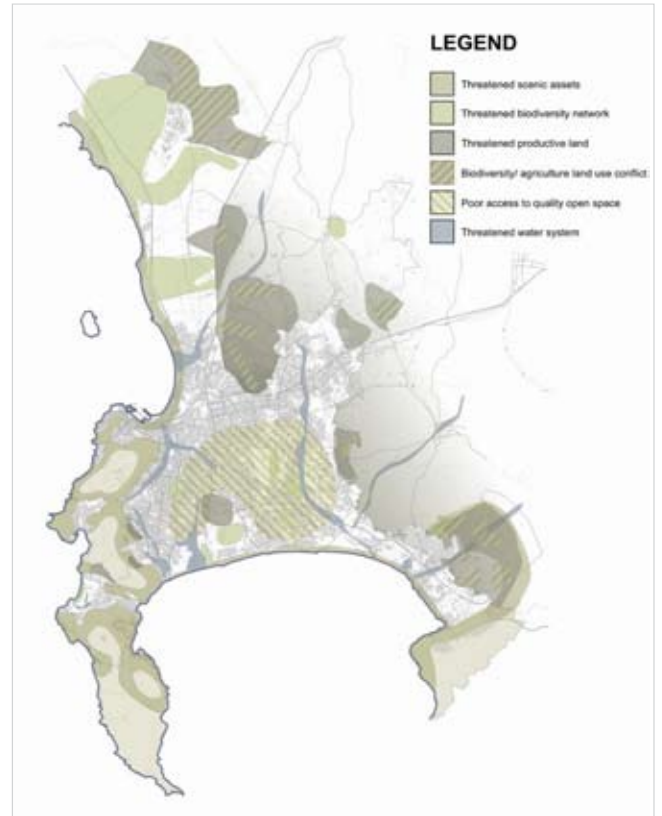


Figure 10: Environment and Open Space Resources



Water use per capita has levelled off at approximately 230 litres per person daily, down from a high of 270 litres per person daily in 2000. This decreased sharply in 2001 due to water restrictions, illustrating a useful demand management system for a water scarce City such as Cape Town.

Quantities of waste being disposed per capita have demonstrated a 60 percent since 1999. This may be indicative of excessively high consumption patterns as well as the impact of increased tourism and increased waste loads from outside the City.

The following basic statistics illustrate the current state of the City's environment:

- Coastal water quality across the City declined between 2003 and 2005. In 2005 18 percent of sample sites on the Atlantic coast and 21 percent of sites in False Bay exceeded the recommended Department of Water Affairs and Forestry (DWAF) guideline for recreational use. This is a decline of 16 percent and 10 percent respectively
- The City's freshwater ecosystems are in a state of decline, with more than two thirds of all sites assessed in 2003 experiencing poor water quality, and significant biodiversity and species loss
- Waste disposed per capita has increased by 60 percent since 1999, with approximately 750 kg of waste per person per annum being disposed in 2006
- Cape Town has 43 different vegetation types, of which 18 are entirely limited to the City's administrative boundary and cannot be conserved elsewhere. Twenty one of the 43 vegetation types are considered critically endangered as there is not enough remaining habitat to meet conservation targets. Of these 21 types, two vegetation types are no longer represented in the City, as the land on which they occur has been entirely converted into other land uses, and a further six vegetation types have had their original area reduced to less than 10 percent (three of these have less than three percent area remaining).

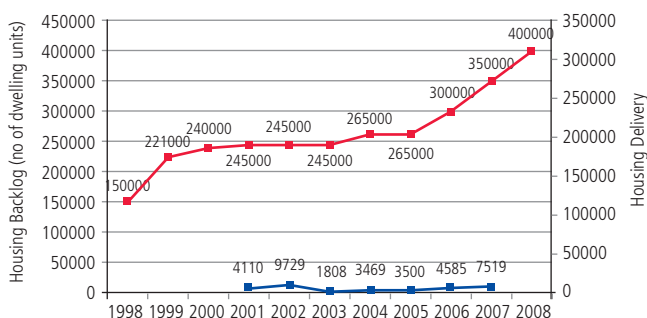
Urban sprawl is a further threat to Cape Town's unique and rare biodiversity. This is especially true in the low income, high density areas of the Cape Flats, which is where the City's most threatened ecosystems are located. Urban sprawl is also key driver of environmental decline, as it places increasing pressure on the City's infrastructure. Urban poverty and a lack of adequate housing are a key problem in this area.

Climate change and projected sea-level is likely to have significant economic, environmental and social ramifications for the City and its people in the near future. Impacts on the region's natural environment, resulting in the reduction of water resources, agricultural potential and increasing storm and flood damage, are likely as an increase on the City's vulnerability to severe weather events. A dedicated City climate change programme, focussing on both mitigation and adaptation measures, has clearly become a necessity.

Housing

Housing, natural population growth and associated infrastructure backlogs can be ascribed to net immigration into the City. New infrastructure is needed to accommodate economic, urban and population growth. Rapid growth has placed tremendous strain on the current infrastructure (which is most acutely felt in services such water, wastewater, electricity, roads and stormwater).

The number of people living in informal settlements is growing (23 000 dwellings in 1993 to 117 000 dwellings in 2007), overcrowding is increasing and household size is declining links. These factors contribute to an increasing housing need (an increase from 150 000 in 1998 to approximately 400 000 households in 2008), most of which comprises 'backyarders'. (Source: Housing Department)



Graph 2: Housing Backlog to Housing Delivery⁶

6 Source: Strategic Development Information & GIS using Housing Department data



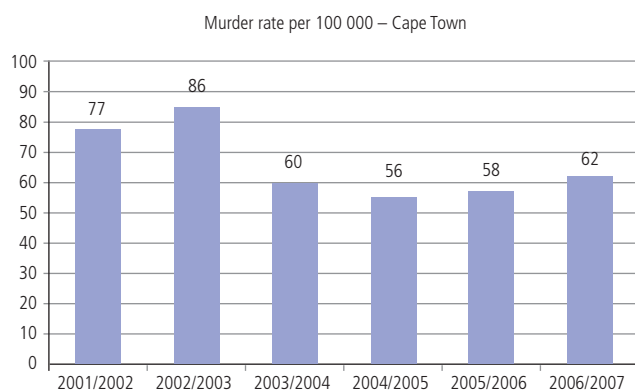
The financial implications of addressing these and future housing and infrastructure demands are large and significant additional capital investment will be required. A key challenge will be to balance the financial costs of addressing backlogs against the opportunity cost of upgrading ageing existing infrastructure that supports services to the established parts of the City.

Safety and Security

To become globally competitive and attract private sector investment, the City must provide a safe business and living environment, which in turn requires an improvement in the social conditions of the poor and unemployed.

Levels of crime in some categories, such as murder, have remained stable over the past few years. The incidence of murders is still extremely high, with a total of 2 016 murders in 2006/07, representing an annual murder rate of 62 per 100 000 people – this is an average of almost six murders per day.

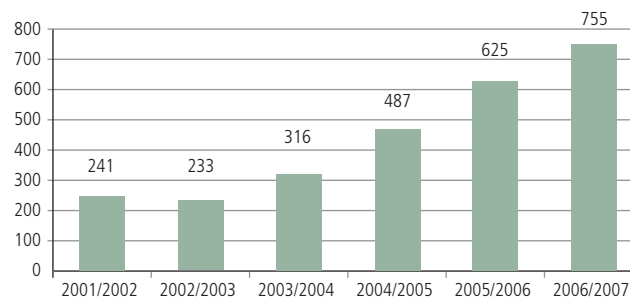
Of special concern is the fact that reported drug-related crime has almost tripled in the past five years. Property related crime (especially residential burglaries) has also increased over the same period, possibly reflecting a connection between drugs and property crime.



Graph 3: Murder Rate⁷



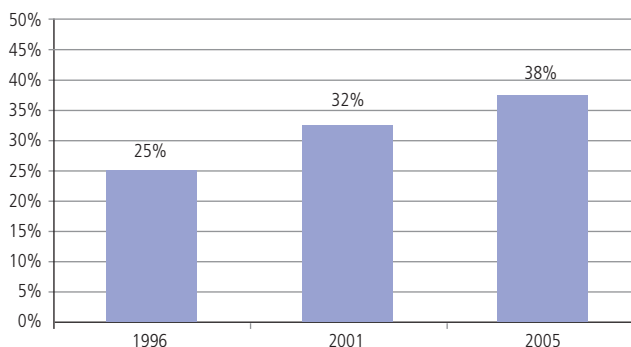
Drug-Related crime per 100 000 - Cape Town



Graph 4: Reported Drug-Related Crime Rate⁸

Poverty and Health

Decades of distorted development in the City have manifested in a highly skewed distribution of income and wealth. There is a trend towards rising poverty (from 25 percent in 1996 to 38 percent of households living below or marginally above the household poverty line in 2005).



Graph 5: People living in Poverty⁹

Note: Poverty data for 2006 and 2007 is not available yet.

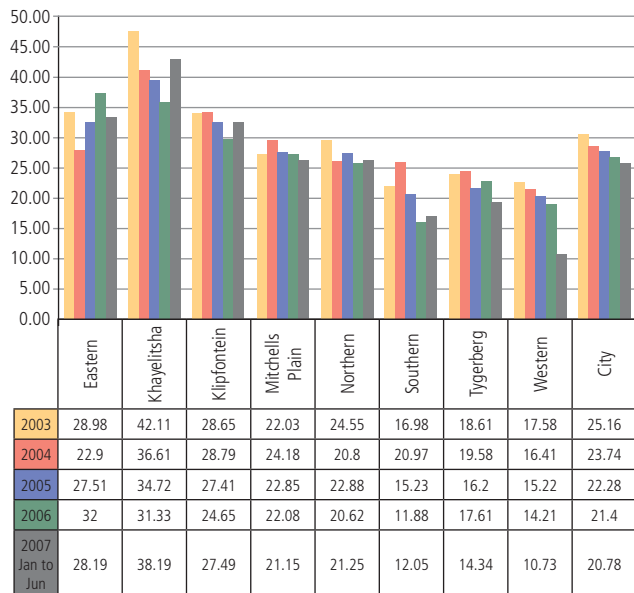
7 Source: Strategic Development Information & GIS using SAPS data
 8 Source: Strategic Development Information & GIS using SAPS data
 9 Source: Strategic Development Information & GIS using STATSSA Census and General Household Survey data



The infant Mortality Rate (IMR), along with HIV, are useful developmental performance indicators as they are closely related to housing and living conditions.

The available information suggests that the City is clearly making progress by reducing the IMR rate at City level and across most of its health sub-districts, excluding the Eastern and Tygerberg sub-districts in 2006.

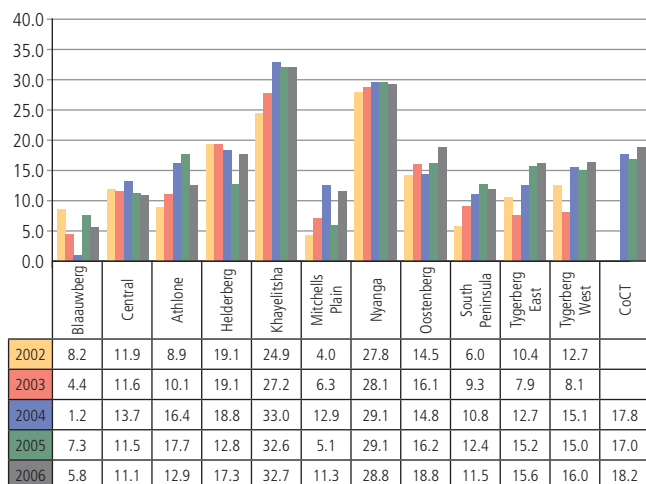
Please note that the results for 2007 are only for part of the year and have included for monitoring purposes.



Graph 6a: Infant Mortality Rate¹⁰

HIV prevalence, as measured among antenatal clinic attendees, has increased in the latest reporting period (to end 2006) in Cape Town and this has been driven by an increase in certain sub-districts, notably Helderberg, Mitchells Plain, Oostenberg and Tygerberg.

This differs from the National statistics where a decline from 30,2 percent in 2005 to 29,1 percent in 2006 was reported.



Graph 6b: Antenatal HIV/AIDS Prevalence in Cape Town¹¹

Approval of Planning Applications

The City has implemented various measures to reduce red tape and improve the turn-around time for the approval of planning applications. The following table gives a breakdown of the time that it takes to approve development plans in the City's different regional planning offices.

Table 2: Turn-around Time for Planning Applications

AREA OFFICES	DWELLINGS* TURN-AROUND TIME	NON RESIDENTIAL** TURN-AROUND TIME
Bellville	47	67
Blaauwberg	60	70
Cape Town	26	70
Durbanville	39	64
Goodwood	20	65
Khayelitsha	18	60
Kuilsrivier	19	65
Kraaifontein	28	62
Parow	30	67
Plumstead	18	56
Somerset West	21	19
TOTAL	326	665
Average in City	29 DAYS	60 DAYS
*DWELLINGS TURN-AROUND TIME = Residential housing		
**NON RESIDENTIAL TURN-AROUND TIME = Commercial, factories and shops		

Public Needs

The City of Cape Town implemented a public engagement process during September 2007. Workshops were held in all 23 subcouncils of the City.

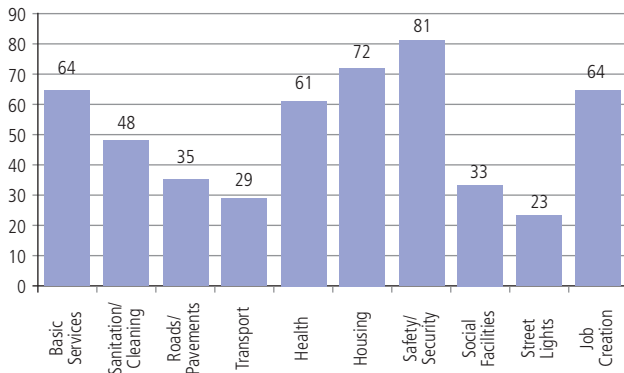
Inputs from seven national Imbizos were also received where members of the public provided inputs to the City's strategies.

Information obtained from participants in the public workshops as well as through e-based and written inputs showed that safety and security, housing and job creation were the most important priorities.

A process has been initiated to review the framework and methodology of Public Participation in order to make it more inclusive and participative.

10 Source: Strategic Development Information & GIS using City Health data
11 Source: Strategic Development Information & GIS using City Health data

Public Needs



Graph 7: Public Needs, October 2007 (IDP Office)

In preparation for the review of the IDP the City implemented the following community participation initiatives:

Water Services' Customer Satisfaction Survey

The necessary infrastructure has been established to ensure an adequate quality of service to formal households. All such households receive water that is fully treated.

There are mechanisms in place to attend to customer complaints and queries. Integrated statistics on burst water pipes and blocked sewers have been recorded since June 2006. An annual customer survey was undertaken during 2007.

The ratings from previous customer surveys are shown in the table below:

Table 3: Water Services' Customer Survey Results

CORE OBJECTIVE/INDICATOR	2002/03	2003/04	2004/05	2005/06
Percentage of customers satisfied with the service	> 80 percent	> 80 percent	83 percent	87 percent

This demonstrates an annual increase in the percentage of customers that are satisfied with the City's services.



Community Satisfaction Survey 2007 for Cape Town

Executive Summary

The City of Cape Town, through TNS Research Surveys, completed a community satisfaction survey of 3 000 residents and 500 businesses in Cape Town between October 2007 and February 2008. Some of the high level results are presented below.

Overall perceptions from the household interviews:

- Water, electricity, sewerage, refuse removal and stormwater management ranked highest in satisfaction in the essential services delivered
- Libraries, community centres and civic halls ranked highest amongst the community services delivered
- Housing and healthcare are critical issues of under-delivery although these require an intergovernmental response involving Provincial government
- Other key areas where there is a perceived deterioration in service delivery include community safety, maintenance of roads, parks and public spaces and maintaining areas surrounding roads

Ratings of service delivery are driven largely by people's relative expectations – where these have been high in the past, there may be a poor rating due to a relative decline in services, whereas in historically under-served areas, where there have been improvements, service is likely to be rated fairly highly, even if service levels fall well below those in more established areas.

Overall perceptions from the interviews with business:

- Businesses rate the City of Cape Town much higher than residents on service delivery
- Businesses rate the City of Cape Town high in comparison to other similar institutions/organs of State
- The same sets of priority services that were rated positively by households were evident in the businesses' community response
- Communication regarding loadshedding and service interruption is critical
- Safe public transport and visible policing are also important factors that need to be addressed





STRATEGIC FOCUS AREAS

STRATEGIC FOCUS AREA 1: Shared Economic Growth and Development

The City of Cape Town is faced with a range of challenges which must be overcome if it is to remain globally competitive. These include the impact of the national energy supply crisis, ageing infrastructure in need of upgrade and expansion, inadequate transport systems, high levels of inequality and poverty caused by low levels of economic growth due partly to a mismatch in skills supply and demand, administrative systems that are not geared towards encouraging investment, and low levels of industry competitiveness in relation to other global players.

Shared economic growth and development requires urgent attention through an integrated and focused approach from all stakeholders, comprising all spheres of government, civil society including NGOs, the business community and ordinary people.

In order for the City and its people to receive the benefits of achieving shared economic growth and development, the following fundamentals will require urgent and immediate attention:

- Adequate and effective core infrastructure and transport systems
- Provision of effective and efficient municipal services
- Investment in the social and economic needs of the people of Cape Town aimed at creating communities that are functional and able to contribute by virtue of their possessing skills that are relevant to the City's competitive positioning within the global economy.
- Conditions that encourage a positive and vibrant environment, which enable the economy to grow. This will in turn result in job creation. Interventions aimed at achieving this by creating a more enabling environment, include inter alia:
 - o Special focus on Local Economic Development (LED), particularly Small Medium Micro Enterprises (SMME) business development and support, especially with regard to the 2010 FIFA World Cup™ and beyond
 - o Optimal utilisation of Council owned immovable property and other assets to maximise social, economic and environmental benefits

- o Support of the developed economy through mechanisms aimed at facilitating regular interaction between investors, business and the City as well as the establishment of one entry point for investors and businesses that provides comprehensive development facilitation services within the City. This is to be complemented by removing unnecessary red tape, in particular improving the speed of building plan and planning approvals
- o Support of the formal and informal business sectors through the creation of an enabling environment
- o Using the Expanded Public Works Programme (EPWP) as a means of job creation at a local level
- Positioning of Cape Town as a major global competitor in the global drive for investment, trade and tourism. The emphasis will be to make the City work better for ordinary people and to ensure long term economic growth and development
- Establishing Cape Town as a global research and development hub in partnership with the Cape Higher Education Consortium, comprising local tertiary institutions with an emphasis on creativity and knowledge

The tourism sector will be supported to retain Cape Town's competitive advantage as a leading tourist destination, whilst key economic sectors (already been identified as Information Communication and Technology, Boatbuilding, Ship Repair, Business Process Outsourcing, etc) will be further stimulated as part of the economic development programme. Connectivity in the global world is essential for a successful City.

The City will continue to develop partnerships with communities, business, other spheres of government, NGOs, CBOs and government agencies to facilitate accelerated growth and development.

The primary role of Local Government is not to create jobs. This is undertaken by the private sector. Local Government's role is to create a positive and vibrant environment to ENABLE the economy to grow, which will in turn aid in job creation. Part of this positive, enabling environment is an effective infrastructure base, including municipal services and transport. This environment must furthermore support the sectoral economy and formal business to strengthen competitiveness and the City's economic base.



Local area economic development plans in targeted areas will determine the activities that need to be pursued by government, the private sector and communities to address deficiencies within local economic systems. The foundation for effective economic plans include poverty and unemployment reduction, balanced growth targets, capital inflows (foreign and local) and good corporate governance.

Aims and interventions towards economic growth and development

The central goal of the City's economic and human development strategy is to improve the material status of individual residents, households and the City population as a whole. Key priorities include the development and broadening of this sector's participation in the formal economy, to grow the formal and informal economies of the poor and ensure integration of the first and second economies. The Cape Town brand is managed and marketed to attract investors, business and visitors, and active investment promotion programmes are aimed at growing and retaining existing investments and businesses.

The following conceptual map is a graphic depiction of how the City plans to focus economic development through prioritised focus areas:¹²

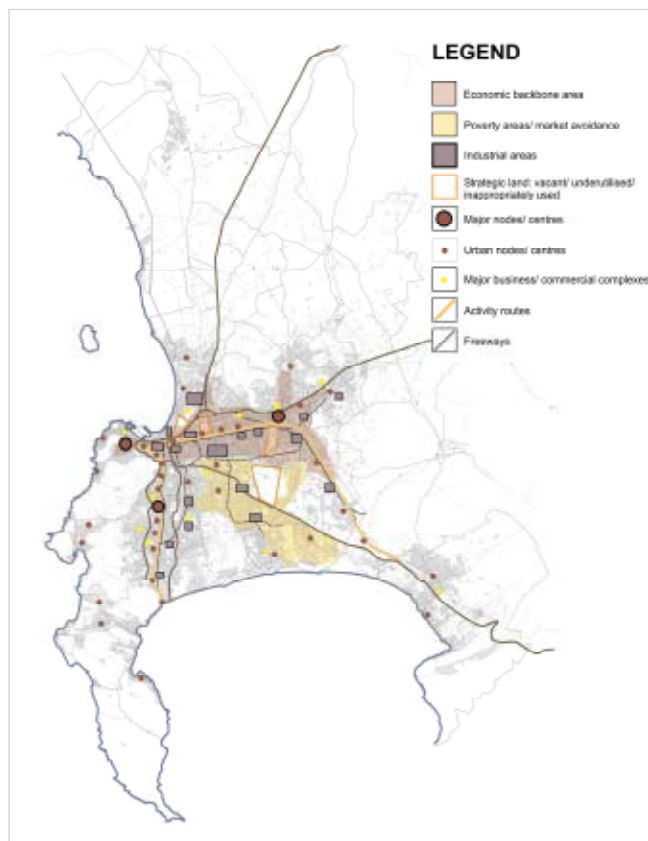


Figure 11: Prioritised Focus Areas

The City's economic strategy needs to ensure that Cape Town responds to the changing global environment. However, unless the City upgrades its infrastructure, it will lose its local and global competitive advantage, and will not achieve a higher growth rate that is needed. Upgrading of the port and rationalisation of its functions, upgrading/establishment of a new airport, improvement of the road and public transport network and service support of the infrastructure and access aspects of the economic strategy are all required.

The protection of the natural environment and continuous urban renewal contribute to the infrastructure and towards building human, social and natural capital assets.

Three key aspects will inform forward planning for the economic future of Cape Town:

- **Infrastructure** provision and access to strategic, regional, local, sector and small business opportunities
- **Access** to economic opportunity areas; to infrastructure and support services
- **Skills** development and training aligned to sector needs (e.g. entrepreneurship, information technology, artisan training). The spatial impacts of this relate predominantly to local area planning, where access to training resource centres (linked with integrated and progressive provision of community facilities) is critical.

The City has identified the following Corporate and Directorate Objectives in order to achieve Shared Economic Growth and Development:

The further development of existing and planned decentralised nodes such as the Hartland, Somerset West, Blue Downs, Khayelitsha, Mitchells Plain, Athlone, Blue Route and Parklands/ Table View will be encouraged. Development opportunities in Eerste River and around Faure (the location of the planned Film Studio) will also be explored.

Phillipi and Athlone Industria have been identified as possible mixed use areas for commercial and related development. The development of the vacant industrial land adjacent to the R300 and south of Stikland Hospital is also to be encouraged. The feasibility of developing the Culemborg-Ysterplaat axis along the N1 for logistical and mixed use development will be explored in collaboration with the Departments of Public Works and the Public Investment Corporation. Finally, in the medium term, the feasibility of providing direct access between Phillipi Industria and the N2 and improving linkages between Capricorn Park in Muizenberg and the Airport and Airport Industria will be investigated.

Commercial development opportunities are emerging along the Klipfontein and Wetton/Lansdowne Corridors, especially at the intersection of Vanguard and Lansdowne Roads and in Lansdowne Industria. Symphony Way, which is under construction, is expected to improve movement between the metropolitan south-east and Bellville and create new development opportunities along its length. The upgrading of the Bellville, Khayelitsha and Mitchells Plain transport interchanges and the Cape Town station will also create investment opportunities.

Over and above infrastructure investment programmes, there are a number of additional initiatives that the City is currently promoting to facilitate economic growth.

These include:

- Installing City-wide broadband infrastructure to lower the cost of telecommunications and improve local industry competitiveness
- Working with the Western Cape province and towns in the greater Cape Town area to maximise the synergy of the region
- Establishing a single transport authority for Cape Town and ensuring a well planned, integrated, safe, convenient and affordable transport system

- Removing impediments to rapid and efficient approval of development applications
- Establishing a Development Facilitation Unit to assist developers in bringing their proposals to fruition
- Establishing a Central City Development Strategy to enhance the City's main economic engine room. In this regard the future of Culemborg is critical to unlock the expansion of the CBD to the east and link it with Century City.

There are five areas of critical risk that need to be managed and incorporated into the strategy outlined above.

These are:

- Economic inclusivity, which is a prerequisite for sustained economic development. This includes basic services for all, effective housing programmes, social programmes to address the effects of poverty and the breakdown of families, the extension of training, skills development and the creation of economic opportunities for all to ensure that the gap between the wealthy and the poor is closed (which will in turn ensure that there is universal benefit in economic growth)
- The capacity of the construction industry to deliver for the planned infrastructure spend, given its present constraints, shortage of skills and the escalating costs of cement and steel. This is a macro-economic issue and needs to be addressed at national level to avoid a price squeeze and delivery stall
- In planning for the 2010 event, a critical issue is the ability to ensure a safe and secure environment. In particular, crime and violence are the 'wild cards' that could destroy 2010 and the City's long-term development strategy
- Political instability, which is an area of concern in Cape Town. The City's delivery capacity has been hampered by the aftermath of the political leadership change, which brought with it a re-arrangement of the administration, including senior management and produced an exodus of skills. The risk is potential disruption to service delivery at a critical stage of the preparations for 2010. Fortunately, there has been remarkable support from all political parties currently represented in Council for the event, and it is on the back of this consensus that unimpeded delivery for the 2010 agenda should rest as a common national, provincial and local government objective

- Timing is decisive. The current alignment of opportunities that can only be advantageous to the City as a whole will not present itself again in the foreseeable future. The biggest single event in the world of which Cape Town is an indispensable component, the massive investment in public infrastructure that is unprecedented in the City's history and the realisation by all the players in government, the private sector, state-owned enterprises and the City's citizens, who according to the latest survey overwhelmingly support 2010, are evidence that the time to act is now.

Strategic Ideas¹³

The following figure provides a spatial illustration of how the metropolitan economic backbone area can be reinforced, to encourage a broad range of investment, development and employment opportunities. The economic backbone provides support by functioning as a highly accessible central place in which communities can be served. It also integrates the poorer areas of the City to the south and south-east, with the wealthier areas to the north, west and north-west. Investment in infrastructure to support strategic sector locations will make such areas more attractive to investors and integrate these into new settlement areas.

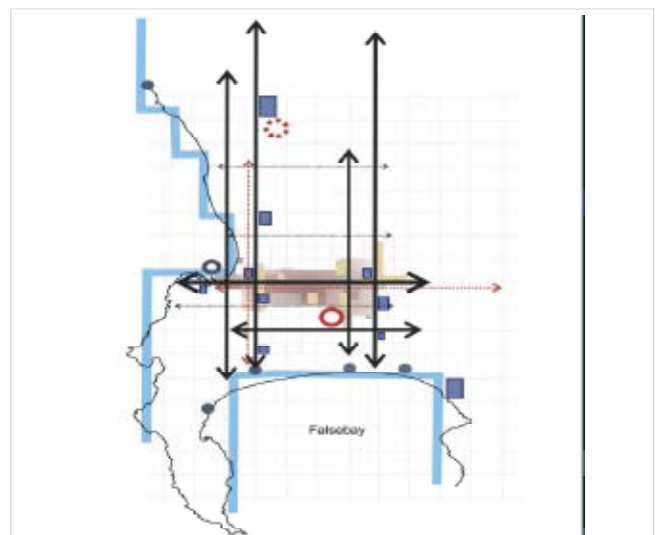


Figure 12: Economic Backbone of the City



12 Future Cape Town – www.capetown.gov.za
 13 Future Cape Town – www.capetown.gov.za



Sustainability

A sustainable environment is essential for economic growth. Market economy needs must be balanced with those of the environment. Effective management of Cape Town's natural resources and built heritage is vital as it provides the basis for much of the City's competitiveness, and will moreover support a sustainable future.

The emphasis on the creation of an enabling environment stems from the fact that government is only one role-player in the economy and its major contribution centres towards the creation of said environment to allow other stakeholders e.g. State Owned Enterprises (SOEs), business, labour, communities and educational institutions to play their respective roles. It is also a fact that legislative, regulatory and administrative processes all contribute to the cost of doing business. The City will support sustainable SMME development, encourage investment and trade and promote entrepreneurial development.

South Africa's strategic priority is to achieve an economic growth rate of above six percent, so as to create wealth and reduce poverty and unemployment. Economic growth requires the use of resources that are consumed, which in turn impacts on the natural environment. This explains why economic development and environmental preservation have often been perceived as serving conflicting purposes.

In the short and long term, economic growth will increasingly depend on sustaining the environment. Cape Town requires both, each for the sake of the other. Natural resource constraints thus provide threats and opportunities for economic growth.

Threats

South Africa is currently in the midst of an energy crisis. Electricity supply constraints constitute a threat to enabling the business environment. Power blackouts (due to low excess supply margins and routine maintenance) are a significant deterrent to business investment. South Africa's electricity is mainly produced from low-grade coal, making it the 13th highest carbon dioxide emitter in the world. Eskom is also proposing steep tariff hikes to finance necessary expansion to meet demand. This will impact on the nation's ability to save and invest, as disposable income will be noticeably reduced.

Another component of energy use is transport. Fuel for vehicles

is produced predominantly from imported oil. A rising global oil price will continue to impact negatively on inflation, which may lead to further hikes in interest rates. Carbon emissions from transport also create an environmental hazard. Traffic congestion places unmanageable pressure on the roads infrastructure and reduces economic productivity due to lost time.

Water supply constraints are another serious problem facing the City of Cape Town's ability to create an enabling economic environment. Despite current positive dam levels, evaporation rates are significant, and the cost of building new dams is prohibitive. Economic growth has correlated with growth in water consumption over the last two decades, and Cape Town is now near the limit of its water supply ceiling.

Opportunities

To overcome electricity supply constraints, the City will promote the use of solar water heaters (conventional geysers constitute approximately 40 percent of residential electricity demand) and energy efficient lighting in all existing and planned homes. The City will also encourage the development of a private market in renewable energy (both through subsidisation and public-private partnerships). This will provide new skills for the currently under-skilled and unemployed.

Water supply constraints will be managed through the provision and subsidisation of perennial household rainwater tanks, grey water systems and regulated water restrictions. It is expected that water will become the scarcest resource. Cape Town has the potential to be an innovative world leader in managing this threat.

All new buildings in Cape Town should comply with environmentally optimal architectural designs, thereby reducing pressure on supply infrastructure (such as water piping, sewerage, waste disposal and electricity distribution). Efforts in 'greening' Cape Town can reduce the current pressure on basic service infrastructure capacity, and simultaneously attract the local and foreign direct investment that is needed to grow the economy. Residents' health and quality of life can also be improved (which would lower health costs to the state), jobs can be created (through the provision of sought after, sustainable skills) and pleasant aesthetics can be produced (to reinforce Cape Town's position as a tourism hub). This will serve to grow the economy and simultaneously conserve the environment.



OBJECTIVES AND TARGETS

Corporate Indicator 1A

Create an enabling environment for the economy to grow and become globally competitive

Directorate Objective 1.1 - Drive development facilitation to proactively assist investors and those wanting to set up/expand businesses in Cape Town

Directorate Objective 1.2 - Develop new and strengthen existing partnerships

Directorate Objective 1.3 - Grow and strengthen the City's tourism capability

Directorate Objective 1.4 - Develop and grow LED and particularly SMME opportunities

Directorate Objective 1.5 - Prioritise skills development based on the needs of the local economy

Directorate Objective 1.6 - Improve the processing of building plans and land use applications to well within the statutory time frames

Directorate Objective 1.7 - Develop the City's creativity and knowledge and innovation base industry

Directorate Objective 1.1

Drive development facilitation to proactively assist investors and those wanting to set up/expand businesses in Cape Town

Interventions to create a more enabling environment include the following:

- Leadership and governance giving rise to effective service delivery, public and market confidence and a positive entrepreneurial culture
- Facilitating skills based training in partnership with NGOs, Further Education and Training Institutions (FETs) and the private sector to enhance competitiveness, productivity and sector based skills

- Informal trade support, which will be undertaken via the creation of an enabling regulatory environment, the promotion of safety and access to information and marketing of new goods, training and resources
- Maximising low-skilled job creation through the EPWP
- SMME business development and support through the maximising of knowledge, capacity and opportunities
- Utilisation of state owned assets to maximise social, economic and environmental goods
- Infrastructure development
- Economic research and information

A DEVELOPMENT FACILITATION PROGRAMME:

This is a service to be provided by the City of Cape Town for investors and those wanting to establish/expand businesses in Cape Town.

To support the developed economy, mechanisms to facilitate easy and regular interaction between investors, business and the City are important. To this end, the City is actively pursuing the establishment of one entry point for investors and businesses that will provide comprehensive development facilitation services. It plans to hold regular business briefings with senior City representatives and to simplify regulatory and administrative processes within its ambit.

PUBLIC TRANSPORT PROGRAMME:

Public transport and investment in strategic infrastructure is also a major priority.

An integrated transport system that will mobilise people and goods will be a strategic lever in enhancing our competitive capabilities, which will in turn ensure sustained economic development.

- Investments by the City will be made in public transport and municipal infrastructure
- Through the Public Transport Infrastructure Fund (PTIF) the City is programming new and upgraded infrastructure that will be complete for the 2010 FIFA World Cup™ event
- Upgrading City infrastructure, particularly public transport
- The City will provide leadership and develop implementation plans for projects that will limit the demand growth for water,

Table 4: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
1A.1 Number of direct job opportunities created (NKPI)	13 229	9 500		10 600	12 000	13 600	15 400
1A.2 Rand Value of direct investment	R1,16 billion	R1,6 billion	R1,16 ^{N1} billion	R1,5 billion	R2,1 billion	R2,4 billion	R2,7 billion
1A.3 Achieve year on year growth through Destination marketing facilitated through the SLA with DMO	New		5%	5%	5%	5%	5%
1A.4 Number of job opportunities created through the EPWP to contribute to the reduction of poverty and unemployment	6 204	12 000 (excluding the baseline)		12 000	12 000	12 000	12 000
1A.5 Percentage of Development Applications Finalised Within Statutory Timeframes Project: Land Use Management	New		72%	75%	75%	75%	75%
1A.6 Percentage of Development Applications Finalised Within Statutory Timeframes Project: Building Development Management	New		95%	96%	96%	96%	96%

N1: Target of R1.16 bn was incorrectly captured as R1.6 bn

electricity, waste and the demand on travel and transport resources, and offer opportunities for alternative forms of energy and recycling

URBAN DEVELOPMENT ZONES:

- The first of two Urban Development Zones (UDZ) include parts of the CBD, East City, Salt River, Woodstock, Observatory, Maitland (up to the railway bridge), Mowbray, Athlone and Gatesville. Compared to the other suburbs that make up this zone, Woodstock is currently growing the most rapidly, and maintaining and upgrading its infrastructure is therefore a priority
- The second UDZ is in the vicinity of the Bellville CBD. This is also experiencing significant growth as is evidenced by the fact that office accommodation is being converted into residential developments
- The UDZ tax incentive is generally directed to stimulate capital investment in buildings, especially those in declining or stagnating urban areas (demarcated and promulgated UDZs), with the objective of boosting urban regeneration and business district revitalisation, which in its turn stimulates economic development and creates opportunities for the urban poor

BROADBAND PROGRAMME:

The City will be provided with an enduring broadband infrastructure comprising a fibre optic cable network that will assist in cost recovery and contribute towards Cape Town’s economic growth. The new broadband will have sufficient capacity to meet the City’s current and future needs, and will be low cost enough to enable it to continue with its core function of service delivery.

The first phase of the project calls for the laying of 202 km of cable, and the connections to ±100 key municipal buildings. The cost of operating the network will essentially be fixed, in comparison to the current system, in which costs are driven by the amount of traffic (usage).

The capital cost will be primarily recovered from internal cost savings. Spare capacity will be offered to licensed telecommunications service providers.

The revenue from this resale of spare capacity to third parties will also be used to recover costs and to expand the geographic reach of the infrastructure.

The region’s universities and research institutions will also use some of the network’s capacity to improve their communications and enable them to share resources. The government funded South African Research Network (SANReN) will make a capital contribution towards the project. Phase one will require a capital investment of R275 million over five years.

The capital and operating requirements are depicted in the following table:

Table 5: Capital and Operating Requirements for the Broadband Network

NATURE OF COSTS	2007/08	2008/09	2009/10	2010/11	2011/12
Total Capital	R101 642 000	R103 581 000	R0	R0	R0
Less SANReN	R27 675 000	R40 000 000	R0	R0	R0
Net Capital	R73 967 000	R63 581 000	R0	R0	R0
Operating	R14 358 000	R24 632 000	R27 944 000	R30 316 000	R39 639 000
Total	R88 325 000	R88 213 000	R27 944 000	R30 316 000	R39 639 000
Cumulative	R88 325 000	R176 538 000	R204 482 000	R234 798 000	R274 437 000

The project is further expected to make a cumulative contribution to the country’s GDP of R5,7 billion by 2011/12, which is when the majority of the infrastructure development will be complete. This cumulative total increases to over R211 billion by 2026/27. This means that by 2016/17, the project will have stimulated the City’s economy to grow by 2,26 percent and by 2026/27, this is expected to increase to 4,59 percent.

Total direct and indirect jobs created via this project are expected to amount to 2 412 in 2007/08 and 4 837 in 2008/09. It is expected that 14 828 direct and indirect jobs will be created by 2010 and nearly 252 000 by 2027. The estimated saving on the City’s current costs is anticipated to be R37 million a year (41 percent of current expenditure on equivalent services). The cumulative benefit of these cost savings over five years is R204 million. The project will have paid for itself after seven years. The two most important areas in which the project will impact are its contribution to the GDP and its creation of jobs.



The contribution from operations is expected to show a steady increase from R18 million in 2007/08 to R515 million 2026/27. The broadband expansion in Cape Town will change three types of jobs. The first type includes the direct jobs that will be created over the duration of the project period in infrastructure development, the construction of exchange facilities and operations. The second type are the so-called indirect jobs that are created by the multiplier effects of the capital and operational costs of the public transport and from changes in transport usage and time savings. The third type of change in jobs will arise from the structural economic changes attributable to the proposed project as a result of cost savings and, particularly, the productivity gains that will make the City's businesses more competitive.

URBAN RENEWAL:

To stimulate economic growth and development in the nodes, the Urban Renewal Programme (URP) Department completed an economic profiling thereof and created an investment atlas (which is comprised of an identification of the City's economic hubs e.g. the CBDs and transport interchanges in the nodes).

An amount of R717 million has been secured from the National Treasury (Neighbourhood Development Partnership Grant) to implement the following URP initiatives and projects:

- Completion of the CBDs in the nodes
- Completion of the transport interchanges e.g. Mitchells Plain, Lentegeur, Kuyasa
- False Bay coastline development initiatives e.g. Kapteynsklip, Monwabisi, Strandfontein
- Development of a comprehensive nodal economic development strategy and implementation plan

Directorate Objective 1.2

Develop new and strengthen existing partnerships

FILM INDUSTRY PROGRAMME:

In collaboration with the Dreamworld Consortium and various City Departments the film industry will be stimulated to secure big film productions, which will simultaneously facilitate the development of local talent, skills and indigenous products.

PARTNERSHIP PROGRAMME:

Partnerships will be developed further with a range of stakeholders, especially those sectors that are linked to investment and tourism.

Partnerships between the City and its stakeholders include inter alia the following:

- Through Wesgro – the aim is to attract R1 billion in investment into the City and develop a business investment opportunities strategy for Cape Town in preparation for 2010 and beyond. This includes business retention aimed at encouraging investment in under-developed areas/townships with economic potential
- Through using existing Special Purpose Vehicles (SPVs), attract R800 million and support new SPVs such as the Cape Town Partnership – aimed at mobilising the public and private sectors and other stakeholders around common development objectives which will turn the central City into an economic, social and cultural point of interaction within the Metropole. This requires the co-ordination and facilitation of a range of initiatives, including urban regeneration and guiding the direction of resources to solve economic and social challenges facing the central City
- A collaboration with Calling the Cape, to plan a specific intervention between the City's Call Centre and the Job Centre in Athlone. These Centres will provide permanent skills development facilities to create a positive learning environment for learners and communities. They will be accessible via public transport. Target beneficiaries are unemployed black/coloured residents of Cape Town who have been educated to a minimum of Grade 12 level, and who have either been unemployed over the long term or have 'never worked.' Another target group is those who have been retrenched from declining industries such as clothing and textiles. Based on an international model, this project entails the development of affordable, accessible and secure production facilities with a retail/showroom section. It is derived from the Provincial Advanced Manufacturing Technology Strategy (PAMTS), and the intention is to expand to incorporate a raw materials data bank to provide craft producers with recycled production material
- The continued support of the Cape Town Partnership and City Improvement Districts (CIDs): The City has initiated various partnerships in a number of different sectors. This section



focuses on those that are linked to investment and tourism. Wesgro, for example, was established to attract and facilitate investment into the Western Cape; to grow its exports of products and services through the development of its export capability, to create demand and access to markets, and to market the region as a competitive business destination within the national and international arenas. The City commissioned the development of a strategy for Cape Town via Wesgro in preparation for 2010, including investment opportunities beyond this date. To support this, a business retention policy is planned as a means of encouraging investment in under-developed areas with economic potential, including townships

MUNICIPAL ENTITIES:

In order to achieve economic growth targets, the City will attract high value partners, encourage investment and support strategic partners that contribute towards the achievement of enhanced economic growth and development.

It will engage more proactively with investors to enable the private sector investment that is needed to support broader City goals (e.g. the Cape Town partnership, Urban Development Zones; Local Area Economic Development (LAED) plans.

Cape Town International Convention Centre: This entity (CTICC) was established to develop and operate the world class convention centre of the same name in Cape Town. The City has already captured 65 percent of the local convention market, and there is more opportunity to expand, given that the country as a whole has only captured 1,1 percent of the international market. The City has therefore made the expansion of this centre a strategic priority, and has thus far enlarged it by 1 200 m².

It has also approached the National Department of Public Works to partner with it in amalgamating the Customs House building for further expansion. The target is to hold 100 international and 50 national conferences over the next five years.

KHAYELITSHA COMMUNITY TRUST:

This entity was established to facilitate the development of the Khayelitsha Business District and to establish equity for the local community.

BUSINESS DEVELOPMENT PROGRAMME:

Proactively support the formal business environment, conduct meetings with organised business and action/lobby the top two to three constraints/issues impacting on business.

PROPERTY MANAGEMENT PROACTIVE ACQUISITIONS AND DISPOSAL PROGRAMME:

The City will contribute towards an enabling environment by prioritising and processing property transactions. Council-owned immovable property and other assets will be utilised to maximise social, economic and environmental benefits.

Directorate Objective 1.3

Grow and strengthen the City's tourism capability

The City's marketing efforts are intended to position Cape Town domestically and internationally as an all year-round destination of choice for leisure, business and events visitors. It thereby aims to achieve exceptional tourism growth in partnership with the private sector and other tourism stakeholders.

TOURISM EVENTS PROGRAMME:

The following annual objectives have been set for the next five years, and targets relate to increased visitor numbers and expenditure, improved regional spread and reduced seasonality.

With regard to international markets, the aim is:

- To increase overall visitor numbers by 2 percent above the national average
- To increase the overall number of nights spent by visitors in the Western Cape to 2 percent above the national average
- To increase the proportion of visitor numbers during the off-peak period (May-September) by 3 percent
- To maintain the existing length of stay average for the province

With regard to the South African domestic market, the aim is:

- To increase peak season trip numbers in line with national growth



- To increase the overall number of nights spent by visitors in the Western Cape to 5 percent above the national average
- To increase the proportion of trip numbers during the off-peak period (May-September) by 5 percent
- To maintain the existing length of stay average for the province. Tourism is a key driver of economic development and job creation, and all the strategies supporting the Tourism Development Goals can be mapped back to Council's strategic themes

LOCAL TOURISM PROGRAMME:

'Local tourism' is explicitly defined in the Constitution as a function of local authorities. It is interpreted as 'developmental tourism at a local level' and as such constitutes the process through which partners from the public, business, labour and civic sectors work together to identify, utilise and harness location-specific resources to grow and transform the economy in specific local areas.

The aim of developmental tourism is to increase local incomes and to create job opportunities by enhancing the community's ability to create enterprises.

DESTINATION DEVELOPMENT PROGRAMME:

The City has united the key destination development elements of supply, demand and market knowledge to develop Destination Cape Town. Strategic research and destination planning guides the interaction of supply (product, infrastructure and human resource development) and demand (marketing), which is in turn based on pertinent market related information.

To be successful as a destination, all the components must be in place and in interaction with one another as shown below.

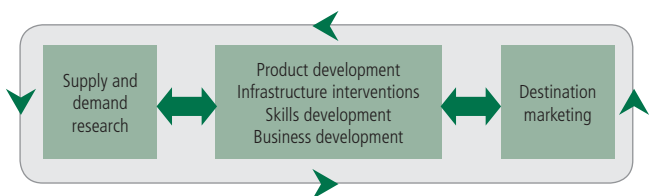


Figure 13: Components in the Destination Development Programme

The City will drive the transformation of the sector; market Cape Town as a desirable destination; support destination development to improve the City's tourism competitiveness, provide advice and market intelligence to tourism sector stakeholders; support the development of competent human resources and viable tourism enterprises, and support a co-operative relationship between the City, the Western Cape Provincial Government and statutory tourism authorities.

CAPE TOWN TOURISM:

Cape Town Tourism (CTT) is uniquely positioned at the interface between local trade members and the customer, and its location within local areas. This allows a two-way flow of market intelligence and advice and the provision of business development and growth opportunities for CTT members and residents.

Cape Town Routes Unlimited¹⁴:

Cape Town Routes Unlimited (CTRU) is the official destination marketing organisation for the City of Cape Town and the Western Cape province. It exists to promote both locations as the preferred leisure, events and business destination – both nationwide and worldwide - in partnership with the private sector and other tourism stakeholders.

A summary of the market segments with regard to their potential to address CTRU's objectives is listed below:

Table 6: CTRU Strategy

SEGMENT	VOLUME	VALUE	OFFSET SEASONALITY	SPREAD
Young and upcoming	High	Low	Low	Low
Independent young couples and families	Moderate	High	Low	High
Striving families	Low	Moderate low	Low	Low
Well-off, homely couples	Moderate	Moderate	Moderate	Moderate
Home based low income couples	Low	Low	Low	Low
Basic needs older families	High	Low	Moderate	Low
Golden active couples	Low	High	High	High

14 CTRU Website: 03.01.08



Directorate Objective 1.4

Develop and grow LED and particularly SMME opportunities

Skills development will be based on the needs of the local economy, to support continued economic growth and access to opportunities. Sector support bodies have their own skills development programs whilst the City has a Skills Development Strategy that supports the economic development strategy.

LED PROGRAMME:

- Build awareness of Local Area Based action plans and support the implementation of short and long term projects in each area
- Implement and support the establishment of a job centre
- Support and accelerate alternative energy business opportunities (solar heating, rain tanks)
- The City will support small businesses' needs, broaden their economic participation, promote entrepreneurship and build and foster networks to sustain economic development initiatives at a community level
- A range of interventions will be aimed at ensuring shared growth in developing priority sectors and facilitating access to job opportunities in key sectors, particularly amongst the previously disadvantaged

ENTERPRISE SUPPORT PROGRAMME:

The City will intensify its support of enterprises and its development of business infrastructure in local areas. It will also continue to improve the existing network of digital business centres. The City will work closely with other role-players to strengthen implementation and improve access to finance for entrepreneurs and infrastructure projects.

URBAN AGRICULTURE PROGRAMME:

The City's Urban Agriculture Policy recognises the importance of urban agriculture for food security. The sustainable development of emerging farmers and the development of niche, high growth products such as rooibos, essential oils, buchu and organic foods will be promoted. A livestock project is planned in Ariesfontein. The City will provide secretarial services to the Cape Town District Assessment Committee, where five new projects are registered that will benefit roughly 250 beneficiaries for Land Reform for Agricultural Development.

MUNICIPAL SERVICE PROVIDERS:

During the year the City appointed a project team to establish a framework so that it can track its service providers' performance (as required in terms of the current performance management legislation - Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and performance regulations). This included the setting of Key Performance Indicators (KPIs), targets, measurements and reporting of performance as well as the revision of strategies and objectives.

BUSINESS SUPPORT PROGRAMMES (SEDA):

- Develop and grow SMME opportunities through partnerships, 2010 and Supply Chain Management
- Encourage SMME development through SMME projects (based on the Business Readiness Survey, 2007/08)
- Target growing of SMME business for support
- Present franchise and procurement opportunities through expos and opportunity sessions

SMME PROGRAMMES:

The City will prioritise the facilitation of SMMEs through programmes such as the Red Door project and complement these with other initiatives such as developing relations with key cities throughout South Africa and the rest of the world.

Sustainable public infrastructure investment in local areas will assist in making opportunities more accessible. These include:

- Maximising low-skilled short term job creation through the EPWP
- A special focus on SMME business development and support, especially with regard to the 2010 FIFA World Cup™
- Optimal utilisation of Council-owned immovable property and other assets to maximise social, economic and environmental goods
- Improved access to Council procurement opportunities
- Economic research and information.

Another important focus is unlocking economic growth by prioritising skills requirements in the different sectors. The focus will be on developing skills to match sector needs, fostering entrepreneurship, enhancing employment readiness and life skills training. Specific sectors that will be prioritised include artisan training and information technology skills.



Directorate Objective 1.5

Prioritise skills development based on the needs of the local economy

The relationship with Higher Learning Institutions (HLI) was initiated on the premise that the City acknowledges the role that higher learning institutions can play in enhancing its delivery mandate. The Transport, Roads and Stormwater Department is awarding 10 bursaries for the 2009 academic year to engineering students in order to contribute to address this scarce skills need in Cape Town.

KNOWLEDGE AND INFORMATION PROGRAMME:

The City will engage with tertiary institutions through the Cape Higher Education Consortium (CHEC) to create a partnership aimed at establishing Cape Town as a global research and development hub. Universities will be engaged around innovation/new technology projects with a 'green focus.'

The City has engaged the CHEC to establish a formal relationship based on key deliverables with the HLIs that it represents.

These include:

- The University of Cape Town (UCT)
- The University of the Western Cape (UWC)
- The University of Stellenbosch (US)
- The Cape Peninsula University of Technology (CPUT)

Areas of collaboration include community engagement, Higher Education-City think tanks and platforms for public engagement, policy support, recruitment for the tertiary skills needs of the City, the promotion of innovations and economic growth and development initiatives. Projects that have already been identified encompass:

STUDENTS IN FREE ENTERPRISE PROJECT (SIFE):

This is an international organisation that strives to create global partnerships between business and higher education to prepare university students to be entrepreneurs. The students are challenged to implement projects that will transform the lives of people facing real social and economic problems. The SIFE Western Cape region encourages its students to link their projects with the municipal IDPs. This results in continuous engagement and partnerships between the City, SIFE, business, learning institutions and students. Two SIFE competitions are held annually the regional competition in which various teams within a particular country compete and the SIFE World Cup in which each country's top team competes against other countries.

WINELANDS CONFERENCE:

The City co-hosted the 11th international conference in partnership with the University of Stellenbosch from 16–18 April 2008. The theme of the conference was 'Sustainable Futures: What's Left? What's Right? What's Next?' The theme challenged governance and the various delivery mechanisms employed by various institutions, entities and the organs of local, national and provincial spheres of government.

AFRICA CITIES RESEARCH PROJECT:

This project, which is co-funded by the City, is a research programme designed to meet the needs of cities confronted with serious challenges in urban management, ranging from housing, asset management, transport, environment, service delivery, water, energy and resource management.

STUDENT PRECINCT IN BELLVILLE:

This project is aimed at consolidating the spatial planning and development initiatives of a number of bodies, including the City, CPUT, The University of Stellenbosch Business School and UWC. The aim is to establish a student village/precinct in the Bellville area.



Directorate Objective 1.6

Improve the processing of building plans and land use applications to well within the statutory time frames

RED TAPE REVIEW PROGRAMME:

Business process improvement initiatives are currently underway in key departments to reduce the time period necessary to process the planning approvals and property transactions that are needed for economic development.

Directorate Objective 1.7

Develop the City's creativity and knowledge and innovation base industry

SKILLS DEVELOPMENT PROGRAMME:

- **Skills Development Programmes in strategic sectors:**
Support skills development programmes in ICT, Business Process Outsourcing (BPO), film, oil and gas artisans
- **Skills Development Programmes aligned to 2010:**
Develop skills development programmes for 2010 in the services, hospitality industry, and film industry

OBJECTIVES AND TARGETS

Corporate Objective 1B

Preparations for hosting the 2010 FIFA World Cup™ in accordance with FIFA's requirements and the City's developmental objectives

Directorate Objective 1.8

Prepare for hosting of the 2010 FIFA World Cup™ in Cape Town in accordance with FIFA's requirements and the City's developmental objectives

The new stadium and the 2010 event form an important part of the City's strategy, but are in themselves only stepping stones in its objective of achieving longer-term social and economic targets. Cape Town seeks to capitalise on the opportunity presented by 2010 to drive long-term public benefit.

Table 7: Key Performance Indicators

CORE OBJECTIVE/ INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
1B.1 Adherence to the work stream objectives and programmes of the City's 2010 Business Plan	13% of stadium completed, measured in terms of actual construction	50% of stadium completed	40% of stadium completed, measured in terms of actual construction ^{N2}	75% of stadium completed, measured in terms of actual construction	Stadium completed by December 2009 100% of stadium completed measured in terms of actual construction		
	0% of the Green Point Common and Golf Course reconfigured	25% of new Golf Course completed	Completion of detailed design and specification for Green Point Common and Golf Course ^{N2}	75% of the Green Point Common and Golf Course reconfigured	100% of the Green Point Common and Golf Course reconfigured		
	1% Electricity reinforcement completed	60% Electricity reinforcement completed	61% now tracked as part of percentage compliance to all other work streams in 2010 ^{N2}				
	Appointment of consultant in procurement phase to do detailed 2010 Transport Operational Plan	Detailed 2010 Transport Operational Plan 50% complete		Detailed 2010 transport operational plan 75% complete	Detailed 2010 transport operational plan 100% complete		
	0% of the reconfiguration of the Green Point Common completed. Awaiting approval of the Site Development Plan from the Provincial Minister	5% of the reconfiguration of the Green Point Common completed	Combined with indicator on Green Point Golf Course reconfiguration ^{N2}				
	Conceptualise model for 2010 footprint i.e. Fan parks, viewing sites and training venues, in terms of affordability and resources		Finalise working model for 2010 footprint i.e. Fan parks, viewing sites and training venues, in terms of affordability and resources	Implement and prepare detailed operating plans for 2010 footprint: 75% complete	Implement and prepare detailed operating plans for 2010 footprint: 100% complete		
	Percentage compliance with all other work streams in the 2010 Business Plan: 0%		Percentage compliance with all other work streams in the 2010 Business Plan: 25%	Percentage compliance with all other work streams in the 2010 Business Plan: 75%	Percentage compliance with all other work streams in the 2010 Business Plan: 100%		
1.B.2 Completion of process to award naming rights for stadium and appointment of long term operator to manage stadium	RFP for operator advertised	Operator appointed	Initial process to appoint operator reviewed and amended to include naming rights. Re-tender process completed and adjudication commenced ^{N2}	Naming rights awarded and operator appointed			

N2: These changes are expected due to evolving nature of the project and have already been agreed and accepted at National level

The City's 2010 business plan comprises three components:

Preparing for the Event

This includes the construction of the stadium in Green Point, the upgrading of the Green Point Common, the provision of practice venues and fan parks, and the creation of operational plans associated with safety, security and infrastructure, including transport, roads, electricity and other service upgrades to make the event a success.

Upgrading City infrastructure, particularly public transport: The galvanising effect of meeting a non-negotiable deadline coupled with significant expenditure targets for delivery of infrastructure has proved to be a discipline that the City needed. The 2010 FIFA World Cup™ event has committed all levels of government to enormous resources for the upgrade of the City's ageing and inadequate infrastructure.

The road based transport component, excluding the PTIS4 grant funding application (the allocations of which are unknown at this stage) is made up as follows:

National	R766 000 000
City	R220 000 000
Provincial Government of the Western Cape	R809 000 000
Other	R38 000 000
Total	R1,83 billion

The above estimates also exclude the upgrading of the Koeberg Interchange, which is to be totally funded by Province at an estimated cost of R600 million.

The Green Point stadium and the precinct upgrades have been funded by contributions from National Government, Provincial Government and the City. The expected cost is approximately R3.79 billion. The City has contributed R500 million and a further R185 million has been pledged by the private sector. Construction is at an advanced stage and completion is scheduled for December 2009.

Total capital investment (as at end December 2007) is calculated at R10,69 billion and is made up as follows:

• Stadium	R3 057 000 000
• Reconfiguration of the Green Point Common	R120 000 000
• Electricity Infrastructure	R151 800 000
• Decentralised viewing	R11 000 000
• Road based Transport	R2 430 000 000
• Rail based Transport Upgrade	R1 720 000 000
• Airport rail link to CBD	R410 000 000
• Airport Upgrade	R1 200 000 000
• Bus and Taxi Rationalisation and Recapitalisation	R1 410 000 000
Total	R10,69 billion

Cape Town will be the recipient of approximately ten billion Rands worth of government funding, which will be spent on its infrastructure over the next three to five years. The primary benefit will be improved public transport, including the capitalisation of bus, taxi and commuter rail services, as well as transportation interchanges such as the Cape Town Station.

The Airport, CBD, primary road corridors and associated interchanges will be upgraded, which will benefit both road-based public transport and the private motorist. Eskom is investing in local generating capacity and the upgrade of the transmission system. The City is upgrading the local transmission system throughout the CBD, Green Point and Atlantic seaboard.

The Soccer World Cup to be held in 2010 gives the City a unique opportunity to engage with business and civil society to achieve long-term social and economic objectives. Together with getting the basics in place, appropriate planning and infrastructure provision, this should set the scene for private-sector investment in the tourism and service industries. Creating opportunities for the City's poor and disadvantaged communities in this model is a prerequisite for sustainable success.



Figure 14: Green Point Precinct Planning

Key areas for reaching mutual co-operation include:

- Marketing the City internationally to attract visitors and investors
- Developing our visitor economy, particularly additional accommodation, tourism products and associated industries such as crafts and bed and breakfasts (B&Bs), and extending the season throughout the year
- Developing the services sector, particularly finance, advisory, sport, medical, retirement and call centres
- Developing our competitive industries such as ship building, film-making and food and wine
- Developing a sustainable events strategy for Cape Town, building on the 2010 infrastructure and the International Convention Centre
- Using our four regional universities to generate creative, innovative and commercially viable products and services

Programmes to maximise developmental opportunities in community development using FIFA 2010 as catalyst.

SOCCER EVENTS STRATEGY

- Project 5000: A partnership with local Premier Soccer League (PSL) football clubs to increase regular spectator attendance at Athlone stadium
- Youth Focus:
 - (i) Partner with local PSL clubs to stage an international youth tournament using Athlone stadium as a base but also creating opportunities for other areas e.g. Mfuleni
 - (ii) Enhance City partnership in annual local under-19 football tournament (Bayhill tournament)

FACILITY DEVELOPMENT

- Prepare Athlone stadium and Bellville stadium pitches in accordance with FIFA specifications as a practice facility for 2010

VOLUNTEER PROGRAMME

- Manage the recruitment, training and management of host city volunteers

LANDSCAPE AND GREENING FOR 2010 FIFA WORLD CUP™

The intention is to green or beautify key areas of the City in time for the expected influx of visitors during 2010 and to leave a green legacy for future generations.

Intended outputs will focus on:

- Tree planting and/or horticultural improvements along the approach roads to the airport, and along portions of the N1, the Eastern Boulevard and De Waal Drive, including Somerset Road/ Riebeeck Street linking the Green Point stadium to the Grand Parade
- Tree replacement, general upgrading of horticultural works and provision of flowering annuals in containers in the CBD

OTHER STRATEGIC INITIATIVES OF THE CITY Focused ON DEVELOPING THE CITY ECONOMY

Cape Town Partnership

The Cape Town Partnership was established to mobilise the public and private sectors and other stakeholders around common development objectives; to consolidate the central city as the economic, social and cultural heart of the Cape Town metropolitan region; to broaden access to benefits, services and opportunities in the central City for the people of Cape Town; to co-ordinate and facilitate urban regeneration programmes; to guide decision-making and direct resources into solving the economic and social challenges facing the central City and to contribute to the overall economic and social development of the City.

There is a huge shift of development eastwards, towards Woodstock. The Cape Town Station upgrade planned for the post 2010 period will in all likelihood be the biggest urban regeneration project since the proclamation of the City's port in the 1920s. R28 to 30 billion is to be allocated for investment in the inner City.

The aim is to produce a Cape Town central city development strategy that supports private sector investment within a guiding framework that is consistent with Council planning and policies.





Figure 15: Central City Development Strategy

Key trends indicate an improvement in the commercial property market, with A-grade vacancies down and the emergence of the Foreshore Precinct as a major financial, media, convention and business services centre. The continued growth of the City's creative and cultural industries is another significant trend. There has been a shift away from residential conversions to office-space development (although a large number of mixed use developments continue) and many new private sector developments in the Lower Gardens, Green Point and Woodstock/Salt River precincts have been established. New retail developments, in particular, restaurants, coffee shops, home-ware, health, fashion and design have been created.

Table 8: Central City Visitor Economy

Spaces and facilities for events and festivals	Facilities for conventions, exhibitions and meetings	Bed economy and hospitality industry	Transport linkages	Experience economy	Brands
Grand Parade; Greenmarket Square; Company's Gardens; City Hall; Adderley & Darling St; CTICC; Good Hope Centre; V&A Waterfront; Green Point Stadium and Urban Park	CTICC expansion; Good Hope Centre; Hotel Conferencing Centres	21 500 (47%) out of 45 750 beds in Cape Town Region; New hotels under construction; e.g. Taj Palace, 35 on Orange; Holiday Inn Express; CTICC site; Wale St site; etc	Upgrades to CT Airport; public and private transportation; CT Stations re-vitalisation; non-motorised transport	Restaurants; coffee culture; culture and heritage; leisure; retail; craft and markets; public spaces and pedestrian routes; safe environment; night time economy	Global Food Icons; Table Mountain; Robben Island; heritage

The central City local economy remains strong and relatively diverse. In addition to the above, it is also where education, medical and government services, call centres, information and communications technologies, retail, motor showrooms and the informal sector are located.

The central node plays a key role in helping the City to maintain and expand its global comparative competitive advantage, particularly with regards to:

- Financial, business and professional services
- Creative and cultural industries
- The visitor economy
- Power and influence as the legislative capital of South Africa

ENHANCING PUBLIC SPACE FOR PUBLIC LIFE:

The image of a great city stems largely from the quality of its public realm: its streets, boulevards, parks, squares, plazas and waterfront. A well designed and managed public realm evokes community pride and creates a strong, positive image. This, combined with a diversified economic market place, attracts the development investment needed to sustain and enhance the economic and social heart of the City.

Great emphasis is therefore placed on the upgrade, maintenance and use of public space to improve access for citizens and visitors to the central City. It shifts the priority from a car-dominated city to one that is people-orientated.

CREATIVE CAPE TOWN INITIATIVE



Figure 16: Central City Development Strategy



The City Partnership is currently participating directly in the planning of the 2010 FIFA World Cup™. The central City will play a critical role during this period. It will not only get spectators to the stadium on match days, but will also provide a space in which locals and visitors can participate and celebrate throughout the four weeks of the World Cup. Proposals have been submitted for a central City fan park on Grand Parade, a Fan Mile and an inner-city activity zone.

An important potential legacy of the 2010 FIFA World Cup™ is the improvement of the City's public transport system for the City as a whole, and the central City in particular. An inner City Public Transport plan, which will include pedestrian routes, parking strategies and a local bus service is being developed.

Investment by other spheres of government and state owned enterprises

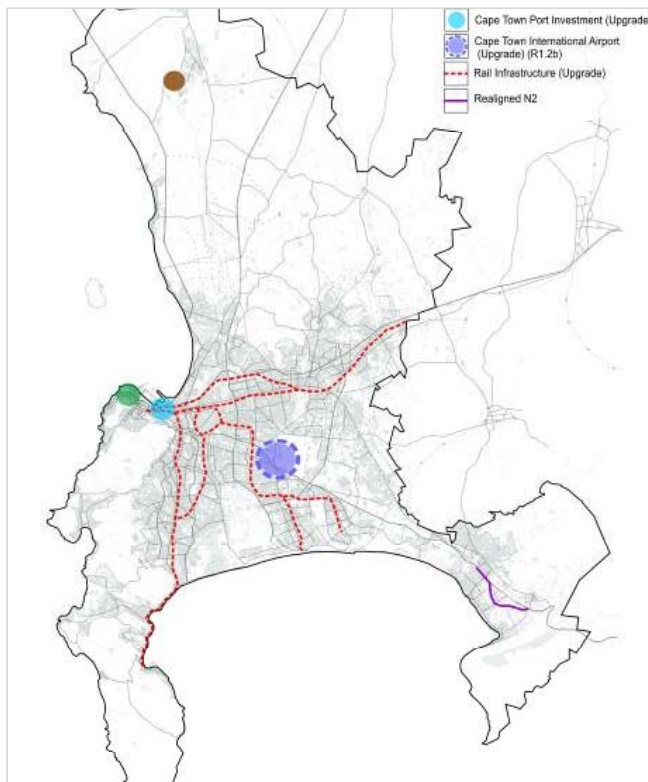


Figure 17: Investments by Parastatals and other Spheres of Government

Another key public transport project is the planned revitalisation of the Cape Town Station by Intersite, Metrorail and the South African Railway and Commuter Corporation (SARCC). The Cape Town Station steering committee is planning the upgrades that are necessary for the 2010 FIFA World Cup™, a possible airport-rail link, and the post World Cup revitalisation of the Cape Town Station precinct. The project has the potential to be the most significant urban renewal project in the central City since the reclamation of the foreshore.

UPGRADING OF CAPE TOWN AIRPORT:

Cape Town International is South Africa's second-largest airport, and a prime tourism gateway that serves millions of visitors every year. Over 60 000 aircraft ferried more than 6,7 million passengers in 2005. By 2015, 14 million passengers are expected to pass through the airport. The new R120 million international departures terminal is capable of processing up to 1 300 passengers in peak hours, or a million passengers a year – three times the capacity of the old terminal. It now boasts a total area of 21 000 square metres, including 2 360 m² of retail space.

The <http://www.acsa.co.za/Airports> Company South Africa (ACSA) has committed R1 billion to upgrading and developing the airport, including the creation of extensions to existing terminal buildings, the construction of parkades, two new satellite terminals and an expanded runway system. With the huge increase in air and passenger traffic expected up to 2010 and beyond, the airport will continue to undergo major improvements.

Completed work includes the refurbishment of the runway, logistics warehousing and a Common User Self-Service check-in (CUSS) roll-out system. Projects that are planned and underway include the runway realignment, new central terminal, a second multi-storey parkade, additional aircraft aprons, access road improvements and additional fuel storage.



UPGRADING OF THE CITY'S RAIL NETWORK:

The South African Railway and Commuter Corporations (SARCC) has planned a number of upgrades to the City's train stations and railways, including:

- The Cape Town Station upgrade
- The Southern Suburbs railway line
- The Cape Flats railway line
- The Khayelitsha railway line
- The Mitchells Plain railway line
- The Cape Town–Monte Vista–Kraaifontein railway line
- The Cape Town, Athlone, Heideveld and Langa Station upgrades

UPGRADING OF THE CAPE TOWN HARBOUR

The National Ports Authority has allocated R5 billion over the next five years for the upgrade of the Cape Town Harbour (with an emphasis on its container handling facilities). It is anticipated that this will place more pressure on the road and rail transport network leading into the harbour, and effective spatial and infrastructure planning is therefore necessary.

GAS TURBINES IN ATLANTIS

Eskom has announced that it will build electricity generating gas turbines in Atlantis. Although the direct job creation potential of this project is fairly low, it adds a capital investment of almost R2 billion in the City's infrastructure.



STRATEGIC FOCUS AREA 2: Sustainable Urban Infrastructure and Services

The City will embark on a consistent long term development path by using public infrastructure investment as a platform and catalyst. Investment in transport and other infrastructure, including information communications technology, is considered to be an important enabler of economic growth and poverty reduction. The City will ensure the provision of basic services, access to social services and human resource development in areas of need. It will provide leadership and develop implementation plans for projects that will limit demand growth for water, electricity, waste, travel and transport resources and offer opportunities for alternative forms of energy and recycling. The City will furthermore consolidate, protect and improve access to natural resources. It aims to ensure that all facets of development occur in a meaningful and sustainable manner. The current unsustainable growth patterns threaten the City's primary economic asset – its diverse and rich natural resource base.

Investment in Infrastructure that enables Economic Growth:

Urban infrastructure and related services will be developed in a sustainable way to enable social and economic development and to reduce the environmental impact of physical development. The City will focus on bulk services investment to create a platform (enabler) for economic growth.

This will include:

- The provision of basic minimum services
- The maintenance of assets (bulk & other)
- Expansion, upgrading or focused investment in new strategic infrastructure
- Strategies to limit the expansion of the City's footprint and make effective and efficient use of existing infrastructure capacity

In terms of the delivery of sustainable service infrastructure, the City will focus on the following key infrastructure components as mandated by the Constitution:

- Water and Wastewater Treatment Services
- Solid Waste Services
- Electricity Services
- Roads and Stormwater Services

The City has created these measures as mechanisms to ensure that its water and sanitation services are affordable to the poor and indigent. If they do not have any plumbing leaks in their households, it is estimated that they would consume a relatively low quantity of water. The Integrated Leaks Repair Project and the Fixit Project, initiated at the end of 2005, are major initiatives to ensure that household plumbing leaks are minimised. The City will also install Water Management Devices on a prioritised basis to households defined as indigent, which will prevent water consumption being above what is affordable.

A small percentage of the City's increasing population does not have access to basic services. Increasingly stressed infrastructure is impairing sustainable service delivery, social development and economic growth in Cape Town. The reality is that all the infrastructure requirements cannot be met simultaneously, given the limitations of the current budget and the financing models.

Ecologically sustainable forms of infrastructure should also be taken into consideration. Reduced resource flows and lower levels of pollutants would also contribute to improved living environments. An approach based on demand management to relieve pressure on infrastructure development, resource impacts and capital expenditure is urgently needed.

OBJECTIVES AND TARGETS

Core Objective 2A

Universal Access to Basic Service

Directorate Objective 2.1

Reduce backlogs in line with national objectives for basic services



Table 9: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
2A.1 Percentage of households with access to basic levels of sanitation (NKPI)	97,9%	97,5%	96% recalculated with respect to updated City household statistics and functional service points ^{N3}	97,5%	98,5%	99,5%	100%
2A.2 Percentage of households with access to basic levels of water (NKPI)	100%	100%		100%	100%	100%	100%
2A.3 Percentage of households with access to basic levels of Electricity (NKPI)	91,1%	91,8%		90,83%	93,8%	94,8%	95,8%
2A.4 Percentage of households with access to basic levels of solid waste removal (NKPI)	99%	99%		99%	99%	99%	99%

Increasingly stressed and failing infrastructure is impairing sustainable service delivery, social development and economic growth in Cape Town. Backlogs are defined as including:

- Basic service backlogs
- Backlogs arising from the need to rehabilitate or upgrade failing infrastructure or to replace redundant, but essential bulk infrastructure and equipment
- Infrastructure required for planned or unplanned growth and development needs

An approach based on demand management to relieve pressure on infrastructure development, resource impacts and capital expenditure is urgently needed.

The new roads and infrastructure construction programme has a budget of R314 million for 2008/09.

The unplanned growth of informal settlements is adding to the City’s service delivery backlogs. Inadequate resourcing and staffing impedes its ability to meet growing service delivery needs. The reality is that all infrastructure requirements cannot be met simultaneously, given the limitations of the current budget and budget methods to implement these and other service requirements. To create alignment and balance and reduce the growing dependency on currently available funds, some key strategic objectives should be identified to avoid future service interruptions and to ensure that the City meets minimum service requirements.

N3: Target adjusted in line with updated City total household statistics projection that has increased from 847 000 to 883 933.

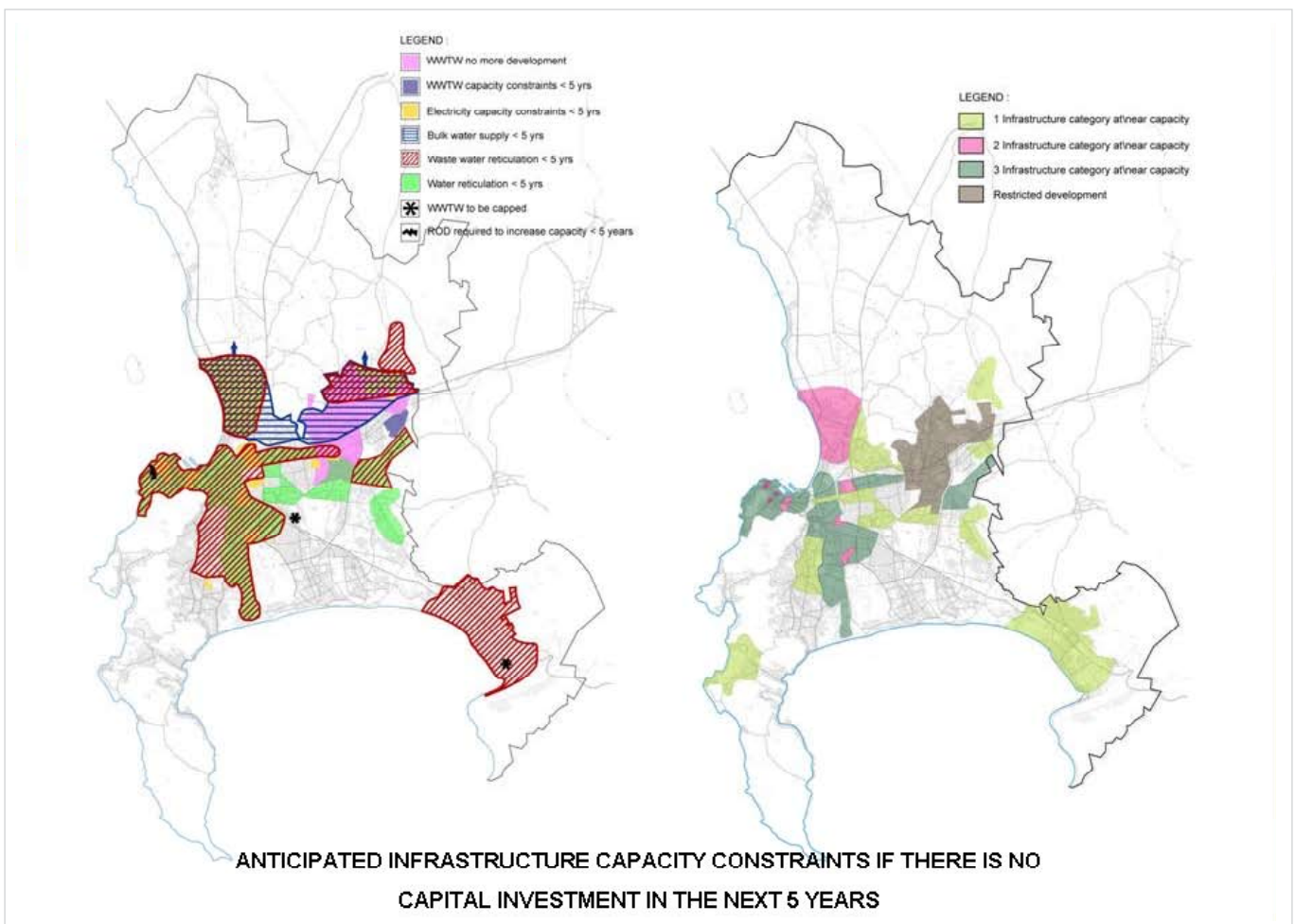


Figure 18: Anticipated infrastructure capacity constraints if there is no capital investment in the next five years

So while its priority is to provide an emergency level of service to all households in all settlements, it is also extending the coverage and density of services to the basic level. The City's current plans are to eliminate the sanitation backlog by 2012 (behind the national target), using additional manpower resources to accelerate implementation.

Cost of eradicating water backlogs

To eradicate the backlog and allow for the annual influx of settlers, the Informal Settlements programme was set out in the 2007/08 Water Services Development Plan (WSDP). This is shown below in Table 10.

This programme is currently funded via the City's housing programme. Depending on the speed for accelerated implementation, the informal settlement programme would be changed to align the two.

BERG WATER DAM PROJECT:

The construction of the R1.5 billion Berg Water Project (BWP), which includes the Berg River Dam, (the first of its kind to comply with the United Nations World Commission on Dams guidelines), is nearing completion. The BWP will increase the Western Cape Water Supply System's yield by 81 Mm³/year.

WATER SOURCE DIVERSIFICATION PROGRAMME:

To reduce over-exposure to climate change and the potential decrease in system yield due to environmental reserve requirements, the City's strategy is to diversify water resources to lessen dependence on surface water schemes. Schemes to be pursued under this strategy include Table Mountain Group Aquifer, other ground water schemes, desalination, and treated wastewater effluent reuse.

SEWERAGE WORKS BACKLOGS PROGRAMME:

A sum of R285 million over three years has been budgeted for upgrading six of the City's sewerage works.

NEW ROADS AND INFRASTRUCTURE CONSTRUCTION PROGRAMME:

This programme has a budget of R314 million for 2008/09. Integrated Budgeting Programme comprising an "integrated programme" approach to infrastructure and service planning and budgeting will be developed. This will include a planned maintenance programme for infrastructure like roads, electricity and water.

An integrated Infrastructure asset management project is being implemented between the Transport, Roads and Stormwater Directorate and the Utility Services Directorate.



Figure 19: Infrastructure constraints that cannot be funded over the next three years

In addition, there are special medium-term requirements due to the City's commitment to host the 2010 FIFA World Cup™ that increase funding needs.

WATER BACKLOG ERADICATION PROGRAMME:

The City's strategy has been to provide a very basic (emergency) level of service as quickly as possible to about 95 percent of the approximately 195 informal settlements. The households that do not have access to basic sanitation have access to an emergency level service. This is below the basic level of service in terms of household ratios/service points and includes certain unacceptable toilet types such as black buckets, of which 2 880 still need to be replaced.

The City ascribes to "the water ladder" concept (as proposed in DWAF's 'Strategic Framework for Water Services, September 2003').

Table 10: Informal Settlement Upgrade Programme

INFORMAL SETTLEMENTS PROGRAMME	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	TTL
Sanitation backlog eradication (5 yrs)	7,9	7,9	7,9	7,9	7,9	0,0	0,0	0,0	0,0	0,0	39,5
Sanitation replace buckets etc except chemical (5 yrs)	15,0	15,0	15,0	15,0	15,0	0,0	0,0	0,0	0,0	0,0	75,0
Water hh influx sustain	0,6	0,6	0,6	0,6	0,6	0,6	0,6	0,6	0,6	0,6	6,0
Sanitation hh influx sustain	10,6	10,6	10,6	10,6	10,6	10,6	10,6	10,6	10,6	10,6	106,0
TOTAL	34,1	34,1	34,1	34,1	34,1	11,2	11,2	11,2	11,2	11,2	226,5

Corporate Objective 2B

Conservation of natural resources

- Directorate Objective 2.2** - Conserving biodiversity and improving quality living environments through greening, education and access
- Directorate Objective 2.3** - Develop demand management programmes for water, electricity, waste and transport and reduce attendant pollutants
- Directorate Objective 2.4** - Reduce impact of flooding on community livelihoods and regional economies
- Directorate Objective 2.5** - Safeguard human health, protect natural aquatic environments, and improve and maintain recreational water quality
- Directorate Objective 2.6** - Manage and maintain the City's beach nodes

Directorate Objective 2.2

Conserving biodiversity and improving quality living environments through greening, education and access

The City recognises that unsustainable development and consumption of resources, largely driven by a focus on short term gains at the cost of long term sustainability, are a significant threat to Cape Town's natural environment and cultural heritage. To ensure the protection and future sustainability of the City's globally recognised rare and endangered ecosystems and unique cultural heritage, and to build its resilience to natural and people-induced disasters, the City is implementing a range of essential interventions, including:

- Ongoing management and improvement of the City's 23 nature reserves, its biodiversity network, 307 km coastal zone, and cultural-heritage resources
- Building public awareness of environmental issues, through environmental education, capacity building, outreach and advocacy programmes among the youth, residents and City employees

Table 11: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
2B.1 Percentage reduction in unconstrained water demand	25.5%	27.4%		27,5%	29%	31,5%	34%
2B.2 Percentage compliance with 4 critical DWAF effluent standards (E-coli count, Ammonia content, Oxygen demanding substances, Total suspended solids)	81,2%	79%		83%	87%	91%	95%
2B.3 Percentage of recreational waters' sampling points (i.e. bathing beaches, vleis, lagoons, etc) that comply with applicable Department of Water Affairs standards	87%	89%		78%	80%	82%	85%
2B.4 Percentage cleanliness of the City (Metropolitan Cleanliness/ Photographic index)	61%	67%		70%	73%	76%	80%
2B.5 Percentage of airspace saved in relation to the volume of waste generated	14,73%	14,5%		15%	15,5%	16%	16,5%
2B.6 Phase 2 of implementation of IMEP Review complete, Phase 3 started	Reviewing existing IMEP		Revised IMEP approved by Council and implemented	IMEP strategies implementation started	0	0	0
2B.7 Implementation of City's Biodiversity Network Strategy	Review of existing Biodiversity Network strategy. Desktop prioritisation of Biodiversity Network.		Preparation of revised Biodiversity Network Strategy. Complete ground-truthing of Biodiversity Network including freshwater layer	Detailed Action plans for Biodiversity Network. Implementation completed and incorporated into the District Spatial Plans. Roles and responsibility of line departments identified. Council support for action plans with budgets	Commitment on implementation and management of Biodiversity Network including commitment from all relevant line departments to manage their own Biodiversity Network land	Implementation of Biodiversity Network started	Targets to be extracted from biodiversity strategy. % of network secured (figure to be determined when ground-truthing finalised)

- Implementing environmentally sustainable livelihood programmes, aimed at realising the full socio-economic potential of the City's unique natural and heritage resources
- Planning sustainability in compliance with environmental legislation for service delivery and infrastructure development
- Implementation of energy and resource efficient technologies in line with international best practices
- Implementation of climate change mitigation and adaptation programmes for a sustainable future
- The ongoing monitoring of progress in these key areas of sustainability, as well as auditing of the City's environmental performance, in order to determine necessary courses of action for the future
- The development of local government partnerships within South Africa, and the rest of Africa, by strengthening the current close working relationship with the ICLEI Africa Office, now based in Cape Town

Key Challenges

The City faces a number of challenges in achieving a sustainable future for future and current generations. Sustainability is a key concept that underpins environmental management, and is often phrased thus: "...development that meets the needs of the present without compromising the ability of future generations to meet their own needs."¹⁵ Weak sustainability implies that cities and countries work toward sustainability by managing the environment in a perpetual state of reaction and crisis management. In this model, dangers, risks, events, catastrophes, species loss and impacts are managed as they arise in a kind of 'patch and fix' methodology. This method is inherently inefficient, and unlikely to create long term environmental sustainability.

In contrast, a strong sustainability model places emphasis on the underlying causes of environmental change and employs long term planning, behavioural changes, broad participation and integrated approaches as a means of working towards an environmental and resource balance that is resilient. Strong, sustainable development therefore implies a central focus on people and their well-being as a direct outcome of well managed natural resources. Currently, Cape Town may at best be considered to be on a path of weak sustainability, addressing environmental concerns as they arise in a reactive manner while the core of the

City's assets slowly erode. To protect these critical assets, a strong model of sustainability is clearly required, as is the realisation that change is urgently required.

To this end, the City has recently undertaken a review of its Integrated Metropolitan Environmental Policy. A consultative process has revealed a number of key recommendations and interventions that would significantly improve the City's ability to manage the environment according to the strong model of sustainability that it aims to achieve.

Key Strategic Interventions

- **Environmental Policy:** The inclusion of relevant environmental principles, goals and issues into all relevant and appropriate existing City policies and by-laws
- **City Environmental Approach:** The adoption by Council of a formal document detailing the City's Environmental Agenda. This document will constitute a public reference for its environmental goals and approach
- **Environmental Committee:** Working with the Executive Management Team's (EMT) Service Co-ordination Committee, with the establishment of subcommittees to address particular issues as and when needed, with regular submissions to the EMT
- **City Development Strategy:** A long term City development strategy that presents a vision and direction for the City is crucial. This will include principles from the strong sustainability model mentioned above, and focus on the protection of core environmental assets and services
- **Environmental Responsibility and Accountability:** City-wide integrated, goal orientated and outcomes based programmes/strategies have been formally initiated for various environmental areas

Each programme will be led by a City department. Active participation in the development and implementation of the programme, including being committed through relevant KPIs, will be inclusive of all relevant line functions. The City will produce an annual State of the Environment report, integrated with the bi-annual State of the City report, and will also publish a City of Cape Town Sustainability report every three years in order to track its progress towards a sustainable future.



The City manages a significant number of projects and programmes aimed at achieving the above listed goals.

A number of the key strategic projects managed by the department are listed below:

- **Review and revision of IMEP:** The City's Integrated Metropolitan Environmental Policy (IMEP) was adopted in 2001 and reviewed in 2007. The implementation of this policy will go a long way towards creating the strong sustainability model mentioned above
- **Biodiversity network:** The City will work towards establishing a network aimed at conserving the full suite of biodiversity and creating linkages between existing natural areas
- **Invasive Species Programme:** The City is drafting this strategy to address the problem of invasive species in a holistic manner, by means of clearing, education, research, and community based initiatives
- **Integrated Environmental Management:** The City will drive a number of initiatives aimed at improving its own environmental compliance and performance, particularly in service and infrastructure based line functions. This will be achieved through a comprehensive training and capacity building programme for City staff, as well as an audit programme
- **Blaauwberg Conservation Area and False Bay Ecology Park:** These nature reserves promote conservation and environmental education, and contain recreational areas. The City is committed to the ongoing operation of these reserves and their promotion as key tourist destinations
- **Youth Environmental Schools (YES):** This has been transformed into a year-long project which focusses on environmental education both in and outside schools and in nature reserves, with key activities centred around all major commemorative days and weeks (e.g. Marine Week). The City remains committed to the ongoing operation and further development of this project
- **City of Cape Town Heritage Inventory:** This consolidated database of over 33 000 heritage sites, landscapes and heritage areas across the entire City will be used to improve decision making

- **Coastal development guidelines:** The completion of the assessment of risks to the City's coastline will inform future development guidelines, thus improving decision making and safeguarding these areas from inappropriate or unsustainable development
- **Coastal climate change risk assessment:** A coastal risk assessment will be prepared to improve the City's prediction of the impact of sea level changes, increased storms and storm frequencies. This will enable the City to establish important mitigation and adaptation programmes
- **Green Goal 2010:** This project is aimed at 'greening' the 2010 Soccer World Cup by implementing key sustainability interventions, and ensuring a lasting positive environmental and social legacy through local projects. The City is committed to the implementation of this project as part of its agreement with FIFA

WASTEWATER PROGRAMME:

Wastewater effluent quality will be totally compliant with current DWAF standards (1984 standards) by 2012.

BIODIVERSITY CONSERVATION PROGRAMME:

Biodiversity will be conserved and quality living environments will be improved through greening, education and access. The City will continue to manage and improve its 23 nature reserves, the City's Biodiversity Network, 307 km coastal zone, and cultural-heritage resources

- The City will comply with relevant environmental legislation for service delivery and infrastructure development
- The Blaauwberg Conservation Area and False Bay Ecology Park will be operated and promoted as key tourist destinations. Youth Environmental Schools (YES) will focus on environmental education both in and outside schools, and on nature reserves



Directorate Objective 2.3

Develop demand management programmes for water, electricity, waste and transport and reduce attendant pollutants

DEMAND MANAGEMENT PROGRAMMES:

Demand management programmes will be developed for water, electricity, waste and transport and reduce attendant pollutants.

Water conservation and demand management

The City needs to reduce water demand by implementing Water Conservation and Water Demand Management (WC/WDM) initiatives. This would ensure a sustainable supply of water for the future and secure the financial efficiency thereof. The implementation of WC/WDM can also produce significant long-term financial savings for the City and the public by reducing water losses and treatment costs and postponing the expense of large capital-intensive infrastructure.

The capital budget as outlined in the WC/WDM Strategy is shown in the table below:

Table 12: Water Conservation and Water Demand Management Budget Projections

AMOUNTS IN R MILLION	OPERATING BUDGET	CAPITAL BUDGET	TOTAL
2007/08	R19,58	R27,17	R46,75
2008/09	R40,42	R56,08	R96,50
2009/10	R57,13	R79,26	R136,39
2010/11	R54,69	R75,88	R130,58
2011/12	R52,62	R73,00	R125,62
2012/13	R26,87	R37,28	R64,16
2013/14	R18,77	R26,04	R44,82
2014/15	R16,14	R22,39	R38,53
2015/16	R15,94	R22,11	R38,05
2016/17	R15,84	R21,98	R37,82
TOTAL	R317,99	R441,20	R759,19

Water balance

The 12 month moving average of unaccounted for water (UAW) for bulk and water reticulation was 19,3 percent as at the end of June 2007. In April 2007 the input into the reticulation system was estimated to be 268 million cubic metres per annum, and the non-revenue demand 62 million m³ pa with real losses of 47 million m³ pa.

The distribution of water demand is as follows:

Table 13: Distribution of Water Demand in Cape Town

TYPE OF USAGE	2005/06	2006/07
Domestic	56,9%	58,5%
Domestic cluster	7,0%	7,7%
Municipal	4,9%	4,6%
Commercial and industrial	18,3%	17,8%
Other	12,9%	11,4%

Directorate Objective 2.4

Reduce impact of flooding on community livelihoods and regional economies

The City's stormwater infrastructure network requires large capital inputs to deal with existing inadequacies. Formal risk reduction and mitigation programs focussing on vulnerable communities have been prioritised given the adverse socio-economic impacts of flooding. These programmes include the following supporting sub-programmes:

- **Winter Readiness Programme:** A winter readiness programme to reduce the risk of flooding for affected communities by ensuring effective maintenance of stormwater infrastructure
- **Flood Risk Programme:** A flood risk management plan for informal settlements will be developed
- **Stormwater Master Plan:** A metro-wide stormwater master-plan (as part of the asset management plan formulation) to identify and prioritise capital funding requirements will be developed



Directorate Objective 2.5

Safeguard human health, protect natural aquatic environments, and improve and maintain recreational water quality

An integrated programme to manage urban waters is required in order to combat the deleterious impacts of urban development on receiving waters such as rivers, vleis and coastal waters.

This includes:

- Development of a regulatory framework, policies and guidelines to facilitate control of the impacts of new and existing urban development on receiving waters
- Development of partnerships with other stakeholders and line functions to further the objectives of the service
- Treatment of polluted runoff from the city's stormwater system
- Development of business plans for the remediation of specific vleis

Directorate Objective 2.6

Manage and maintain the City's beach nodes

The City aims to establish an even geographical spread of Blue Flag beaches on the Atlantic and False Bay coast by seeking additional full Blue Flag status for Muizenberg, False Bay and Big Bay beaches. All other beaches and nodal points will be maintained according to set minimum maintenance standards. Furthermore, the upgrading and implementation of effective resort management systems at resorts such as Soetwater, Monwabisi and Kogels Bay is planned.

Corporate Objective 2C

Effective management of the City's infrastructure and resources

Directorate Objective 2.7 - Large or bulk infrastructure programmes that are essential must receive priority

Directorate Objective 2.8 - Develop an 'integrated programme' approach to infrastructure and service planning and budgeting

Directorate Objective 2.7

Large or bulk infrastructure programmes that are essential must receive priority

Water

Cape Town and the immediate region's sustainable water supply are being threatened by a combination of growth and development, uncontained demand and unrealistically low tariffs. On completion, the Berg River supply dam will only satisfy demand until 2014, and alternate strategies will then be required.

Many key bulk infrastructure upgrade or development projects cannot be prioritised due to budget limitations and have severe service implications for both potable water supply and waste water treatment/sanitation services in the near future.

The City's Water Demand Management System will reduce water consumption in view of the possible impacts of climate change, population growth and increasing consumption.

Water service challenges:

- Eradication of basic sanitation services backlogs and expansion of basic services to meet the needs of the growing population due to the continued influx of people into informal settlements
- Intensifying of the Water Demand Management Strategy and achieving targeted or higher reduction rates
- Meeting the wastewater effluent standards and reducing the impact of population growth on the water quality of rivers and water bodies, including grey-water runoff quality in informal settlements
- Timely provision of infrastructure to meet development growth needs and maintenance of infrastructure to ensure continued operation
- Increased financial requirements, financial sustainability of the service, cost recovery, debt management and affordability of the service
- High debt due to non-payments
- Establishing a new, more effective institutional arrangement and increased performance and efficiency

Table 14: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
2.C.1 Development and implementation of an integrated planned infrastructure maintenance programme i.r.o Electricity, Sewerage, Water, Transport, Roads & Stormwater and Solid Waste disposal	New	Integrated infrastructure plan developed and approved	100% completion of draft infrastructure maintenance plans ^{N4}	75% completion of established asset management register for major infrastructure departments	100% completion of established asset management register for major infrastructure departments 100% completion of award tender for phase 2 of US AMP	100% compliance with plan specifications for year 3	100% compliance with plan specifications for year 4

N4: City decision to review initial milestones following the completion of an in-depth scoping exercise. This has placed the City in a better position to set appropriate milestones to deliver on this key infrastructure project.

Many households in informal settlements share on-site facilities or rely on the availability of services from nearby established areas. The basic level of service is defined as suitable clean toilet types shared between less than five households per toilet and water taps closer than 200 m shared by less than 25 households per tap. Service levels to all formal developed areas are generally at the highest level of service: a flush toilet and water connection in-house or on-site.

The status of water infrastructure

Existing infrastructure is often stressed during peak periods. The need for new infrastructure generated by population growth is also pressing. The City's financial constraints are compounded by the increased demand for new housing, which has created a scenario in which we are not in a position to maintain existing infrastructure and to provide the necessary bulk infrastructure for the connection of new developments.

The existing infrastructure, particularly the sewer system, is deteriorating due to under-provision for essential maintenance and replacement of aging infrastructure. This problem has existed for a number of years. Over the past year there have been a number of major pipe collapses due to the fact that said pipes are in urgent need of extensive repair and in many instances, complete replacement.

The bulk water system in the northern areas is under stress during peak periods. The augmentation scheme for this area, which involves the implementation of a new water treatment plant and bulk reservoir has been budgeted for, and is currently in its Environmental Impact Assessment (EIA) phase.

Water service level profile

The City currently has a total of 642 456 formally registered customers that it supplies a full level of service to. This customer base is broken down as follows:

Table 15: Water Service Level Profile

CUSTOMER TYPE	TOTAL
Commercial	12 379
Government	221
Industrial	4 099
Miscellaneous	5 554
Schools – sports fields	1 440
Domestic cluster	6 755
Domestic single residential	602 681
Departmental cluster	2 903
Municipal water	6 424
Total	642 456

Water Services infrastructure profile

The replacement value of the water and sewer infrastructure, as determined in May 2003 (and escalated by 6 percent p.a. in 2007) as part of the Section 78(1) evaluation, was about R22,15 billion. Historically, infrastructure maintenance has been largely reactive. The City will implement an asset management strategy, AMIP (Asset Management Improvement Programme) together with the SAP Plant Maintenance Module to turn this situation around.

Water Services Staffing

An additional staff budget of R116 million p.a. from 2007/08 onwards to alleviate the critical staff shortages has been approved and budgeted for. Funds have been made available to appoint several financial staff, including accountants and staff focused on increasing income. The recruitment of engineering technical staff remains a high priority.

Solid Waste Management

Bulk waste management infrastructure, specialised equipment investment needs and growing waste volumes are directly linked to population growth, industrial development and growth in tourism. A new multipurpose, replacement landfill and a system of transfer stations must be established, as the City's existing landfills are filling up and will not be able to cope with increasing waste volumes expected during the next five years and beyond. The rehabilitation of disused, full landfills and dumps throughout the city, which is a compliance issue in terms of the MFMA and operating permit conditions is long overdue. The existing waste collection vehicle fleet has an average life of eight years and is not reliable enough to sustain effective and efficient service delivery. Services need to be optimised and expanded, and it is recommended that they be balanced by the introduction of waste minimisation partnerships. Waste minimisation that creates sustainable outputs in the form of recycling, will only have true economic potential if it is reconstituted through partnerships with various key industries and other stakeholders.

The Council's Solid Waste Management (SWM) Department regulates waste management activities at municipal level and is one of the providers of waste management services for the Cape Town municipal area. The City's services, together with those offered by external service providers, have to be aligned and transformed to include waste minimisation principles in action in accordance with the statutory reforms related to the National Waste Management Strategy, which is in turn based on Integrated Waste Management (IWM). This requires services over and above the present Constitutional obligations that require municipalities to ensure cleaning/cleansing, collection and disposal services.

IWM in Cape Town is guided by the Council's policy of the same name and is executed via a statutory, detailed IWM plan (Annexure xxx). The overarching policy objectives are aimed at minimising waste that is currently disposed at landfill sites or is illegally dumped; to conserve resources and the environment; to ensure basic waste management services; and to reduce human and environmental health and socio-economic impacts.

Waste management legal reform

To give effect to sustainable IWM services, and to regulate such activities, the Council's service authority role must be enabled via a new Council by-law. This will complete the process for the municipal law reform of waste management that was needed as a consequence of municipal restructuring.

Solid waste challenges

The City needs to replace its almost-redundant infrastructure (full landfills) by creating new infrastructure that can accommodate Cape Town's expected population and economic growth; to improve access to basic services in poor areas, and create waste minimisation and capital infrastructure partnerships that will lead to initiatives for reducing the amount of waste and the City's capital expenditure requirements.

The City's waste minimisation strategy is based on various initiatives that are dependent on partnerships with external entities engaged in manufacturing, production and recycling activities. As recycling is enabled through such activities, many of these initiatives have the potential to create a sustainable recycling industry, and it is envisaged that such partnerships will in turn create jobs.

Integrated Waste Management and Service Delivery Strategy

The City provides services to residential and public areas and to certain sections within Cape Town's commercial zone, whilst the private sector services the industrial area and those sectors with special (hazardous) waste needs on an exclusive basis.

The Council derives income for routine service provision by billing for services per its tariff schedule. The city's population growth averages approximately two percent per annum. Without waste minimisation, the projected growth in waste is approximately 7 percent per annum, which is higher than the expected net population growth.

Key projects and initiatives:

- Construct and commission a new Northern region landfill site to provide landfill airspace for closed landfills by 2011/12
- Establish three new transfer stations in Oostenberg, Tygerberg and Helderberg
- Roll-out of mini-MRFs (Material Recovery Facilities) in preparation for the 2010 FIFA World Cup™ event
- Establish an alternative technology disposal facility by 2008/09
- Implement contract services via community-based organisations for integrated area cleaning and waste collection in informal areas, and establish contract services via community-based organisations for clean-up programmes in sandy areas inhabited by disadvantaged communities by 2008/09
- Implement education and awareness programmes regarding waste management and waste minimisation (continuation of previous programmes)
- Institute aggressive waste management, minimisation and reuse of builders' rubble by facilitating the establishment of rubble crushing plants, and implementing by-law enforcement and tariffs



16 Financial figures per 2008/09 draft budget estimates (unapproved, not finalised) at 6.5 percent parameter growth, which may change due to future Council resolutions. Changes from previous year's IDP reflect budget decisions by Council.

17 Figure reflects actual staff complement as at January 2008, and does not include critical vacancies or scarce skills shortages needed for service delivery.

Table 16: Resources to be used to achieve planned outcomes (next MTREF period)

RESOURCES REQUIRED	2008/09	2009/10	2010/2011
Capex ¹⁶	R236 697 133	R338 653 211	R297 653 000
Opex	R1 171 144 467	R1 247 268 857	R1 328 341 332
Staff ¹⁷	2 284	n/a	n/a

Electricity Services

The City of Cape Town's Electricity Department provides electricity distribution services to approximately 75 percent of the City's customers, with some areas in the northern parts of the City being serviced by Eskom. Electricity service availability and access backlogs remain only in predominately informal settlement areas and are addressed by the Electricity Department and Eskom's electrification programmes. As the latter services approximately half the poor households, there is ongoing co-operation between the two entities for the planning of the electrification programmes and the provision of free basic electricity. Bulk infrastructure backlogs relate primarily to ageing Medium Voltage infrastructure as a result of historic underinvestment in refurbishment and repairs and maintenance. Although this is being addressed over the medium term by increased spending on refurbishment and repairs and maintenance, the current shortage of technical skills in the distribution industry remains a major constraint.

The provision of electricity distribution services is further impacted by the national restructuring of the Electricity Distribution Industry (EDIR) and the national electricity supply constraints.

The management of supply constraints through load-shedding not only causes costly and inconvenient disruptions for customers, but also negatively affects the operation of the distribution network, necessitating even higher levels of refurbishment and repairs and maintenance. The City will continue to engage with Eskom, Provincial and National Government on energy matters to support the region's economic growth. An energy and climate change strategy, including energy demand management and investment in green energy will be key to sustainable growth given the national electricity supply constraints and significant electricity price increases over the medium term.



Directorate Objective 2.8

Develop an 'integrated programme' approach to infrastructure and service planning and budgeting

The City has embarked on the development of a public infrastructure plan, and has already captured 2,4 million asset units on its SAP system for this purpose. Its Water Services Development Plan (WSDP), which has already been completed, sets out water infrastructure planning for the next 20 years. The City will embark on a consistent long term development path by using public infrastructure investment as a platform and catalyst to invest in infrastructure that enables economic growth.

Investment in transport and other infrastructure, including information communications technology is considered to be an important enabler of economic growth and poverty reduction. The provision of basic services and access to social services and human resource development in areas of need will also be ensured.

Public infrastructure investment planning

The City's WSDP has already been completed. It sets out water infrastructure planning for the next 20 years (Annexure). Infrastructure and asset investment plans for the City's other service infrastructure units have also been initiated.

The City has already captured two 2,4 million asset units on its SAP system for this purpose. The Asset Management project will identify the types and location of the various utility assets and draw up asset inventories. The condition of assets will be recorded and performance/maintenance/replacement/failure benchmarks will be determined. Subsequent phases could incorporate other directorates that have significant infrastructure and assets such as Sports and Amenities, City Parks, Housing, Fleets and Council Facilities and Information Technology.

Infrastructure asset management

The City plans to establish a planned maintenance programme for infrastructure such as roads, electricity and water. Preventative maintenance will save costs in the long term and minimise outages. When maintenance is neglected, infrastructure such as pipes, pumps and sub-stations end up needing to be completely replaced. The City wants to avoid this happening in the future.

Berg Water Dam Project:

The construction of the R1,5 billion Berg Water Project (BWP), which includes the Berg River Dam, is the first such project in the country to comply with the United Nations World Commission on Dams guidelines, and is nearing completion. The BWP will increase the yield of the Western Cape Water Supply System by 81 Mm³ (million cubic metres) /year.

To reduce over-exposure to climate change and the potential decrease in system yield due to environmental reserve requirements, the City's strategy is to diversify water resources. This will also lessen the dependence on surface water schemes. Schemes to be pursued under this strategy include the Table Mountain Group Aquifer, other ground water schemes, desalination, and treated wastewater effluent reuse.

Solid Waste Management:

As has been mentioned, the City's existing landfills are filling up and will not be able to cope with expected increasing waste volumes during the next five years and beyond. The rehabilitation of the City's disused, full landfills and dumps is long overdue and is a compliance issue in terms of the MFMA and operating permit conditions. Ageing waste collection vehicles will be replaced to lower the average vehicle life and make service delivery more reliable and efficient.

The City's new Northern region landfill site and the new transfer stations in Oostenberg, Tygerberg and Helderberg mentioned previously will assist in alleviating the current waste problem. The roll-out of mini-MRFs (Material Recovery Facilities) includes facilities as part of preparation for FIFA 2010 event in the City/ Green Point/CBD areas. An alternative-technology disposal facility will be established by 2008/09. Contract services via community-based organisations will be implemented for integrated area cleaning and waste collection in informal areas by 2007/08.

The contract services for sandy area clean-up programmes in disadvantaged communities via community-based organisations mentioned previously and a split-bag collection system will be implemented in 2008/09. Education and awareness programmes regarding waste management, and waste minimisation and aggressive waste management, minimisation processes will be enforced.



Electrical infrastructure:

As has been mentioned, the City provides electricity distribution services to approximately 75 percent of its customers, with some areas in the northern parts of the City and Khayelitsha being serviced by Eskom.

The provision of electricity distribution services is impacted on by the national restructuring of the Electricity Distribution Industry (EDIR) and the national electricity supply constraints.

There is an urgent need to upgrade facilities that are involved in the distribution of electricity, such as sub-stations, transmission lines and switching stations. Three areas have been prioritised for the first cycle: the city business district, Roggebaai and Green Point. Other areas will follow according to the infrastructure upgrade programme.

Roads and Stormwater:

The city's road and stormwater infrastructure network (including bridges, canals, culverts and other road-side furniture) requires a very large capital input to reconstruct and rehabilitate existing inadequacies that influence and impact on living and travel conditions and on the cost of doing business. Spending on roads and stormwater infrastructure is a priority in this year's budget and there are a large number of projects spread over several years. This includes not only more maintenance for roads but also the construction or large-scale upgrading of certain key roads.

For example, Hospital Bend is currently being upgraded, and the Strandfontein road is to be upgraded at a cost of R70 million to facilitate access in and out of the new housing development at Pelican Park.

Catchment, stormwater and river management involves flood risk management and the protection of receiving waters (rivers, sea, etc) from pollution conveyed by the stormwater drainage system in a manner that ensures public health and safety as well as the enhancement of the built and natural environments. Formal risk reduction and mitigation programmes focussing on vulnerable communities have been prioritised given the adverse socio-economic impacts of flooding. Ensuring public health and safety requires a considerable investment in stormwater infrastructure and systems to deliver the required level of service.

Water Service Authority Mechanism

The decision to establish an appropriate service authority mechanism and the establishment of a Water Service Authority (WSA) and a Water services Provider (WSP) arrangement has experienced numerous obstacles. The agreement to form an internal ring-fenced business unit dates back to November 2001, while the decision to establish WSA and WSP dates back to June 2004.

Indigent Support

A free basic service is provided in the form of the first 6 kl/ month water supply and first 4,2kl of sewerage conveyance and treatment free of charge to all consumers per month. The City's indigent policy allows for a R30,00 grant in account reduction/ month to qualifying ratepayers. Approximately 248 000 formal households currently qualify based on a property value of less than R199 000 (2006 General Valuation).

Urban Renewal

In terms of the Presidential Urban Renewal Programme, access to basic services and infrastructure development by local communities e.g. public lighting, water, sanitation, roads, upgrading and maintenance of existing public facilities will be facilitated over the next five years.



STRATEGIC FOCUS AREA 3: Energy Efficiency for a Sustainable Future

The resource allocations contained in the three-year City budget are based on the seven Strategic Focus areas identified in the draft IDP as at mid-February 2008. In response to the energy crisis facing the country the Executive Mayoral Committee (on 6 March 2008) identified and added an additional (eighth) Strategic Focus Area (Energy Efficiency for a Sustainable City). The financial/budgetary impact of this in the short term is deemed to be insignificant. Further assessment of the potential financial implications resulting from this SFA is currently underway.

The aim of creating this new area of strategic focus in the IDP is to address the city's energy needs with a new political oversight committee and administrative team which will drive the conservation of energy and reduce the city's carbon footprint, as well as prepare for the long term consequence of global climate change. Further, the wear and tear on electrical infrastructure caused by loadshedding highlights the need for maintenance of aging hardware.

South Africa does not generate enough electricity to meet its current energy requirements – nationally, 3 000 megawatts need to be saved each day for the next four years. There is no doubt that this uncertain electricity supply is a threat to economic growth, which is why the City is instituting a five-year Energy Savings Programme, together with its Climate Change Strategy and the Cape Town Central City Energy Efficiency initiative. This programme will implement projects to save 10% of residents' and businesses' current energy use; projects include energy demand management and development of opportunities for renewable (non-fossil fuel based) forms of energy.

The City of Cape Town recognises the central role of energy in a city's economic development, social welfare and environmental sustainability. Without energy, a city would not be able to function and all economic activity would cease and social conditions erode. The City will, into the foreseeable future, be faced with electricity supply shortages that require urgent attention.

In addition to energy's role in economic development and social welfare, our heavy dependence on fossil-fuel-based energy production is the key factor in what is seen as the most serious environmental threat facing the world today – climate change. The impacts of climate change present serious challenges to City management and development. As such, the implementation of climate change adaptation measures is critical for the future sustainability of the city.

The City aims to facilitate, manage and use energy in a way that ensures access to clean, safe and affordable energy for all residents, and in a manner that promotes economic development and the efficient use of clean energy services now and into the future. The key to this is vigorous action around energy efficiency and decoupling of economic growth from resource consumption, while steadily increasing the use of clean energy alternatives.

The City aims to achieve a 10% reduction in energy consumption below projected unconstrained energy consumption by mid-2009 and maintain this level of reduction on unconstrained energy consumption into the future.

The City also needs to prepare itself for the steady rise in climate change impacts, such as increased frequency and intensity of storm events (with associated flood and erosion risks), fire events, water scarcity, and associated food and health impacts through careful examination of the problem and implementation of a comprehensive Climate Change Plan to address the risk to the City's infrastructure, facilities, amenities and impact on the economy and social welfare.

Integrated energy planning, based on full economic cost accounting, needs to take place on a regular basis and drive the actions of the City in the directions identified within its Energy and Climate Change Strategy. As energy and climate change impacts cut across multiple City departments, integrated management structures will be set up and the objectives, programmes, projects and targets identified in the planning process will need to be integrated into relevant departments across the City and reflected in scorecards of key senior officials.

The City intends to proactively engage with the transport, industrial, commercial, and residential sectors in initiatives towards energy efficiency. Where the City can regulate energy efficiency interventions within these sectors it will do so. Where this is not possible, the City will facilitate and encourage voluntary action. Institutional structures to support this approach will be considered.

International research notes that energy efficiency is substantially achieved through changes in behaviour (an 80:20 behaviour: technology ratio is commonly quoted). The City will look to energy efficiency gains through substantial public awareness campaigns.

Technological interventions will focus on the mass roll-out of efficient lighting, building insulation and building management systems, and solar water heating. The City will facilitate local industrial efficiency gains through encouraging engagement with the Eskom Demand Side Management programme.

Although energy consumption by the City itself only accounts for some 2% of city-wide energy consumption, the City will lead by example through ensuring that all City-owned or managed buildings and housing stock, equipment and other infrastructure (such as lighting) are retrofitted for energy efficiency gains.



Strategic Focus Area 3A

Climate Change Adaptation and Energy Efficiency for a Sustainable Future

The development, adoption and implementation of a comprehensive response to the City's Energy Challenges is a key priority for the City. As this is a brand new Strategic Focus Area, work on developing detailed and specific action plans and targets is still in progress.

Directorate Objective 3.A.1

Development of a comprehensive Energy Plan for the City which will establish the objectives, programmes, projects and targets

The City is currently engaged in the formation of a working group which will be responsible for the development of a long term Energy Plan for Cape Town, and will facilitate its implementation. The Energy plan will focus on immediate interventions around efficiency, as well as medium and long terms actions for energy efficiency and the implementation of alternative energy sources.

The Energy Plan will address, inter alia, the following:

- The city-wide implementation of energy efficient building practices, including Green Building, as well as the implementation of the City's Solar Water Heater By-Law
- The potential applications of renewable and alternative energy sources in the specific context of Cape Town, including, but not limited to: solar energy (Photovoltaic and Thermal), wind energy, wave energy, bio-gas (methane) recovery, landfill gas (methane) recovery, micro-hydro power, and liquid bio-fuels
- Planning for the local impact of global energy risks, for example Peak Oil. As a developing economy, South Africa is vulnerable to global price shocks, and it is therefore important to plan for the mitigation of these impacts

Directorate Objective 3.A.2

Development of a comprehensive Climate Change Plan to address the risk to the City's infrastructure, facilities, amenities and impact on the economy

The City is currently engaged in the formation of a working group which will be responsible for the development of a long term Climate Change Plan for Cape Town, and will facilitate its implementation.

Globally, much of the focus of Climate Change interventions has been on mitigation measures, which aim to reduce the amount of carbon that is emitted. Increasingly, however, evidence is suggesting that Climate Change is likely to occur to some degree, regardless of the successful implementation of mitigation measures. Therefore the City's Climate Change Plan will also focus on adaptation measures that seek to ameliorate or minimise the impact that climate change is likely to have on Cape Town.

The Climate Change Plan will address, inter alia, the following:

- The development of a climate change model that clearly maps out risks to the city. Phase one of a scientific study on the potential future effects of climate change is currently underway, and is aimed at defining and quantifying the risks to the City's people, infrastructure, facilities, amenities, and natural environment, as well as the potential impact on the economy
- The development of a comprehensive City Climate Change Adaptation Framework and Action Plan, based on the information arising from the study
- The integration of climate change impact planning into the City's Disaster Management planning
- The development of programmes and projects to address unconstrained carbon emissions in the city



Directorate Objective 3.A.3

Development of a communication strategy for the conservation of energy and awareness of climate change

Communication, awareness-raising, and education are critical to the long term success of the City's energy and climate change interventions. Behavioural change is fundamental to achieving reductions in energy use and energy efficiency, and maintaining this into the future, even after the immediate crisis has ended.

The Communication Strategy will address, inter alia, the following:

- Communications and education programmes aimed at City staff. In 2007 the Smart Living Handbook (SLH) was launched, and has been given to approximately 4 000 staff members to date. The handbook provides details on practical ways to implement energy efficiency interventions in the home. This will be linked to an incentive programme
- Communications and education programmes aimed at the general public. The SLH will also be rolled out to the general public, and is currently available electronically on the City's website (www.capetown.gov.za/environment). The SLH is also currently being rolled out to businesses and NGOs via two pilot projects. An energy efficiency section is being added to the Environmental Resource Management Department's website.
- Communications and education programmes aimed at youth, with a focus on integrating these activities into the existing Youth Environmental School (YES) programme and associated Educators' Network. Youth are seen as critical role-players and agents of change in reducing energy consumption and improving efficiency.

Directorate Objective 3.A.4

Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption

The City seeks to move towards an economy where growth is decoupled from energy consumption. This move will also work to improve energy security and requires urgent attention and radical action in order to meet the required 10% efficiency over projected unconstrained energy consumption targets as required by national government and Eskom.

The City has had significant experience in reducing energy consumption owing to the power crisis (related to damage at Koeberg Power Station) which affected Cape Town in 2005/06. The key mechanisms by which the City of Cape Town will achieve efficiency gains are the following:

Mass roll-out of efficient lighting

Substantial work has been completed around this in the 2005/6 blackout period. However, the City needs to ensure that roll-out of efficient lights continues and is also maintained. This will be achieved through awareness campaigns (see above) and engagement with leading retailers to promote efficient light sales.

Mass roll-out of solar water heating technology to mid-high

income households

The City will finalise, adopt and enforce the draft Solar Water Heater By-law. This regulation supports the call by national government in this regard and will ensure that all new building developments over an established size/cost will be fitted with solar water heating. This is a critical step in capping the growth of projected energy consumption.

The City will proactively engage the private sector and Eskom in a drive to initiate the mass roll-out of solar water heating on existing houses through the use of implementing agents who can work to reduce the capital cost barrier blocking market uptake of the technology.

Geyser ripple control projects (through Eskom Demand Side Management (DSM) programme) will be instituted to provide a degree of control for peak load crisis management.

Building efficiency

The City will develop energy efficiency building codes to ensure that all new building development is energy efficient. These will, at a minimum, stipulate building insulation requirements and building management system requirements.

While such regulation is under development the City will institute a system whereby priority will be given within planning approval processes to those building developments that can show that they have included the above efficiency considerations into their building plans.

In addition to regulating efficiency standards in new buildings, the City will engage with the commercial and industrial sectors around building efficiency retrofit initiatives that they can benefit from introducing.

Industry

The City will explore mechanisms through which it can regulate the energy consumption of local industry. This may be through the enforcement of air pollution control, or licensing agreements. The City will also facilitate the engagement of local industry in Eskom's national Demand Side Management programme for efficiency in industry.

It will ensure that key stakeholders are brought together and



that industry is aware of the programme and its potential benefits and opportunities. Voluntary commitments from industry will be encouraged.

City leadership

Although a minor proportion of energy in the city is consumed in City service delivery, the City will lead by example through:

- Installing Solar Water Heaters in all Council-owned buildings and housing stock
- Retrofitting all Council-owned or managed buildings, facilities, infrastructure and equipment to ensure that energy efficiency is achieved



Table 17: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
3.A.1 Development of a comprehensive Energy Plan for the City which will establish its objectives, programmes, projects and targets	New	Initial draft of Energy Plan completed with objectives, programmes, projects and targets scoped	Targets extracted from Energy Plan - not yet determined	Targets extracted from Energy Plan	Targets extracted from Energy Plan	Targets extracted from Energy Plan
3.A.2 Development of a comprehensive Climate Change plan to address the risk to the City's infrastructure, facilities, amenities and impact on the economy	New	New	Detailed draft plan of action for Climate Change adaptation completed – budgets identified and motivated for	Targets extracted from Climate Change Plan	Targets extracted from Climate Change Plan	Targets extracted from Climate Change Plan
3.A.3 Development of a communication strategy for the conservation of energy and awareness of climate change	New	New	Communication strategy implemented	Implemented	Implemented	Implemented
3.A.4 Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption	New	New	Reduction of 10% in energy consumption below projected unconstrained energy consumption	Maintain reduction of 10% in energy consumption below projected unconstrained energy consumption	Maintain reduction of 10% in energy consumption below projected unconstrained energy consumption	Maintain reduction of 10% in energy consumption below projected unconstrained energy consumption

STRATEGIC FOCUS AREA 4: Public Transport Systems

By using transport, the City aims to create maximum opportunities for all residents and visitors to enjoy the full social, economic and environmental opportunities that Cape Town has to offer. This means transforming and restructuring the public transport system to attract new users and benefit those who already use the system. The key to this is to move away from the commuter system, where services are designed only for peak periods, to a public transport system with operations covering off peak periods and over weekends and public holidays. The extended services should also cater for the needs of tourists and shift workers.

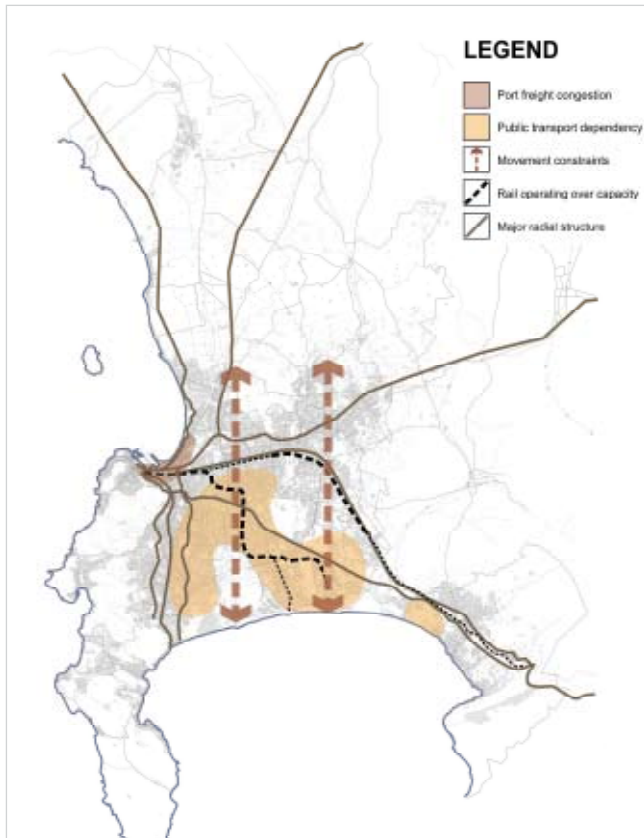


Figure 20: Movement and Mobility

The City needs to integrate land use and transport and to align planning processes and policies properly. Integrated transport corridors will be planned. Increased residential densities will provide the necessary thresholds to ensure a supportive environment for public transport.

Decentralised and local economic development and appropriate development around public transport interchanges is needed to reduce dependency on motorised travel and to create conditions for lower cost non-motorised transport and universal access. A prerequisite for an effective public transport system is sustained enforcement, management of interchanges and transport assets and a regulatory environment to improve its operation, image and appeal.

Integration with human settlement development and related infrastructure are also critical success factors. The focus on public transport systems requires an integrated capital investment approach for the planning of roads, as the road based public transport systems – bus and taxi – operate on the public road network.

Transport interchanges will be prioritised as hubs of economic development where socially inclusive communities can develop. Transport will be seen as an enabler of growth, and the City will therefore embark on a programme of large scale investment in public transport infrastructure.

The City will continue to enforce existing public transport priority lanes and introduce new priority lanes in strategic segments of the public transport route network. The reduction of road based freight traffic will be promoted by facilitating a shift to rail based freight transporting and rail rolling stock upgrades and improved efficiencies in rail operations will be leveraged and supported.

Transport services will be improved through multimodal integration, the application of Intelligent Transport Systems and the securing of new investment in infrastructure. Transforming and restructuring public transport systems to ensure that investment in public transport does not only focus on transport but also the improvement in the spatial development of the City.



Integration of land use and transport through Integrated Transport Corridors and the building of homes close to transport corridors is needed to ensure improved access to community facilities (such as clinics and schools) and economic opportunities (including shopping areas).

In many modern cities, including Cape Town, the demand on infrastructure and the associated negative environmental impacts have increased to such an extent that concerns are expressed regarding the sustainability of these systems. This has been significantly impacted on by the development and increased use of private motor vehicles.

With its deep-port harbour, international airport, well-developed network of roads and railway, as well as big cold-chain facilities and thriving economic sector, Cape Town has become an important destination for freight. As a result, road infrastructure has been placed under pressure and the resulting increased congestion impacts negatively on freight operations and delivery schedules. To deal with the situation, the City developed a list of strategies that it categorised into freight facilities, freight operations and freight vehicles.

Corporate Objective 4A

Improve public transport system and services

Directorate Objective 4.1 - Establish a single point of authority for transport

Directorate Objective 4.2 - Improve public transport services and secure new investment in transport infrastructure

Directorate Objective 4.3 - Increase cumulative kilometres of critical routes with dedicated public transport lanes

Directorate Objective 4.4 - Reduce average peak period travel time

Directorate Objective 4.5 - Promote Non-Motorised Transport (NMT)

Directorate Objective 4.1

Establish a single point of authority for transport

The responsibility for managing public transport services is currently extremely fragmented and the need for an integrated metropolitan transport authority is therefore a necessity. Hence one of the City's objectives is to move towards a single point of authority for transport.

Directorate Objective 4.2

Improve public transport services and secure new investment in Transport infrastructure

The City seeks a public transport system that meets the access and mobility needs of citizens and visitors by 'Putting Public Transport, People and Quality of Life First.'

ROAD-BASED PUBLIC TRANSPORT PROGRAMME:

A high-quality road-based public transport system will complement and enhance the overall public transport offering and reduce the demand for private travel. This system will have the attributes of quality, equity, security, sustainability and integrity. The principal mechanism by which the City of Cape Town will transform road-based public transport services is a concept known as Rapid Transit Systems. This transit system delivers fast, comfortable, and cost-effective urban mobility through the provision of segregated right-of-way infrastructure, rapid and frequent operations, and excellence in marketing and customer service. In many ways, rapid transit systems emulate the quality and amenity features of light rail and metro systems but at a fraction of the cost.

The principal factors affecting the success of Cape Town's rapid transit system initiative is the delivery of priority infrastructure in the form of dedicated lanes and the creation of a business structure that helps transform the existing bus and minibus industry in a collaborative manner. The implementation of the road-based portion of the Cape Town Integrated Rapid Transit System is being achieved through several on-going initiatives.

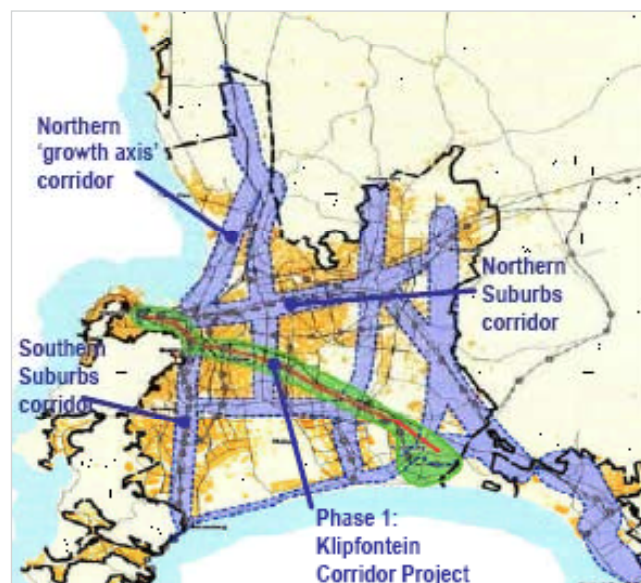


Figure 21: Integrated Transport Corridors

Table 18: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
4A.1 Reduction of average commuter travel time (home to work – peak period-public transport)	45 min	40 min		38 min	37 min	36 min	35 min
4A.2 Increase cumulative kilometres of critical routes with dedicated public transport lanes	45 km	5 km on baseline		12 km on baseline	15 km on baseline	20 km on baseline	35 km on baseline
4A.3 Progressive evolution towards a single point of authority for transport	Intergovernmental transport agreement drafted	Creation of a single transport authority	MPTAC (Metropolitan Public Transport Advisory Council) approved by council	Transport authority fully operational			

Improvement in infrastructure on many of the principal corridors, including Klipfontein Corridor, Symphony Way, and Koeberg Road/N1/Old Marine Drive is continuing simultaneously.

The structure of the road-based network focusses particularly upon those corridors not currently served by rail network.

PUBLIC TRANSPORT INFRASTRUCTURE PROGRAMME:

The specific corridors identified as priorities for the road-based services include:

- Klipfontein Corridor
- Atlantis Corridor
- Du Noon/Montague Garden /Koeberg Rd
- N1/Old Marine Dr
- M12 Corridor
- CBD Network
- Lansdowne Rd/Wetton Rd/Ottery Rd
- Jan Smuts Dr
- Borchers Quarry/Valhalla Dr/Nigeria Way
- Modderdam Rd
- Vanguard Dr Corridor
- Khayelitsha services
- Mitchells Plain services
- Claremont/Wynberg connector services
- M16 Corridor
- Eersterivier Corridor
- Blue Downs Corridor
- Stellenbosch Rd
- Strandfontein Rd

Public transport transfer facilities have also been identified and prioritised as an essential element to support integrated public transport services. Design and construction of new public transport interchanges and improvements to existing interchanges include: Mitchells Plain Southern Terminal, Khayelitsha Rail Extension, Claremont CBD, Lenteguur, Somerset West and Khayelitsha CBD terminals.

RAIL TRANSPORT PROGRAMME:

Together with its strategic partners in rail transport, the City of Cape Town is committed to promoting and supporting passenger rail where it is the most appropriate mode of transport and can offer the required level of service as part of an integrated transport system.

Through these partnerships, the City seeks to:

- Enhance its substantial investment in rail
- Plan rail as part of an integrated multi-model transport system
- Plan the rail system to meet the aims of the IDP and the Integrated Transport Plan

Priority rail corridors are:

- Khayelitsha/Mitchells Plain – Cape Town
- Strand – City Line including services from Bellville, Simon's Town/Cape Flats – Cape Town

DEMAND - RESPONSE PUBLIC TRANSPORT SERVICE PROGRAMME:

The City's mainstream public transport system is currently not adequately accessible for the physically challenged. The City has therefore introduced the Dial-a-Ride service to assist those with special needs so that they are able to access the opportunities that Cape Town offers. The current service is jointly funded by the Provincial Government of the Western Cape and the City of Cape Town.

Directorate Objective 4.3

Increase cumulative kilometres of critical routes with dedicated public transport lanes

RAPID TRANSIT SYSTEMS PROGRAMME:

The City will plan and implement a Rapid Transit System to enhance road based public transport. This system, which uses dedicated public transport lanes, is fast, secure, comfortable, cost effective, frequent and customer-centric. Dedicated public transport lanes will be enforced.



Directorate Objective 4.4

Reduce average peak period travel time

Whilst it is important for the City's transport plan to cope with current travel demand and to address existing transport challenges, it is also important to influence travel behaviour towards more sustainable transport. This is generally known as Travel Demand Management (TDM), which promotes a range of sustainable travel options that seek to reduce the number of necessary trips, minimise travel time and optimise travel costs – especially during peak times.

TDM further creates an awareness of the broader environmental impacts of the use of private cars.

Programmes to support travel demand management include:

- Higher vehicle occupancy projects to increase average vehicle occupancy
- Park and Ride programmes to reduce travel in private vehicles and promote the use of public transport. Park and Ride facilities at public transport transfer stations will allow commuters to leave their vehicles/ bicycles in a safe parking area and transfer to the public transport system of their choice for the rest of the trip
- Large employer programmes that will partner with the City and larger employers to structure their employees travel arrangements to reduce congestion
- Public transport links between jobs, denser housing developments and other urban activities will be developed

Directorate Objective 4.5

Promote Non-Motorised Transport (NMT)

Pedestrians and cyclists are often seen as obstructions to traffic flow, making them a highly vulnerable group, as is evidenced by the fact that the former account for close to 60 percent of all road fatalities. Cape Town has developed the NMT plan with the objective of increasing the numbers of people who cycle and improving safety and security for this group.



The plan highlights areas where pedestrian and cyclist paths should be given consideration. These include public transport interchanges, bus and rail stations, key access routes to schools (school priority zones), tertiary education institutions, CBD areas, shopping/service districts, community centres and facilities, tourism sites (where appropriate), heritage sites, conservation areas (where appropriate), and recreational areas.

The following projects support the NMT plan:

- Implementation of an additional 200 km of bicycle lanes over the next five years
- Ongoing implementation of sidewalks and pedestrian footpaths
- Provision of bicycle lockers and storage facilities at key rail stations and public transport stops
- Maintenance of NMT infrastructure
- 'Vehicle Car Free Days' to create awareness and promote a culture of walking and cycling
- 'Walk and Bike Safe to Schools' programmes at schools



STRATEGIC FOCUS AREA 5: Integrated Human Settlements

Integrated human settlements are major drivers of demand for services and hence have an impact that affects most of the other strategic focus areas. For example, a major portion of the road infrastructure backlog is related to the delivery of housing units.

Housing and the need for truly integrated human settlements remains one of the key challenges facing the City. The focus is therefore on accelerated housing provision and ensuring that land utilisation is well planned, managed and monitored.

Living environments that offer adequate access to economic opportunities, educational, recreational and cultural activities, health, welfare and police services, need to be created, planned and implemented on sustainable development principles with due recognition of the need for energy, water and waste efficiencies. Such developments need to offer a mix of housing and tenure options. Co-ordinated strategic planning and budgeting across directorates is essential.

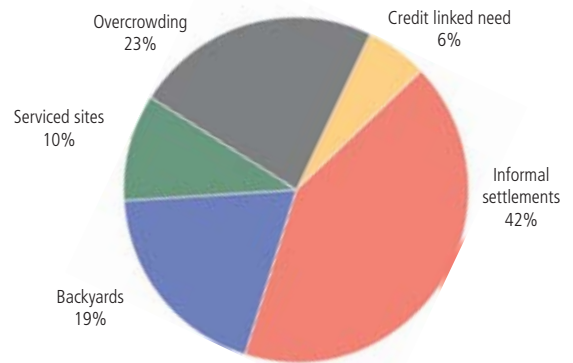
The key challenges facing the development of integrated human settlements

Urban sprawl and the current urban form, especially in the middle and upper income areas of the City pose a challenge as they do not support the development of a viable public transport system or make effective and efficient use of existing infrastructure.

This is compounded by the reinforcement of socio-economic and racial settlement patterns established under apartheid and the poor functioning of the housing market in low-income areas.

New subsidised housing developments are still generally located on the City's periphery, far from work opportunities, amenities and facilities. It is therefore imperative that sustainable development principles be incorporated into integrated human settlement development.

An estimated 400 000 families do not have adequate access to formal housing. Given the high unemployment rate, the situation is likely to worsen. To address this backlog effectively, the City needs to deliver approximately 20 000 housing opportunities per annum for the next 10 years. Unfortunately its financial resources permit it to only deliver approximately 7 500 housing opportunities per year, and its lack of sufficient technical, planning, financial and social facilitation capacities has resulted in the present delivery rate being approximately 4 500 housing opportunities per annum. Possible land invasions pose a threat to the City's plans for orderly and accelerated housing delivery.



Graph 8: Estimated Housing Backlog – 2005

The four key challenges facing the City include:

- Firstly, an estimated 400 000 families do not have adequate access to essential services and shelter
- Secondly, the fragmented urban landscape remains largely unchanged, with new housing developments generally located on the city's periphery, far from work opportunities, amenities and facilities
- Thirdly, new and existing settlement areas are characterised as uni-functional 'housing areas,' are not suitable for other land uses and do not integrate with available transportation
- Fourthly, it is estimated that the housing backlog is growing by 18 000 families per annum as a result of population growth and rural-urban migration (mainly from the eastern Cape)



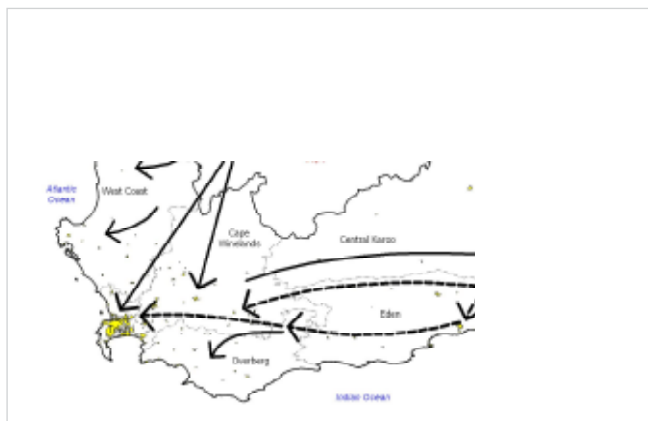


Figure 22: In-migration to the Western Cape Province

In attempting to address these challenges, the City has adopted the National Breaking New Ground Plan on Integrated Sustainable Human Settlements and the Western Cape Sustainable Human Settlement Strategy. Essentially, this means that the City has changed its focus from the mere provision of shelter (especially 'RDP houses') to improving and developing integrated human settlements. The City thus strives to create a balance between quantity (reducing the backlog) and quality (standards of housing and improving the overall living environment for communities).

The focus is on the following objectives:

- To aggressively drive the construction of quality houses in accordance with the BNG housing specifications of 40 m² per house (recently approved by Housing Minmec)
- To dedicate capacity for in situ upgrading of existing and developable informal settlements
- To increase the pace of gap and social housing implementation as critical tools for the development and promotion of Integrated Sustainable Human Settlements
- To promote the functionality of the entire residential property market, thereby creating a shift away from its current duality. To achieve this objective, the City has begun to explore the viability of implementing the new Integrated Residential Programme
- To use housing as a key strategy for poverty alleviation. The emphasis will be on encouraging developers to choose well located land for low cost housing



- To pursue a more compact and viable urban form, thereby facilitating medium to higher densities. The City is already conducting a study through its Urban Design and Planning Department
- To explore ways and means of formalising backyard homes as a means of reducing the housing backlogs and providing the necessary support to such homeowners so as to enable them to improve their dwellings

The Global Housing Environment

The City's housing initiatives are aligned with the Habitat Agenda and Millennium Goals and the recent World Summit on Sustainable Development (WSSD) in 2001. Areas of alignment include the acceleration of access to urban land with security of tenure and basic services, and addressing urban form, transportation and livelihood considerations in housing projects. Government efforts will concentrate on those segments of the target market that are prepared to mobilise their own resources (e.g. savings, sweat, equity etc).

Alignment also includes the upgrading and eradication of informal settlements, the alleviation of poverty and squalour and the promotion of the triple bottom line – 'ecological, social and economic sustainability.'



Alignment with National Housing Policies

The City has aligned itself with national housing policy, which is in turn based on the Sustainable Human Settlements Plan adopted by National Government in 2003.

The plan has the following objectives:

- **Progressive Informal Settlement Upgrading:** This ranges from the provision of basic services to the development of formal housing. The main focus of this programme is on in situ upgrading
- **Promoting densification and integration:** Preventing urban sprawl by locating housing within the urban core
- **Enhancing the location of new housing projects:** Well located land owned by state and parastatals will be identified and acquired for housing
- **Urban renewal and inner-city regeneration:** Uplifting and rehabilitating existing dormitory and declining townships. This can involve the facilitation of affordable inner city housing
- **Expanding the scope of the housing mandate:** Promoting affordable/gap housing. The housing subsidy regime assists families that are earning between R3 500 to R7 000 per month who were previously excluded from the housing subsidy programme

- **Developing social and economic infrastructure:** This intervention is aimed at facilitating the provision of community facilities such as crèches, community halls, taxi ranks, etc.
- **Promoting Rental Housing:** After 1994 the development of public rental stock was not a high priority for government. The City has discovered that there are people who come to towns/cities to work who are not interested in home ownership

The Local Housing Environment

The City is aligned with the Western Cape Sustainable Human Settlements Strategy. Its subsidy, which comprises 70 percent of the provincial budget, amounts to R1 billion, which is not enough to eradicate the housing backlog.

To overcome this problem, Province has adopted a number of strategic shifts, including:

- A move away from housing construction to sustainable human settlements
- A shift towards sustainable resource use
- A shift to real empowerment e.g. the strengthening of social capital



Housing Strategic Objectives

Thus far, sixteen strategic objectives have been developed to address short and long term housing challenges. The table below demonstrates the linkages between the building blocks (strategic objectives), sub-objectives and intervention strategies.

Table 19: Housing Objectives

STRATEGIC OBJECTIVE	SUB-OBJECTIVES	INTERVENTION STRATEGIES
Organisational Capacity and staffing	Ensure staff placement and development	Implement corporate staffing strategy, including placements, up-scaling, parity, relocations, training etc (100%)
	Ensure that specialist staff are appointed to meet output demands e.g. project managers	Appoint professional project managers
	Establish the City as an accredited housing authority	Facilitate accreditation to level 3 over the next 18 months Establish and provide staffing for the accreditation unit
	Improve Intergovernmental Relations (IGR), including input into national and provincial policies	Create an IGR Framework that establishes co-operation with other Metros, National and Provincial Housing departments, as well international organisations
Accelerate housing delivery	Investigate blockages in housing delivery and streamline housing delivery process	Monitor and document blockages in housing delivery on an ongoing basis Measure and monitor housing delivery in terms of qualitative and quantitative criteria Create a structured co-operation arrangement with National and Provincial Government for effective policy implementation and communication
	Facilitate housing for backyard people and saving groups with specific focus on people/groups that can mobilise their own resources	Develop City strategy on housing for backyard families and savers Develop City strategy in respect of People's Housing Process and ensure the approaches to promote savings and housing for backyarders are incorporated
	Ensure that the entire housing budget is spent	Measure and monitor housing projects on an ongoing basis Develop realistic and proper cash flows and monitor them on a regular basis Provide invoices for payments timeously Streamline statutory approval process through the IGR process Strengthen capacity of project managers through orientation programmes and training Develop a Housing Project management manual
	Ensure that housing delivery targets are achieved	Provide suitable and affordable land to implement new greenfield projects Employ more professional project managers Streamline statutory approval process through the IGR process
	Accelerate a structured and well co-ordinated upgrading of informal settlements	Develop and implement an informal settlements Master Plan Establish Informal Settlements Co-operative Co-ordination team Develop Service Level Agreements Emphasise People's Housing Process (PHP) and build capacity of the unit
	Ensure housing plan aligns with City departments to ensure integrated development i.t.o budget provisions and availability of bulk and link infrastructure services	An Integrated Housing Development Business Plan must be reviewed and developed Participate in the Provincial Human Settlement Co-ordination Team Ensure fully functional Internal Integrated Human Settlements co-ordination team
Improving quality of living environments and developing integrated human settlements.	Implement social and rental housing projects	Facilitate the signing of the lease agreement for the Steenberg site Facilitate the signing of the lease agreement for the Dillion Lane site (Woodstock) Establish the Social Housing Unit and strengthen its capacity Management to be more involved in co-ordination meetings with the Social Housing Partners
	Develop land strategy for housing and strive to acquire 450 ha of land over 5 years	Proactively develop a city-wide housing land plan Engage Provincial and National Government for additional funding for land Engage Provincial Government to transfer Housing Board land to the City Engage with private sector to provide and sell land to City Explore alternative finances for land acquisition (sale of public assets and ring fencing proceeds)
	Improve the location of housing projects	Secure suitable land for housing in accordance with district plans Lobby state to release strategic inner-city sites for housing purposes Engage National Housing for a dedicated fund for land for housing
	Link housing to poverty alleviation and job creation	Introduce EPWP principles and framework into housing projects Emphasise People's Housing Process projects
	Co-ordinate GAP housing	Finalise the allocation of land to financial institutions Finalise the allocation of land to big developers Allocate small tranches of land to emerging developers Facilitate direct sales of individual plots to purchasers for self built process
	Provide social and economic amenities	Provide a 3 year business plan for social and economic facilities that is linked to the housing plan
Strategic management and maintenance of City's Housing Assets.	Ensure rationalisation of housing offices	Rationalise housing offices from 32 to 18 primary offices, from 0 to 6 secondary offices and from 9 to 14 satellite offices Provide for 13 depots that must manage and co-ordinate the maintenance of rental stock Appoint and train staff to improve service delivery in the housing offices
	Develop capital long term maintenance programme	Develop and submit a capital long term maintenance plan to Province, in accordance with the Community Residential Units (CRU) national housing programme
Institutional Capacity and Governance	Facilitate accreditation of the City to implement national housing programmes	Apply to National and Provincial Government for the City to be accredited to level 3 over the next 18 months
	Zero tolerance on invasions	Provide more field workers to monitor informal settlements and take immediate action against invaders Develop a service level agreement with City Metro Police in respect of Anti-Land invasion
	Resolve issues around Cape Town Community Housing Company (CTCHC), specifically w.r.t remedial works and roles	Remedial programme to be concluded
	Improve internal and external communications e.g. staff, subcouncils, NGOs, media, business, professional bodies and other metros	Establish area co-ordination and subcouncil unit Finalise communication and stakeholder engagement strategy

Corporate Objective 5A
Improve and develop Integrated Human Settlements

Directorate Objective 5.1 - Transform dormitory suburbs into areas that support a greater mix of land uses, offer a range of amenities and are socially mixed facilities

Directorate Objective 5.2 - Establish policy and spatial planning frameworks that will facilitate the development of integrated human settlements

Directorate Objective 5.3 - Development and implementation of an incremental housing programme

Directorate Objective 5.1

Transform dormitory suburbs into areas that support a greater mix of land uses, offer a range of amenities and are socially mixed facilities

NEW SPECIAL PLACES AND PUBLIC SPACES PROGRAMME:

The programme delivers 10-15 new high quality public spaces in different parts of the City each year and identifies and upgrades/develops new special places. Examples of the latter are the upgrading of the Grand Parade and the redevelopment of the Athlone Power Station site.

Table 20: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
5A.1 100% Adherence to Integrated Human Development programme	Framework plan approved	100% Programme compliance		100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications
5A.2 Percentage completion of the Spatial Development Framework (SDF) and District Spatial Development Plans (SDPs)	15% Approvals to proceed with preparation of plans in place. City's intention to prepare the plans advertised to the public. First internal drafts of plans prepared.		30% 1st round of public meetings on preparation of SDF completed. PEPCO endorsement of vision, principles, issues and strategic goals obtained. Draft of SDF underway. Draft 1 of District Spatial Development Plans reviewed internally and prepared for public scrutiny ^{NS}	90% City SDF and District SDPs completed and submitted to PGWC for approval.	100% City SDF and District SDPs approved	Implemented	Implemented

Directorate Objective 5.2

Establish policy and spatial planning frameworks that will facilitate the development of integrated human settlements

The City will ensure that housing plans are aligned with its departments to ensure integrated development in terms of budget provisions and the availability of bulk and link infrastructure services. The Integrated Housing Development Business Plan will be reviewed and the City will participate in the provincial human settlement co-ordination team meetings. It will also ensure that the internal integrated human settlements co-ordination team is fully functional.

EIGHT DISTRICT SPATIAL PLANNING PROGRAMME:

This programme aims to rationalise the spatial planning frameworks currently governing forward planning and development decision-making in the City and ensure that they comply with legislation related to spatial planning. The City does not have a Spatial Development Framework guiding the IDP as required in terms of the Municipal Systems Act. The City's SDF and eight District Plans will guide land use and public investment decisions and clearly communicate the City's spatial development policies and intentions. Once the City's SDF & District SDPs are in place, they will need to be reviewed every five years, in line with the IDP review. They will also be complemented by more in-depth policies related to, for example, the urban edge and densification.



Directorate Objective 5.3

Development and implementation of an incremental housing programme

INCREMENTAL HOUSING PROGRAMME:

The City's incremental housing programme will deal with all housing projects that are implemented through a phased development process, so as to expedite housing delivery.

UPGRADING OF INFORMAL SETTLEMENTS PROGRAMME:

The informal settlement master plan framework explains the City's approach to the upgrading of informal settlements. Essentially, this is phased and structured, with the emphasis on in situ improvements. It involves the community extensively, provides for basic services, permanent services and top structures.

EMERGENCY HOUSING ASSISTANCE:-

This programme provides temporary assistance to beneficiaries who suffer housing related disasters such as fire and flood damage. The City provides flooding and fire kit material to families who have lost their properties. Emergency settlements that are similar to those situated in Happy Valley and Bardale will be established to cater for such families.

Corporate Objective 5B

Delivery of housing opportunities

This core objective is linked to the following KPIs and targets on the City's Corporate scorecard and is divided into objectives that are explained below.

Directorate Objective 5.4 - Development of new housing opportunities

Directorate Objective 5.5 - Increase rental stock through social housing partnerships

Directorate Objective 5.6 - Redress land ownership inequities by providing housing based on restitution claim settlements

Directorate Objective 5.7 - Facilitate gap housing programmes through partnerships with banks and private sector developers

Directorate Objective 5.4

Development of new housing opportunities

NEW HOUSING PROGRAMMES:

The City is currently able to deliver an average of 11 400 housing opportunities per annum for the next five years based on National Government's housing subsidy.

A combination of national housing programmes coupled with relevant funding sources (e.g. project linked, hostels, Upgrading of Informal Settlements Programme (UISP), social housing and Municipal Infrastructure Grant (MIG) etc) will be utilised to implement various projects as follows:

Table 21: New Housing Delivery Targets 2007- 2012

PROGRAMME	5 YEAR TARGET
New subsidy/project linked projects (Greenfield and top structure)	20 000
Social housing	2 500
Hostels to homes	3 000
UISP	25 000
Restitution	All land claims
Gap housing	4 500
Emergency housing/reception areas	2 areas accommodating 1 500 households

Directorate Objective 5.5

Increase rental stock through social housing partnerships

PEOPLE'S HOUSING PROCESS (PHP):

This programme is aimed at assisting beneficiaries who have access to subsidies by providing them with the technical support necessary for them to build their own houses, amongst other things. The City monitors a considerable number of such projects and provides them with administrative, project management and accounts administrative support.

COMMUNITY RESIDENTIAL UNITS:

At present, the City is finalising phase six of the Hostels Redevelopment programme/project. The next phase will fall under the aegis of the Community Residential Units programme and will involve a move away from the development of hostels to include long term capital maintenance of rental stock and the creation of new rental stock.

Table 22: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
5B.1 Number of new housing opportunities provided per year	7 519 Was 7182 at 30.06.2007	10 200	6 000 ^{N6}	9 900	10 200	10 200	11 000
5B.2 100% Implementation of Informal Settlement Upgrade Programme	Framework plan approved (including essential services)	100% Programme compliance		100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications

N6: Deviation required for the following reasons:
 - the change in EIA legislation imposes a 12 to 18 month delay in project start dates
 - project managers being appointed but skills shortage is being experienced
 - internal organisational issues being addressed in terms of attendance of project managers at subcouncil meetings

- building capacity of external service providers
 - accreditation of City to administer National Housing Programmes delayed by MEC

This programme will thus cover the following sub-programmes:

- Redevelopment of hostels
- Capital long term maintenance of the City's rental units
- Investigation into creating new public rentals

SOCIAL AND RENTAL HOUSING PROGRAMME:

This programme deals with rental housing opportunities and supports urban restructuring and integration. The City will make Cape Town's urban core the primary focus of its social housing delivery programme and will encourage residential densification within this area.

The City has entered into a co-operation agreement with three social housing partners as follows:

- Social Housing Development Company (SOHCO)
- Communicare
- Cape Town Community Housing Company

Table 23: Social Housing Projects in the Urban Core

	PROJECT NAME	ANTICIPATED START DATE	APPROX. NO OF HOUSING OPPORTUNITIES
PROGRAMME	Pickwick Road social housing	July 2008	800
	Steenberg, Military Road social housing	July 2007	400
	Strandfroos and Kannabisi social housing	July 2009	24
	Oranjezicht social housing	July 2010	59
	Rugby social housing	July 2009	130
	Claremont social housing	July 2010	90
	Walmer Estate social housing	July 2009	125
	Landsowne social housing	July 2010	110
	Pine Road/Beyers Road social housing	July 2010	196
	Total		

ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME:

The City proactively supports the transfer of some of its stock to tenants through its alternative tenure programme where feasible and sustainable. The scheme was introduced to assist persons to acquire state financed rental housing for home ownership purposes. It entails providing discounts to an amount up to the prevailing subsidy on loans or the purchase price and the purchase price of the balance on the portfolio properties. The introduction of the CRU necessitates an assessment of properties that will (and will not) be transferred.

STRATEGIC MANAGEMENT OF THE CITY'S HOUSING STOCK PROGRAMME:

- **Re-alignment of the Housing Estate Offices:** This exercise is performed to improve the running of the housing offices
- **Management of rental stock:** The management of the City's rental units also includes the preparation and implementation of a multi-year housing maintenance programme that covers day to day (reactive) maintenance and capital projects (painting, installation of geysers etc.). It also includes the development of a services agreement, with predefined service standards
- **Debt Management:** Robust implementation of debt management is to be executed.

The City has planned for rentals over a five-year period to achieve cost recovery and the implementation of arrears and indigent policies

HOUSING DATABASE:

The purpose of this programme is to develop a housing database so that information about housing allocation can be managed and co-ordinated. The database should, however, not focus solely on allocation but should incorporate information on the spectrum of housing challenges that are currently facing the City (e.g. the monitoring of informal settlements and the number of backyard families) and should improve the match between housing demand and supply.

Directorate Objective 5.6

Redress land ownership inequities by providing housing based on restitution claim settlements

LAND AND FORWARD PLANNING:

The identification and acquisition of land for housing will be guided by a city-wide spatial development framework. Provision has been made for the timeous identification of well-located land for affordable housing and its acquisition where necessary. The emphasis will be on acquiring big tracts of land for present and future (land banking) development as well as 'infill' sites in existing residential township areas.

- **Land restitution initiatives:** The City is assisting the Land Claims Commission with the processing of land claims and the identification of land that can be offered to people who are unable to reclaim their original site. Where appropriate, the City will also assist with the redevelopment of claimed land, for example, as it has with the redevelopment of District Six and the development of the land allocated to the Ndabeni and Gabriel Road land claimants. The LRCC was required to settle all claims by March 2008 with the assistance of all spheres of government
- **Five-year target:** To achieve housing delivery targets by 2012, the City will need to acquire 450 ha of suitable and affordable land. At present it has an annual budget of R20 million for this purpose. This only allows the housing department to acquire 20 ha of land per annum, making it impossible to achieve the aforementioned objective



The department therefore plans to rigorously engage with the National and Provincial Departments of Housing for access to additional funding.

LINKING HOUSING PROGRAMMES TO THE IDP STRATEGIES

Table 24: The Housing Programme's Contribution to the IDP's Strategic Focus Areas

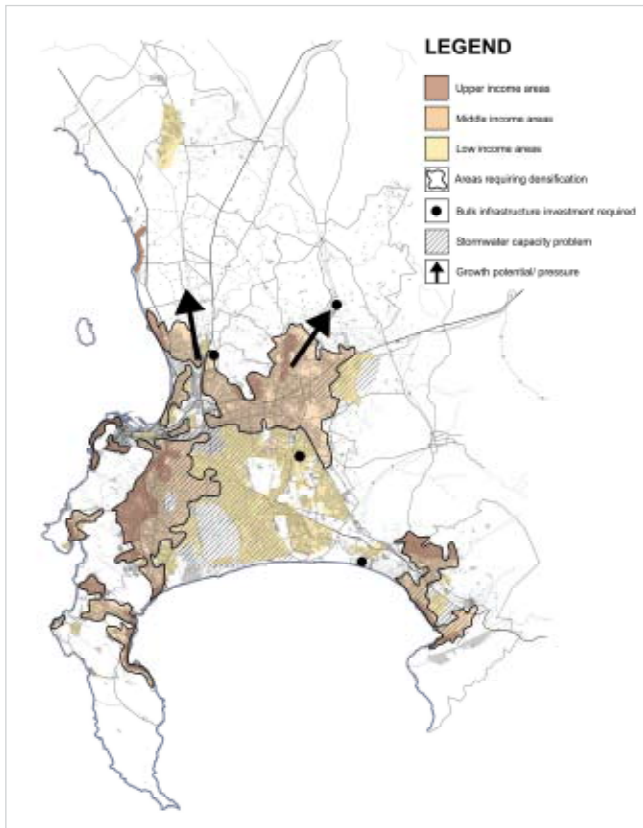


Figure 23: Housing Settlement Patterns

ACCREDITATION PROGRAMME:

Accreditation is a permit given by the MEC for Housing to a municipality to implement national housing programmes. It is aimed at reducing administrative delays associated with the approval of subsidy applications and the disbursement of subsidy funds, amongst other things. It also provides authority to a municipality to access funding directly from National Government to implement national housing programmes. In order to be accredited, the City will have to demonstrate the capacity to plan, implement and maintain projects and programmes that are well integrated within the IDP and with the three-year rolling capital investment programmes mandated by the Municipal Finance Management Act (MFMA). The City is awaiting approval by the MEC for its Accreditation Application (Level one).

Five year targets for accreditation and rental housing include:

- 2 000 flats/hostel units converted to group ownership
- Well functioning City-wide housing database in place by June 2007
- Accreditation to level three by December 2008

A number of facilitative actions and interventions are necessary to ensure that quality and sustainable living environments are achieved via the settlement development process. These are the responsibility of a range of line departments and therefore necessitate a high level of cross-department co-ordination, which will be achieved by establishing multi-functional design monitoring teams to scrutinise all settlement and housing designs.

IDP STRATEGY	HOUSING INTERVENTIONS
Shared growth and economic development	Community Based Job Creation (EPWP) Integration and densification projects Medium density housing
Sustainable urban infrastructure and services	Community partnership building Planned informal settlements upgrading (more focus on in situ upgrading) Co-ordinated approach to the servicing of informal settlements (service level agreements) Hostels' redevelopment programme
Public transport system	Integrated transport corridors Integration and densification projects Medium density housing Gap and social housing
Safety and security	Anti-land invasion Emergency housing programme
Health, Social and Human Capital	Social and economic amenities Incremental upgrading of informal settlements Housing consumer education People's housing process
Good governance and regulatory reform	Accreditation Anti-corruption



**Directorate Objective 5.7
Facilitate gap housing programmes through partnerships with banks and private sector developers**

SOCIAL HOUSING PROGRAMME:

The City's social housing programme provides for rental and co-operative housing projects. It targets beneficiaries earning between R2 500 – R7 000 per month and is implemented and managed by accredited social housing institutions in designated restructuring zones. The City has entered into an agreement with three social housing partners (Sohco, Communicare and the Cape Town Community Housing Company) and has received approval from the National Social Housing Steering Committee for seven restructuring zones that will contribute to spatial and social integration.

INSTITUTIONAL SUBSIDY:

This mechanism targets housing institutions that provide tenure alternatives to immediate ownership. The City is presently using this mechanism in its housing co-operative projects.

BACKYARD ASSISTANCE PROGRAMME:

This is a new programme for which a strategy is being developed. There is a strong argument for in situ development of rental housing in existing and formal townships. This investigation will also examine the possible formalisation of backyard housing.

INFORMAL SETTLEMENT UPGRADING PROGRAMME:

The City has approved an informal settlement master plan framework that integrates informal settlements into the broader urban fabric to overcome spatial, social and economic exclusion. Where possible, the in situ upgrading of informal settlements will be advocated. If a settlement needs to be de-densified or is located on encumbered land (e.g. a service servitude or flood plain), relocation will be necessary.

The City has a total of 222 informal settlements with approximately 137 000 informal structures. It is estimated that approximately 35 percent (42 000) of households that are currently living in such settlements will need to be relocated. The City aims to upgrade 25 percent of Cape Town's existing informal settlements by 2012.

The expansion and densification of informal settlements will be strictly managed. A zero tolerance approach to land invasions will be taken. Basic health services (i.e. water, sanitation, solid waste, electricity and where necessary, stormwater) will be provided in all new and un-serviced informal settlements. Infrastructure, services, amenities and houses will be upgraded as far as possible.

**Corporate Objective 5C
Provision of equitable community facilities and services across the city**

Directorate Objective 5.8 - Develop and implement community services facility provision master plan

Directorate Objective 5.9 - Improve service delivery standards towards comparable international standards

**Directorate Objective 5.8
Develop and implement a community facility investment framework**

The City will prepare an integrated and defensible schedule of standards and guidelines and use GIS based service access planning tools to inform the provision and clustering of community facilities.

Table 25: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
5.C 1 Percentage community facilities meeting set standards	64%	80%	85%	90%	100%	100%	100%



The programme aims to put in place a single facilities investment framework to inform the future roll-out of new community facilities. It will use GIS based service access planning tools to identify the locations where the existing supply of and demand for facilities is not balanced and assess whether they are correctly/optimally located. It will also identify suitable locations for the provision of facilities to eradicate backlogs and accommodate future needs. This information will then be used to prepare the business plans of the departments responsible for the provision of community facilities and services.

Major upgrades and/or new community facilities that will be undertaken in the 2008/09 financial year are:

Cemeteries:

- Wallacedene Cemetery
- Metro South East Cemetery
- Klip North West Cemetery
- Khayelitsha Cemetery
- Welmoed Cemetery
- Delft Cemetery

District Parks:

- Durbanville Rose Garden
- Jack Muller Park
- Khayelitsha Wetlands Park
- The Company's Garden
- Athlone Nantes Park
- Maynardville Park
- Westridge Park

Sport and Recreation Facilities:

- Athlone Stadium, Mandela Park Stand and floodlights in Khayelitsha
- Parkwood Sports Complex
- Swartklip ablution and seating
- Blue Downs Pool phase two
- Eerste River Multi-Purpose Centre
- Pelikan Park Sports Complex
- Eerste River sports field



ALTERNATIVE BURIAL METHODS:

The City needs to provide sufficient burial facilities in a tidy and pleasant environment. The demand for cemeteries and burial space is increasing annually, while land availability for expansion is decreasing. Existing cemeteries will therefore be optimally utilised. Where necessary, land will be acquired for the development of cemeteries according to the individual cemetery plan and alternative burial methods will be investigated.

The recycling of cemeteries will also be considered. It is important that cemetery and burial operations are streamlined. A burial communication and marketing plan, and a cemetery management plan will be developed and implemented. The focus will be on promoting family burials, public graves, and cremation as well as investigating mausoleums and promession.

Directorate Objective 5.9

Improve service delivery standards towards comparable international standards

Community facilities and services are being developed and assessed against set minimum standards. Once these standards are adequately met across the City, standards for selected facilities will be raised to compare with international norms over the medium to long term.

The following approaches are being followed in order to maintain and increase maintenance and service standards:

- Investigate alternative means to support the recovering of facilities and services. The focus will be on exploring external funding possibilities through naming and advertising rights, sponsorships, grant funding and partnerships
- Engage with community based stakeholders to establish mutually beneficial partnerships which will lead to the sharing of responsibilities with regard to the maintenance and security of facilities
- Engage with commercial partners and international donors for the development of community facilities and amenities.
- Reach agreement with Provincial Government on the future mechanism for the rendering of library services to the citizens of Cape Town



OTHER INTEGRATING INITIATIVES

URBAN RENEWAL PROGRAMME:

The City remains committed to uplifting living conditions in the Mitchells Plain and Khayelitsha areas. A broad set of interventions that deal with issues ranging from safety and security to housing delivery, commercial development, and the development of public places, a magistrate’s court and a hospital will contribute to this.

The feasibility of developing the decommissioned Athlone Power Station is being investigated with a view to it becoming a cultural and social facility of metropolitan significance. More localised public places will continue to be developed/upgraded across the City in terms of the dignified places programme e.g. Atlantis, Table View, Khayelitsha and the Grand Parade. The identification and development of the 2010 FIFA World Cup™ decentralized viewing sites will result in improvements in the public environment sectors located in different parts of the City.

The focus of area based urban renewal is to ensure that there is co-ordination between the different levels of government, and between government and other delivery agents (e.g. the private sector, NGOs and CBOs). The implementation of specific projects will take place through the relevant line departments. Area based urban renewal is typified by the Presidential Urban Renewal programme (URP): This has identified Khayelitsha and Mitchells Plain for concerted intervention. The five year target is as follows: The objective of the URP/Housing is to improve all existing informal settlements and inadequate housing conditions in the URP by May 2012. The delivery targets are also part of the new housing targets.

VIOLENCE PREVENTION THROUGH URBAN UPGRADE (VPUU) PROGRAMME:

The City of Cape Town has entered into a bi-lateral agreement with the German government to co-operate on the implementation of a programme called Violence Prevention through Urban Upgrading (VPUU). The programme, which is being implemented in Khayelitsha, has a total estimated cost of approximately R140 million. The funding will be sourced from the City and the German Development Agency (KfW). The former has committed R70 million while the City is to ensure that the South African contributions (amounting to approximately R70 million) will be made available from potential sources such as Local, Provincial and/or National government and the community, whether in cash or in kind.

Thus far, four ‘safe node areas’ within Khayelitsha have been identified. They include Harare, Kuyasa, Site C, and Site B and have been selected for their potential to function as urban sub-centres that provide a variety of social and commercial services to the community. They also offer recreational activities in a safe and secure environment, and are thus seen as vital components of the programme. Each node is situated within easy walking distance for the majority of the area’s population, and has the capacity to cater for an average of approximately 50 000 people.

The VPUU programme thus follows an area based approach, with interventions informed through thorough analysis and the development of an area strategy that is implemented over time. Sustainability is ensured via monitoring and evaluation and operation and maintenance in partnership with the community. This is vital to ensure acceptance and underpin the programme’s sustainability.

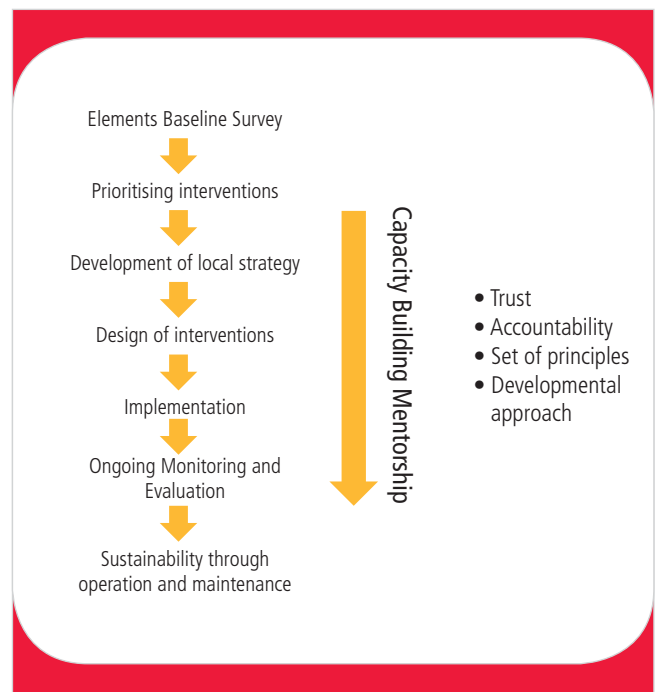


Figure 23: Methodology that is followed



Throughout the implementation process, the impact is measured and monitored to ensure that the desired results of crime reduction and socio-economic improvement are met. Sustainability is also achieved by ensuring that the facilities are well managed and maintained. Facilities also include public open spaces and community and shared facilities.

The VPUU programme implements an integrative strategy combining social Crime Prevention (CP) (changing the harmful social culture of the past into a caring culture that supports victims and limits opportunities for offenders), situational CP (changing the fractured built environment into integrated human settlements), and institutional CP (enabling local organisations to take ownership of spaces and supporting the City in its efforts to start integrated planning, budgeting and implementing projects).

The focus within the situational crime prevention component of the programme is on overall planning, developing of strategic partnerships, and the design and management of the construction process on behalf of the City for all capital investment effected via the Disposition Fund. The desired outcomes are the development of an urban design framework plan for all Safe Node Areas (SNAs) based on the VPUU's 'Urban Design Principles for a Safer Node,' rezoning and overarching planning procedures (environmental assessments, land use management). The design of the precinct plans are based on the urban design framework plan, and the formulation of individual interventions.



STRATEGIC FOCUS AREA 6: Safety and Security

The current level of crime in South Africa, and Cape Town in particular, impacts negatively on attracting investment and tourism, on the quality of life of our citizens and visitors and the economy. It also impacts on the retention of human capital and poses a potential risk to the 2010 FIFA World Cup™ event. Which is without doubt one of, if not the most important, strategic challenges facing the City. Improved safety and security is a crucial foundation for accelerated and shared growth. If government wants to win public and investor confidence, it needs to implement a more disciplined approach to addressing crime and disorder.

Official crime statistics show a decline in respect of certain crime categories. However, extremely high levels of crime such as cash-in-transit heists, car hijacking, car theft and drug dealing persists. What is particularly disturbing is the fact that the highly popular and extremely addictive drug, TIK (methamphetamine) is spreading rapidly throughout all communities and is in fact reaching pandemic proportions in the City. Negative perceptions are fuelled by the general disregard for acceptable norms of behaviour in our society, with anti-social behaviour such as loitering, drinking and being drunk in public, aggressive begging and urinating in public being the order of the day across the City.

However, crime and disorder are not the only safety related threats to the City. Current levels of vulnerability to fire, flooding and other natural or human-induced hazards, and the impact of these on communities and the environment are threatening to retard development and growth, and in some cases inhibiting or destroying hard-won advances. The City is therefore gearing itself for an efficient emergency response.

The focus of the City's safety and security strategy is to unite government, business and public efforts into an integrated whole. The ideal is for all three sectors to work together to strengthen and align the activities of law enforcement agencies, the criminal justice system, emergency and disaster risk management services. This will reduce current levels of crime and vulnerability and improve safety and security.

Strategic Outcomes

The City aims to achieve the following outcomes through its safety and security initiatives:

- Increased road and pedestrian safety
- Improved traffic and licensing service delivery
- Increased compliance with the City's by-laws
- Improved quality of life for all residents
- Reduction in the levels of crime and anti-social behaviour
- Enhanced service delivery and operational effectiveness
- Safeguard life, property, livelihoods and the ever increasing environment through fast, efficient emergency response to fires and other related emergencies
- Improved service delivery through the development of proactive risk reduction initiatives
- Ensure equitable access to emergency service providers

Key Deliverables (Outputs)

The City's safety and security strategy aims to achieve the following:

- Increase focus on the combatting of minor crimes and by-law offences
- Continued development of the City's CCTV surveillance network
- Increase efficiency of Traffic and Law Enforcement Departments
- Contribute effectively to the City's comprehensive Alcohol and Drug Combatting Strategy
- Increase the number of fire stations and their staffing level capacities to provide adequate protection to the ever increasing and expanding risk profile of the City
- Developing proactive disaster prevention and response plans
- Expansion of City Emergency Services Emergency Call Taking Centre

This will be achieved by making the police more visible and increasing public transport enforcement initiatives, enforcing a zero tolerance approach towards traffic offences and increasing the issuing of notices for by-law offences.



The causes of anti-social behaviour will be addressed and community participation will be promoted to engender a sense of shared responsibility through participation and involvement at community level. A support programme will be developed and implemented for families that have been affected by drug-based crime (rehabilitation).

Crime prevention is a focus for National Government, the intergovernmental developmental agenda for Cape Town and the 2010 FIFA World Cup™ soccer event. It is also directly linked to shared growth and development, integrated human settlements and health, social and human capital development strategic focus areas.

Safety and Security Objectives

Corporate Objective

6A Foster a safe and secure environment

This core objective is linked to the following KPIs and targets on the City's Corporate scorecard and is divided into objectives that are explained below.

Directorate Objective 6.1 - Community and youth development programmes directed at personal, traffic and pedestrian safety

Directorate Objective 6.2 - The improvement of urban design to reduce crime and emergencies

Directorate Objective 6.3 - The on-going development of the CCTV network to ensure adequate covering of key economic and transport locations as well as crime 'hot spots'

Directorate Objective 6.4 - Improve law enforcement (traffic policing, licensing services and general law enforcement) through more visible actions

Directorate Objective 6.5 - Fast, efficient and equitable emergency responses to safeguard and protect life, property, livelihoods and the ever increasing environmental threat from fires and other related emergencies

Directorate Objective 6.6 - Development of Disaster Risk Assessment and of proactive disaster prevention and response plans

Directorate Objective 6.7 - Develop and expand the City's Emergency Services Public Emergency Call Taking Centre to provide a fast and efficient response to emergencies through the implementation of a single emergency number

Directorate Objective 6.1

Community and youth development programmes directed at personal, traffic and pedestrian safety

An integrated safety and security plan has been developed for the urban renewal nodes. For the next five years the focus will be on the facilitation and co-ordination of the implementation of the plan in areas such as social crime prevention, visible policing and rehabilitation of first time offenders.

SOCIAL CRIME PREVENTION PROGRAMME

A number of programmes have been implemented to create awareness among youth and to encourage the building of a law-abiding culture:

These youth centred programmes focus on issues such as:

- Reducing youth involvement in crime through participation in sport
- Establishment of a youth crime prevention forum for the City
- Awareness of common sense safety matters will be raised by educating children to take ownership of their own safety
- Learner safety to and from schools

A comprehensive evaluation of current social crime prevention programmes is currently underway. The evaluation is conducted by the Department of Criminal Justice of the University of Cape Town and will give guidance in respect of future programmes.

Evaluation of social crime prevention programmes is to be finalised and recommendations will be considered for implementation.

TRAFFIC AND PEDESTRIAN SAFETY PROGRAMME

The City will continue with the delivery of its Traffic and Pedestrian Safety Programme, which entails a team of traffic officers who focus on the education of learners with regard to road safety issues. These lectures are presented at schools and training is provided in respect of correct bicycle etiquette and the registration, training and monitoring of scholar patrols throughout the City. At least 400 schools will be visited per annum.

Table 26: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
6.A.1 Percentage adherence to the City Law Enforcement Plan	Plan completed and approved	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications
6.A.2 Percentage adherence to the implementation of Disaster Plans according to legislative requirements	Disaster Management Plan as per statutory requirements completed and approved	Disaster Management Plan developed and approved	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications

STAKEHOLDER COLLABORATION

Increased participation in Community Police Forums (CPFs) within the Cape Town metropolitan area will be facilitated. Dedicated officials will be tasked with contributing to the activities of those CPFs that are active in the metropolitan area and regular attendance of CPF meetings will be ensured.

In addition, the Provincial Safe Schools Programme will be actively supported. This will strengthen Intergovernmental relations and the effectiveness of the interventions taken.

Directorate Objective 6.2

The improvement of urban design to reduce crime and emergencies

DEVELOPMENT OF A CITY POLICY ON CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN

Crime Prevention through Environmental Design (CPTED) is widely regarded as one of the most effective strategies employable by local authorities in the fight against crime. This approach entails the application of CPTED principles to the building of new structures and the remodelling of existing ones. Possible actions that the City can take here are adjusting its building codes to provide for CPTED principles and using its inspection authority to ensure adherence. Such principles will also be employed in the City's Violence Prevention through Urban Upgrading (VPUU) programme to be launched in Khayelitsha.

A policy will be developed that will govern the implementation of safety design guidelines.

Directorate Objective 6.3

The ongoing development of the CCTV network to ensure adequate covering of key economic and transport locations as well as crime 'hot spots'

ESTABLISHMENT OF MULTI-DISCIPLINARY ADVISORY AND TECHNICAL TEAM

The City will establish an ad hoc Multi-disciplinary Advisory and Technical Team (MAT) to develop a new, integrated CCTV master plan which will include the following aspects:

- a) Short term roll-out plan up to 2010 as well as medium term plan up to 2015
- b) Definite and sustainable funding streams
- c) Preferred system of involvement of all associated disciplines and identified stakeholders which must as a minimum include the SAPS, Provincial Government of the Western Cape, Department of Justice, the DPP as well as private individuals or organisations
- d) The preferred conceptualisation, design, implementation and operational concepts

The City's CCTV network will be managed and developed in accordance to the recommendations of the MAT and there will be a definite focus on the gradual covering of key economic and transport locations, and 'hotspots' for crime and disorder.

Directorate Objective 6.4

Improve law enforcement (traffic policing, licensing services and general law enforcement) through more visible actions

ADDRESSING THE CURRENT HIGH LEVELS OF CRIME AND DISORDER

Anti-social behaviour such as drunkenness, drinking in public, riotous behaviour, urinating in public, gambling, excessive noise, truancy, graffiti, driving whilst under the influence of alcohol, using abusive language etc. impacts on the quality of life of residents and creates breeding grounds for crime and disorder.

Strategies to be followed:

- Metro Police and Law Enforcement will have a definite focus on by-law offences and minor crimes
- Vigorous enforcement of the City's new by-law relating to streets, public places and the prevention of nuisances
- Ensure that specialist units are adequately capacitated. These include the Camera Response Unit, Informal Trading Unit, Land Invasion Unit and the Non-Ferrous Metal Theft Unit

ADDRESSING THE CULTURE OF NON-COMPLIANCE ON THE CITY'S ROADS

Effectively addressing the culture of non-compliance on the City's roads is a key deliverable in respect of promoting safety and security across the City.

Strategies to be followed:

- The City will continue to direct resources towards national road safety strategies, including the Arrive Alive Campaign
- The City will work closely with partner agencies to ensure a co-ordinated approach towards road casualty reduction measures such as education and enforcement
- Adopting a no-nonsense approach towards the general disregard for traffic rules and regulations, especially by taxis. These include overloading and Abnormal Load Transportation as well as offences relating to roadworthiness and licensing
- Speed enforcement will be expanded and capacity created to deal effectively with high accident locations and pedestrian risk areas
- Promoting high visibility through peak hour patrols and conducting regular road blocks across the City with a view to determine driver-and vehicle fitness

ESTABLISHMENT OF A TRAINING ACADEMY

The City will continue to pursue the establishment of a fully accredited Training Academy that can effectively deliver on all the training requirements of the Metro Police, and Traffic and Law Enforcement Departments.

Strategies to be followed:

- Building and improvement of training facilities
- Appointment of training staff
- Acquisition and maintenance of accreditation through prescribed Sector Education and Training Authorities (SETA)

INTEGRATED SPATIALLY ENABLED RESPONSE MANAGEMENT SYSTEM (ISERMS)

The ISERMS technology project will enable Metro Police, Traffic Services, By-Law Enforcement and Emergency Services to better utilise their combined resources and co-ordinate their activities. It is a multi-layered dynamic approach to crime and disorder reduction, personnel and resource management and will contribute significantly to efficient service delivery.

Strategies to be followed:

- Complete introduction of ISERMS in the Metro Police Department
- Further roll-out of ISERMS to Emergency Services, Traffic and Law Enforcement

DRUG AND ALCOHOL COMBATTING PROGRAMME

The City launched a comprehensive Drug and Alcohol Combatting Strategy in July 2007. The strategy includes programmes aimed at prevention, treatment and enforcement. A Drug and Alcohol Combatting Strategy for the Safety and Security Directorate has been drafted as part of the overarching City Strategy and provides for the following:

- a) Focused enforcement action on 'Driving whilst under the influence of alcohol'
- b) Focused enforcement of the City's new By-law relating to streets, public places and prevention of nuisances
- c) Dedicated enforcement action to be taken on persons dealing in drugs
- d) Participation in Local Drug Action Committees that will be established and driven by Social Development
- e) Contribute to the principles of 'restorative justice'
- f) Dramatically increase the number of roadblocks and vehicle control points across the City

INCREASE EFFICIENCY OF THE TRAFFIC AND LAW ENFORCEMENT DEPARTMENTS

The human and other resources of the Traffic and Law Enforcement Departments have diminished during the last few years since the establishment of the Metro Police Department. The growing demand for the effective delivery of these two core functions necessitates that the two departments be capacitated to acceptable levels of efficiency.

Strategies to be followed:

- Introduction of specialist training programmes
- Reassessment of resource allocation
- Appointment of additional staff

The City's Emergency Services Department provides essential service delivery through Fire and Rescue, Disaster Risk Management and the Public Emergency Communication Centre.

Directorate Objective 6.5

Fast, efficient and equitable emergency responses to safeguard and protect life, property, livelihoods and the ever increasing environmental threat from fires and other related emergencies

The City will increase the number of fire stations and their levels of staffing and equipment to provide adequate protection to the ever increasing and expanding risk profile of the City.

Strategies that will be followed:

- Building and refurbishment of fire stations
- Three year staffing strategy – incrementally increase staffing budget to employ, efficiently train and deploy fire fighting staff to comply with legislated minimum staffing levels

Key projects and initiatives:

- Procurement of vehicles and equipment
- Public education and awareness
- Staff employment, training, deployment and development
- Improving response times through effective utilisation of planned additional resources

Resources linked to the projects:

- Capital expenditure of R41,4 million (vehicles, equipment, refurbishment, building of fire stations)
- Operating expenditure of R160 million planned over a three year staffing strategy period



Directorate Objective 6.6

Development of Disaster Risk Assessment and development of proactive disaster prevention and response plans

Strategies that will be followed:

- Conduct risk assessment
- Development of initiatives and plans
- Co-ordinate activities of Advisory Forum as well as other Risk Reduction forums/structures
- Empowerment of role-players

Key projects and initiatives:

- Risk assessment and development of specific initiatives and plans
- Awareness programmes
- Completing of Disaster Operations Centre
- Resources linked to the project: R4,2 million

Directorate Objective 6.7

Develop and expand the City's Emergency Services Public Emergency Call Taking Centre to provide a fast and efficient response to emergencies through the implementation of a single emergency number

Implementation of a programme to promote a single number for all public safety services

Strategies that will be implemented:

- Public education and awareness
- Staff training and development
- Systems integration

Key projects and initiatives:

- Public education & awareness (schools, events and library programmes)
- Staff training and development (Continuous training and assessment of operational personnel)
- Systems integration (Investigation and implementation of integrated call-taking and dispatching systems)

Resources linked to the projects:

- Current branch staffing capacity and budget



STRATEGIC FOCUS AREA 7:

Health, Social and Community Development

Cape Town as a City is a reflection of the broader South African society, with a dichotomy of rich and poor, skilled and unskilled, wellness and pathology. It is also characterised by vulnerable groups that find themselves on the margins of society i.e. street people, youth, women, the disabled and those affected by extreme poverty. When social and human development is low, the social fabric of society begins to disintegrate. In large parts of Cape Town this manifests as high incidences of drug and alcohol abuse, gang affiliation, and crime against property and people, especially women and children.

HIV/AIDS/Sexually Transmitted Infections (STIs) and TB are yet other challenges that are closely linked to the social and human development capacity of citizens. The proactive interventions involving communities that are on the road towards improving their levels of functionality and becoming self sustaining also require support from the City to ensure that the momentum of positive change is maintained and that the lessons learnt from their experiences are used to inform the programmes and interventions in communities that show signs of dysfunctionality.

An investment in health, social and human development is a critical cornerstone in transforming service delivery to attain sustainability, active community engagement and good governance. It must be stressed that such investment cannot be attained by a singular department or governmental or non-governmental entity, but has to be incorporated into all government's developmental and service delivery strategies and delivery arms, such as housing, transport, education, human resources, etc.

A healthy City made up of healthy individuals and communities is an essential ingredient to maximising social and human development and economic opportunities. The City will therefore continue to facilitate the delivery of health care at a local level. The most marginalised communities in every settlement must benefit from social and human development development.

The City will continue to provide and maintain community facilities as hubs to provide activities for youth development and will furthermore promote the creative utilisation of such facilities, for example, libraries, community halls and sport facilities.

Corporate Objective 7A

Facilitating the development of a healthy and socially inclusive society

This core objective is linked to the following KPIs and targets on the City's Corporate scorecard and is divided into objectives that are detailed below.

Directorate Objective 7.1 - Establishment of Early Childhood Development (ECD) facilities and partnerships

Directorate Objective 7.2 - Provide developmental programmes and events that impact positively on the social fabric of communities and visitors in the City

Directorate Objective 7.3 - Promotion of sustainable communities and healthy lifestyles through the promotion of community based sport, recreation and library services, programmes and initiatives

Table 27: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
7A.1 Number of child care facilities upgraded/ provided in partnership with government and NGOs to promote holistic childhood development.	New	2	0 ^{N7}	3	4	4	4
7A.2 Number of targeted socio-economic development support programmes	New		0	4	4	4	4
7A.3 Number of street people taken off the street	280	300	180 ^{N8}	300	300	300	300
7A.4 Number of strategic sporting partnerships and events created, maintained and expanded on	10	12	17 ^{N9}	19	19	22	24
7A.5 Number of days when air pollution exceeds WHO guidelines	132	144		140	137	135	133
7A.6 Reduction of the infant mortality rate (Number of infant deaths per 1 000 live births)	21,40	20,6		20	19,5	19,2	19
7A.7 Slow the rate of increase of TB per 100 000 of Cape Town population	831	980		1040	1090	1120	1140
7A.8 Slow the rate of increase of the City's antenatal HIV prevalence	15,2%	18,5%		19%	19,3%	19,6%	19,8%
7A.9 Implement a City substance abuse plan	Draft operational Drug and Alcohol Strategy produced	New	- 1 Substance Abuse Treatment Centre operational - Strategy finalised - Relevant staff trained in Matrix Model	4 Substance Abuse Treatment Centres operational (dependant on funds)	Compliance with operational Drug and Alcohol Plan	Compliance with operational Drug and Alcohol Plan	Compliance with operational Drug and Alcohol Plan

N7: Delays in securing funding and identification of suitable site have implications on ability to commence with calling for tenders to construct facilities. Funding has been identified and will be in the Adjustment Budget for consideration by Council end March 2008. Expected that contractor will be appointed by the end May 2008.

N8: Certification of service providers who are required to undertake the Bringing and Rehabilitation Programmes before reintegration of Street People were not in place.

N9: Target adjusted upward because a target of 15 had already been achieved by mid-year 2008.

Directorate Objective 7.4 - Implementation of programmes to address the plight of street people

Directorate Objective 7.5 - Provision of effective primary health care services in close collaboration with Provincial Health Services with a special emphasis on maternal and child health care and HIV/AIDS/STI and TB with a focus on Aids orphans

Directorate Objective 7.6 - Implementation of the City's Substance Abuse Plan

Directorate Objective 7.7 - Provision of effective environmental health services including Air Quality Management and Pollution Control programmes (including noise pollution)

All spheres of government are tasked with pursuing the above agenda of health, social and human capital development. Collaborative efforts are therefore essential, and the City of Cape Town strives to pursue a developmental and enabling role within this agenda. It can achieve this through the delivery of integrated multi stakeholder (both public and private, governmental and non-governmental) strategies.

Directorate Objective 7.1

Establishment of ECD facilities and partnerships

The early years are vitally important in the development of the young child as it is during this period that the foundation is laid for his/her development. It is widely recognised as the period during which the most intense physical and intellectual development takes place. During these years development is more rapid than during any other period of life and deprivations consequently have lasting effects on the child.

The City plays a supporting role in promoting Early Childhood Development (ECD) by facilitating the provision of childcare facilities and ECD centres, services and programmes in partnership with NGOs, other governmental spheres and the ECD sector. Similar partnerships are entered into to establish initiatives aimed at the training of ECD educators and care-givers, toy libraries and associated activities, training aimed at producing effective parenting skills and caring for children who are affected by/

infected by HIV/AIDS. Support is also given to the establishment of new existing ECD forums that deal with a wide range of ECD related matters including inter alia training and development, legislation and infrastructural issues amongst other things.

In this regard the City will be seeking to enter into partnerships with government, NGOs and other stakeholders with the purpose of promoting holistic childhood development.

Directorate Objective 7.2

Provide developmental programmes and events that impact positively on the social fabric of communities and visitors in the City

The Constitution requires local government to inter alia undertake the following:

- to identify priority needs and opportunities facing young women and men and their development
- to identify any specific target groups of women and men that require particular attention
- to identify the roles Council can play in addressing these needs

CITY YOUTH ENTREPRENEURSHIP AND LEADERSHIP PROGRAMMES:

The underlying theme is providing youth with skills that offer them alternatives to crime, substance abuse and unemployment (See also the section on Safety and Security). The focus is on providing them with tangible opportunities and benefits in the areas of skills development and entrepreneurship, which are aimed at improving their readiness to function and take advantage of opportunities in the global environment.

The City collaborates with a number of partners and stakeholders in addressing their developmental needs.

LIFE SKILLS PROGRAMMES:

The Life Skills Programme addresses issues such as HIV/AIDS, substance abuse, domestic violence, teenage pregnancy and gender related issues. Participants are provided with skills to handle conflict situations and increase their emotional intelligence, self esteem and assertiveness. Information is provided about HIV/AIDS and awareness sessions are held aimed at assisting



those who are living with or impacted by HIV/AIDS. Although the socio-economic and arts and culture programmes aim to assist all segments of the community, they are attuned to the specific needs and circumstances of poor communities.

SOCIAL DEVELOPMENT SUPPORT PROGRAMMES:

The plight of vulnerable groups need to be developed and implemented requires a consolidated effort from the City and its partners in supporting initiatives with poor communities aimed at building human capital. To this end, skills development training programmes, brick making projects, community food gardens, community arts and culture programmes and development forums will be implemented and supported.

Directorate Objective 7.3

Promotion of sustainable communities and healthy lifestyles through the promotion of community based sport, recreation and library services, programmes and initiatives

Community development programmes are held in many of the City's facilities, including its sport fields, community centres, multi-purpose centres, libraries and community halls. These are supplemented by the use of non-Council owned facilities where necessary and often involve collaboration and partnerships with churches, community organisations, NGOs and government departments.

The following programmes are to be undertaken:

- The City will identify, develop and establish partnerships to provide community developmental programmes, services and events. The focus here will be to consolidate and enhance the institutional framework of district and local sports and recreation structures
- The City will create the environment and provide the resources/ support to facilitate community and human development at City Libraries. The aim is to provide adequate and relevant library collections in both print and electronic format to meet the population's educational, informational and recreational needs
- The City will provide focused community developmental programmes. Programmes will be held covering holiday

activities, storytelling and reading at libraries and HIV/Aids awareness and prevention. Programmes to improve health will also be arranged such as rope skipping, gymnastics, martial arts, street football, 'come and play' to increase participation by the community in physical activities

- The City will build the capacity of community sports structures so as to plan and implement programmes that address identified community needs. It will furthermore establish effective partnerships with NGOs and other service providers in providing community developmental programmes
- The City will develop a sports and recreation events strategy in line with its events strategy
- The City will implement strategic sporting partnerships and events

Directorate Objective 7.4

Implementation of programmes to address the plight of Street People

The Street People Programme will comprise evidence based appropriate interventions for street people by providing them with access to physical and mental health care and alcohol and drug rehabilitation services, accommodation, skills development and employment. The adult street people diversion programme is aimed at rehabilitating habitual offenders.

It consists of the following components:

- **Re-unification Programme** – aimed at reintegrating street people with their families and communities of origin
- **Local 'networks of care'** – aimed at creating a supportive environment within the street people's communities of origin. Programmes and initiatives that create an awareness of the conditions and the plight of people living on the streets, skills programmes to equip people with life skills and links to job readiness and job creation initiatives are offered to youth at risk, street people/children and their families
- **Western Cape Street Soccer League** – a product of the 2006 Homeless World Cup, this social mechanism uses football as a trigger to inspire and energise homeless people into changing their own lives



- **Bridging programme** – aimed at preparing those returning to their families and communities of origin for adaptation to their new environments
- **Preventative Programmes** – this comprises substance abuse programmes (drugs, alcohol, glue sniffing etc) aimed at youth at risk and their families

Directorate Objective 7.5

Provision of effective primary health care services in close collaboration with Provincial Health Services with a special emphasis on maternal and child health care and HIV/AIDS/STIs and TB with a focus on AIDS orphans

The City will continue to deliver a clinic service on behalf of the Provincial Health Department according to a signed Service Level Agreement (SLA), delivered at its 82 clinics, four Community Health Centres (CHCs), 24 satellite and four mobile clinics.

A fully comprehensive free primary health care service is delivered at the CHCs and a nurse based maternal and child health service is available at the clinics. This includes preventive and promotive programmes (e.g. immunisations, family planning and cervical smears) as well as treating sick children under 13 years of age.

Infant Mortality Rate

The Infant Mortality Rate (a useful developmental performance indicator) has been improving in the City over the past five years.

Antenatal HIV/AIDS Prevalence

The Antenatal HIV/AIDS Prevalence rate is still the lowest in South Africa, yet has increased especially in the poorer sections of the City.

HIV/AIDS/STI and TB

- Over the last five years the City of Cape Town has had the foresight to prioritise the fight against HIV/AIDS and TB, recognising that without a concerted, multi-sectoral response to moderate the impact of both epidemics and to address the underlying causes, key developmental priorities in the City would be in jeopardy

- The City is implementing a multi-sectoral strategy to contain, reduce and treat HIV and other STIs and TB
- This programme will include an innovative Council funded anti-retroviral treatment programme for staff and their dependents (not covered by medical aid)
- The programme includes eight sub-district Multi Sectoral Action Teams (MSATs), which enable local stakeholders to network and implement local prevention plans
- Daily HIV testing will be done free of charge at all health facilities
- The city-wide 'GET TESTED' campaign will continue, with outreaches to shopping malls and other public places to encourage citizens to get to know their HIV status
- Sexual behaviour change remains difficult and additional targeted prevention projects are to be implemented in high-risk areas
- These will focus on youth and initiate and support behaviour change and safer sex practises
- The condom distribution programme will be maintained.
- Together with Province, the City will jointly deliver an effective public Anti-Retroviral Treatment (ART) programme

AIDS Orphans

- Partnerships with NGOs are entered into on a yearly basis
- A certain percentage of Business Plans submitted for funding must include Orphans and Vulnerable Children (OVCs)

Maternal and Child Health

- To improve the health and well-being of women and children City Health is to offer an effective and efficient PHC service at all its facilities within the District Health System
- This requires appropriate well-trained staff working as a local team under the leadership of the Clinic Manager with support and planning from the sub-district management team



Directorate Objective 7.6

Implementation of the City's Substance Abuse Plan

The City has identified the issue of substance abuse as a problem and acknowledges that it has a role to play in conjunction with other spheres of government and the community in addressing this.

Alcohol abuse is a major problem and the emergence of methamphetamine (tik) abuse in the Western Cape is a big concern. With regard to drug-related crime and treatment demand for drugs like methamphetamine (tik), the indicators are higher in Cape Town than in other parts of the country. 2,3% of people using treatment services in 2003 had methamphetamine (tik) as their primary drug of abuse; in 2006 this had increased to 42 percent (over half of these people were under 20 years of age). One in four South African men and one in ten women displayed symptoms of alcohol problems (1998).

South Africa has become a key player in the drug trade, as both a producing and a consumer country.

It is of serious concern that the age of first experimentation with substances has dropped to between 9 and 10 years.

Dealing with substance abuse has been identified as an Executive Mayoral Special Project to be driven by the Deputy Mayor.

City Health's contribution to the City's Substance Abuse Plan:

- The Operational Drug and Alcohol Strategy will be finalised
- One Substance Abuse Treatment Centre will be operational by June 2008 to provide services to alcohol and drug users and their families, including education, early intervention and referral
- Four Substance Abuse Treatment Centres will be operational by June 2009 (dependant on funds)
- Relevant staff will be trained in the Matrix Model. Screening and brief interventions for alcohol and drug use at clinics will be introduced.

Directorate Objective 7.7

Provision of effective environmental health services including Air Quality Management and Pollution Control programmes (including noise pollution)

Environmental Health covers a wide range of programmes and projects to protect public health in the City with a particular emphasis on health promotion.

The City has a statutory responsibility to deliver these services in accordance with the National Health Act (No 61 of 2003).

Water Quality Monitoring

- The quality of potable water supplied by the City's water services is continuously monitored and any problems are identified and resolved so that the public can be assured of receiving clean, healthy drinking water from their taps
- The quality of water used for recreational purposes (vleis, rivers and coastal water) is also monitored, and multi-sectoral programmes are implemented to improve and/or maintain a high water quality, thereby guaranteeing public health

Food Control

- All food premises, (food factories, restaurants, take-aways, informal food vendors etc), are visited regularly by Environmental Health Practitioners as part of the City's optimal hygiene control programme which operates throughout the food supply chain from point of origin to consumption
- All food premises require a Certificate of Acceptability (COA) that certifies their compliance with the relevant hygiene and structural requirements
- Food quality is monitored by routine testing of food products in the City's laboratory and chemical analysis is performed at the State Forensic Chemistry Laboratory
- The City participates in regular national sampling programmes and monitors the supplementation of flour and salt at factories
- Targeted projects and programmes are initiated to address weaknesses and problem areas in the food control chain



Waste Management

- The Solid Waste Department undertakes this service by collecting waste on a weekly basis throughout the city
- Environmental Health will continue to monitor the quality of this service
- Clean-up campaigns and community awareness programmes, particularly in informal settlements, will be developed to assist the Solid Waste Department in improving waste management and reducing waste
- The monitoring, effective management and disposal of medical waste will be a key programme

Vector Control

- Environmental Health assistants carry out a targeted vector control programme in informal settlements and public spaces on a regular basis
- Advice and assistance on dealing with rats is given to private property owners, vectors at food outlets and the public at large

Chemical safety

- Chemical safety will be promoted by the investigation and prevention of chemical and pesticide poisonings

Health Surveillance of Premises

- Environmental Health visits and inspects targeted premises on a regular basis (this includes accommodation establishments, hairdressers and barbers, tattooing and body piercing shops, childcare facilities and restaurants and food outlets)
- Notices to rectify problems or health nuisances will be served on owners

Surveillance and Prevention of Communicable Diseases

- City Health collates Cape Town's health information and statistics on births, causes of death, and notifiable diseases
- Communicable disease outbreaks are followed up and intervention programmes are implemented to restrict the spread of disease and prevent further outbreaks. These include health and hygiene projects in informal settlements

Environmental Pollution Control

- The Constitution dictates that local government must promote a safe and healthy environment
- All pollution control programmes and projects help to ensure a healthy, pollution-free environment
- The multi-sectoral Air Quality Management Plan is being implemented and will generate a number of targeted programmes and projects to limit and reduce air pollution
- One programme focusses on reducing the brown haze (visible air pollution) through an ongoing diesel vehicle-testing programme (48 percent of the brown haze is caused by diesel vehicle emissions)
- A noise policy is being developed and programmes are being instituted to limit noise pollution, especially in the CBD

Disposal of the Dead

- The City will ensure the safe disposal of bodies (burial or cremation) and will supervise the exhumation and reburial of bodies



STRATEGIC FOCUS AREA 8: Good Governance and Regulatory Reform

Over the short term the emphasis has been on the stabilisation of the organisation and the execution of various institutional improvements to give effect to the IDP. The current focus, therefore, is on an intensive effort to develop and sustain a better public administration and to improve the regulatory environment so as to maximise the impact of public investment and service delivery on the development potential of Cape Town. The City will minimise any constraints that government activity places on shared growth and development.

The City will continue to align with government (including state owned enterprises) and strengthen intergovernmental strategies, processes and programmes, including budgets, in order to maximise resources, support delivery and positively impact on efficiencies and sustainability.

The City will continue to improve its service culture and workplace ethics by implementing sound financial governance, improving accountability and transparency in awarding tenders, establishing key procedures and processes and minimising fraud and corruption.

A key focus will be on the preparation of a development strategy for the functional region. In the context of the City's administration, the focus is not only on regulatory reform but also on developing and sustaining a high performance administration that is able to deliver the efficient and reliable municipal services required for achieving the strategic objectives of the City.

This will be supplemented by a measurable action plan to improve the overall governance of the City's administration so as to enhance public confidence.

Table 28: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8A.1 Improved turn-around time of tender procurement processes in accordance with procurement plan	7,2 weeks	8 weeks		8 weeks	7 weeks	7 weeks	6 weeks
8A.2 Development of and percentage adherence to the Project Plan for Integrated Spatial Information System to link GIS, LIS and SAP	Analysis of as-is business processes completed	Conceptual design completed - 50% completion of first phase of development and implementation system	Project on hold depending on provision of additional funding in 08/09 budget	100% completion of physical design and spatial data frame work 25% completion of system construction and testing 100% of planned 08/09 expenditure	Implementation of system completed		Delays with projects as tender had to be re-advertised because none of the submitted bids met requirements
8A.3 Directorate & Departmental Staffing Strategies developed, approved and % implementation of the action plan	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1	90% of current year's action plans implemented and Staffing Strategies for the next Financial Period Developed and approved.	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1
8A.4 Percentage budget spent on implementation of WSP		100%		90%	100%	100%	100%
8A.5 Percentage improvement in the positive employee climate as per annual Culture Climate Survey	New	25%		28%	31%	34%	37%
8A.6 Percentage of capital projects meeting original planned milestones	New	New		80% ^{N12}	85%	90%	90%
8A.7 Percentage of C3 notification process implemented including geo-coding and correspondence functionality	New	New		100% of C3 notification process implemented including geo-coding and correspondence functionality	100% of C3 notifications resolved	100% of C3 notifications resolved	100% of C3 notifications resolved

N12: Housing target is subject to the City obtaining Accreditation

The City will also contribute to human capital development through staff skills development, the continuation of its external bursary scheme and learnership programmes.

The City will shift its focus to its 'constitutional competencies' (core business). The performance of non-constitutional functions will be pursued via intergovernmental discussions that will be aimed at resolving the future funding and rendering of these services.

The City will endeavour to foster good Intergovernmental relationships by clarifying roles and responsibilities (between province and national levels), and will strive to co-operate with the private sector, NGOs, donor agencies and other role-players.

It will utilise information technology strategically to drive the transformation of public services to provide better and more efficient government.

It will also effectively execute various institutional improvements to give effect to the IDP challenges. It aims to develop, sustain and contribute to improving the regulatory environment.

Corporate Objective 8A

Ensuring enhanced service delivery with efficient institutional arrangements

Directorate Objective 8.1 - Optimise staff structure, strategies and policies and promote skills development

Directorate Objective 8.2 - Enhance service delivery through alternative service delivery mechanisms

Directorate Objective 8.3 - Improve service culture and workplace ethics

Directorate Objective 8.4 - Improve the organisational and regulatory environment

Directorate Objective 8.1

Optimise the staff structure, strategies and policies and promote skills development

(The right people, at the right place, at the right time, with the right skills.)

The City's biggest single budget item is its staff costs. The City's most valuable asset, when optimally utilised, motivated and developed, is its people. However, this asset becomes its greatest liability when it is not effectively utilised.

The City's Human Resource strategy is aimed at delivering the right people, at the right place, at the right time, with the right skills. It is about ensuring the correct alignment of people to business needs. This will provide a value added result, which falls within budget parameters, which will result in improved service delivery.

This is done through:

- Identifying the top four areas of intervention that will have the greatest impact on staff loyalty and productivity, and addressing these areas across the organisation
- Improving the efficiency and effectiveness of the core HR business processes that impact on human resources management
- Increasing investment in staff development
- Identifying and monitoring key measurements that will support the above outcomes

The key interventions to achieve the Corporate Staffing Strategy include:

- Improvement in the staff loyalty index as measured annually through the culture/climate survey
- Improvement in staff productivity
- Improvement in return on investment in staff development

Strategy 1

Staff concerns impacting on staff loyalty include:

- Recognition
- Immediate line management
- Care and concern
- Fairness

These are being addressed through the following interventions:

- Implementation of a Management Rejuvenation Programme to improve the skills and performance of all levels of management, including supervisors and foremen
- Increased investment in staff through the implementation of an Integrated Talent Management Programme including the Talent Management Strategy, Leadership Development, Learnership Programmes and Graduate Programmes
- Implementation of approved employee wellness strategies linked to productivity programmes
- Implementation of approved Employment Equity (EE) strategies in the fields of employment equity, diversity management, gender and disability

Strategy 2

The core HR business process and policies identified for improvement include:

- Filling of positions
- Time management
- Talent management
- Work Place Skills Plan (WPSP)
- Development and management of the organisation's structure.

These are being addressed through the following interventions:

- Full implementation of all SAP HR process, based on SAP best practice. This will be implemented over a three year period and will provide a management and employee self service tool.
- Realignment of the WPSP and budget in order to ensure an effective return on investment of training interventions and effective response to areas of critical skills shortages
- Implementation of Quality Management principles and processes, to embed sound and innovative managerial practices at all levels of the organisation
- The creation of flexible policies and strategies that will support the creation of a flexible organisational structure and the identification and phasing in of Department level and Corporate benchmarks to manage structure and business processes, over the next five years
- Identification and implementation of productivity improvements including implementation of Red Tape projects
- Integrated Remuneration and individual Performance Management

Strategy 3

Increased investment in staff is achieved through continuous increase in the budget for training and development and the talent management project.



Strategy 4

Outcomes will be measured in terms of:

- Organisational Transformation Plan monitoring mechanism and measures
- HR Risk Dashboard.

Directorate Level Staffing Strategies

Management of staff is a line management responsibility. Policies and professional advice are provided by Corporate Services. The funding of staff resources lies with line management and is managed within their normal budget. Executive Directors are held responsible for effectively managing the allocation and deployment of their resources. To this effect, each Directorate is required to prepare an annual staffing strategy and plan that encompasses the following aspects:

- A projection of their staffing needs based on the projection of their service delivery menu and future strategy, taking into account sustainability, sources of funding and alternative mechanisms and models to meet service delivery demands
- The identification of critical vacancies and the formation of a financial plan to address these
- The identification of critical bottlenecks and underutilised resources and a plan for the better utilisation of current resources
- The management of staff remuneration in the context of the Remuneration Policy and the proper preparation of a financial plan
- A talent management plan, including the identification of scarce skills retentions and attraction strategies, and development plans
- The identification of learnerships and other training priorities and the funding thereof
- The identification of areas that require special interventions such as Business Process Re-engineering (BPR) and Quality Management (QM)
- An HR strategy to meet the requirements of the Service Delivery Integration Strategy
- The benchmarking of staff to service provision per department
- Compliance with corporate benchmarks adopted by MAYCO

Table 29: Staff Numbers per Directorate

DIRECTORATE	TOTAL	Clerks	Craft and related trades workers	Elementary occupations	Legislators, senior managers & managers	Plant & machine operators and assemblers	Professionals	Service and sales workers	Skilled agricultural & fishery workers	Technicians & associate professionals
CITY HEALTH	1 281	184	7	143	32	8	84	204	0	619
COMMUNITY DEVELOPMENT	3 554	340	50	1 904	69	337	43	286	9	516
CORPORATE SERVICES	1 391	434	136	334	60	161	69	91	0	106
ECONOMIC & SOCIAL DEVELOPMENT	303	96	8	23	46	2	39	28	0	61
FINANCE	1 417	1 054	10	25	92	16	84	6	0	130
HOUSING	640	244	89	133	8	15	38	62	1	50
INTERNAL AUDIT	41	8	0	0	10	0	17	0	0	6
OFFICE OF CITY MANAGER	251	154	0	7	51	3	14	6	0	16
SAFETY AND SECURITY	3 385	383	28	121	43	28	37	2 657	1	87
SERVICE DELIVERY INTEGRATION	323	87	4	3	73	1	48	1	0	106
STRATEGY AND PLANNING	708	172	27	46	58	21	89	16	0	279
TRANSPORT, ROADS AND STORMWATER	1 586	176	179	779	51	171	41	84	1	104
UTILITY SERVICES	6 841	944	660	2 964	105	977	95	529	1	566
Total	21 721	4 276	1 198	6 482	698	1 740	698	3 970	13	2 646

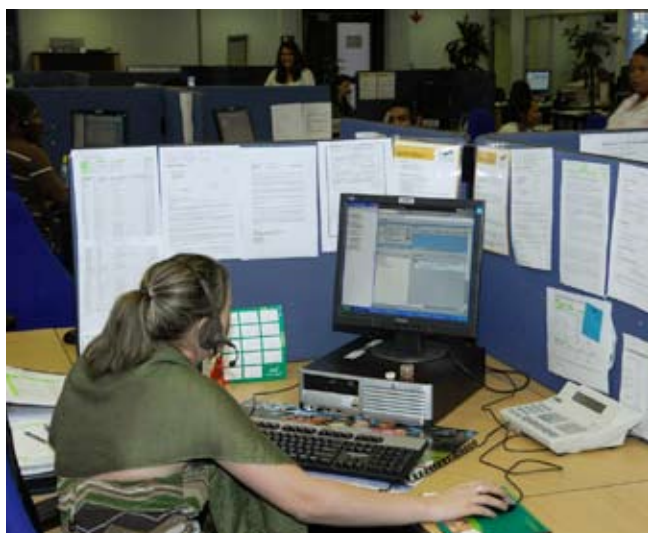


Table 30: Total Staff Numbers per Category

CATEGORY	NUMBER
Clerks	4 403
Craft and related trades workers	1 236
Elementary occupations	6 799
Legislators, snr managers and managers	921
Plant & machine operators and assemblers	1 747
Professionals	727
Service and sales workers	4 138
Skilled agricultural and fishery workers	13
Technicians and associate professionals	2 824
Total	22 808

Human Resources Budget and staff numbers

The City will consider, on an annual basis, whether to reprioritise a percentage of the staffing budget to fund growth services and shrink other services. This must be based on proper benchmarking of each department, input on IDP priorities and departmental attrition. Directorates will base their proposals on their staffing strategies.

Directorate Objective 8.2

Enhance service delivery through Information and Communication Technologies

The City will employ a three-pronged strategy to use information technology to improve its service delivery. This strategy will support the transformation of public services and will provide better and more efficient government.

The strategy, which is also known as the ‘Smart City Strategy’ aims to:

- Improve the efficiency of the administration
- Improve services to citizens and business
- Enable social and economic development

This will be realised using Information and Communication Technology (ICT) as an enabler to change the way that local government operates, thereby transforming the relationship between government and citizens, government and business, business and citizens, and citizens themselves.

IMPROVED ADMINISTRATION EFFICIENCY:

ICT will be used to improve the efficiency of the City’s administration. Through the introduction and continued enhancement of SAP as its core transactional system, the City has established a fully integrated Enterprise Resource Programme (ERP) system that supports the majority of its business processes on a single ICT platform. This investment has introduced world-best-practice business processes to the administration and it will therefore continue to be used to drive operational efficiency, ensure legislative compliance of procedures and will satisfy reporting requirements. Operational efficiency will be enabled by automating those business processes that are not currently being performed within a corporate information system, bringing more business units in line with the existing corporate business processes and growing the content of the management information systems to serve decision makers. The aim is to make local government more customer friendly and citizen oriented, reduce bureaucracy, bring down transaction costs and provide cheaper services.

IMPROVED SERVICES TO CITIZENS AND BUSINESS:

The use of ICT to better communicate with and deliver services to citizens and businesses will be achieved by providing information about services and enabling easier access to them; enabling information and financial transactions and fostering democracy. This is closely related to the City’s service delivery and communications strategy, which is dependent on its ICT capabilities. The City will continue to enhance its Customer Relationship Management (CRM) capabilities and introduce a citizen portal to facilitate online transactions and make system information available to the public via self-help systems. It will further focus on how ICT can make local government politicians and officials more accessible. It will also investigate how IT can be used to make local government processes and performance related information more transparent. This will assist in building accountability.



ENABLE SOCIAL AND ECONOMIC DEVELOPMENT

ICT plays an increasingly important role in business and employment, and is seen as an important reflection of the City's ability to attract investment and create sustainable jobs. The City will therefore promote its usage wherever possible. The City will expand on the sound base that has been established via the Smart Cape Access points and 'digital business centres' as part of its continued effort to support small businesses, increase public exposure and access to ICT training and facilities, create job opportunities, rebuild community spirit, attract investment and so on. The development of relevant local contents increases community access to affordable training. Increasing the number of available technical ICT skills and increasing ICT sector support is aimed at growing its contribution to economic growth in the City. The broadband project (discussed later) is regarded as a key enabler of economic growth in Cape Town. Key programmes under this objective include:

ICT RELIABILITY PROGRAMME:

The City has made a huge investment and is extremely reliant on its information technology systems. Strategically it is therefore crucial that it adequately maintain and operate its existing information technology assets in the interests of continued service delivery. Key objectives are improving the reliability of the technical infrastructure, creating repeatable operational processes and building the needed core technical skills and operational management skills. As an example, the maintenance and upgrading of uninterruptable power supplies is a focus during 2008 to mitigate against the impact of recurring power outages on city operations. From an application perspective the City will continue to invest in maintaining its core transactional systems to ensure that these remain current and continue to satisfy internal and externally initiated change requirements.

ICT ENHANCEMENT PROGRAMME:

There is an on-going programme to enhance the existing IT systems by adding new functionality (such as the introduction of voice-over IP PABX's in all call centres). The programme also seeks to increase the level of automation of City services. Key objectives are enhancing and extending its applications platforms, strengthening architecture and governance processes and building and enhancing business analysis and project/programme management skills.



ICT INNOVATION PROGRAMME:

ICT provides the City of Cape Town with valuable opportunities to innovate and transform its operations. Such endeavours are typically multi-year projects requiring leadership, upfront investment and commitment to organisational change. Examples of previous innovation include the City's Enterprise Resource Planning System, the SmartCape Access Project, open source competency centre, digital business centres and the ICT literacy project. An example of a new innovation is the City's Broadband Project, which is designed to drive down the cost of its telecommunications as well as enabling a whole range of new services and industries that are dependant upon cheap telecommunications. In addition to assisting the City with its service delivery challenges, this project is anticipated to have a major impact on the economy of Cape Town.

INFORMATION AND KNOWLEDGE PROGRAMME:

The City will develop its data, information and knowledge assets to inform resource allocation and monitor development trends. The use of Geographical Information Systems (GIS) to monitor development in the City and as a decision-making tool is an important aspect of this. Through the implementation of the Integrated Spatial Information System (ISIS) project, the City aims to integrate the main property related information that is currently held in many different systems and to improve the management and integrity of such information to support its delivery in terms of the land management functions i.e. land use planning and building development management, property management, valuations, revenue and housing.

In accordance with the Spatial Data Infrastructure Act, the City will improve the management of its spatial information and make information more accessible by developing web-based tools to provide more immediate access for internal users as well as the public. The City also aims to provide easier access to information products through a CityMaps kiosk (for access to mapping products) and a Knowledge Resource Centre (for access to knowledge assets such as policies, planning frameworks, etc).

CUSTOMER RELATIONSHIP PROGRAMME:

The City will continue to enhance its Customer Relationship Management (CRM) capabilities and introduce a citizen portal to facilitate online transactions and make system information available to the public via self-help systems.



It will further focus on how ICT can make local government politicians and officials more accessible. It will also investigate how ICT can be used to make local government processes and performance related information more transparent. This will assist in building accountability.

OPERATIONS INTEGRATION MODEL:

At a meeting held on the 28 August 2007, the Executive Management Team (EMT) adopted a revised Operations Integration Model. This is based on:

- Focussing on how we work, with a lesser focus on fixed service boundaries
- Adopting a sustainable and flexible approach to accommodate a growing and changing City into the future
- Customer demands/needs driven

At the meeting, it was agreed that a system of EMT subcommittees be established to drive and steer implementation and provide regular progress reports to the EMT.

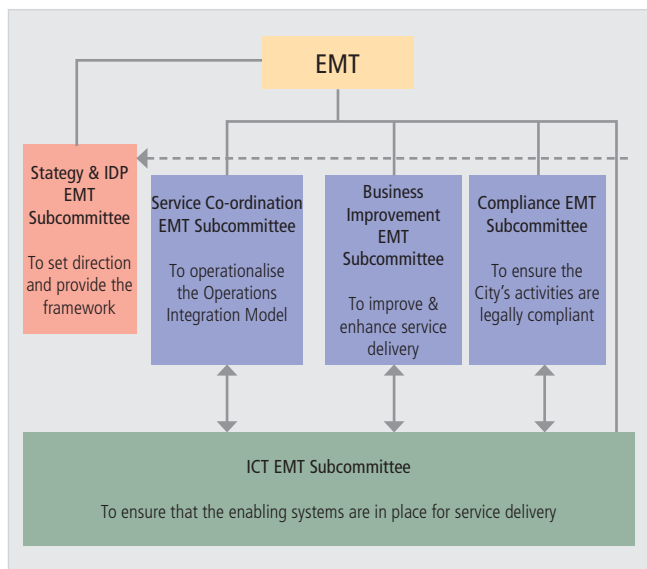


Figure 25: Operations Integration Framework

It was also agreed that:

- A process be agreed to (including the development of guiding principles) in the establishment of fully ring fenced Internal Business Units for the three main trading (tariff-funded) services, namely Electricity, Water/Sanitation and Solid Waste
- A system of service level agreements (Activity Based Costing (ABC)) be established to govern the service delivery and cost recovery relationship between corporate support services i.e. HR, Finance & IT, and their internal clients
- A CRM strategy and implementation plan, corresponding with the Operations Integration Model, be developed and implemented incorporating the agreed roles and responsibilities of call centres versus operational centres
- An improved method of working be developed, looking at the integration and co-ordination of service delivery and planning at a corporate and district service level

Directorate Objective 8.3

Improve service culture and workplace ethics

GOVERNANCE AND INSTITUTIONAL ARRANGEMENTS:

The governance framework of the City has changed substantially since the 2006 Local Government elections. The City implemented an Executive Mayoral system with Section 79 Portfolio Committees. Provision was also made for subcouncils and ward participatory mechanisms.

ORGANISATIONAL PERFORMANCE MANAGEMENT (OPMS) PROGRAMME:

The City of Cape Town's Performance Management system has evolved through the years. In 2003, the City took a bold step and implemented the Balanced Scorecard system as its performance management methodology. The focus for the next five years is to institutionalise and formalise performance management at political, organisational and community levels.

The first step in formalising and institutionalising performance management is by developing and implementing the Organisational Performance Management Policy (OPMS). This policy defines how the Balanced Scorecard methodology will be implemented in future.



CAPACITY BUILDING PROGRAMME:

Effective implementation of the OPMS depends on stakeholder capacity. Over the next few years the focus will be on training and capacity building for key councillors, managers and community forums.

COMMUNITY INVOLVEMENT IN OPM:

Ward forums will be informed about the OPMS and its related processes. The focus will be on involvement and consultation in performance management processes that affect them.

Directorate Objective 8.4

Improve the organisational and regulatory environment

The Constitution requires the City to create and administer by-laws for the effective administration of matters that it has the right to administer.

Such laws must also assist it in achieving the objects of local government, namely:

- (a) To provide democratic and accountable government
- (b) To ensure the provision of services in a sustainable manner
- (c) To promote social and economic development
- (d) To promote a safe and healthy environment
- (e) To encourage involvement of communities in local government matters

Some 500 outdated and/or unconstitutional by-laws were repealed during the financial year and the City will evaluate and review its policies and by-laws, and the implementation thereof, in order to improve their efficiency and effectiveness. New by-laws and policies will be introduced to reflect the changing needs of the community.

The Council will continuously review its system of delegations. Powers and duties will be devolved in terms of this system in order to accelerate decision-making and improve service delivery.

Corporate Objective 8B

Management of key financial and governance areas such as income control, cash flow, indigent support, alternative income opportunities, asset and risk management

Directorate Objective 8.5

Management of key financial and governance areas such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management

ANTI-CORRUPTION INITIATIVES:

The City has adopted a zero tolerance approach to fraud, corruption, theft and associated irregularities that may impact on its quest for optimal service delivery. All employees and contractors are required to act honestly and with integrity at all times, and to safeguard the resources for which they are responsible. The City, led by the Executive Mayor and the City Manager, is accountable to the community and other stakeholders for managing and administering itself in accordance with sound principles. Management is responsible for leading by example and promoting and developing a culture of zero tolerance towards corporate crime.

In recognition of the fact that criminal and other irregular conduct is detrimental to good, effective, accountable and transparent governance, Forensic Services was established as an independent department within the City's Corporate Governance structures. Its overarching aims and objectives are, in accordance with international and national best practices, to provide a reactive, forensic, investigatory, and a proactive detection and awareness service to the City and all other municipal entities.

The Executive Mayor is the champion of the anti-corruption campaign. To ensure its independence, the Forensic Services Department is housed in the office of the City Manager and reports to the City's audit committee, which exercises an oversight and review function.

Table 31: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8B.1 Net Debtors to Annual Income [Ratio of outstanding service debtors to revenue actually received for services (NKPI)]	21,07%	20%	19,75%	19,70%	19,60%	19,60%	19,50%
8B.2 Debt coverage by own billed revenue (NKPI)	4,51:1	4,31:1	4,50:1	4,50:1	4,45:1	4,45:1	4,40:1
8B.3 Percentage of City's Capital budget spent (NKPI)	77%	95%		95%	97%	98%	98%
8B.4 Percentage of City's operating budget spent	92%	98%	95%	98%	95%	95%	95%
8B.5 Ratio of cost coverage maintained	3,01:1	2,60:1	3,00:1	3,10:1	3,20:1	3,30:1	3,50:1
8B.6 Revenue collected as a percentage of billed amount	99,3%	95,5%		96%	97%	98%	98%
8B.7 Percentage reduction in the number of recurring findings emanating from Internal Audit	New	50%		60%	70%	80%	90%
8B.8 Unqualified Audit from Auditor General	Unqualified audit received from AG	Unqualified audit received from AG		Unqualified audit received from AG	Unqualified audit received from AG	Unqualified audit received from AG	Unqualified audit received from AG
8B.9 Maintain City's credit rating	A1+ (short term) AA- (long term)	A1+ (short term) AA- (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)
8B.10 Percentage annual asset verification process completed		100% completed by 31 May		100% completed by 31 May	100% completed by 31 May	100% completed by 31 May	100% completed by 31 May

The department aims to:

- Conduct investigations and report thereon to the City Manager, senior management and other role-players
- Proactively develop and implement processes and procedures that are able to detect these events in a timely manner
- Manage the operation of the toll free Fraud Hot Line that has been set up to allow whistle blowers to report incidents of this nature in strict confidence
- Facilitate fraud awareness by means of training seminars and campaigns on a continual basis
- Review and prepare fraud and anti-corruption policies such as, the Fraud Prevention policy
- Conduct regular departmental fraud risk indicator reviews
- Undertake fraud awareness and anti-corruption surveys

The City has established working relationships with law enforcement agencies, for example the SAPS and the Office of the Public Protector, to partner with in its fight against corporate crime. The ultimate goal is to foster and embed a culture of zero tolerance to this type of offence, which will in turn facilitate a high standard of service delivery.

RISK MANAGEMENT PROGRAMME:

The City operates in a highly complex organisation with one of the largest SAP installations globally. At times the City's Seven Strategic Goals may be at odds with each other and they will always compete for limited resources. The City needs to put structures and processes in place that will ensure continuity in service delivery despite any extraneous factors. It has therefore embarked on a process to develop a uniform approach to risk management that extends across the organisation.

The successful implementation of risk management processes will increase the City's 'resilience' in its service delivery processes and targets, which is important regardless of political scenarios. Service delivery targets are made more difficult because of historical backlogs. Risk management is seen by the City as providing the assurance framework to meet its goals and objectives despite extraneous factors.

The City's risk management methodology includes:

- Determining risk appetite
- Establishing an appropriate internal environment, including a risk management framework
- Identifying potential threats
- Assessing risk (likelihood and impact)
- Selecting and implementing responses
- Undertaking control and other responses
- Communicating consistently about risk at all levels
- Monitoring and co-ordinating risk management processes and outcomes

The City has concluded a contract with KPMG to establish an internal risk management function. It has appointed a Head: Risk Management with effect from 1 March 2008 who will develop this function in consultation with KPMG.

Embedding risk management

Risk management tends to be iterative in nature and a Maturity Index is therefore very useful in firstly establishing a baseline for where the City finds itself and secondly in developing a 'road map' to identify the way forward. The ultimate goal is to have risk management embedded within all the City's activities by avoiding certain risks but also to have the ability identify the risk to service delivery by not taking timely and appropriate action.

Disaster Risk Assessment

A macro disaster risk assessment of hazards and risks within the disaster risk management service delivery areas (of which there are four) has been completed.

The City has tendered for an external service provider to undertake a comprehensive disaster risk assessment on its behalf. This will consist of two streams, namely, a City-wide disaster risk assessment and a community-based risk assessment. The tender is due to be finalised shortly.



Disaster Management Plans

Disaster management plans that have recently been received include the City's municipal disaster management plan, the Koeberg nuclear emergency plan, the major aircraft accident plan, the major storms and flooding plan and the major interruption to electricity power supply plan.

Corporate Objective 8C

Establish effective community engagement channels

This core objective is linked to the following KPIs and targets on the City's Corporate scorecard and is divided into objectives that are detailed below.

Directorate Objective 8.6 - Establishment of Representative Ward Participatory Mechanisms

Directorate Objective 8.7 - Improvement of community satisfaction

Directorate Objective 8.6

Establishment of Representative Ward Participatory Mechanisms

WARD PARTICIPATORY MECHANISMS:

Ward forums have been established in all 105 wards. These forums have already held their inaugural meetings.

Directorate Objective 8.7

Improvement of community satisfaction

The City has commissioned a community satisfaction survey to assess satisfaction levels with the type of the various municipal services offered and to identify priority needs with respect to service improvements. The intention is to conduct the survey on an annual basis.

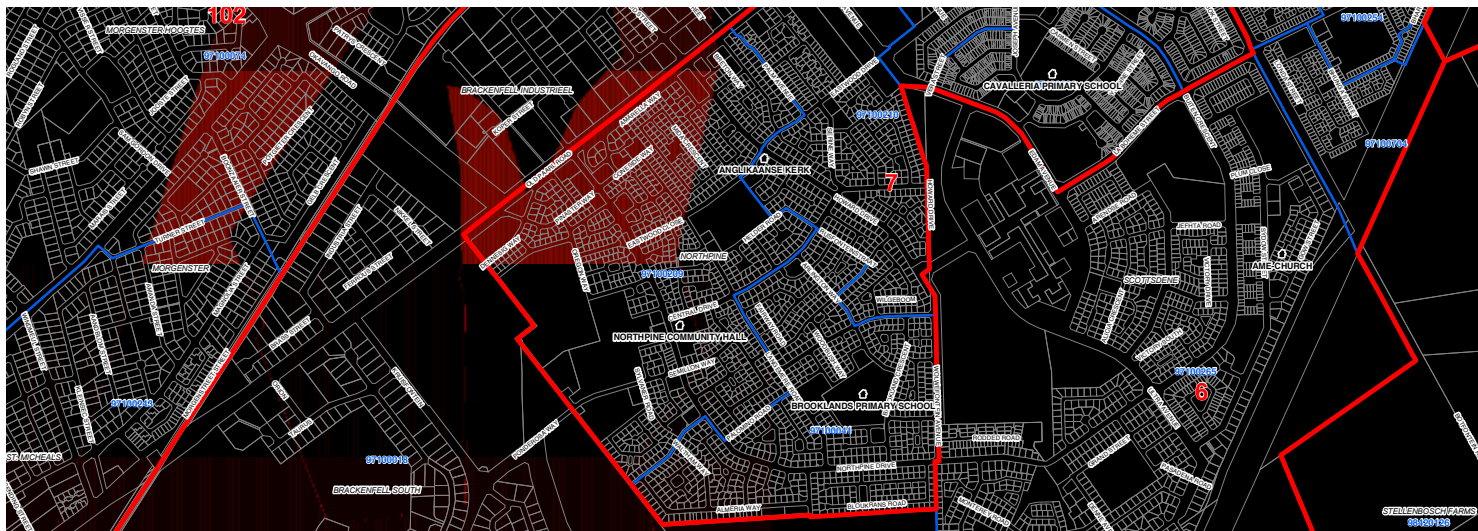
SUBCOUNCILS:

The municipality of Cape Town has 23 subcouncils that are governed by a number of delegations of Council together with the Cape Town subcouncil by-law 2003, as amended.

Issues that subcouncils deal with range from the assessment of performance of service delivery within jurisdictional areas, the IDP, budget and business planning, street naming, business licensing, land use, planning and environmental matters and public participation, to name but a few.

Table 32: Key Performance Indicators

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED TARGET 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8C.1 Community satisfaction score measured in terms of the Likert scale (1-5)	New	3,0	Survey completed, Likert score not available yet	3,0	3,2	3,4	3,5





GOVERNANCE FRAMEWORK AND FUNCTIONALITY

This section explains the framework of the institutional structures that the City uses to implement its strategies with the application of appropriate resources.

City Structure

The relationships between the City's political structures are as follows:

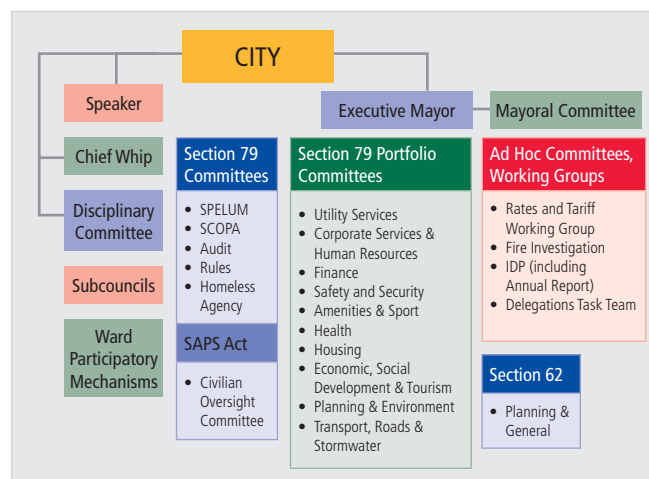


Figure 26: The City of Cape Town's Structure

Table 33: Mayoral Committee

COUNCILLOR/ALDERMAN	PORTFOLIOS
Ald H Zille	Executive Mayor
Cllr G Haskin	Executive Deputy Mayor: Special Projects: Substance Abuse and AIDS Orphans
Cllr S Grindrod	Economic, Social Development and Tourism
Cllr D Ximbi	Safety & Security
Cllr M Fienies	Health
Cllr E Thompson	Transport, Roads & Stormwater
Cllr M Niewoudt	Planning and Environment, Library and Information Service and City Parks
Cllr S Simms	Community Development
Cllr B Walker	Corporate Services & Human Resources
Cllr C Justus	Utility Services
Cllr I Neilson	Finance and Health
Cllr D Plato	Housing

Office of the Speaker

The Speaker's Office's responsibilities range from co-ordination of all processes flowing from the implementations of the subcouncil's delegations, matters relating to disciplinary investigations in terms of the Codes of Conduct of Councillors and Municipal employees, rules of meetings of political structures and the Planning and General Appeals Committee.

Table 34: Portfolio Committees

COUNCILLOR/ALDERMAN	PORTFOLIOS
Cllr C Justus	Utility Services
Cllr S Pringle	Corporate Services & Human Resources
Cllr I Iversen	Finance
Cllr JP Smith	Safety and Security
Cllr G Cavanagh	Amenities and Sport
Cllr J Vos	Health
Cllr N Ross	Housing
Cllr P Hill	Economic, Social Development & Tourism
Cllr B Watkyns	Planning & Environment
Cllr E Berry	Transport, Roads and Stormwater

Table 35: Subcouncils and Chairpersons

SUBCOUNCIL	CHAIR
1. Blaauwberg	Cllr V Bergh
2. Bergdal	Cllr G Twigg
3. De Grendel	Cllr J Vos
4. Tygerberg	Cllr F Kearns
5. Central	Cllr T Thompson
6. Bellville	Cllr G Kleinsmith
7. Koeberg	Cllr C Ipsier
8. Helderberg	Cllr G Siljeur
9. Nxele Makana	Cllr N Bevu
10. Charlotte Maxeke	Cllr M Mngasela
11. Look Smart Solwandle Ngudle	Cllr L Dunn
12. Mitchells Plain	Cllr G Pascoe
13. David Mthetho Ntlanganiso	Cllr B Maboe
14. Miranda Nqculu	Cllr. A Figlan
15. Pinelands	Cllr B Watkyns
16. Good Hope	Cllr JP Smith
17. Athlone District	Cllr C Williams
18. Rondevlei	Cllr BEH Lee
19. South Peninsula	Cllr D Qually
20. Protea	Cllr O Kinahan
21. Oosterberg	Cllr W Brady
22. Lizo Nkonki	Cllr PS Gouws
23. Adelaide Tambo	Cllr T Trout

Executive Management

The Executive Management Team (EMT) leads the City’s drive to achieve its strategic objectives as outlined in the IDP adopted each year.

The macro organisational design of the administration is indicated below.

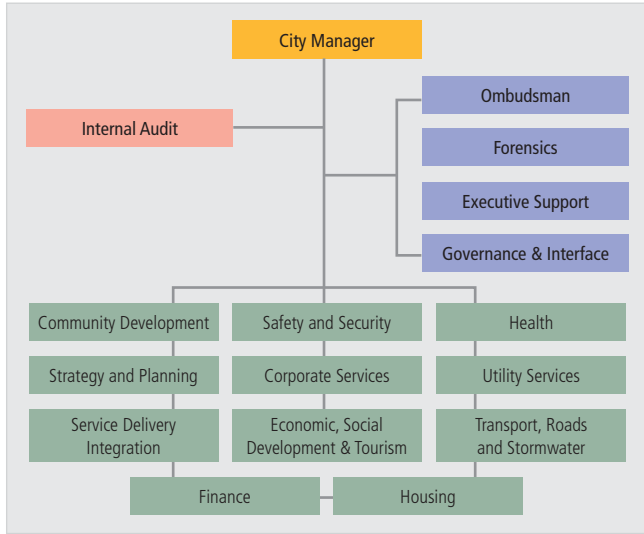


Figure 27: Executive Management Structure

Table 36: EMT Structures

CITY MANAGER	ACHMAT EBRAHIM
CHIEF AUDIT EXECUTIVE	ZULPHA ABRAMS
EXECUTIVE DIRECTOR:	
Community Development	Lokiwe Mtwazi
Economic, Social Development & Tourism	Mansoor Mohamed
Safety & Security	Adv Dick Tshangela
Health	Vacant
Transport, Roads & Stormwater	Eddie Chinnappen
Service Delivery Integration	Mike Marsden
Housing	Hans Smit
Corporate Services	David Beretti
Utility Services	Dr Bulumko V Msengana
Strategy & Planning	Piet Van Zyl
Chief Financial Officer	Mike Richardson

City/Province Intergovernmental Co-operation

In the run-up to the drafting of the 2008/09 IDP review, the City held a number of engagements with Provincial Government to encourage improved synergy in planning and budgeting between the two spheres of government. These were followed up with one-on-one engagements. The goals were to achieve open dialogue and agree on a strategic direction to inform planned capital projects and services; to identify projects spatially and garner the support needed to realise optimal effectiveness of allocated resources; and to achieve an in-principle agreement on a mechanism to continue dialogue and engagement beyond these initial meetings.

The interaction between the two spheres of government was successful in that stated objectives were achieved and a number of short-term issues and in-principle agreements were reached. It was agreed that the most urgent projects require the collaborated contributions of the City and the Provincial Government. Collaboration is seen as important by both spheres as they both operate in the same geographic space.

The engagements were structured into three categories:

1. Economic development; agriculture; transport and public works; and environmental affairs and development planning

BULK INFRASTRUCTURE:

Concerns were raised that maintenance spend by both spheres of government was inadequate and that funding for infrastructure construction and maintenance thereon needs to be above CPIX inflation injections to maintain the current asset value of said infrastructure. Speedier approval of environmental impact assessment approvals and closer co-operation with regard to reducing legislative red tape by the Provincial Government were raised as key issues



POVERTY:

Investment into Early Childhood Development (ECD) was identified as a key vehicle to a future inclusive economy. Closer co-operation with regard to the registration, resourcing and accounting for the outputs and outcomes among the City, the Provincial Education, Health and Social Development Departments were proposed.

ECONOMIC DEVELOPMENT:

The Regional Development Strategy (RDS) proposals and the Organisation for Economic Co-operation and Development (OECD) assessments will be investigated for possible implementation, as they are seen as necessary to lay a sound basis for a common understanding to tackle the economic, social and governance challenges facing the province. There will be improved co-operation with regard to inner city initiatives and the 2010 FIFA World Cup™ preparations.

PUBLIC TRANSPORT:

Community safety highlights the link between road safety, poverty alleviation and economic development strategies. The linkage between roads and the four 'Es' (Economy, Equity, Environment and Engineering) is emphasised.

INTERGOVERNMENTAL RELATIONS (IGR):

Further engagements between the City and Province will focus on resolving communication gaps and on ensuring more effective integration with the various sub clusters that deal with specific issues. Methods of collaborating with Provincial Government with regards to planning will be explored and clusters will meet on a quarterly basis to ensure that actions are followed through.

2. Community safety; social development; cultural affairs and sport and housing

HUMAN SETTLEMENTS:

Availability of funding, suitable land and the rapid approval of housing projects remain a challenge. The City aims to pursue the issue of housing accreditation, which is necessary for speeding up project approvals. Joint initiatives to obtain private sector involvement (GAP Housing) and access to land for housing will be explored.



COMMUNITY SAFETY:

Province identified the integration of traffic law enforcement initiatives (as conducted by Metro/Municipal Law Enforcement Agencies and Provincial Traffic) as a major challenge. Further challenges included the non-integration of data systems in relation to collision and other statistics, the dangers of drugs and gangsterism among youth, and the need for empowerment and education.

DISASTER MANAGEMENT:

Insufficient fire and rescue resources and equipment, risk reduction and 2010 planning capacity issues were highlighted. The reduction in time lags between disaster and responses; incident management systems on roads; and co-ordinated responses to disasters will be addressed.

LIBRARIES AND SPORTS FACILITIES:

Libraries are an unfunded mandate for the City. Its libraries are consequently not optimally funded, and suffer capacity constraints. Collaboration with Province's adequately resourced libraries will be pursued.

3. Education and Health

There is a high level of collaboration between the national Health Department and the City. Challenges that are jointly addressed include the high rate of TB infections, HIV/AIDS and the Burden of Disease (BOD). Other areas of collaboration include the supply of water and sanitation to informal settlements to address diseases before they start.

Province will implement No Fees Schools; allocate bursaries to colleges; initiate nutrition, and HIV/AIDS projects and promote Safe schools in the city. It will also implement the national drug master plan by up-skilling officials; building a call centre for learners and communities; and enhancing the capacity of local drug action committees.





MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

(As at 20 March 2008)

In terms of the City's financial planning and statutory requirements, the Medium Term Revenue and Expenditure Framework (MTREF) needs to be reviewed annually to ascertain the affordability level at which the municipality can operate.

Financial Modelling

The outcomes of the MTREF modelling performed and presented incorporate the strategic focus areas of the current draft IDP as well as core economic, financial and technical data sets obtained at local and national levels. The ensuing paragraphs outline the assumptions that are made and the variables that are provided for in the model. The initial outcome was approved by the Mayoral Committee in November 2007.

It was based on the following:

- Inflation linked tariff increases, to the extent that they affect the operating of relevant services
- Higher than inflation repairs and maintenance provisions to attain national benchmark levels so as to enhance preservation of the City's infrastructure
- Reduced growth in general expenses, based on spending trends of past financial periods
- Higher increases to selected cost elements subjected to higher than average inflationary pressure, e.g. fuel and water treatment chemicals
- A 95 percent capital expenditure implementation rate
- Credible collection rates based on collection achievements to date and incorporating improved success anticipated in selected revenue items
- Anticipated CPIX of 6.5 percent for 2009/10
- Expected growth in the City's economic and revenue base, was generally in the range of 2 percent – 4 percent
- Rates were factored at 0 percent growth as a result of the reduction to the current rates base

Whilst the submission of the first draft MTREF outcome was based on the above principles, further evaluation of strategic requirements, updated financial indicators and ratios has resulted in further amendments to the model.

The following principles underscored the revisions:

- Electricity growth was factored at 0 percent as the implementation of an energy savings plan made it imprudent to have a growth in the base (previous 3 percent growth)
- Strategic requirements like 2010 FIFA World Cup™ capital and operating requirements; the provision of pay parity (phase two) and the Broadband project was then taken into account
- In determining the Total Municipal Account (TMA) payable by households the Tariff & Rating Political Advisory Committee (TARPAC) aimed towards a single digit. However, cognisance has to be taken in the case of electricity, which has a higher than legislatively required tariff increase of 15 percent

Other indicators in the model included:

Collection Rate

In accordance with relevant legislation and national directives, the City's revenue recovery rates are based on realistic and sustainable trends.

Its collection rate is set at an average of 93 percent (excluding Housing, which has an average collection rate of 50 percent) and is based on a combination of actuals achieved to date and estimated outcomes for the current financial period. Adequate provision is made for non-recovery. Whilst collection rates will vary between different services and be based on current trends, special provision is made to cater for the implementation effect of an indigent programme.

Salaries, Wages and Related Staff Cost Expenses

The salary increases were modelled as follows:

Table 37: Salary Increases

	2008/09	2009/10	2010/11
CPIX	6,78%	6,5%	6,5%
Add: Increments	2,0%	2,0%	2,0%
SALGA (per future Agreement) increase	1,5%	0,5%	0,5%
TOTAL	10,28%	9%	9%

The 2008/09 SALGA salary adjustment is based on the three year agreement which expires in 2009. A lower SALGA increase was modelled for the 2009/10. A provision of R90 million was included to cover the financial impact of further pay parity adjustments.

General Expenses

General Expenses category increases were set at CPIX less 1 percent (5,5 percent) based on a relatively low spend achieved in the 2006/07 financial year (77 percent).

Repairs and Maintenance

Nationally benchmarked norms for this expenditure category are set at 10 percent. Cape Town's proportionate spend of only 6,74 percent falls short of this target. An increased overall allocation of CPIX + 3 percent growth was consequently modelled to address this shortfall.

Capital expenditure (EFF component)

Affordability represents the basis for determining the level of EFF-funded expenditure. Proposed EFF-quanta for the following three financial years were set at R1 569 million, R1 786 million and R1 861 million respectively (2008/09, 2009/10 and 2010/11).

Capital investment

No further additional or consequential operational costs flowing from Council's capital investment programme were provided for.

It is assumed that these will be catered for via efficiency gains and the prioritisation of existing operational resources.

Interest rates

Borrowing interest rates are factored at a prime rate of 10 percent. It is assumed that the average prime rate will stabilise at this level for the forecast period. Investment interest rate is assumed to be at a level of prime less 1 percent; i.e. 9 percent for the forecast period.

Depreciation

Depreciation on new capital expenditure is calculated at a varying rate ranging between nine and 20 years depending on the nature of the asset. Actual depreciation was modelled on existing assets. An annual capital expenditure implementation rate of 95 percent was factored into the model.

RSC Levies/National Grant

DORA 2007-published allocations in lieu of RSC levies and provided for in the model:

2008/09	-	R1 245 million
2009/10	-	R1 375 million
2010/11	-	R1 464 million (not yet gazetted; 2009/10 + CPIX assumed)

Subsequent to finalising the model, the DORA 2008 allocation was published. The 2010/11 allocation is R1 585 million. Future years' sourcing is uncertain and at present the subject of research and policy setting at national level.

Equitable share provisions

2008/09	-	R 421 million
2009/10	-	R 604 million
2010/11	-	R 643 million (not yet gazetted; 2009/10 + CPIX assumed)

Subsequent to finalising the model, the DORA 2008 allocations were published with the following equitable share provisions:

2008/09	-	R464 million
2009/10	-	R631 million
2010/11	-	R831 million

Major tariffs and charges: Rates and Trading Services

To ensure an effective and efficient well run city, higher tariff increases are inevitable.

The individual tariff increase proposals will be considered in context of the overall 'package of tariffs approach' adopted in compiling and evaluating the affordability of the component tariffs and charges which constitute the total municipal account.

The following tariff increases were factored in the MTREF model and determined the affordability levels for the compilation of the 2008/09 operating budget:

Rates

A rates increase of 7,3 percent was modelled. This is 0,08 percent higher than the CPIX but necessary to accommodate specific strategic requirements to be included in the budget

Refuse Removal

An increase of 7,5 percent was factored into the MTREF model

Electricity

The electricity tariff increase was projected at 15 percent and is based on the Eskom tariff increase to municipalities

Water

The water tariff increase is modelled at 9,2 percent (1 percent required for the Berg Water Scheme) and sanitation tariff increase is 6 percent (,05 percent less than CPIX).

In terms of the model, the abovementioned tariff increase proposals are estimated to realise the following revenue:

Table 38: Service Revenue

REVENUE CATEGORY	2007/08 CURRENT BUDGET	2007/8 BUDGET INCLUDING PROPOSED ORGANIC GROWTH	PROPOSED TARIFF INCREASE	2008/09 BUDGETED REVENUE
	R'000	R'000		R'000
Rates	3 497 000	3 497 000	7.3%	3 752 281
Refuse	482 000	491 640	7.5%	528 513
Electricity	2 940 000	2 940 000	15%	3 381 000
Water	1 101 000	1 134 030	9.2%	1 238 361
Sanitation	637 000	656 110	6.0%	695 477

Major Parameters

The table below outlines the major parameters applied in performing the MTREF modelling which should inform detailed compilation of the City's 2008/09 – 2010/11 budgets:

Table 39: Major Parameters

	2008/09	2009/10	2010/11
	%	%	%
CPIX	6,50	6,50	6,50
Collection rates:			
Rates	96,89	96,89	96,89
Electricity	98,50	98,50	98,50
Water	83,00	85,00	87,00
Sanitation	92,00	92,00	92,00
Refuse	95,00	95,00	95,00
Housing	50,00	57,00	57,00
Parameters applied (including organic growth):			
Rates	7,30	7,50	7,50
Electricity	15,00	14,90	14,90
Water	12,20	11,70	10,78
Sanitation	8,00	7,50	7,50
Refuse	9,50	9,50	9,50
Salaries, wages and related costs	8,28	7,00	7,00
General Expenses	5,50	5,50	5,50
Repairs and Maintenance	9,50	9,50	9,50
Fuel	11,50	11,50	11,50
Capital (EFF component)	R1 569 m	R1 786 m	R1 861 m

Prioritising the Allocation of Resources

Fundamental to the focused application of resources is a prioritisation model that enables line departments to direct operating and capital budgets as well as human and other resources to effectively deliver on their strategic objectives.

The prioritisation of capital projects for the 2007/08 financial year and those informing the outer years of the MTREF cycle do not start from a zero-base. The current schedule of capital projects consists of a mixture of roll-over committed projects, grant funded projects, counter commitments, roll-over funding commitments and operational expenditure requirements.

The key challenge in the current schedule is to allow some reprioritisation without disrupting the momentum in delivering the capital programme.

However, even through there is limited discretion within the current capital programme, some reprioritisation is advisable.

This stems from the following lingering concerns:

- Analysis suggests that the structure of the existing capital budget is problematic. Replacement and refurbishment requirements are under-funded, leading to infrastructure deterioration, while large scale projects such as 2010 and previously, the N2 Gateway, create distortions by crowding out discretionary funding
- The discretionary scope on the capital budget is thus extremely limited

The Service Menu Resource Allocation Matrix

A simplified matrix that allows the shifting of resources towards the City's constitutionally mandated functions and services is used in such a manner that the return on its investment in resources will lead to:

- an optimal return in terms of shared and sustainable growth, aimed at achieving the 6 to 8 percent GGP growth targets for the City
- institutional stability
- an increase in the City's ability to provide basic and enhanced services effectively and efficiently
- a renewed ability to redress backlogs in a focused and structured manner
- a strengthening of the City's ability to leverage maximum business activities (commercial and industrial) that will support shared growth
- a reduction of poverty and inequality and a better life for all

Methodology outline

The allocation of resources to the different services and functions provided by the City will be classified into nine prioritisation categories. The objective is to focus its resources in such a manner that economic growth and development is achieved for the benefit of all of Cape Town's citizens.

1. Strong impact on economic growth	0 C1	+	B1	++ A1
2. Support economic growth	- C2	0	B2	+
3. Neutral to economic growth	- C3	-	B3	0 A3
	C. Discretionary (Non-Constitutional)		B. Support Services	A. Basics regarding Constitutional obligations

Figure 28: The Service Menu Resource Allocation Matrix (RAM)

In terms of this matrix model, resource allocation will be predominantly directed towards constitutionally mandated functions that have a strong impact on economic growth (see Block A1) and shifted away from discretionary functions that do not contribute to shared economic growth and development.

A schedule of services as categorised in terms of the service menu Resource Allocation Matrix (RAM) has been compiled to focus the City's resources on corporate priorities.



CORPORATE SCORECARD
2007 – 2012
(2008/09 Review)

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 1: SHARED ECONOMIC GROWTH AND DEVELOPMENT							
1A Create an enabling environment for the economy to grow and become globally competitive							
Directorate Objective 1.1 - Drive development facilitation to proactively assist investors and those wanting to set up/expand businesses in Cape Town Directorate Objective 1.2 - Develop new and strengthen existing partnerships Directorate Objective 1.3 - Grow and strengthen the City's tourism capability Directorate Objective 1.4 - Develop and grow LED and particularly SMME opportunities Directorate Objective 1.5 - Prioritise skills development based on the needs of the local economy Directorate Objective 1.6 - Improve the processing of building plans and land use applications to well within the statutory time frames Directorate Objective 1.7 - Develop the City's creativity and knowledge and innovation base industry							
1A.1 Number of direct job opportunities created (NKPI)	13 229	9 500		10 600	12 000	13 600	15 400
1A.2 Rand Value of direct investment	R1,16 billion	R1,6 billion	R1,16 billion ^{N1}	R1,5 billion	R2,1 billion	R2,4 billion	R2,7 billion
1A.3 Achieve year on year growth through Destination marketing facilitated through the SLA with DMO	New		5%	5%	5%	5%	5%
1A.4 Number of job opportunities created through the EPWP to contribute to the reduction of poverty and unemployment	6 204	12 000 (excluding the baseline)		12 000	12 000	12 000	12 000
1A.5 Percentage of Development Applications Finalised Within Statutory Timeframes Project: Land Use Management	New		72%	75%	75%	75%	75%
1A.6 Percentage of Development Applications Finalised Within Statutory Timeframes Project: Building Development Management	New		95%	96%	96%	96%	96%
1B Preparations for hosting the FIFA 2010 World Cup in accordance with FIFA's requirements and the City's developmental objectives							
Directorate Objective 1.8 - Prepare for hosting of the 2010 FIFA World Cup™ in the City of Cape Town in accordance with FIFA's requirements and the City's developmental objectives							
1B.1 Adherence to the work stream objectives and programmes of the City's 2010 Business Plan	13% of Stadium completed. Measured in terms of actual construction	50% of Stadium completed	40% of Stadium completed. Measured in terms of actual construction ^{N2}	75% of Stadium completed. Measured in terms of actual construction	Stadium completed by December 2009 100% of Stadium completed. Measured in terms of actual construction		
	0% of the Green Point Common and Golf Course reconfigured	25% of new Golf Course completed	Completion of detailed design and specification for Green Point Common and Golf Course ^{N2}	75% of the Green Point Common and Golf Course reconfigured	100% of the Green Point Common and Golf Course reconfigured		
	1% electricity reinforcement completed	60% electricity reinforcement completed	61% Now tracked as part of Percentage compliance to all other work streams in 2010 ^{N2}				
	Appointment of consultant in procurement phase to do detailed 2010 Transport Operational Plan	Detailed 2010 Transport Operational Plan 50% complete		Detailed 2010 Transport Operational Plan 75% complete	Detailed 2010 Transport Operational Plan 100% complete		
	0% of the reconfiguration of the Green Point Common completed. Awaiting approval on the Site Development Plan from the Provincial Minister	5% of the reconfiguration of the Green Point Common completed	Combined with indicator on Green Point Golf Course reconfiguration ^{N2}				
	Conceptualise model for 2010 footprint i.e. Fan parks, viewing sites and training venues, in terms of affordability and resources		Finalise working model for 2010 footprint i.e. Fan parks, viewing sites and training venues, in terms of affordability and resources	Implement and prepare detailed operating plans for 2010 footprint: 75% complete	Implement and prepare detailed operating plans for 2010 footprint: 100% complete		

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 1: SHARED ECONOMIC GROWTH AND DEVELOPMENT							
1B.1 Adherence to the work stream objectives and programmes of the City's 2010 Business Plan	Percentage compliance with all other work streams in the 2010 Business Plan: 0%		Percentage compliance with all other work streams in the 2010 Business Plan: 25%	Percentage compliance with all other work streams in the 2010 Business Plan: 75%	Percentage compliance with all other work streams in the 2010 Business Plan: 100%		
1B.2 Completion of process to award Naming Rights for Stadium and appointment of long term Operator to manage Stadium	RFP for Operator advertised	Operator appointed	Initial process to appoint Operator reviewed and amended to include Naming Rights. Re-tender process completed and adjudication commenced ^{N2}	Naming Rights awarded and Operator appointed			

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 2: SUSTAINABLE URBAN INFRASTRUCTURE AND SERVICES							
2A Universal access to basic service							
Directorate Objective 2.1 - Reduce backlogs in line with national objectives for basic services.							
2A.1 Percentage of households with access to basic levels of sanitation (NKPI)	97,9%	97,5%	96% recalculated with respect to updated City household statistics and functional service points ^{N3}	97,5%	98,5%	99,5%	100%
2A.2 Percentage of households with access to basic level of water (NKPI)	100%	100%		100%	100%	100%	100%
2A.3 Percentage of households with access to basic levels of Electricity (NKPI)	91,1%	91,8%		90,83% ^{N11}	93,8%	94,8%	95,8%
2A.4 Percentage of households with access to basic levels of solid waste removal (NKPI)	99%	99%		99%	99%	99%	99%
2B Conservation of natural resources							
Directorate Objective 2.2 - Conserving biodiversity and improving quality living environments through greening, education and access Directorate Objective 2.3 - Develop demand management programmes for water, electricity, waste and transport and reduce attendant pollutants Directorate Objective 2.4 - Reduce impact of flooding on community livelihoods and regional economies Directorate Objective 2.5 - Safeguard human health, protect natural aquatic environments, and improve and maintain recreational water quality Directorate Objective 2.6 - Manage and maintain the City's beach nodes							
2B.1 Percentage reduction in unconstrained water demand	25,5%	27,4%		27,5%	29%	31,5%	34%



CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 2: SUSTAINABLE URBAN INFRASTRUCTURE AND SERVICES							
2B.2 Percentage compliance with 4 critical DWAF effluent standards (E-coli count, ammonia content, oxygen demanding substances, total suspended solids)	81,2%	79%		83%	87%	91%	95%
2B.3 Percentage of recreational waters sampling points (i.e. bathing beaches, vleis, lagoons, etc) comply with applicable Department of Water Affairs standards	87%	89%		78%	80%	82%	85%
2B.4 Percentage cleanliness of the City (Metropolitan Cleanliness/ Photographic index)	61%	67%		70%	73%	76%	80%
2B.5 Percentage of airspace saved in relation to the volume of waste generated	14,7%	14,5%		15%	15,5%	16%	16,5%
2B.6 Phase 2 of implementation of IMEP Review complete, Phase 3 started	Reviewing existing IMEP		Revised IMEP approved by Council and implemented	IMEP strategies implementation started	NIL	NIL	NIL
2B.7 Implementation of City's Biodiversity Network strategy	Review of existing Biodiversity Network strategy. Desktop prioritization of Biodiversity Network		Preparation of revised Biodiversity Network strategy. Complete ground-truthing of Biodiversity Network including freshwater layer	Detailed Action plans for Biodiversity Network. implementation completed and incorporated into the District Spatial Plans. Roles and responsibility of line departments identified. Council support for action plans with budgets	Commitment on implementation and management of Biodiversity Network including commitment from all relevant line departments to manage their own Biodiversity Network land	Implementation of Biodiversity Network started.	Targets to be extracted from biodiversity strategy. % of network secured (figure to be determined when ground-truthing finalised)
2C Effective management of City's Infrastructure and Resources							
Directorate Objective 2.7 - Large or bulk infrastructure programmes that are essential must receive priority Directorate Objective 2.8 - Develop an integrated programme approach to infrastructure and service planning and budgeting							
2C.1 Development and implementation of an integrated planned infrastructure maintenance programme iro Electricity, Sewerage, Water, Transport, Roads & Stormwater and Solid Waste disposal	New	Integrated Infrastructure Plan developed and approved	100% completion of draft infrastructure maintenance plans ^{M4}	75% completion of established asset management register for major infrastructure departments	100% completion of established asset management register for major infrastructure departments 100% completion of Award tender for phase 2 of US AMP	100% compliance with plan specifications for Year 3	100% compliance with plan specifications for Year 4



CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 3: ENERGY EFFICIENCY FOR A SUSTAINABLE FUTURE							
Strategic focus area 3: Energy Efficiency for a Sustainable Future							
Directorate Objective 3.1 - Reduction in energy consumption in the Cape metropolitan area below projected unconstrained energy consumption							
3A.1 Development of a comprehensive Energy Plan for the City which will establish the objectives, programmes, projects and targets	New		Initial draft of Energy Plan completed with objectives, programmes, projects and targets scoped	Targets extracted from Energy Plan – not yet determined	Targets extracted from energy plan	Targets extracted from energy plan	Targets extracted from energy plan
3A.2 Development of a comprehensive Climate Change plan to address the risk to the City's infrastructure, facilities, amenities and impact on the economy	New		New	Detailed draft plan of action for Climate Change adaptation completed – budgets identified and motivated for	Targets extracted from climate change plan	Targets extracted from climate change plan	Targets extracted from climate change plan
3A.3 Development of a communication strategy for the conservation of energy and awareness of climate change	New		New	Communication strategy implemented	Implemented	Implemented	Implemented
3A.4 Reduction in energy consumption in the Cape metropolitan area below projected unconstrained energy consumption	New		New	Reduction of 10% in energy consumption below projected unconstrained energy consumption	Maintain reduction of 10% in energy consumption below projected unconstrained energy consumption	Maintain reduction of 10% in energy consumption below projected unconstrained energy consumption	Maintain reduction of 10% in energy consumption below projected unconstrained energy consumption

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 4: PUBLIC TRANSPORT SYSTEMS							
4A Improve public transport system and services							
Directorate Objective 4.1 - Establish a single point of authority for transport Directorate Objective 4.2 - Improve public transport services and secure new investment in Transport infrastructure Directorate Objective 4.3 - Increase cumulative kilometres of critical routes with dedicated public transport lanes Directorate Objective 4.4 - Reduce average peak period travel time Directorate Objective 4.5 - Promote non-motorised transport (NMT))							
4A.1 Reduction of average commuter travel time (home to work – peak period – public transport)	45 min	40 min		38 min	37 min	36 min	35 min
4A.2 Increase cumulative kilometres of critical routes with dedicated public transport lanes	45 km	5 km on baseline		12 km on baseline	15 km on baseline	20 km on baseline	35 km on baseline
4A.3 Progressive evolution towards a single point of authority for transport	Intergovernmental transport agreement drafted	Creation of a single transport authority	MPTAC (Metropolitan Public Transport Advisory Council) approved by Council	Transport authority fully operational			



CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 5: INTEGRATED HUMAN SETTLEMENTS							
5A Improve and develop integrated human settlements							
Directorate Objective 5.1 - Transform dormitory suburbs into areas that support a greater mix of land uses, offer a range of amenities and are socially mixed facilities Directorate Objective 5.2 - Establish policy and spatial planning frameworks that will facilitate the development of integrated human settlements Directorate Objective 5.3 - Development and implementation of an incremental housing programme							
5A.1 100% Adherence to integrated human development programme	Framework plan approved	100% programme compliance		100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications
5A.2 Percentage completion of the Spatial Development Framework (SDF) and District Spatial Development Plans (SDPs)	15% Approvals to proceed with preparation of plans in place. City's intention to prepare the plans advertised to the public. First internal drafts of plans prepared		30% 1st round of public meetings on preparation of SDF completed. PEPCO endorsement of vision, principles, issues and strategic goals obtained. Draft of SDF underway. Draft 1 of district spatial development plans reviewed internally and prepared for public scrutiny ¹⁵	90% City SDF and District SDP's completed and submitted to PGWC for approval. SDF and District SDPs completed and submitted to PGWC for approval	100% City SDF and District SDPs approved	Implemented	Implemented
5B Delivery of housing opportunities							
Directorate Objective 5.4 - Development of new housing opportunities Directorate Objective 5.5 - Increase rental stock through social housing partnerships Directorate Objective 5.6 - Redress land ownership inequities by providing Housing based on restitution claim settlements Directorate Objective 5.7 - Facilitate gap housing programmes through partnerships with banks and private sector developers							
5B.1 Number of new housing opportunities provided per year	7 519 Was 7 182 at 30.6.2007	10 200	6 000 ¹⁶	9 900	10 200	10 200	11 000
5B.2 100% Implementation of Informal Settlement Upgrade Programme	Framework plan approved (including essential services)	100% programme compliance		100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications
5C Provision of equitable community facilities and services across the city							
5.8 Develop and implement community services facility provision master plan 5.9 Improve service delivery standards towards comparable international standards							
5C 1 Percentage of community facilities meeting set standards.	64%	80%	85%	90%	100%	100%	100%

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 6: SAFETY AND SECURITY							
6A Foster a safe and secure environment							
Directorate Objective 6.1 Community and youth development programmes directed at personal, traffic and pedestrian safety. Directorate Objective 6.2 The improvement of urban design to reduce crime and emergencies Directorate Objective 6.3 The on-going development of the CCTV network to ensure adequate covering of key economic and transport locations as well as crime 'hot spots' Directorate Objective 6.4 Improve law enforcement (traffic policing, licensing services and general law enforcement) through more visible actions Directorate Objective 6.5: Fast, efficient and equitable emergency responses to safeguard and protect life, property, livelihoods and the ever increasing threat to the environment from fires and other related emergencies Directorate Objective 6.6: Development of disaster risk assessment and development of proactive disaster prevention and response plans Directorate Objective 6.7 - Develop and expand the City Emergency Services Public Emergency Call Taking Centre to provide a fast and efficient response to emergencies through the implementation of a single emergency number							
6A.1 Percentage adherence to the City's Law Enforcement Plan	Plan completed and approved	100% compliance with plan		100% compliance with plan	100% compliance with plan	100% compliance with plan	100% compliance with plan
6A.2 Percentage adherence to the implementation of Disaster Plans according to legislative requirements	Disaster Management Plan as per statutory requirements completed and approved	Disaster Management Plan developed and approved		100% compliance with plan	100% compliance with plan specifications	100% compliance with plan specifications	100% compliance with plan specifications

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 7: HEALTH, SOCIAL AND COMMUNITY DEVELOPMENT							
7A Facilitating the development of a healthy and socially inclusive society							
Directorate Objective 7.1 - Establishment of ECD facilities and partnerships Directorate Objective 7.2 - Provide developmental programmes and events that impact positively on the social fabric of communities and visitors in the City Directorate Objective 7.3 - Promotion of sustainable communities and healthy lifestyles through the promotion of community based sport, recreation and library services, programmes and initiatives. Directorate Objective 7.4 - Implementation of programmes to address the plight of street people Directorate Objective 7.5 - Provision of effective primary health care services in close collaboration with Provincial Health Services with a special emphasis on maternal and child health care and HIV/AIDS/STI and TB with a focus on Aids orphans Directorate Objective 7.6 - Implementation of the City's Substance Abuse Plan Directorate Objective 7.7 - Provision of effective environmental health services including air quality management and pollution control programmes (Including noise pollution)							
7A.1 Number of child care facilities upgraded/provided in partnership with governmental and NGOs to promote holistic childhood development	New	2	0 ^{N7}	3	4	4	4
7A.2 Number of targeted socio-economic development support programmes	New		0	4	4	4	4
7A.3 Number of street people taken off the street	280	300	180 ^{N8}	300	300	300	300
7A.4 Number of strategic sporting partnerships and events created, maintained and expanded on	10	12	17 ^{N9}	19	19	22	24
7A.5 Number of days when air pollution exceeds WHO guidelines	132	144		140	137	135	133
7A.6 Reduction of the infant mortality rate (Number infant deaths per 1 000 live births)	21,40	20,6		20	19,5	19,2	19
7A.7 Slow the rate of increase of TB per 100 000 of Cape Town population	831	980		1040	1090	1120	1140
7A.8 Slow the rate of increase of the City's ante-natal HIV prevalence	15,2%	18,5%		19%	19,3%	19,6%	19,8%
7A.9 Implement a City Substance Abuse Plan	Draft operational Drug and Alcohol Strategy produced.	New	- 1 Substance Abuse Treatment Centre operational - Strategy finalised - Relevant staff trained in Matrix Model	4 Substance Abuse Treatment Centres operational (dependant on funds)	Compliance with operational Drug and Alcohol Plan	Compliance with operational Drug and Alcohol Plan	Compliance with operational Drug and Alcohol Plan

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
STRATEGIC FOCUS AREA 8: GOOD GOVERNANCE AND REGULATORY REFORM							
8A Ensuring enhanced service delivery with efficient institutional arrangements							
Directorate Objective 8.1 - Optimise the staff structure, strategies and policies and promote skills development Directorate Objective 8.2 - Enhance service delivery through alternative service delivery mechanisms Directorate Objective 8.3 - Improve the service culture and workplace ethics Directorate Objective 8.4 - Improve the organisational and regulatory environment							
8A.1 Improved turnaround time of tender procurement processes in accordance with procurement plan	7.2 weeks	8 weeks		8 weeks	7 weeks	7 weeks	6 weeks
8A.2 Development of and percentage adherence to the Project Plan for Integrated Spatial Information System to link GIS, LIS and SAP	Analysis of as-is business processes completed	Conceptional design completed - 50% completion of first phase of development and implementation system	Project on hold depending on provision of additional funding in 08/09 budget	100% completion of physical design and spatial data frame work 25% completion of system construction and testing 100% of planned 08/09 expenditure	Implementation of system completed		Delays with projects as tender had to be readvertised because none of the submitted bids met requirements
8A.3 Directorate & Departmental Staffing Strategies developed, approved and % implementation of the action plan	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1	90% of current year's action plans implemented and Staffing Strategies for the next Financial Period Developed and approved	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1	100% compliance with plan specifications for year 1
8A.4 Percentage budget spent on implementation of WSP		100%		90%	100%	100%	100%
8A.5 Percentage improvement in the positive employee climate as per annual Culture Climate Survey	New	25%		28%	31%	34%	37%

CORE OBJECTIVE/INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	REVISED AND NEW TARGETS 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8A.6 Percentage of capital projects meeting original planned milestones	New	New		80% ^{N12}	85%	90%	90%
8A.7 Percentage of C3 notification process implemented including geo-coding and correspondence functionality	New	New		100% of C3 notification process implemented including geo-coding and correspondence functionality	100% of C3 notifications resolved	100% of C3 notifications resolved	100% of C3 notifications resolved
8B Management of key financial and governance areas such as income control, cash flow, indigent support, alternative income opportunities, asset and risk management							
Directorate Objective 8.5 - Management of key financial areas and governance such as income control, cash flow, indigent support, alternative income opportunities, asset and risk management							
8B.1 Net Debtors to Annual Income [Ratio of outstanding service debtors to revenue actually received for services (NKPI)]	21,07%	20%	19,75%	19,70%	19,60%	19,60%	19,50%
8B.2 Debt coverage by own billed revenue (NKPI)	4,51:1	4,31:1	4,50:1	4,50:1	4,45:1	4,45:1	4,40:1
8B.3 Percentage of City's capital budget spent (NKPI)	77%	95%		95%	97%	98%	98%
8B.4 Percentage of City's operating budget spent	92%	98%	95%	98%	95%	95%	95%
8B.5 Ratio of cost coverage maintained	3,01:1	2,60:1	3,00:1	3,10:1	3,20:1	3,30:1	3,50:1
8B.6 Revenue collected as a percentage of billed amount	99,3%	95,5%		96%	97%	98%	98%
8B.7 Percentage reduction in the number of recurring findings emanating from Internal Audit	New	50%		60%	70%	80%	90%
8B.8 Unqualified audit from Auditor General	Unqualified audit received from AG	Unqualified audit received from AG		Unqualified audit received from AG	Unqualified audit received from AG	Unqualified audit received from AG	Unqualified audit received from AG
8B.9 Maintain City's credit rating	A1+ (short term) AA- (long term)	A1+ (short term) AA- (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)	P-1 (short term) Aa2.za (long term)
8B.10 Percentage annual asset verification process completed		100% completed by 31 May		100% completed by 31 May	100% completed by 31 May	100% completed by 31 May	100% completed by 31 May
8C Establish effective community engagement channels							
Directorate Objective 8.6 - Establishment of representative ward participatory mechanisms							
Directorate Objective 8.7 - Improvement of community satisfaction							
8C.1 Community satisfaction score measured in terms of the Likert scale (1-5)	New	3	Survey completed, Likert score not available yet	3,0	3,2	3,4	3,5

Notes:

- N1: Target of R1.16 bn was incorrectly captured as R1.6 bn.
- N2: These changes are expected due to evolving nature of the project and have already been agreed and accepted at national level.
- N3: Target adjusted in line with updated City total household statistics projection that has increased from 847 000 to 883 933.
- N4: City decision to review initial milestones following the completion of an in-depth scoping exercise. This has placed the City in a better position to set appropriate milestones to deliver on this key infrastructure project.
- N5: The public engagement process, scheduled to start in August 2007 was postponed because it took longer, and proved to be a more complex exercise than originally anticipated, with a relatively small professional team, to prepare the first technical draft of the 8 district spatial development plans in parallel, where each plan is consistent in content, graphics, language etc.
- N6: Deviation required for the following reasons:
- the change in EIA legislation imposes a 12 to 18 month delay in project start dates
 - project managers being appointed but skills shortage is being experienced
 - internal organisational issues being addressed in terms of attendance of project managers at subcouncil meetings
 - building capacity of external service providers
 - accreditation of City to administer national housing programmes delayed by MEC
- N7: Delays in securing funding and identification of suitable site have implications on ability to commence with calling for tenders to construct facilities. Funding has been identified and will be in the Adjustment Budget for consideration by Council end March 2008. Expected that contractor will be appointed by the end May 2008.
- N8: Certification of service providers who are required to undertake the bringing and rehabilitation programmes before reintegration of street people were not in place.
- N9: Target adjusted upward because a target of 15 had already been achieved by mid-year 2008.
- N10: Delays with projects as tender had to be readvertised because none of the submitted bids met requirements.
- N11: Changed as previous target of 92,8% (Based on previous HH count of 847 000). Now 90,83% (Updated HH count).
- N12: Housing target is subject to the City obtaining Accreditation.



CORPORATE SCORECARD INDICATOR DEFINITIONS FOR 2007 - 2012

IDP 08/09 STRATEGIC FOCUS AREA	OBJECTIVE	INDICATOR	INDICATOR DEFINITION (HOW IS IT TO BE MEASURED)	INDICATOR – STANDARD/ NORM/BENCHMARK
1 Shared Economic Growth and Development	1A Create an enabling environment for the economy to grow	1A.1 Number of direct job opportunities created	Direct jobs are defined as those directly created through the implementation of the Department of Economic and Human Development (EHD) and tourism services and local economic development initiatives and programmes, including capital projects. No formula- absolute number collected by project managers and agencies reported quarterly.	Currently, the job creation figures in the tourism sector are based on either the World Tourism Organisation standard of 12 international tourists create 1 job or the City of Cape Town standard of 19 international tourists create 1 job.
		1A.2 Rand value of direct investment	A monetary measure (Rand Value) of new investment in Cape Town secured by Wesgro and the Sector Organisations in one year. Direct investment in a City is an important component of a growing economy and a catalyst for development in disadvantaged areas. Wesgro is the City's vehicle for direct investment promotion. The Sector Organisations the City supports also secure direct investment in the City. Wesgro programmes and sub programmes investment promotion (investor targeting, joint marketing, missions, leveraging); investment facilitation, retention and expansion of new and existing investors, advocacy and strategic partnership management. Various by the Sector Organisations as part of their strategic plans and programmes. No formula- Absolute Rand Value per quarter recorded and reported.	
		1A.3 Achieve year on year growth through destination marketing facilitated through the SLA with DMO	Achieving the objectives of the SLA and improving the performance of each delivery item on the previous year. Tourism barometer figures used to substantiate market growth or decline. The SLA comes to an end in June 2008.	Barometer was introduced in 2007 and will be the baseline. Performance evaluation that was done in June 2007 by external consultants will form baseline
		1A.4 Number of job opportunities created through the Expanded Public Works Programme (EPWP), to contribute to the reduction of poverty and unemployment	Average employment period including training. EPWP target vs the actual: a) Total number youths employed b) Total number of women employed c) Total number of disabled people employed including men, women and youth d) Total person-days of training including accredited and non accredited training	All EPWP compliance projects amongst others must have or display the elements of employment and training. EPWP projects should either be labour intensive or labour enhanced (activity based)
		1A.5 Percentage of Development Applications finalised within Statutory timeframes. Project: Land Use Management	Number of applications finalised expressed as percentage to number of applications received	75%
		1A.6 Percentage of Development Applications finalised within Statutory timeframes. Project: Building Development Management	Number of applications finalised expressed as percentage to number of applications received	96%
	1B Preparations for hosting the 2010 FIFA World Cup™ in accordance with FIFA's requirements and the City's developmental objectives	1B.1 Adherence to the work stream objectives and programmes of the City's 2010 Business Plan	The implementation of the 2010 Business Plan is managed, monitored and reported upon by means of a weekly Project Scorecard which is linked to the critical path of short, medium and long term milestones to be achieved at specified dates.	The project end date is predefined by FIFA as the end of Oct 2009. The tournament starts on 11 June 2010, which is the non-negotiable standard.
		1B.2 Completion of process to award Naming Rights for Stadium and appointment of long term Operator to manage Stadium	This is one of the 2010 key performance indicators to be achieved. There is no prescribed date of appointment for the Stadium Operator. It is advisable to appoint the Operator in time to give input into the design refinements of the new Green Point Stadium in order to ensure it is a practical and sustainable multi-purpose venue.	The Stadium Operator needs to be in place by latest July 2010 to operate the new Green Point Stadium post the 2010 FIFA World Cup™.
2 Sustainable Urban Infrastructure and Services	2A Universal access to basic services	2A.1 Percentage of households with access to basic levels of sanitation (NKPI)	This indicator refers to household access. The percentages are based on an estimated City-wide household count that is updated annually. Basic Service delivery refers to informal household's access to water (informal - 1 tap: 25 household), sanitation facilities (informal - 1 toilet: 5 households), solid waste removal (integrated area cleaning and refuse removal per household) and electricity connections (including subsidised connections)	
		2A.2 Percentage of households with access to basic levels of water (NKPI)	This indicator refers to household access. The percentages are based on an estimated City-wide household count that is annually updated. Basic service delivery refers to informal household access to water (informal - 1 tap: 25 household), sanitation facilities (informal - 1 toilet: 5 households), solid waste removal (integrated area cleaning and refuse removal per household) and electricity connections (including subsidised connections. Backyard dwellers are not added in the denominator, as it is taken that a backyard dweller is serviced by way of sharing the formal connection with the owner or tenant. (Total informal households serviced + Total formal households serviced)/All households in City. Total informal households serviced currently calculated on average as total no of taps x 25 hh/tap.	This indicator will in future be improved to numerically tie individual taps to individual shacks to confirm that the condition of 200 m distance away is achieved and that all settlements are serviced.

IDP 08/09 STRATEGIC FOCUS AREA	OBJECTIVE	INDICATOR	INDICATOR DEFINITION (HOW IS IT TO BE MEASURED)	INDICATOR – STANDARD/ NORM/BENCHMARK
		2A.3 Percentage of households with access to basic levels of Electricity (NKPI)	This indicator refers to household access. The percentages are based on an estimated City-wide household count. Basic service delivery refers to informal household's access to electricity connections (including subsidised connections). Based on the average number of customers in a given period assuming that they all purchase monthly in the case of prepaid customers.	
		2A.4 Percentage of households with access to basic levels of solid waste removal (NKPI)	The indicator reflects the % of formal properties (households) with access to the basic collection service, which is a once weekly door-to door containerised refuse collection service (240 L containerised service) Physical monitoring on a daily basis with SAP records reflecting actual billing	Every formal property is serviced once a week. No residential property is excluded. New properties are provided with a container once occupied. Monitoring is done by the refuse collection teams. A 1% deviance to the 100% target is made to provide for continuous growth in developments
	2B Conservation of natural resources	2B.1 Percentage reduction in unconstrained water demand	Indicator refers to actual potable water usage below the predicted unconstrained demand curve, which is a theoretical curve starting in 2000/01 predicting what consumption would be if usage patterns of that time were to continue growing unabated. The aim is to see how far Water Demand Measures can reduce the actual usage below this curve. The actual usage comes from the Bulk Water's total monthly water treated, which is compared on a 12-month rolling basis (to flatten seasonal variations), with the theoretical curve. Formula: $(\text{The 12-month rolling demand curve values} - \text{the 12-month rolling value of monthly bulk water treated}) / \text{the 12-month rolling demand curve values} = \text{to get percentage.}$	
		2B.2 Percentage compliance with 4 critical DWAF effluent standards (E-coli count, ammonia content, oxygen demanding substances, total suspended solids)	The overall average of percentage samples passing tests for 4 parameters at each works: TSS 25 mg/l, COD 75 mg/l, NH3 10 mg/l, E Coli 1 000/100 ml. A flow-weighted version is also possible, where the total flow at each work is used to give proportional weight to the result for that works, but is not used in this indicator. Spreadsheet calculates average compliance for 4 parameters at each works and gets the overall average monthly.	
		2B.3 Percentage of recreational waters sampling points (i.e. bathing beaches, vleis, lagoons, etc) complying with applicable Dept of Water Affairs standards	This indicator applies to bathing beaches, vleis and lagoons officially designated for recreational purposes only and not the urban rivers. Coastal waters are sampled fortnightly and inland waters are sampled monthly. The following standards based on Water Affairs and Forestry National Water Quality Standards for full and intermediate contact recreation apply: (1) Full contact recreation (i.e. swimming, surfing, etc): a. 80 th percentile of sample results over 12 months < 100 Escherichia coli counts/100 ml water b. 95 th percentile of sample results over 12 months < 2 000 Escherichia coli count/100 ml water. (2) For intermediate contact recreation (i.e. fishing, canoeing, etc): Median of sample results over 12 months < 1 000 faecal coliform counts/ 100 ml water.	



IDP 08/09 STRATEGIC FOCUS AREA	OBJECTIVE	INDICATOR	INDICATOR DEFINITION (HOW IS IT TO BE MEASURED)	INDICATOR – STANDARD/ NORM/BENCHMARK
		2B.4 Percentage cleanliness of the City (Metropolitan Cleanliness/ Photographic index)	<p>The Metropolitan Cleanliness Index (MCI) is a measure of the state of cleanliness of the visual scape, be it street, or beach, or public open space. It is derived from a rigorous, formal, documented process that includes photographing and assigning a score at each chosen location. There is a scoring modus operandi including model photographs as a reference for each of four score possibilities. The accumulation of such scores is converted into a percentage.</p> <p>Locations are divided into eight categories such as 'primary roads,' 'rivers,' 'informal areas' etc. The metropolitan area is divided into eight districts using the health district model.</p> <p>The final product is a matrix with percentage scores for each location category and per district with totals for each category and district and a grand total score. The measuring is conducted in rounds of one to two months usually twice a year. So far five rounds have been completed and are designated as MCI 1, MCI 2 etc. On each matrix produced comparative scores from previous rounds are depicted.</p>	
		2B.5 Percentage of airspace saved in relation to the volume of waste generated	<p>This indicator reflects the percentage of airspace saved by diverting recyclables from the waste stream in relation to the volume of waste disposed of. Implementation of waste of waste reduction strategy (greens chipping, rubble crushing, composting, streaming and MRF, industrial waste.)</p> <p>percentage reduction in airspace used = total waste stream diverted (cub.m – m³)/total waste disposed (cub.m – m³)</p>	
		2B.6 Percentage implementation of IMEP Review 2008	<p>This indicator reflects the adoption and implementation by Council of the reviewed and revised overall City Environmental Policy (IMEP – Integrated Metropolitan Environmental Policy). When IMEP was adopted in 2001, a requirement by Council was that to ensure continued improvement and best practise, the City's environmental policy must be reviewed and revised every five years. IMEP has undergone a review in terms of this performance approach and a revised IMEP must now be submitted to Council for adoption and implementation across all line functions.</p>	Internal targets for implementation.
		2B.7 Implementation of City's Biodiversity Network Strategy	<p>The indicator will be measured by the percentage of target biodiversity network sites secured. Specific targets are yet to be determined, and will be determined when the current ground-truthing exercise has been completed.</p>	Internal targets for implementation
	2C Effective management of City's Infrastructure and Resources	2C.1 Development and Implementation of an integrated planned infrastructure maintenance programme i.r.o Electricity, Sewerage, Water, Transport, Roads & Stormwater and Solid Waste Disposal	<p>The indicator will be measured against the development and implementation of a Planned Infrastructure Management and Maintenance programme in the form of percentage progress against quarterly milestones and the project will roll out in a phased manner. Phase 1 of the project entails completion of the status quo assessment and the establishment of an asset register for major infrastructure in the City.</p>	
3 Energy Efficiency for a Sustainable Future	3A. Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption	3A.1 Development of a comprehensive Energy Plan for the City which will establish the objectives, programmes, projects and targets	<p>This indicator will be measured against the development of a comprehensive Energy Plan, which will provide detailed objectives, programmes and targets. The presence of this Plan will allow the City to plan for a more sustainable future, and make more informed decisions. Detailed targets not yet set.</p>	Internal targets for implementation



IDP 08/09 STRATEGIC FOCUS AREA	OBJECTIVE	INDICATOR	INDICATOR DEFINITION (HOW IS IT TO BE MEASURED)	INDICATOR – STANDARD/ NORM/BENCHMARK
		3A.2 Development of a comprehensive climate change plan to address the risk to the City's infrastructure, facilities, amenities and impact on the economy	This indicator will be measured against the development of a comprehensive Climate Change Plan. This plan will provide details of the risk to the city, as well as concrete measures for impact amelioration, and adaptation to climate change. Detailed targets not yet set.	Internal targets for implementation
		3A.3 Development of a communication strategy for the conservation of energy and awareness of climate change	This indicator will be measured against the development and implementation of a communication strategy on climate change and energy efficiency. The communication strategy will be aimed at City employees, the general public, and the City's youth through the YES programme. Detailed targets not yet set.	Internal targets for implementation
		3A.4 Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption	A 10% reduction of energy consumption below projected unconstrained energy consumption, maintained into the future.	10% reduction in energy usage
4 Public Transport Systems	4A Improve public transport system and services	4A.1 Reduction of average commuter travel time (home to work – peak period – public transport)	The average travel time for commuters from home to work. The indicator will be measured using the EMME2 Transport model with the 2004 household survey as a base.	
		4A.2 Increase cumulative kilometres of critical routes with dedicated public transport lanes	The introduction of dedicated public transport lanes. The indicator will be measured from the capital projects implemented within the transport corridors.	
		4A.3 Progressive evolution towards a single point of authority for transport	The indicator will be measured by the milestones reached in achieving a single point of authority for transport i.e. protocols agreed to, draft founding document, legislation compiled, legislation promulgated etc.	
5 Integrated Human Settlements	5A Improve and develop integrated human settlements	5A.1 100% adherence to (5 year housing plan) integrated human development programme	The indicator will be measured against the development, implementation and compliance of a framework plan in the form of percentage compliance against the quarterly milestones.	100% compliance
		5A.2 Percentage completion of the Spatial Development Framework (SDF) and District Spatial Development Plans (SDPs)	The indicator will be measured against the work plan and progress reports tabled at PEPCO bi-annually.	100% compliance
	5B Delivery of housing opportunities	5B.1 Number of new housing opportunities provided per year	The indicator will measure the number of housing opportunities created which include (1) incremental (serviced sites), (2) subsidy houses (BNG), (3) social and rental housing, (4) GAP housing and (5) land restitution (houses).	Annual delivery target
		5B.2 100% implementation of informal settlement upgrade programme	The indicator will be measured against the further development and implementation of the informal settlements master plan framework	100% compliance
	5C Provision of equitable community facilities and services across the city	5C.1 Percentage of community facilities meeting set standards	<p>Development of minimum maintenance standards for the different categories of community facilities (sportfields, halls, community recreation centres, stadia, multi-purpose centres, swimming pools, sport complexes, resorts, beaches, tidal pools, cemeteries, community parks and district parks) and the percentage adherence to these established standards.</p> <p>Community Parks are measured against standardised mowing cycles.</p> <p>Composite indicator measured on a quarterly basis as the percentage of the total number of facilities managed by Community Development that are maintained according to approved standards.</p> <p>Formula: (Number of facilities maintained to standard / Total number of facilities x 100.)</p>	<p>Maintenance standards developed for each category of facility and approved by Portfolio Committee</p> <p>Internal data source</p>
6 Safety and Security	6A Foster a safe and secure environment	6A.1 Percentage Adherence to the City's Law Enforcement Plan	<p>The City Law Enforcement Plan is an overarching plan for the Metro Police, Traffic and Law Enforcement Departments and sets out the objectives of these three departments for the next financial year. The bulk of the document is made up by the annual police plan of the Metro Police which is prescribed by the SAPS Act.</p> <p>It will be measured according to the extent to which the respective departments meet the identified objectives in the plan. Still in development phase of 2007/08 plan.</p>	100% adherence to objectives

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		6A.2 % adherence to the implementation of disaster plans according to legislative requirements	This indicator refers to preparing a plan for the area, co-ordination and alignment of processes and regular reviews. The Plan should form part of the IDP as well as meeting the criteria as envisaged by the Disaster Management Act.	No national or provincial benchmark exists but the national disaster management framework provides for guidelines.
7 Health, Social and Community Development	7A Facilitating the development of a healthy and socially inclusive society	7A.1 Number of child care facilities upgraded/ provided in partnership with governmental and NGOs to promote holistic childhood development	This indicator refers to the facilitation of the building of low cost crèche facilities in vulnerable communities. These facilities should comply with the National guidelines for ECD Services in adherence with the National Building Regulation & Building Standards Act 103/77 as amended in 1995, Act 49/95 Indicator relates to the establishment of partnerships with NGOs dealing with ECD issues, ECD Forums, ECD Management Committees, ECD Educators, children as well as other spheres of government and departments	Adherence to minimum standards for ECD
		7A.2 Number of targeted socio-economic development support programmes	The indicator implies facilitation of provision of developmental programmes that impact positively on social fabric of communities and visitors in the city. The programmes will focus on training and skills development of low income groups, sectors and communities.	In compliance with the Local White Government Paper (i.e.) Maximising Social Development and Economic Growth a minimum of six programmes to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities will be facilitated.
		7A.3 Number of street people taken off the street	Indicator implies that 300 street people will be placed into rehabilitation programmes with NGOs and thereafter reintegrated into their communities of origin and their families.	A minimum of two programmes will be facilitated to address the plight of street people and find sustainable ways to meet the social, economic and material needs of this vulnerable group.
		7A.4 Number of strategic sporting partnerships and events created, maintained and expanded on.	These are partnerships and events aimed at elevating the profile of the City. The aim is to expand and grow targeted existing events into a major event, to convert once-off major events into regular events and to identify and establish new events for the City. Potential partnerships and events are identified and then set as a target in terms of a number to achieve for the year. Quarterly targets can then be set and compared against through the year. Formula: (Number of planned partnerships and events actually held compared to the number of planned partnerships and events.)	Potential partnerships and events identified and listed by the Sport, Recreation and Amenities Department that are to be targeted for the coming year. Internal data source
		7A.5 Number of days when air pollution exceeds WHO guidelines	Any day when any one of the criteria pollutants at any one of the 10 air quality monitoring stations in the City exceeds WHO guidelines.	Baseline of 177 days. Dependent on weather conditions and pollutants
		7A.6 Reduction of the infant mortality rate (Number infant deaths per 1 000 live births)	Number of deaths < 1 year per 1 000 live births for that year Data collected by Health Information; births and deaths	
		7A.7 Slow the rate of increase of TB per 100 000 of Cape Town population	Total Number of TB cases per 100 000 population. Electronic TB Register (ETR.Net) and DHIS population. Total Number of TB cases/total population x 100 000	
		7A.8 Slow the rate of increase of the City's ante-natal HIV prevalence	Prevalence of HIV in tested antenatal women. VCT Registers and Data Management System (In-House City Health). Number of antenatal women tested HIV +ve/Total number of women tested x 100.	
		7A.9 Implement a City Substance Abuse Plan	Number of substance abuse treatment centres operational (staff employed and trained, fully equipped centre)	
8 Good governance and regulatory reform	8A Ensuring enhanced service delivery with efficient institutional arrangements	8A.1 Improved turn-around time of tender procurement processes in accordance with procurement plan	There are 2 measures that we are taking into account: A) Tenders are believed to be completed in six weeks from the closing to award. This is the norm. Therefore we have improved from 15,5 to 8 weeks B) Orders are based on a norm of not having any unprocessed requisitions calculated on a 22 day working month. The result in the first quarter shows that we are behind the norm. The net result of a and b is that we have improved the SCM processing by the percentage indicated.	Tenders are believed to be completed six weeks from the closing to award

IDP 08/09 STRATEGIC FOCUS AREA	OBJECTIVE	INDICATOR	INDICATOR DEFINITION (HOW IS IT TO BE MEASURED)	INDICATOR – STANDARD/ NORM/BENCHMARK
		8A.2 Development of project plan for integrated spatial information system to link GIS, LIS and SAP	The following milestones are set out in the project plan: Phase 1: (2006/07) Conceptual and logical design of the integrated spatial information system Phase 2: (2007/08) Development of ISIS by integrating LIS with Cadastral dataset, integration with main property systems and SAP Phase 3: (2008/09) Application development and linking with spatial systems and non-spatial systems.	
		8A.4 Percentage of Capital Project milestones achieved against planned milestones	A capital project is a planned temporary task undertaken to create a unique product within a fixed time scale (usually over one or more financial years) and budget involving the mobilisation of resources from a number of different functions (or disciplines). Projects in this instance to have a value exceeding R200 000. Projects under R200 000 to have a minimum of 3 appropriate milestones identified Bulk votes to be broken down into individual projects and planned accordingly	
	8B Management of key financial areas such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management	8B.1 Net debtors to annual income [Ratio of outstanding service debtors to revenue actually received for services (NKPI)]	Net current debtors: Is the balance of debtors that are classified as current for financial statement purposes, but excluding the short-term portion of long-term debtors. The provision for bad debts is deducted from the current debtors' balances. Provision for bad debts: Is the amount set aside as a provision in the accounting records to take into account the possible non-payment by debtors. Total Annual Operating Income: Income from all sources that will be credited to the income statement for financial statement purposes in accordance with prescribed financial statement formats but excluding conditional grants for capital expenditure, housing receipts attributable to the Housing Development Fund, new housing subsidy scheme receipts, public contributions and gains on the disposal of property, plant and equipment. The mid-year calculations for operating income are based on the actuals up to the current period plus the budget for the remaining period.	
		8B.2 Debt coverage by own billed revenue (NKPI)	Own billed revenue to loans outstanding. Total own billed income: Income from all sources that will be credited to the income statement for financial statement purposes in accordance with prescribed financial statement formats. Total debt: Aggregate of long-term liabilities, short-term liabilities including bank overdrafts, hire purchase liabilities and finance lease liabilities but excluding trade creditors, consumer deposits, payments in advance from consumers and provisions, debt related to sinking fund investments is reduced by the investment. The mid-year calculations for own billed revenue are based on the actuals up to the current period plus the budget for the remaining period.	
		8B.3 Percentage of City's capital budget spent (NKPI)	Percentage reflecting actual spend/planned spend – SAP report	
		8B.4 Percentage of City's operating budget spent	Percentage reflecting actual spend/planned spend – SAP report	
		8B.5 Ratio of cost coverage maintained	Total cash and investments (short term) to monthly operating expenditure. Cash and cash equivalents refer to the short term investments and cash available as at the period ending. Operating expenditure: Includes all expenditure that will be debited to the income statement for financial statement purposes in accordance with prescribed financial statement formats, it exclude operating expenditure related to the N2 Gateway development project. It also excludes capital expenditure The mid-year calculations for expenditure are based on the actuals up to the current period plus the budget for the remaining period.	
		8B.6 Revenue collected as a percentage of billed amount	The calculation of a percentage of payments received on amounts billed. Section 97 of the MFMA addresses the revenue management and a circular from National Treasury spells out the detail and the formula to be used.	See MFMA Section 97
		8B.7 Percentage reduction in the number of recurring findings emanating from Internal Audit	This is the reporting and monitoring of the reduction (in percentage) of the findings of audit follow-ups performed in the quarter. The timing for corrective action implementation is normally provided by line management. Audits/follow-ups will always only take place after agreed implementation dates of corrective action. It will either be 'not applicable' to management if an audit or follow-up hasn't taken place at the time of reporting, or there will be a percentage change/status quo if an audit has taken place and there has been improvement/no change respectively in the situation since the last audit.	
		8B.8 Unqualified audit from Auditor General	Reflects that the Auditor-General is satisfied as in accordance with a prescribed accounting framework.	Benchmark – 2007 Unqualified audit report for City
		8B.9 Maintain City's credit rating	A report that reflects credit worthiness of an institution to repay long-term and short-term liabilities	Benchmark - 2007 A1+ (short term) AA- (long term)
		8C.1 Community satisfaction score measured in terms of the Likert scale (1-5)	To provide a statistically valid, scientifically defensible database of citizen and business perception of services provided by the City of Cape Town. This will cover importance and performance measures for basic services, community services, 'soft' services, communication, interactions with officials, public engagements, IDP priorities, etc.	New – only other comparison would be City of Johannesburg 60%-70% (or 3 – 3,5 on Likert scale)

List of Statutory Plans Annexed to the Document

The following statutory plans are attached as Annexures to the final compliance document:

STATUTORY PLANS	
Annual Report	Annexure A
IDP Process Plan	Annexure B
State of the City Report	Annexure C
Schedule of Public Engagement Interactions (Public involvement Summary)	Annexure C1 - C10
Spatial Development Framework for the City (Future Cape Town discussion document)	Annexure D
Demographic Overview of Spatial Planning Districts	Annexure E1 - E2
Land Reform Plan	Annexure F
SFA 1	
Economic Development Plan <ul style="list-style-type: none"> • Development priorities and objectives for the elected term 26 (c) • Local economic development aims 26 (c) • Internal transformation needs 26 (c) • Development strategies which are aligned with national or provincial sectoral plans 26 (d) • Local economic development strategy • Business Investment strategy of Council (Reg 2(1)(b)) 	Annexure G
SFA 2	
Electronic Savings Plan	Annexure Y
Integrated Waste Management (IWM) Plan	Annexure I
Water Services Development Plan <ul style="list-style-type: none"> • Water Demand Management Plan 	Annexure J
Sustainability Report 2006/07	Annexure K
SFA 4	
Public Transport Plan	Annexure L
Integrated Transport Plan	Annexure M
SFA 6	
Disaster Management Plan 26 (g)	Annexure R
SFA 7	
Health Plans <ul style="list-style-type: none"> • Air Quality Management Plan • HIV/AIDS/TB Plan for the City • District Health Plan 	Annexure S S1 S2 S3
SFA 8	
Organisational Development and Transformation Plan	Annexure T
Human Resources Strategy <ul style="list-style-type: none"> • Institutional development, transformation and re-alignment plan for the City of Cape Town 	Annexure U
Corporate Scorecard and definitions	Annexure P
SFA 9	
Urban Renewal Plan	Annexure X

- (i) RDS Process discussion document, 17 April 2007
(ii) Ikapa Elihlumayo Executive Summary 2006

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