

5 Year Plan IDP - 2007/12

City of Cape Town



IDP 2009/10 Review

Draft 2 for Public Comment

25.2.09(1)

INTRODUCTION BY 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.

The exact detail of how we will raise this money (through rates and service charges), and how we will spend this money, with timelines, specific amounts and on which specific projects or departments, is then worked out in our Annual Budget and our Service Delivery and Budget Implementation Plans.

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 by around 80 000 people per year, and whose infrastructure is badly in need of maintenance and upgrades.

Our IDP is also guided by the South African 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 does not run schools, hospitals, or 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. The number one priority to emerge from our public consultation process was a need for more jobs to be created in the region, especially for the poor.

We have therefore focused our efforts on creating a solid platform of urban infrastructure and services that will help existing investors become more productive, attract new investors and skilled workers to our city, grow the overall economy, and so create more jobs.

By getting the basics right, we aim to build confidence in Cape Town, make this city more globally competitive, and drive development.

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.

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, the global economy is facing a major downward cycle, which is also making its impact felt in South Africa.

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

Thirdly, 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.

Fourthly, a number of studies have raised concern about the sustainability of water and energy resources in the Cape Metropole, and have also highlighted the risks associated with climate change and rising sea levels.

And finally, we are entering the last financial year ahead of the 2010 Soccer World Cup, and our investment of substantial funding from National and Provincial Government in new infrastructure is in full swing. We look forward to welcoming thousands of visitors to Cape Town for the event, and our residents will benefit from lasting improvements to services and infrastructure, including a R2 billion upgrade to the airport, a R1.3 billion upgrade to public transport, over R1 billion worth of upgrades to major roads, around R1 billion in upgrades to electricity infrastructure, a R400 million upgrade to the central station, R1,2 billion for new trains, over R3 billion for a new world class stadium, and hundreds of millions of rands worth of upgrades to other public spaces and facilities, like the Phillipi Stadium, the Athlone Stadium, Green Point Common and the Grand Parade in the CBD. These investments will change the face of Cape Town for the better, and help us to promote further economic growth and job creation as we head toward 2020.

Our revised IDP for 2009/2010 continues to emphasise most of the strategic focus areas that were introduced over the previous two years. However, in response to the developments of 2008 mentioned above we have also added the following specific areas of emphasis:

- With the continued global economic downturn, we are further increasing our infrastructure investments in order to promote investor confidence in Cape Town and offer the most competitive urban environment possible for economic activity. National Treasury has announced that it will embark on a similar investment programme in this year's budget cycle.

- The City has further developed the newly introduced Strategic Focus relating to sustainable energy use in Cape Town. This strategy aims to promote environmental accountability across city line functions, with the specific objectives of reducing energy consumption in the Cape Metropolitan Area, monitoring the implementation of the City energy and climate change strategy, increasing measures to ensure our energy security, and increasing communication and education initiatives around climate change and sustainable uses of energy.
- In terms of safety and security, the City will increase its focus on the combating of minor crimes and by-law offences. We are adopting the broken window policy that has been applied successfully in cities around the world. By creating a cleaner and more orderly public environment, we aim to encourage respect for the law and create a more attractive urban environment. To support this we will strengthen our CCTV surveillance network, increase capacity and efficiency in our law enforcement and traffic departments and continue to develop our specialised units to address specific types of criminal activity, like substance abuse and vandalism of service infrastructure in informal settlements.
- With growing informal settlements Cape Town's fire risk profile is increasing. Our IDP therefore calls for extra fire response facilities and increased fire fighting staff capacities. We also plan to overhaul our disaster risk reduction and response plans, and expand the City's Emergency Call Centre capacity.
- Strategic Focus Area 8, relating to the City's human resources, has a number of new dimensions aimed at further increasing the efficiency of our organisation following the introduction of the Organisational Realignment Process and the first phase of pay parity. The focus in the year ahead will be on fine tuning our staff management strategies to match our service delivery priorities, and to monitor the success of this process on an ongoing basis. By so doing, we aim to establish how well our organisation measures up to international and national best practice benchmarks. And we will work to ensure that our information and communication technology are used to the maximum benefit of service delivery.

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

INTRODUCTION BY THE CITY MANAGER – IDP DOCUMENT

The City of Cape Town's Integrated Development Plan (IDP) is a joint blueprint of the local government and its key stakeholders such as residents, commerce and industry. The IDP determines the priorities for spending the available budget across the metro area.

Resources are allocated according to the IDP's strategic focus areas. The overall plan and the focus areas are adjusted as needs, circumstances and priorities change. Shared goals and objectives must be underpinned by realistic strategies, action plans and budget.

There are specific areas of emphasis in this review document. For the City Administration to be able to deliver services to residents it needs to have its own house in order. It has concluded a complex process to integrate more than 22 000 staff members from seven previous municipalities with different salaries, conditions of service and organisational cultures into one cohesive organisation with proper reporting lines and clear service delivery focus.

The overall thrust of infrastructure-led economic development continues. Valuable infrastructure must be maintained. New resource and service demands for future expansion have to be responsibly planned and provided. In order to preserve our natural beauty and bio-diversity, the City will have a multi-pronged approach in providing housing solutions, community spaces, services, public transport, economic development and safety and security. The City has the constitutional mandate for only some of these areas, but not in others where it continues to work with provincial and national government and other agencies.

The City is working on the roll-out of an Integrated Rapid Transit system which will see the different modes of transport being linked to move people across the metro in modes of public transport instead of private cars on congested roads. It will involve dedicated lanes in our road network system with buses that can carry large passenger volumes. This is an inclusive approach involving all the transport role players and is not meant to exclude any service provider.

There is an integrated plan involving several City line departments to upgrade the some 230 informal settlements with more than 500 000 residents. It is not just an engineering solution to provide services such as electricity, water and refuse removal, but also to deal with socio-economic priorities that determine a community's well-being. Without community ownership of such upgrades, incidents of vandalism and theft will impede progress.

The City is developing a long term City Development Strategy. This is a 30 year view of the kind of city we would like to live in and would like to leave to the next generation. This is a multi-disciplinary, overarching blueprint of development and resource guidelines. It will guide planning, decision-making, budgets, and also the IDP which has a five-year range. As with the IDP, key stakeholders will be involved in this process.

The focus for 2010 FIFA World Cup™ is more than the Green Point stadium, soccer and the event itself to 2011 and beyond. The infrastructure and service gains, especially in terms of public transport, are needed anyway and are the biggest legacy gains. This momentum is clustering public and private sector spending with a sense of urgency and purpose to fast track development.

The responsible and most cost-effective use of public monies entrusted to local government is taken very seriously with a zero tolerance approach to irregularities and open and transparent processes. The City Administration has made gains, but can never be complacent about the continuing challenges and privilege to serve 3,5 million residents with diverse needs.

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 second 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. The failure of international financial institutions and the impact of high oil prices combined with a worldwide economic downturn during 2008 is a major challenge that the City will have to manage. The National and Provincial elections are a further important event that could impact on the City, especially in respect of regional planning and future intergovernmental relations. Cape Town's participation in the hosting of the 2010 FIFA World Cup™ 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 holidaymakers;
and
- 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 growth must be supplemented by a strong drive for safety and security as well as safety support for business development. This also needs to be supported by a strong social drive for improved indigent support and programmes focused on

upgrading informal settlements and backyard dwellings to provide for all the citizens living in inadequate housing conditions.

THE 5-YEAR IDP 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.



Figure I.1: 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.

In support of the City's key objectives, the IDP is supported by a series of sector plans that have been prepared in recent years. These include an Economic Development Strategy, an Integrated Waste Management Plan, a Water Services Development Plan, an Integrated Transport Plan and an Integrated Metropolitan Environmental Policy.

CASCADING STRATEGY INTO OPERATIONS

The figure below illustrates how the IDP strategic focus areas have been unpacked into strategic responses, objectives and programmes for budgeting and operational implementation. This diagram explains how corporate strategy is cascaded towards the lower levels of the organisation by means of a variant of the Balanced Scorecard 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, Key Performance Indicators (KPIs) and targets for implementation. These are then broken up into Service Delivery and Budget Implementation Plans (SDBIPs) that reflect the detailed projects, which are then allocated a budget. 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.

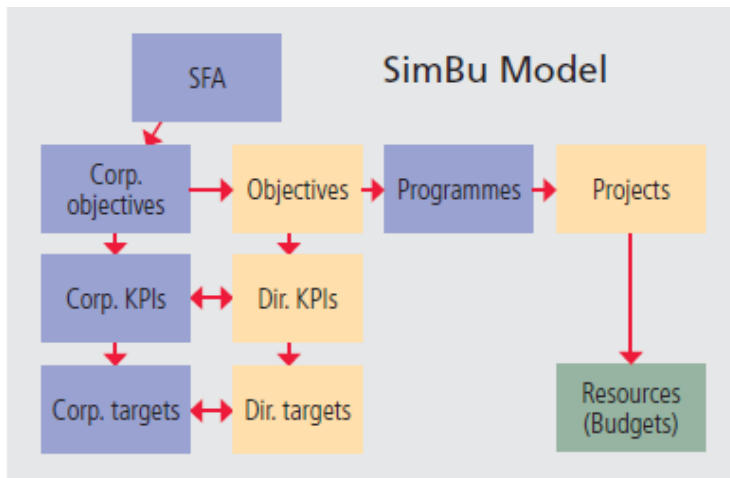


Figure I.2: IDP and Budget link - SIMBU (Strategy Implementation and Budgeting Model)

CAPE TOWN AS PART OF THE REGION

Cape Town is South Africa's third-largest city, and it 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 is home to 66 percent of the Western Cape's population¹, generates 76 percent of the region's Gross Domestic Product (GDP) and 11 percent of the national GDP². It is the region's major service centre for healthcare, education and shopping, providing employment and attracting people from within the region and beyond.

Functional linkages

Links with surrounding towns are growing and Cape Town and the surrounding region are increasingly interdependent. For example, Cape Town's water is increasingly drawn from further and further away, and the city's growth places the natural resources and valuable agricultural land belonging to adjacent municipalities under pressure.

¹ Community Survey 2007

² Quantec 2007

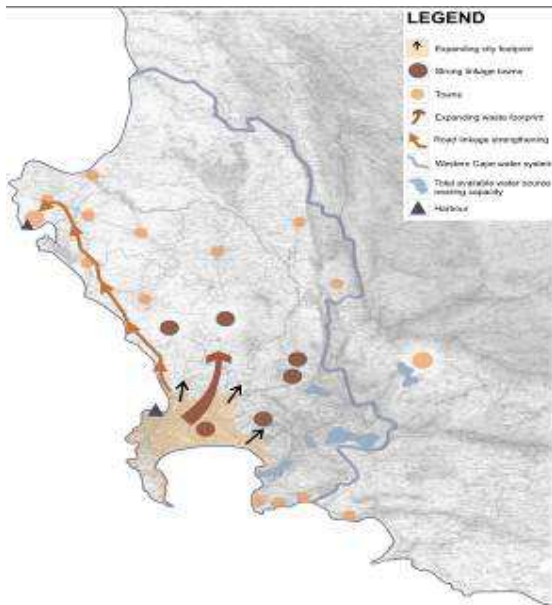


Figure I.3: Shared Functional Regional Challenges

Regional infrastructure

Key strategic regional infrastructure is located in Cape Town, including the Cape Town port, which is set to undergo a major expansion. Its counterpart at Saldanha, which has the potential to be the catalyst for further large-scale industrial development, may compete with or complement Cape Town's port. The National Ports Authority is considering the interdependent roles of both ports, especially with respect to long-term capacities.

Other major regional infrastructure in Cape Town includes 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 within the urban core, 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 form a natural axis with the abovementioned ports, if chosen. Such investigations should also investigate the additional infrastructure and other socio-economic impacts of these proposals.

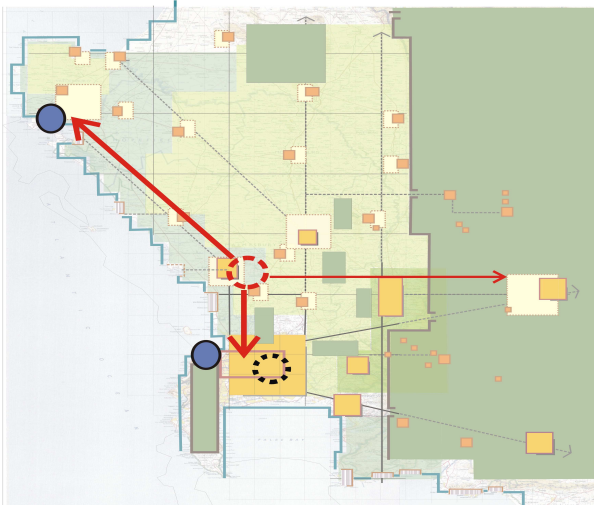


Figure I.4: Cape Town as Part of the Region

For these reasons, it is vital that Cape Town is understood within its regional context and effective sustainable planning for Cape Town can only be undertaken within the context of a joint strategy for the region. Such thinking has formed the basis of the ongoing research that the City has undertaken with the Provincial Government of the Western Cape towards a development strategy for the City's functional region.

The City and the Provincial Government have also 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.

CAPE TOWN'S PLANNING ALIGNED 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.

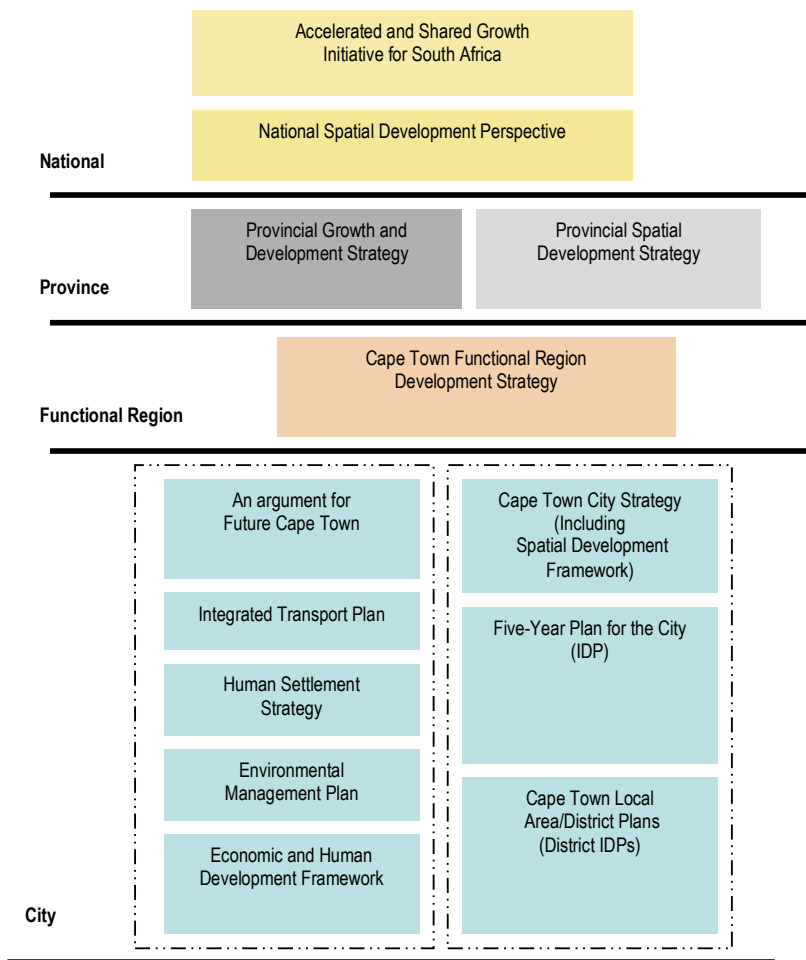


Figure I.5: Alignment of Government Strategies

Although the national economic development incentives are important, the City is a dominant driver of the regional economy and it has unique (regional) 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 and economic growth in Cape Town.

For the past few years, the City's economy has been driven by the construction, tourism, retail and property sectors. However, 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, protection of the environment, transport policies and more. 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 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 CBD) and in the provision of basic services to the informal settlements.

The National Industrial Policy Framework (NIPF): The 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 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.

The Provincial Growth and Development Strategy (PGDS): The PGDS takes the name 'iKapa Elihlumayo' (A Home for All) and has a mandate from provincial stakeholders to define shared growth and integrated development targets and objectives for 2014. The initiative focuses 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 intent between the two spheres of government.

CAPE TOWN IS A GLOBAL CITY

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 Municipality, anchors the SADEC regional economy. At the same time, in an increasingly global economy, Cape Town must position and market itself for investment in competition with cities internationally in order to realise economic growth. 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 requires a City Development Strategy to guide focused infrastructure investment, and 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.

THE 5-YEAR IDP WITHIN A LONGER TERM STRATEGY

It is important that the IDP is framed within a longer term vision and plan for Cape Town. The benefits of decisions made now are often only realised beyond five years. It is also important that decisions made over consecutive five-year periods work towards the same strategic objectives so that the city collectively and progressively moves towards a prosperous and sustainable future and builds a solid foundation for competing for economic investment. This long-term strategy need not be comprehensive or prescriptive, but must set the overall direction for the prioritisation of resource allocations and consistency with which such decisions are made over time. Importantly, it must give confidence to leaders in the city to make hard choices.

Towards a Medium- to Long-term City Development Strategy (CDS)

For this reason the City of Cape Town has embarked on a process to prepare a City Development Strategy (CDS). This CDS will draw on the background studies that have been undertaken in the region and the Organisation for Economic Co-operation and Development (OECD) territorial review study on the Cape

Town functional region undertaken to benchmark the city internationally. The CDS is scheduled for completion in 2009. Importantly, the CDS is not just the City administration's long-term plan, but should be a collective plan for all key players in the future growth and development of Cape Town. This means that the City's five-year IDP as well as the development plans of major stakeholders will need to be located within the CDS policy envelope.

The CDS must confront the challenges of globalisation, urbanisation, the need for economic growth against a growing skills mismatch, growing resource demands and development challenges such as growing inequality and crime. The CDS will seek to make the most of the city's competitive advantage – Cape Town is a key player in the national economy and is the centre of the regional economy. Its unique natural environment, people and institutions 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. The CDS will also seek to focus on those pre-conditions for successfully competing in a globalised economy, where the right skills, networks and technology are primary concerns, quality of life is crucial and the looming spectres of climate change and energy supply constraints demand a creative and determined shift to the use and re-use of sustainable resources.

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.

THE CITY'S STRATEGY

Of the most problematic factors for doing business in SA, foremost is an inadequately educated workforce (according to 22% of SA executives that responded), followed by crime and theft (20%) and inadequate supply of infrastructure (13%)³. The graphic below sets out the pre-conditions for economic growth and development that must be implemented. These pre-conditions provide a framework to drive growth, human capital, the environment, innovation and creativity, business ownership and industrial structures, which are necessary to boost economic performance through higher productivity.

³ Global Competitiveness Report 2008-9

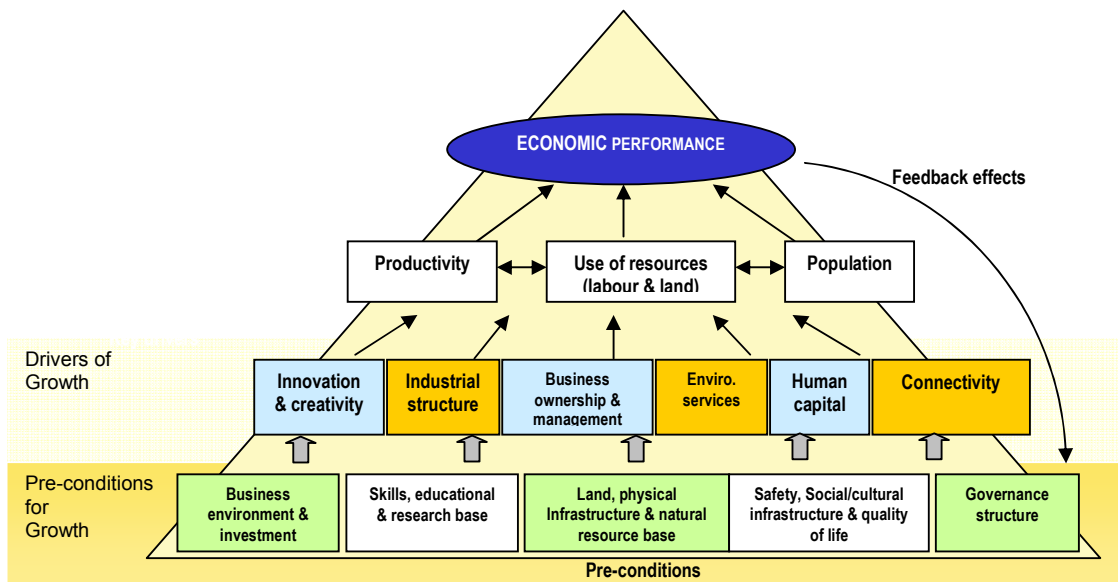


Figure I.6: Pre-conditions for Growth⁴

The 5-year IDP must be framed within a medium- to long-term spatial plan that translates the IDP into what it aims to achieve. It is also vital that Cape Town is 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.

THE IDP ALIGNMENT TO A MEDIUM- TO LONG-TERM SPATIAL DEVELOPMENT FRAMEWORK (SDF)

The 5-year IDP must also be guided by a medium- to long-term spatial plan that translates the CDS into what it needs to achieve its aims.

Spatial alignment of public and private investment

The role of the state should be to create the framework for market development whilst simultaneously protecting the foundations of sustainable and quality human settlements (e.g. the environment) and enhancing the assets that provide the pre-conditions for such investment (e.g. 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

⁴ Prof Edgar Pietersen – Proposals towards a Regional Plan (Amended to include safety and skills)

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 to effectively manage urban growth through the promotion of 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. Upgrading of existing infrastructure will 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). Where new growth is allowed, this must take place along planned growth corridors appropriately serviced by public transport, in particular.

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, e.g. 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; and
- Investment is already contractually committed to cater for new demand within the urban edge, e.g. Blaauwberg East.

A new City Spatial Development Framework

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, proposing a set of ideas and propositions called Future Cape Town that focused on the issues and choices facing the City over the next 30 to 40 years.

A review of the MSDF and the Future Cape Town initiative established the basis for the 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, key spatial strategies and supporting policy for issues such as open space systems, transport and land-use integration, sustainable neighbourhoods, densification, urban growth paths and the urban edge.

Integrated District Spatial Development Plans (SDPs) and Environmental Management Frameworks are currently being prepared for the eight functional planning districts that Cape Town has been divided into, in parallel with, and informed by the citywide SDF. These plans are intended to replace outdated existing regional plans and are due for completion by the end of 2009, with approval in terms of the Land Use

Planning Act (LUPO) scheduled thereafter. On completion, both the citywide SDF and the district plans will inform the preparation of the annual IDP review and new IDP's.

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



Figure I.7: Proposed Planning Districts

PRINCIPLES INFORMING THE CITY 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 approach 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 and the city seeks to attract visitors and investors. The basis of this premise is the realisation that we need to protect and improve the existing natural and urban environment that makes the city a unique and 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 they define where intense urban development cannot be permitted.

These principles are based on good practice in the planning and management of cities and are as follows:

- Public good should prevail over private good;
- The city should work in harmony with nature by reducing its ecological footprint and changing unsustainable resource-use patterns;
- Urban efficiency should be improved through the efficient and effective use of urban and natural resources;
- Access to the city's resources, opportunities, amenities and heritage should be maximised;
- Spatial and social imbalances should be redressed; and
- High-quality living environments should be created across the city.

The spatial framework will argue, inter alia, the following six proposed spatial strategies to guide the long-term development and growth of metropolitan Cape Town:

- Valuable natural resources should be protected and enhanced, and a linked system of open space that supports ecological sustainability, water system integrity and safety, and optimises recreational opportunities, should be identified and protected.
- It is necessary to densify urban areas to create more compact urban footprints, to limit urban sprawl and protect the natural environment. With this in mind, the challenge is to drive the direction of new development towards strategic infilling, 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 move away from the existing radial pattern of movement towards the establishment of a hierarchical and equitable multi-directional movement grid prioritising the public transport network. This necessitates a strengthening of the city's south-north movement linkages, in particular to support renewal and development along these development axes and a renewed effort to encourage non-motorised transport.
- Development should be encouraged to consolidate and intensify on these north-south and east-west movement axes to make the most of investments in supporting infrastructure, in particular public transport. The core of the metropolitan area, which is defined as the area extending beyond the historic CBD, defined by important existing development corridors such as Voortrekker Road and Main Road, and potential development corridors such as Lansdowne Road and Symphony Way, has been identified as a focus area for intensive mixed urban development supported by high-quality public transport, public spaces and institutions.
- Where the city is allowed to grow, urban development should not expand eastwards and should be selective in growing northwards, where urban development is most suitable and has the least impact on the environment, in a phased and co-ordinated growth process along northward extensions to the above-mentioned north-south development corridors, led by major infrastructural investments in these corridors.

- The city should continue to invest in strategic natural or cultural places of special or potential importance to the people of Cape Town, and that are part of the heritage of Cape Town.

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

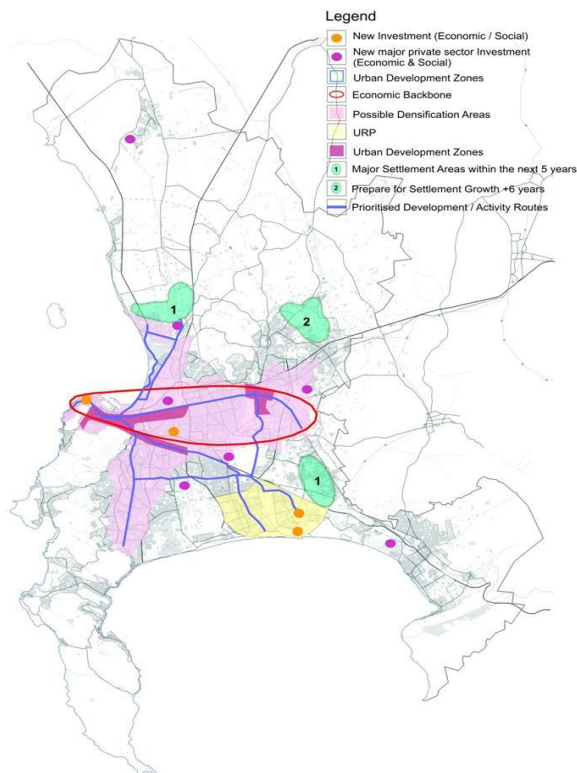


Figure I.8: Five Year Spatial Development

STATE OF THE CITY SUMMARY

In recent years, Cape Town has benefited from significant economic growth (four percent annual increase in GGP over the past decade, with highs averaging six percent during the past four years), 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 newfound economic and service delivery buoyancy, the city has also experienced rising development challenges. During the past decade, poverty has doubled, the housing backlog has doubled, drug-related crime has tripled and HIV prevalence has increased tenfold.

CITY OF CAPE TOWN - DEMOGRAPHICS

Demographics		Year
Total area	2,461 km ²	2007
Population (total)	3,4 million	2007
Number of households	904,000 (estimated)	2007
Total length of coastline	294km	2006
Economy		
GGP	R 130 billion	2007
% unemployed	16.9%	2007
Education		
Literacy - % of people aged 20+ with grade 5 education or less	8.4%	2007
Highest level of education for people aged 20+	Below Matric: 58.3% Matric: 23.6% Post Matric: 16.8%	2007
Number of libraries	108	2008
Health		
The prevalence of HIV as per Antenatal Survey	18.2%	2006
The incidence of TB in Cape Town per year (cases and deaths)	Cases: 26,754 Deaths: 2,122	2005
Living conditions		
Number of informal dwellings serviced by the City	108,899	2007
% of households living below the poverty line (<R1600 per month)	38.8%	2005
% of households with no access to safe drinking water on site	6.7%	2007
% of households with no access to adequate sanitation	5.8%	2007
% of households with no access to electricity for lighting	2.8%	2007
% of households with no access to at least weekly refuse removal	4.4%	2007
Number of parks and reserves	144	2006
Indigent population	201,867 households	2008
Safety and Security		
Number of murders reported per 100,000 population per year	60	2008
Number of reported rape cases per 100,000 population per year	73 (April to December 2007)	2007
Number of reported drug-related crimes per 100,000 population per year	830	2008
Number of commercial and/or industrial crimes reported per 100,000	464	2008

population per year		
Number of police stations	62	2006
Number of fire stations	29	2006
Transport		
Public and private transport into the Cape Town CBD in a day	Buses: 4% Minibus Taxis: 11% Metered Taxis: 1% Rail: 17% Cars: 67%	2004/5
Environment		
Number of days having particulate matter (PM10) exceedances	City Centre: 7 (only Sept to Dec) Goodwood: 25 Khayelitsha: 86	2007
Indigenous Plant Species	2,621 (125 endemic & 262 Red Data)	2006
Tourism		
Number of international and domestic tourists (Western Cape)	International: 1,763,631 Domestic: 5.5 Million	2007 2006
Compiled by: Strategic Information, Strategic Development Information and GIS Department		
Updated: 2008/12/03		

Table S.1: City of Cape Town Demographics

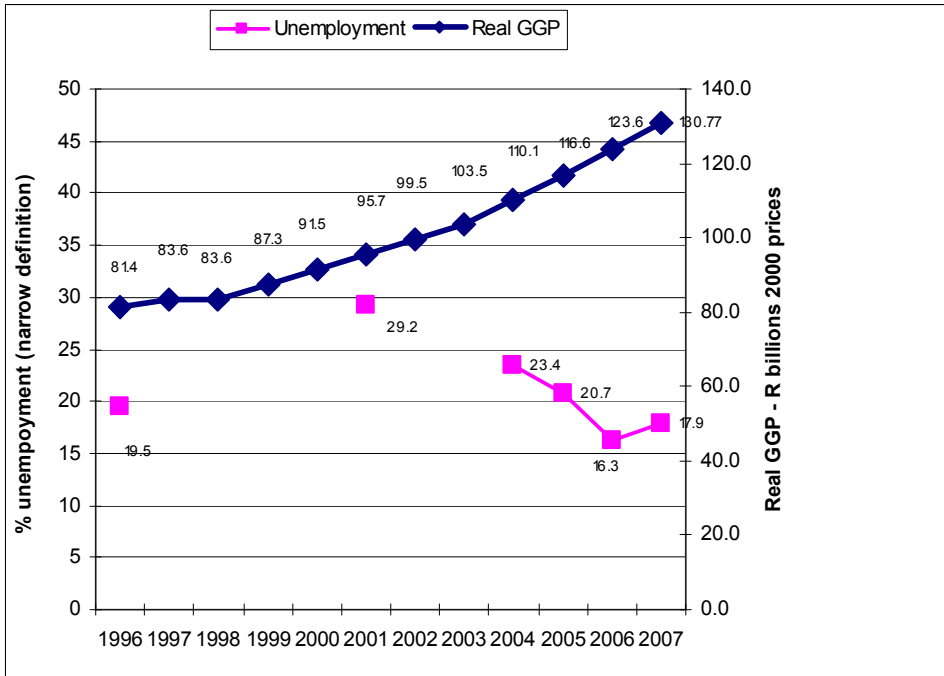
ECONOMY

A healthy and growing economy that benefits all the people of Cape Town is one of the prerequisites 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. 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 percent of total economic activity within the city. Manufacturing, which accounts for 16 percent of employment, has declined in relative terms in recent years, although it remains an important source of employment. It accounted for 17 percent of the city's total economic activity and 77 percent of the province's manufacturing activity. The construction sector was once again the fastest growing sector in 2007, followed by finance and business services, and wholesale and retail trade and catering and accommodation.

In recent years, Cape Town has benefited from significant economic growth (four percent annual increase in GGP over the past decade, with highs averaging six percent during the past four years), 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. 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 S.1: Unemployment and GGP Growth

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 coordinated, which has forced reactive and uncoordinated 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 below 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 (particularly with regard to wastewater and sewerage).

CITY OF CAPE TOWN	1996	2001	2007
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

Table S.2: Infrastructure Service Levels⁵

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 Floristic Region, one of the world's six plant 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 has over 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 economic 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.

⁵ Sources: StatsSA - Census 1996, Census 2001, Community Survey 2007

Within this context, the Cape Floristic Region has officially been identified as a 'Global Biodiversity Hot Spot,' placing an international responsibility on the City to ensure its conservation. This term hot spot has been attributed 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 plants, birds, mammals, reptiles, amphibians and freshwater fish.

In addition to the City's 23 Local Nature Reserves, Cape Town is home to two world heritage sites, as well as portions of two biosphere reserves. These areas have been designated as such by UNESCO due to their global cultural significant and environmental importance.

Biosphere Reserves

Biosphere reserves are areas of terrestrial and coastal ecosystems that promote solutions to reconcile the conservation of biodiversity with the sustainable use of the environment. They are internationally recognised and nominated by national governments, and there are currently more than 500 biosphere reserves in over 100 countries. Biosphere reserves fulfil three broad functions:

- a conservation function – to contribute to the conservation of landscapes, ecosystems, species and genetic variation;
- a development function – to foster economic and human development which is socio-culturally and ecologically sustainable; and
- a logistic function – to provide support for research, monitoring, education and information exchange related to local, national and global issues of conservation and development⁶.

Biosphere reserves are separated into a number of different zones: Core, buffer and transition (including urban). Only core areas require legal protection, and generally correspond to existing protected areas. Core areas are designated as pure nature conservation areas, where low-impact recreational activity such as hiking or bird watching may take place. Buffer areas are less ecologically sensitive, but primarily natural areas, where a variety of recreational and light commercial, particularly tourism-related, activities take place. Transition areas are the least ecologically sensitive and are designated for mixed use, including urban settlement and farming.

Kogelberg Biosphere Reserve: Designated in 1998, the Kogelberg Biosphere Reserve covers 103,629 hectares, of which approximately 9 percent is within the borders of Cape Town. The reserve provides habitat for over 1,600 plant species, of which approximately 150 are endemic to the area. Major plant types in the reserve include Kogelberg Sandstone Fynbos, Cape Winelands Shale Fynbos and evergreen forest. A variety of landscapes – coastal lakes and wetlands, marshes, rivers, estuaries, dunes and urban development – are contained in the reserve.

West Coast Biosphere Reserve: Designated in 2000 and extended in 2003, the West Coast Biosphere Reserve covers 378,240 hectares, of which approximately 14.5 percent is within the borders of Cape Town.

⁶ UNESCO, 2009

Major plant types in the reserve include Cape Flats Dune Strandveld (West Coast Type), Atlantis and Hangklip Sand Fynbos, and Swartland Granite and Shale Renosterveld. Landscape types contained within the reserve include coastal plains, wetlands, and rocky islets.

World Heritage Sites

UNESCO's World Heritage programme is aimed at cataloguing and conserving sites of outstanding cultural or natural importance to the common heritage of humanity. The guiding principle behind the programme is that World Heritage Sites "belong" to all of humankind, and not only the country in which they are found. Both of Cape Town's sites have significant tourist appeal, and are important to the city's economy.

Robben Island World Heritage Site: Inscribed in 1999, Robben Island is a site of global heritage significance due to the role it played in the struggle against Apartheid. In use since the 17th century, the Island has been used as a prison, a Second World War military base and a leper colony. "Robben Island and its prison buildings symbolise the triumph of the human spirit, of freedom, and of democracy over oppression."⁷

Cape Floral Region Protected Areas World Heritage Site: This is a serial site, inscribed in 2004, and is made up of eight protected areas in the Western Cape. Of the eight areas, only the Table Mountain National Park falls within Cape Town. The Cape Floral Region represents less than 0.5 percent of the area of Africa but is home to nearly 20 percent of the continent's flora. "The Cape Floral Region is considered of outstanding universal value for representing ongoing ecological and biological processes associated with the evolution of the unique Fynbos biome. These processes are represented generally within the Cape Floral Region and captured in the eight protected areas."⁸

⁷ UNESCO, 1999

⁸ UNESCO, 2004

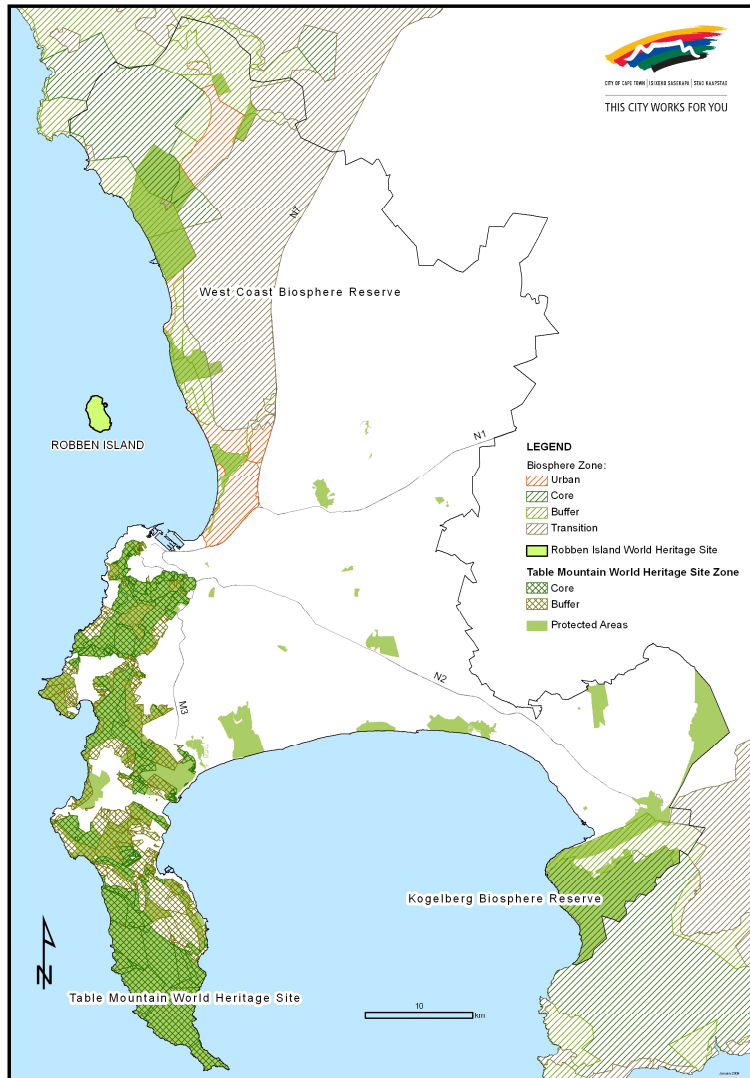


Figure S.1: Biosphere Reserves and World Heritage Sites

Cape Town has 43 different vegetation types, of which 18 are entirely limited to the City’s administrative boundary (endemic) 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 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 have had their original area reduced to less than 10 percent (three of these have less than three percent area remaining).

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.

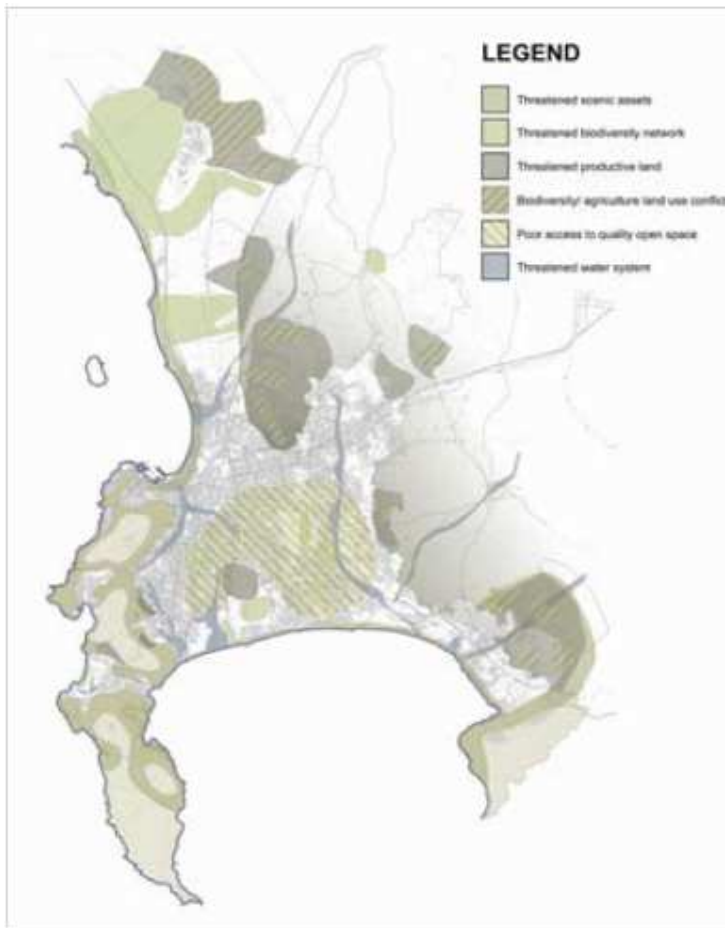


Figure S.2: Environment and Open Space Resources

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.

Water use per capita has levelled off at approximately 225 litres per person daily, down from a high of 270 litres per person daily in 2000. This decreased sharply in 2001, and again in 2004, due to water restrictions, illustrating a successful demand management strategy for a water-scarce city such as Cape Town.

Quantities of waste being disposed per capita have demonstrated a 60 percent increase since 1999, but have dropped significantly in 2008. This may be indicative of a decline in excessively high consumption patterns as well as increased waste reduction and recycling. Tourism also has a significant impact on the generation of waste in the city.

Coastal water quality in the City showed significant changes in 2008. Although water quality on the Atlantic Coast improved to 89 percent compliance, the highest level since 1994, unfortunately, during the same

period, compliance with water quality standards in False Bay dropped to a record low of 50 percent, down from 98 percent in 2006. The reasons for the dramatic decrease in water quality in the False Bay area are under investigation, and programmes to improve compliance will be implemented as a matter of urgency.

The city's freshwater ecosystems are in also in a state of decline, with more than two thirds of all sites assessed in 2008 experiencing poor bacterial water quality, and significant biodiversity and species loss due to hypertrophism and increased organic pollution.

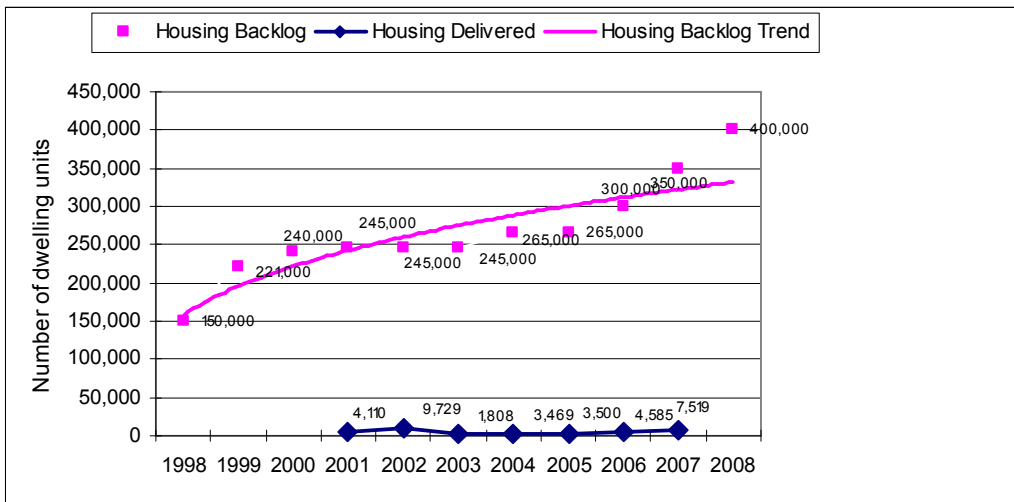
Urban sprawl is a further threat to Cape Town's unique and rare biodiversity. This is especially true in the low-income, high-density areas of the Cape Flats, which is where the city's most threatened ecosystems are located. Urban sprawl is also a key driver of environmental decline, as it places increasing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

Climate change and projected sea-level rise 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 is an increase in the City's vulnerability to severe weather events. A dedicated City climate change programme, focusing on both mitigation and adaptation measures, has been formulated, and is in the process of being implemented.

HOUSING

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

The number of people living in informal settlements is growing (23,000 dwellings in 1993 to 109,000 dwellings in 2007), overcrowding is increasing and household size is declining. These factors contribute to an increasing housing need (a waiting list increase from 150,000 in 1998 to approximately 300,000 households in 2008), most of which comprises 'backyarders' (the total housing backlog is estimated at 400,000 households).



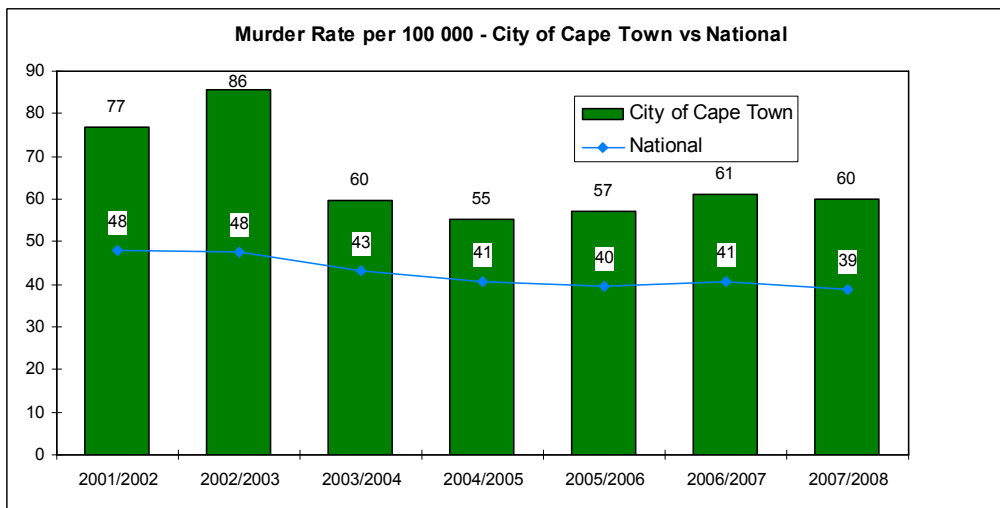
Graph S.2: Housing Backlog to Housing Delivery

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, the economy and job creation.

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.

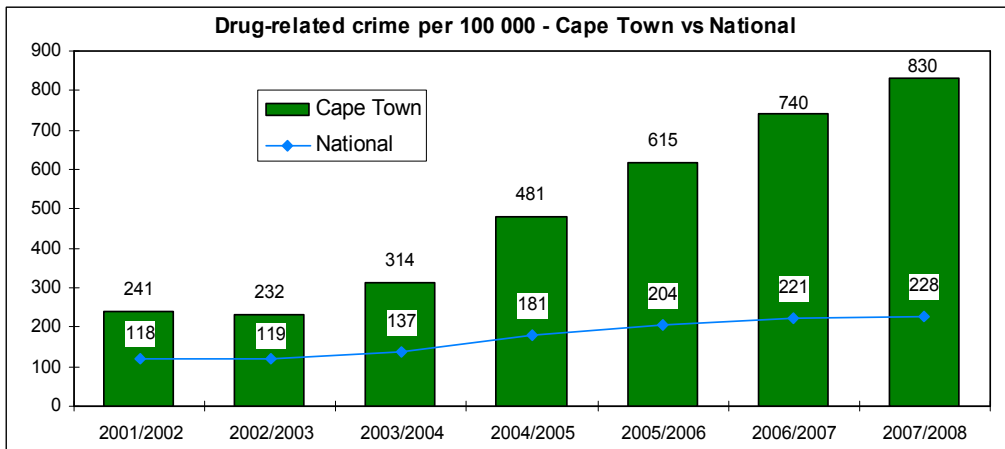
Levels of crime in some categories, such as murder, have remained stable over the past few years. However, the murder rate is still extremely high with a total of 2,018 murders in 2007/8, representing a murder rate of 60 per 100,000 population and, on average, 5.5 murders every day.



Graph S.3: Murder Rate⁹

⁹ Sources: SAPS and Strategic Development Information and GIS

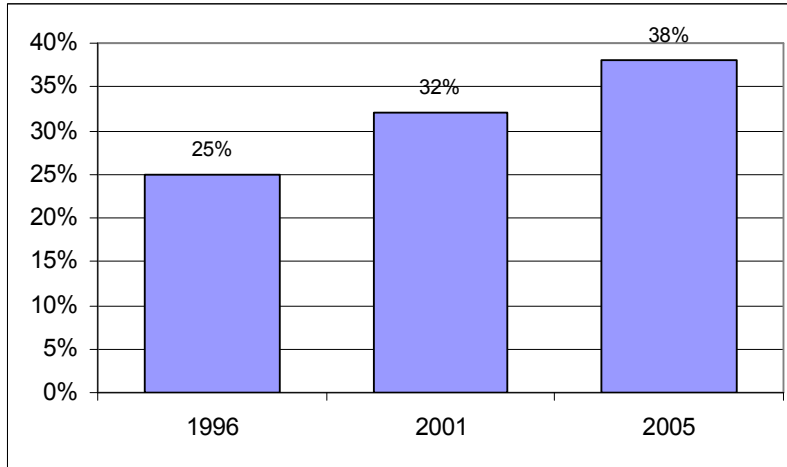
Of special concern is the fact that reported drug-related crime has almost tripled in the past five years. Property-related crime (especially residential burglaries) has also increased over the same period, possibly reflecting a connection between drugs and property crime.



Graph S.4: Reported Drug-related Crime Rate¹⁰

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).

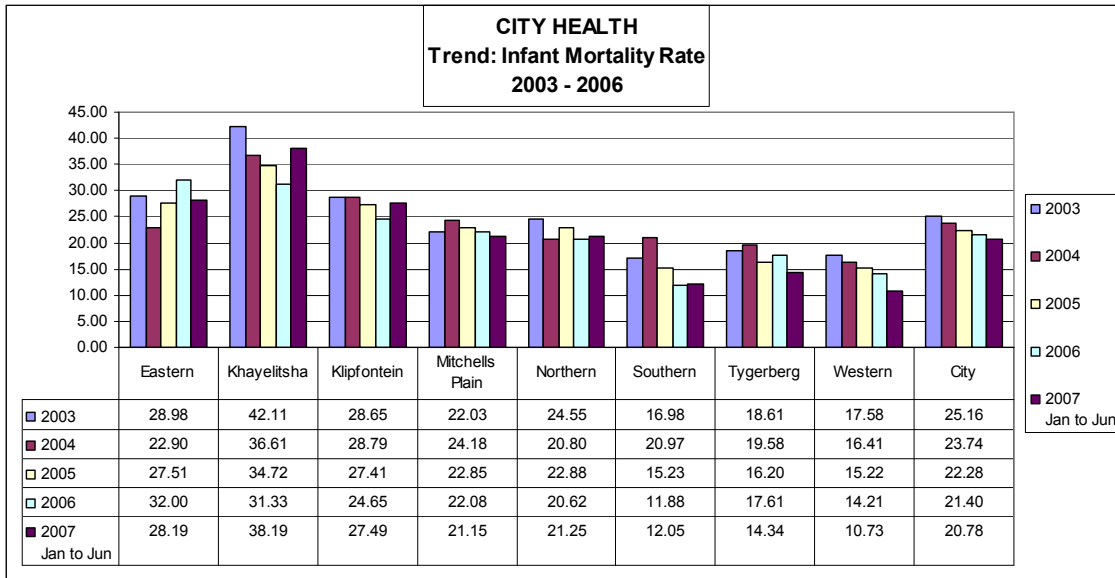


Graph S.5: People living in Poverty⁷ (Note: Poverty data for 2006 and 2007 not available)

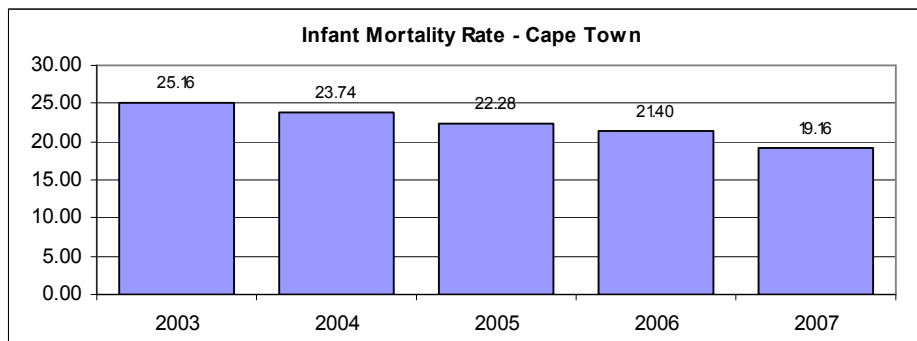
The infant Mortality Rate (IMR), along with HIV, are useful developmental performance indicators as they are closely related to housing and living conditions. The available information suggests that the City is clearly making progress by reducing the IMR rate at city level and across most of its health 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 been included for monitoring purposes.

¹⁰ Sources: SAPS and Strategic Development Information and GIS

⁷ Sources: StatsSA – 1996 Census, 2001 Census, General Household Survey



Graph S.6: Infant Mortality Rate for the City's eight Health Districts⁸

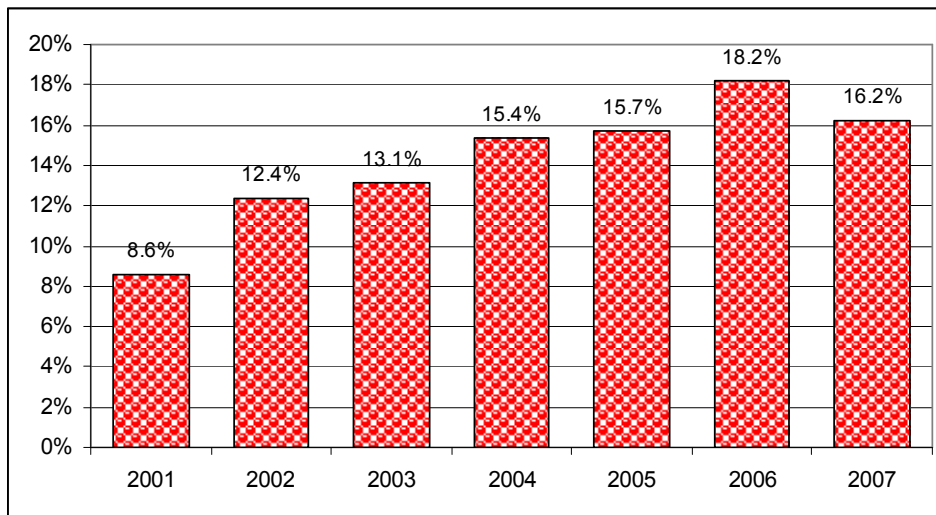


Graph S.7a: Infant Mortality Rate for the City⁹

HIV prevalence, as measured among antenatal clinic attendees, appears to have stabilised (in 2006) in line with the trend at national level, where a decline from 30.2 percent in 2005 to 28 percent in 2007 was reported. A number of explanations have been considered for this stabilisation - increased effectiveness of prevention programmes, more people dying from HIV/AIDS than being infected, and positive changes in sexual behaviour. Evidence seems to support increasing death rate as the driver. In a related study the data for 2001 to 2006 shows that HIV-related mortality has become the leading cause of premature mortality in Cape Town.

⁸ Sources: Strategic Development Information and GIS using City Health data

⁹ Sources: Strategic Development Information and GIS using City Health data



Graph S.7b: Antenatal HIV/AIDS Prevalence in Cape Town¹⁰

APPROVAL OF PLANNING APPLICATIONS

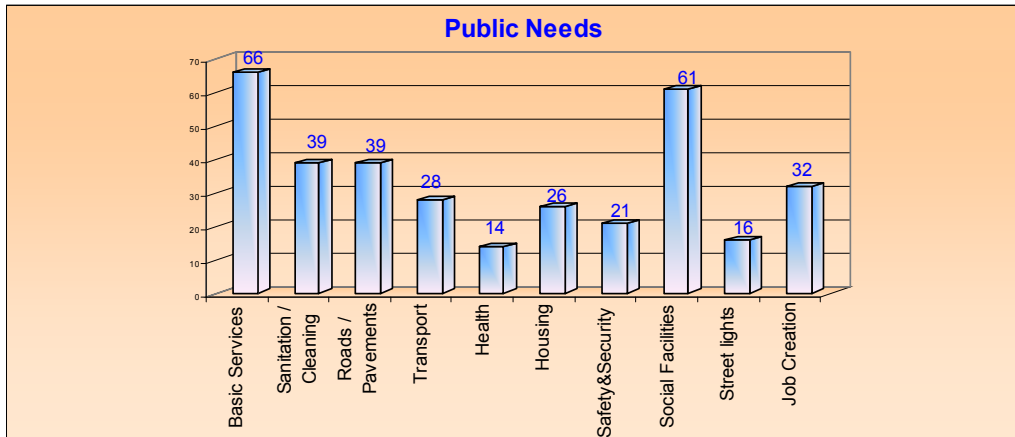
The City has implemented various measures to reduce red tape and improve the turn-around time for the approval of planning applications. The following table gives a breakdown of the time that it takes to approve development plans in the City's different regional planning offices.

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		

Table S.3: Turn-around Time for Planning Applications

¹⁰ Sources: Strategic Development Information and GIS using City Health data

PUBLIC NEEDS - 2009/10 IDP INPUT ANALYSIS



Graph S.8: Public Needs

The 2009/10 IDP Review Public Engagement process produced encouraging results as there has been a significantly improved contribution from various sectors of the population. There has also been a positive change in the quality of inputs as communities are developing an understanding of the constitutional mandates of the different spheres of government.

Communities generally asked for the upgrading and maintenance of community facilities as well as play parks. Well-located multi-purpose centres and swimming pools, and specifically the upgrade and extension of Langa cemetery, were also requested, and the need for the electrification of certain areas was also of importance.

The creation of employment opportunities was also prioritised. Training and development with regard to business planning skills, the compilation of business plans and general support to Small, Micro and Medium-sized Enterprises (SMME's) was identified as a great need. From both the SMME and corporate business sector, the opportunity exists to assist and partner with the City to plan and implement sustainable projects across the City. Greater facilitation of activities for the vulnerable groups of society by the City was also requested, e.g. greater access to Council-owned facilities for business activities.

Concerns with the city's transport systems were highlighted, especially the upgrading and maintenance of the roads and verges, and repair of potholes. There is also the need for traffic-calming measures across the city. Many proposals were also received on how to improve traffic flow to reduce travel time and commuter frustration. More public transport lanes across the metro were requested as well as the maintenance and upgrading of road signage.

Effective maintenance of street lighting as part of crime prevention was also requested. During the rainy season flooding is a regular occurrence due to blocked stormwater drains. Requests for the upgrading of Council-owned housing and informal settlements and more housing opportunities were also high on the agenda.

More visible policing accompanied with more crime prevention initiatives was a major concern. Improved training of officers to handle sensitive situations in communities was also requested. There seems to be a general satisfaction with primary healthcare services, but more capacity, i.e. staff, was requested. Support to home-based caregivers was requested.

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 also mechanisms in place to attend to customer complaints and queries, and 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:

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

Table S.4: Water Services’ Customer Survey Results

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

COMMUNITY SATISFACTION SURVEY 2007 FOR CAPE TOWN¹¹

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.

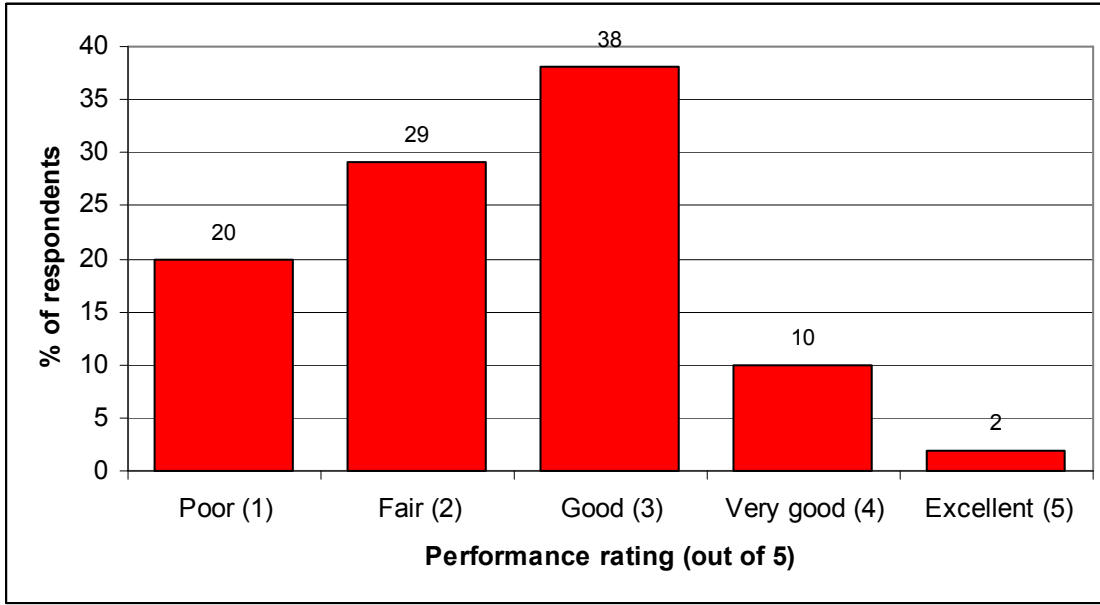
Ratings of service delivery are driven largely by people’s relative expectations – where these have been high in the past, there may be a poor rating due to a relative decline in services, whereas in historically under-serviced areas, where there have been improvements, service is likely to be rated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

¹¹ Sources: Customer Survey City of Cape Town 2008

Overall Perception

Question 1: Thinking about all the different services provided by the City of Cape Town, how would you rate the overall performance of the City of Cape Town?

The frequency distribution of responses was as follows: Half of Cape Town residents sampled felt that the City of Cape Town was doing a good, very good or excellent job in service delivery; a further 29 percent thought that it was doing a fair job while 20 percent rated the City’s performance as poor.



Graph S.9: Citywide Performance Rating

Because the sample was stratified by Health District it was possible to get an assessment for each Health District. The mean scores (out of a maximum of 5), with respect to overall performance of the City of Cape Town, are as follows:

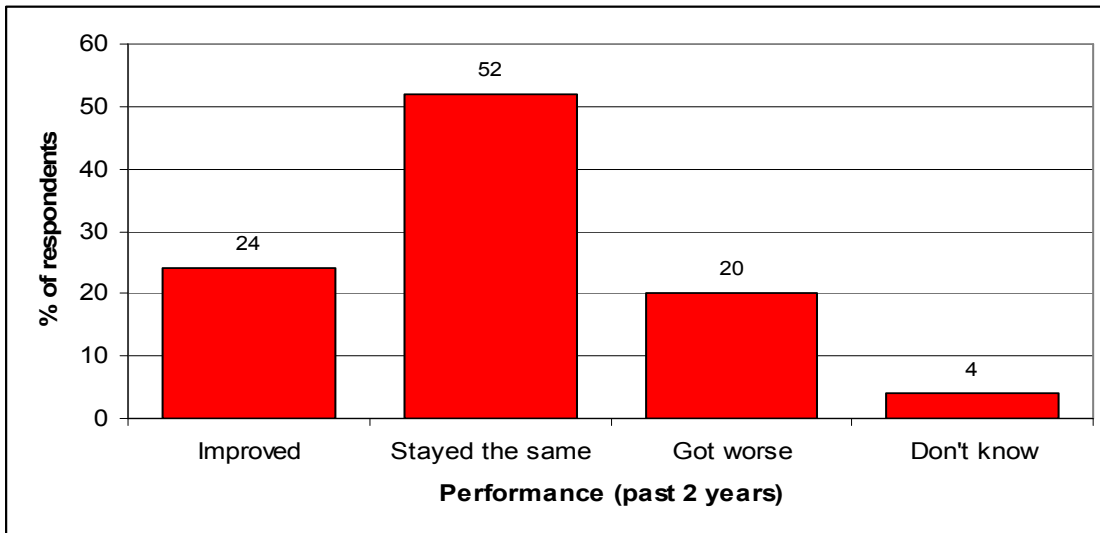
District	Mean
Eastern	2.4
Khayelitsha	2.9
Klipfontein	2.6
Mitchell's Plain	2.2
Northern	2.4
Southern	2.3
Tygerberg	2.2
Western	2.5

Table S.5: Citywide Performance Rating

Perception of Improvements/Deterioration in Service Delivery

Question 24: Do you feel that the performance of the City of Cape Town has improved, stayed the same or got worse in the last two years?

Most respondents (52 percent) perceived that performance had remained the same for the past two years (2005-2007), with 24 percent registering a perceived improvement and 20 percent deterioration.



Graph S.10: Perception of Improvement/Deterioration in Service Delivery

Analysis by district indicates that most respondents in Khayelitsha (52 percent) indicated that services had improved over the past two years. In the Tygerberg and Western districts, only 16 percent and 15 percent respectively felt that services had improved.

District	Improved %	Got worse %
Eastern	25	14
Khayelitsha	52	8
Klipfontein	23	17
Mitchell's Plain	33	19
Northern	22	25
Southern	17	22
Tygerberg	16	28
Western	15	25

Table S.6: Service Improvement by District

Perceptions of Individual Services

For each service area a number of attributes were identified, e.g. in relation to water services the attributes measured were access to clean water, an uninterrupted water supply, the management of water restrictions and water costs being affordable. The table below indicates the relative scores in relation to the various attributes. A total of 77 service attributes were measured. The average satisfaction scores ranged from a low of 2.1 in relation to 'safe bicycle lanes being created' to a high of 3.5 in relation to 'the provision of clean water.'

Within this range, the service areas scoring relatively well (3 and above) were the provision of basic services – water, electricity, sewerage, refuse removal. The provision of libraries, community centres and civic halls also performed well, relative to other services.

Service attributes with relatively high scores (3 and above): Most of the attributes relating to essential services (water, electricity, waste, sewerage, etc) as well as some of the community services (e.g. libraries, civic halls, beaches and nature reserves rated favourably amongst the communities interviewed.

Service Attribute	Score
Giving you access to clean water	3.5
Giving you an uninterrupted water supply	3.4
Effectively managing water restrictions	3.3
Giving you access to public libraries	3.3
Maintaining library buildings and equipment	3.3
Having Municipal staff at libraries that are helpful and friendly	3.3
The library keeping books and reading material that is relevant to you and books that are up to date	3.2
Water costs being affordable	3.1
There being minimal or no electricity disruptions	3.1
Immediately attending to electrical faults or equipment failures	3.1
Managing sewerage and sanitation	3.1
Electricity being affordable to all	3
Immediately attending to sewerage and sanitation problems	3
The location of refuse drop-off sites in your area being clearly communicated	3
Quickly attending to complaints regarding refuse removal	3
Maintaining Recreation and Community Centres	3
Having Municipal staff at Recreation and Community Centres that are helpful and friendly	3
Giving you access to Civic Halls	3
Maintaining Civic Halls	3
Having Municipal staff at Civic Halls that are helpful and friendly	3
Keeping beaches clean and safe	3
Providing lifeguards on duty at public beaches	3
Maintaining nature reserves	3
Having Municipal staff at nature reserves that are helpful and friendly	3
Rescue workers being well trained	3

Table S.7: Service Attributes with High Scores

Service attributes with medium scores between 2.6 and 2.9: Community services (beaches, pools, cemeteries, etc) as well as transport and traffic and some of the environmental issues were most prominent in this zone.

Service Attribute	Score
Giving you have access to Recreation and Community Centres	2.9
Enforcing beach regulations relating to dogs, vehicles, fires, camping and so on	2.9
Maintaining stadiums and facilities	2.9
Giving you access to nature reserves	2.9
Bathing waters are unpolluted	2.9
Preserving Cape Town's heritage sites and conservation areas	2.9
Maintaining and cleaning public toilets and amenities and beaches	2.8
Maintaining and cleaning public pools	2.8
Maintaining buildings and facilities at swimming pools	2.8
Storm water is prevented from polluting rivers and wetlands	2.8
Managing air pollution	2.8

Maintaining public gardens	2.8
Traffic lights being in working order and fixed speedily when faulty	2.8
Call-centre staff speaking your language which helps understanding in emergency situations	2.8
Rescue workers being quick to respond to calls	2.8
Storm water drains being regularly cleaned and kept blockage free	2.7
Storm water flooding being prevented	2.7
Cemeteries are kept neat and well maintained	2.7
Encourage tourism in your community	2.7
Access to public transport being easy	2.7
It is easy to get through to an emergency services operator	2.7
There being sufficient street lighting where you live	2.6
Giving you access to public sport fields	2.6
Sport fields and facilities are well maintained	2.6
Providing facilities for recycling waste material in your area	2.6
Litter being removed from the streets where you live	2.6
Public areas being kept from becoming overgrown bushes and alien vegetation	2.6
Safe public transport being provided	2.6
Affordable public transport being provided	2.6
There being a visible presence of traffic enforcements on roads	2.6
By-laws being enforced by the City of Cape Town	2.6
Planning and building regulations being enforced	2.6
Building development and planning applications being approved with minimal delays	2.6

Table S.8: Service Attributes with Medium Scores

Service attributes with relatively low scores (2.5 and below): Regulatory services, housing and healthcare were most prominent. Other key areas where there was perceived deterioration in service delivery included community safety, maintenance of roads, parks and public spaces, and maintaining areas surrounding roads.

Service Attribute	Score
Street lights being quickly fixed when they stop working	2.5
There being enough roads to handle the traffic in your area	2.5
Complaints about noise and other disturbances being acted on	2.5
Action being taken against illegal land settlement	2.5
Ensuring that the roads around where you live are regularly maintained and potholes are fixed	2.4
Action being taken against illegal dumping	2.4
There being clear signage and line markings on the roads	2.3
Maintaining and mowing parks regularly	2.3
Maintaining benches and play equipment at parks	2.3
Council houses and flats being well maintained and serviced	2.3
Obtaining a housing subsidy being hassle free	2.3
Basic services being provided in informal settlements	2.3
Land being made available for affordable housing developments	2.3
Municipal Clinics providing quality patient care	2.2
Action being taken on environmental health complaints such as rats and other unhygienic conditions	2.2
Safe bicycle lanes being created	2.1
Waiting times at Provincial Community Health Centres or Day Hospitals are kept short	2

Table S.9: Service Attributes with Relatively Low Scores**Service Priorities**

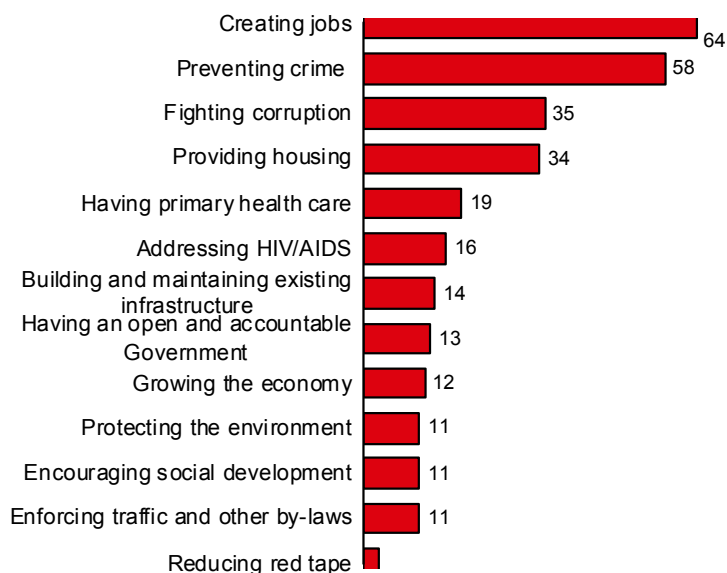
Question 26: If you were given the opportunity to talk to the City of Cape Town about the services that they deliver, what three issues would you say need improving and why? (This was an open-ended question, so the issues have been coded and grouped by service area after the survey.) The most frequently mentioned issues were:

Service Area	% Responses	Issues
Cleanliness of the urban environment	33	Cleaning of roads / Cut bushes and grass / Keep parks clean and tidy / Regular refuse collection / Illegal dumping
Crime, safety and security	23	Increase size of the police force / High crime rate / Increase safety of citizens / Crime related to drug abuse
Roads	29	Roads need to be fixed or maintained / Roads need speed bumps / Fix roads with potholes / Provide pavements / Roads need to be tarred
Housing	18	Build more houses / Maintenance of houses and flats
Recreational facilities	18	More parks / Access to public libraries / Improve or upgrade sports fields
Street lights	17	More and brighter street lights / Fix street lights
Health	13	Improve health and medical services – long queues, poor service, no medicine / Lack of clinics and health facilities / Clinics and hospitals need more staff
Stormwater drains	11	Maintenance of stormwater drains
Sewerage and sanitation	8	Provision of flush toilets
Traffic and transport	7	Traffic control, improve transport
Employment	6	Unemployment is too high / Create more jobs
Electricity issues	5	Provision of electricity

Table S.10: Service Priorities**Developmental Priorities for Cape Town**

In order to understand the developmental priorities for Cape Town and corroborate other surveys in this regard, a question was posed to respondents in respect of issues for all stakeholders in Cape Town to concentrate on. The list was defined and the priorities are based on percentage of respondents (i.e. creating jobs was identified by 64% of respondents as a developmental priority):

Question 40: I am now going to show you a list of initiatives that people like you have said are important to them. If you could choose three things on these cards indicating what all the role players of Cape Town (private sector, public sector, NGOs, etc) should prioritise, what would these things be?



Graph S.11: Developmental Priorities for Cape Town

Interacting with the City of Cape Town

Overall performance was fair across the range of issues investigated in this section. One focus area, perhaps, being that of keeping citizens informed of initiatives and changes to services.

Question 35: And when it comes to interacting with the City of Cape Town, how would you rate the performance of the City of Cape Town on...

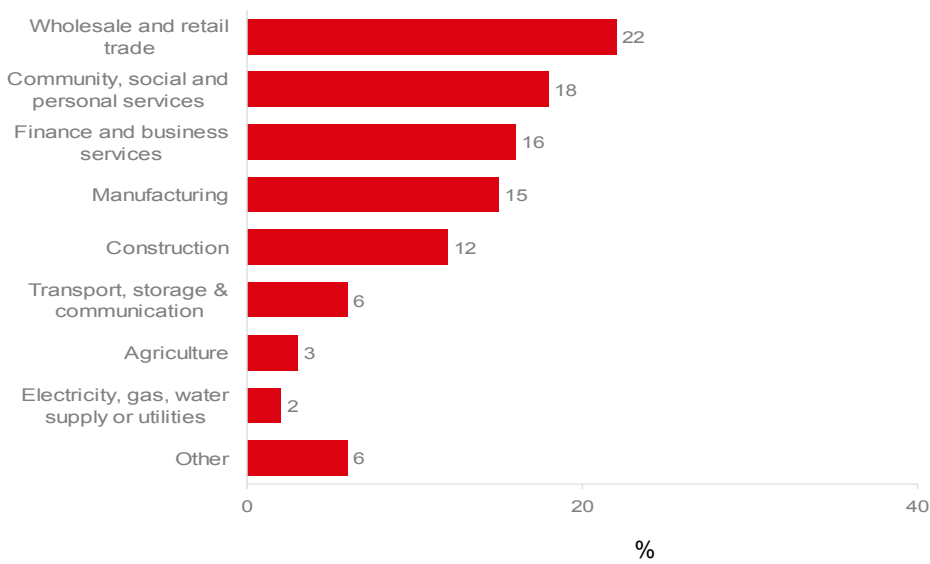
Interacting with the City of Cape Town	Score
There being convenient payment options for municipal services, licences and fines	2.8
Municipal offices being conveniently located	2.8
The municipality having staff who speak your language	2.8
Offices having convenient opening hours	2.8
There being call centre operators who can deal with your queries	2.7
Staff at municipal offices being friendly and helpful in dealing with people	2.7
Forms, procedures and processes being customer-friendly	2.7
Swiftly processing applications and other forms	2.7
Municipal offices being within walking distance from your home	2.7
The Mayor being effective at dealing with issues facing the City	2.7
There being short queues and waiting times at its offices	2.7
Providing affordable services	2.6
You getting a prompt response when you phone or email them	2.6
Staff being motivated and determined to assist in resolving your query or complaint	2.6
The City of Cape Town senior management being effective at dealing with issues facing the city	2.6
Keeping you informed of initiatives and changes to services	2.5

Table S.11: Interacting with the City of Cape Town

Community Satisfaction Survey 2007/8 for Cape Town - Businesses

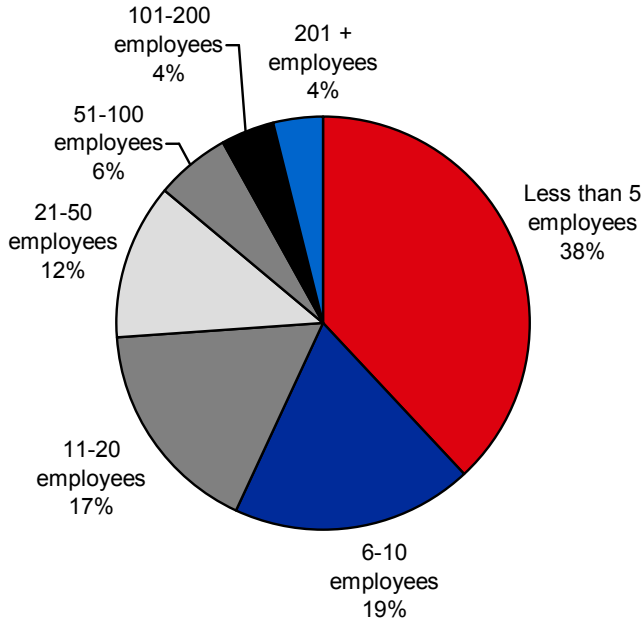
This research involved telephonic interviews with 500 formal businesses in Cape Town between January and February 2008. The sample was drawn from approximately 55,000 registered businesses (from the Regional Services Council levy database). This research will serve as baseline for future studies and, hopefully, follow-up studies will provide a base for further longitudinal comparisons.

Industry sectors included the following: Wholesale and retail trade; Community, social and personal services; Finance and business services; Manufacturing; Construction; Transport, storage and communication; Agriculture as well as electricity, gas, water supply or utilities.



Graph S.12: Business Satisfaction Levels

The majority of the businesses fell within the category of 'small' (less than 10 employees).



Graph S.13: Size of Businesses Surveyed

A third of the businesses had less the R1 million annual turnover while about a fifth had a turnover of between R1 million and R3 million.

Overall Perception: The results from the business sample were generally more positive than was the case with householders/residents - 69 percent of the business sample (relative to 50 percent of households) felt that the City was doing a good/very good/excellent job in service delivery.



Graph S.14: Overall Perception of Business

There were an almost equal proportion of businesses, both within the sector classification as well as by size of company that rated the City of Cape Town as performing well or poorly.

At least 43 percent of businesses rate the services of the City of Cape Town (compared to the delivery by other public institutions) as very good or excellent. This is in stark contrast to the 11 percent of residents who rate the City's services in this way.

Overall scores did not differ significantly by company size and compare favourably when benchmarked against similar global studies using the same methodology.

Service attributes with relatively high scores (3 and above): Most of the attributes relating to essential services (water, electricity, waste, sewerage, etc) rated favourably amongst the businesses interviewed.

Service Attribute	Score
Giving your business an uninterrupted water supply	3.9
Refuse being regularly removed from your place of work	3.7
Effectively providing sewerage and sanitation services in the area that you work	3.5
There being sufficient street lighting in the area where you work	3.4
Sufficient access to your business being provided by the road networks	3.4
Water restrictions being effectively managed	3.3
Immediately attending to sewerage and sanitation problems	3.3
Water costs being charged at reasonable rates	3.2
There being clear signage and line markings on the roads	3.1
Street lights being quickly fixed when they stop working	3.1
The location of refuse drop-off sites in the area that you work in being clearly communicated	3
Quickly attending to complaints regarding refuse removal	3
Immediately attending to electrical faults or equipment failures	3
Electricity tariffs being affordable for your business	3

Table S.12: Business Service Attributes with Relatively High Scores

Service attributes with medium scores between 2.6 and 2.9: Planning and cleanliness issues were most prominent in this zone.

Service Attribute	Score
Access to public transport being easy from your business premises	2.8
Planning and building regulations being enforced	2.8
Storm water drains being regularly cleaned and kept blockage free in the area that you work	2.8
Storm water flooding being prevented	2.8
Ensuring that the roads around where your business is are regularly maintained and potholes are fixed	2.7
Streets being regularly swept and littering is controlled	2.7
Acting on complaints about noise and other disturbances	2.7
Controlling illegal street trading	2.6
Building development and planning applications being approved with minimal delays	2.6

Table S.13: Business Service Attributes with Medium Scores

Only 17 percent of businesses had made applications for building or development planning in the past year (2007). This request for permission was more likely amongst large companies. Still, despite the low level of involvement in this category, in terms of importance the majority regard town planning and building development as 'very important' or 'extremely important.'

Service attributes with relatively low scores (2.5 and below): Transport, traffic, safety and communication around electricity were most prominent of the lowest performing service areas. With regards electricity it is perhaps not surprising, given the effect of load-shedding on businesses in January 2008.

Service Attribute	Score
Adequate measures being in place to address corruption within the City of Cape Town	2.5
Affordable public transport being provided	2.5
Safe public transport being provided	2.4
There being a visible presence of traffic enforcement on roads	2.4
There being a visible presence of metro police in your area of business	2.2
There being public toilets in the vicinity of your business	2.2
The City communicating schedules about load shedding effectively	2.1

Table S.14: Business Service Attributes with Relatively Low Scores

Interacting with the City of Cape Town

Interacting with the City of Cape Town	Score
The Mayor being effective at dealing with issues facing the City	3.6
The submission of forms and applications being simple and efficient	3
Staff at municipal offices being friendly, motivated and determined to assist in resolving your query or complaint	2.9
There being call centre operators who can deal with your queries	2.8
Making you aware of the City's Integrated Development Plan	2.8
Keeping you informed of initiatives and changes to services	2.6
There being short queues and waiting times at its offices	2.5

Table S.15: Interacting with the City – Client Services

Billings and payments	Score
Regularly receiving your accounts from City of Cape Town	3.7
There being convenient payment options for municipal services, licenses and fines	3.6
Accounts from City of Cape Town being clear and understandable	3.6
Your accounts from City of Cape Town always being correct	3.3
Your enquiries via a call centre being efficiently dealt with	2.8

Table S.16: Interacting with the City – Billings and Payments

Priority Issues in Service Delivery

Gap in delivery	%	More likely amongst:
Provision of electricity	19	Wholesale and retail trade
Improve customer relations and communication	13	'Poor' rating of performance of City of Cape Town
Improve roads	11	Community, social and personal services
Improve public transport	9	Medium size company
Reduce/stop lead shedding	8	Turnover: R3million or more but less than R10 million
Improve service delivery (in general)	7	'Fair' rating of performance of City of Cape Town
Refuse collection (more regular)	7	'Poor' rating of performance of City of Cape Town
Create a safer environment	7	No major skews
Provision of water	5	No major skews
Nothing	12	'Very good' or 'excellent' rating of performance of City of Cape Town

Don't know	5	'Good' rating of performance of City of Cape Town; large companies
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Table S.17: Biggest Gaps in Service Delivery

Business-related Information Needs

Information need	%	More likely amongst:
Electricity and water issues (nett) Inform people of timings of power cuts Inform people of timings of water disconnections	25	Community, social and personal services
Infrastructure (nett) Infrastructure planning and development Future planning that affects business	14	Construction Turnover: R10 million +
General information (nett) Keep us informed about tenders Anything related to small business	12	No major skews
Updates on any changes (nett) Keep up-to-date with any changes Update us on service delivery More communication A website to cover all aspects that affect Cape Town	6	'Fair' rating of performance of City of Cape Town
Roads (nett) When road works are being done When roads are closed down	5	Manufacturing; transport, storage and communication
Nothing	13	No major skews
Don't know	12	No major skews

Table S.18: Business-related Information Needs

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 load-shedding and service interruption is critical.
- Safe public transport and visible policing are also important factors that need to be addressed.

STRATEGIC FOCUS AREA 1: SHARED ECONOMIC GROWTH AND DEVELOPMENT

The City's Economic Development Strategy (EDS) guides the implementation of SFA1 by determining the key strategic thrusts for shared economic growth and development with actual programme implementation actions ranging from short to long term. We also take cognisance that we are in year three of the five-year IDP cycle, hence the EDS has phased deliverables.

Competitiveness and innovation are key to the city's economic development plans. The City faces a number of economic development challenges, which are similar to those experienced in other cities in South Africa. It is the way in which these challenges, including poverty reduction, are addressed which is critical. For example, a large element of Small Medium and Micro Enterprises (SMME) development and corporate social investment is focused on sustainable community upliftment programmes which cut across City Directorates from human settlements, to EPWP and grant funding, to community organisations.

Over the past two years, Cape Town has seen significant increased capital expenditure related to the 2010 FIFA World Cup™ stadium and supporting infrastructure, which has not only created jobs but will also leave a legacy of improved public transport, a world-class stadium capable of hosting various events and revenue generator. In addition, it's also an opportunity to generate awareness and good media coverage, allowing Cape Town to position itself as the lifestyle capital of South Africa.

Whilst tourism expenditure will contribute to local business revenue for the period of the event, it presents an unparalleled opportunity to showcase Cape Town as a global tourist and business destination of choice. This mega event presents an opportunity to stimulate the SMME sector via procurement spending related to services provision. From a destination marketing perspective, it presents an opportunity to attract non-traditional market segment tourists from Eastern Europe, African states and South America.

It is important that Cape Town is positioned as a global events destination as events are key drivers of economic growth: they support other sectors of the economy, stimulate business, trade and investment, attract global talent, contribute to social cohesion and enhance living and lifestyle offerings. Events are also central for showcasing local communities, and offering opportunities for local communities to be accessible through events, which is important for tourism and visitor experience, as well as for marketing the city's world class image.

The international financial market crisis could impact the City in terms of foreign direct investment. Although project finance for secured investments in the Central Business District, for example, is not at risk, potential investors could be circumspect about investing in emerging markets due to risk perceptions, despite the fact that South Africa has not been affected as badly as developed economies. As South Africa's export partners feel the impact of the credit crisis, exports could suffer, which could result in order cutbacks and eventual job cuts. The full impact of the crisis is yet to be felt in the economic sectors as signs of industries in despair

have rallied to the call for a comprehensive stimulus package that will save jobs, especially in credit-driven sectors such as vehicle retail.

Cape Town will not be spared the impact of a contracted growth environment. However, by setting the fundamentals in place in the first two years of the IDP cycle, through infrastructure-led growth and support for key and niche sectors, the impact will be somewhat cushioned. In this challenging context, the focus on 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, and to manage the impact of declining growth and limiting job losses, the following fundamentals will continue to be prioritised and implemented:

- Adequate and effective core infrastructure and transport systems.
- Provision of effective and efficient municipal services.
- Securing the City's energy future by aggressively pursuing efficiency and by diversifying our sources of supply of electrical energy to include renewable energy sources.
- Contributing to conditions that encourage a positive and vibrant environment, which allows the economy to grow. This will in turn result in job creation.
- Focussing on ensuring that the city as an institution and the partners it works with are effective.
- Understanding the positioning of Cape Town as a major global competitor in the global drive for investment, trade and tourism. The emphasis will be to focus on those aspects which will make the city work better for ordinary people and to ensure long-term economic growth and development.
- Improving processes and supporting large scale projects such as the Film Studio and Philippi fruit and vegetable market.
- 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.
- Establishing Cape Town as an internationally recognised sustainability centre in relation to the environment, economy, local communities and climate.
- Skills upliftment through identification of business and industry needs and linking into institutions of learning to address shortages of the needed skills as required by the city's economy.

Interventions aimed at achieving economic growth conditions by creating a more enabling environment, include inter alia:

- Special focus on Local Economic Development (LED), particularly SMME business development and support, especially with regard to the 2010 FIFA World Cup™ and beyond.
- Optimal utilisation of Council-owned immovable property and other assets to maximise social, economic and environmental benefits.
- 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.

- Support of the formal and informal business sectors through the creation of an enabling environment.
- Using the Expanded Public Works Programme (EPWP) as a means of job creation at a local level.
- Stimulating and enabling tourism to ensure Cape Town's competitive advantage as a leading tourist destination and positioning Cape Town as a leading eco-tourism destination.
- Improving the city's global competitiveness and attractiveness for investment by positioning itself as a "greener" and more sustainable place to do business, through the implementation of resource-efficiency programmes in partnership with businesses. Promoting Cape Town as a green city would be an incentive to attract investment into the city as investors look for environmentally conscious investment destinations.
- Marketing and supporting Cape Town as an events city to enhance competitiveness and tourism, as well as promote the City's key strategic sectors e.g. creative industries. Preparing to maximise the City's facilities and stadia to support the City's strategic positioning to host events and support cultural and community activities post 2010.

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.

AIMS AND INTERVENTIONS TOWARDS ECONOMIC GROWTH AND DEVELOPMENT

The central goal of the City's Economic 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

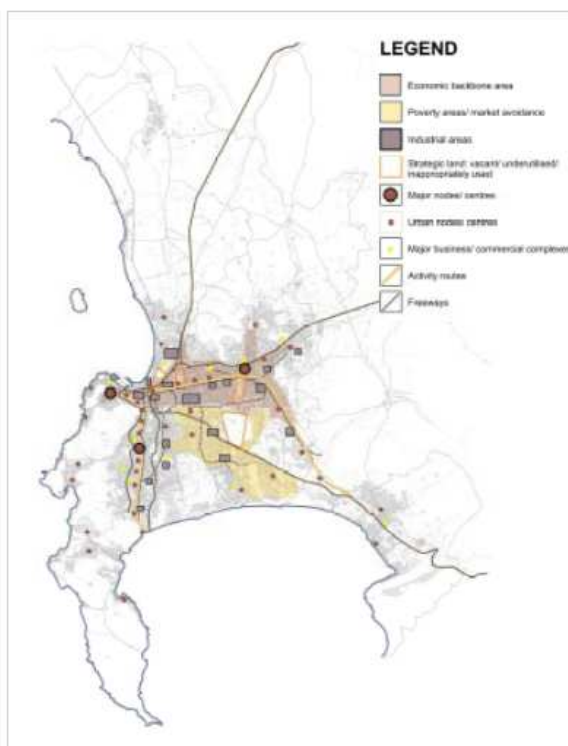


Figure 1.1: Prioritised Focus Areas

Five 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 opportunities to infrastructure and support services.
- Energy efficiency and the promotion of low carbon investments and renewable energy technologies and programmes.
- 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.
- Revisit the existing approach to the management of the City's fixed assets, such as land and buildings, to ensure that the optimal utilisation leverage economic growth and development.

The City has identified the following initiatives 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 Cape Town Film Studios) will also be explored.

Philippi 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 Philippi 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. The Atlantis growth corridor has been identified as an important economic growth node from a spatial and investment promotion perspective. Given the proximity of Saldanha Bay Harbour for boat launching, encouraging location of boatbuilding activity in the Atlantis precinct, given the space available and affordability of land, would entail offering of incentives for the industry to locate there.

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.
- Establishing a 2020 Tourism Plan to address year-round economic growth with focused, aligned programmes under a single Cape Town brand.

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 and intergovernmental relations remain a challenge. However, there continues to be support from all political parties currently represented in Council for the event, and unimpeded delivery for 2010 remains 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 IDEAS

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.

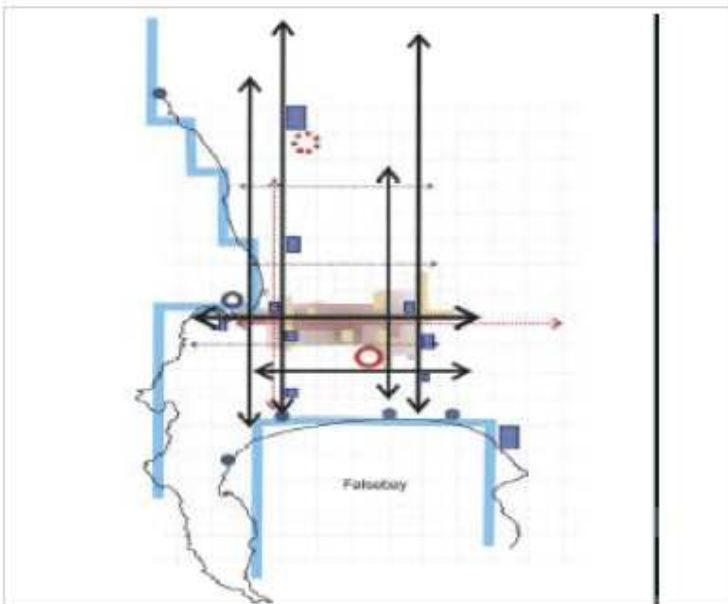


Figure 1.2: Economic Backbone of the City

ECONOMIC AND ENVIRONMENTAL SUSTAINABILITY

Internationally, it is increasingly recognised that a sustainable natural environment is a prerequisite for sustained economic growth. This is especially true in Cape Town, as much of the city's economy is dependent on the environment in terms of both tourism and desire for companies to situate their offices in the city. 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. Not only must market economy needs be balanced with those of the environment, the natural environment will be actively promoted as a unique selling point for the City, and the City will position itself as a "green destination" for both tourists and businesses. The City will promote the use of cleaner energy and energy efficiency (solar and wind energy sources) in view of the conventional energy and the impact on the environment as the demand for energy increases due to the growing economy, as is currently the scenario. The City will also actively promote the uncoupling of economic growth from resource consumption through the promotion of greener industries. The City, as an electricity distributor, is responsible for security of supply, hence the need for renewable and clean energy production programmes to be identified and encouraged.

Whilst recognising that the current international recession and locally sluggish economic growth means limited job creation, more emphasis should be placed on stimulating entrepreneurship in niche sectors such as creative industries, renewable energy, etc., capacitating SMMEs via a supplier development programme, and allocating larger procurements for SMME vendors.

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 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.

ECONOMIC CONTEXT

International Economic Outlook

International trade is projected to decelerate sharply, with global export volumes falling by 2,1 percent in 2009 – the first time they have declined since 1982 and eclipsing the 1,9 percent falloff that occurred in 1975. Export opportunities for developing countries will fade rapidly because of the recession in high-income countries and because export credits are drying up and export insurance has become more expensive.

In developing countries, growth is projected to slow to 4.5 percent in 2009, down from 7,9 and 6,3 percent in 2007 and 2008. Overall, global GDP is projected to expand only 0,9 percent in 2009 – below the rate recorded in 2001 and 1991, and the weakest since records became available beginning in 1970. Much tighter credit conditions, weaker capital inflows to middle-income countries, and a sharp reduction in global import demand are expected to be the main factors driving the slowdown in developing countries.

Import demand is projected to decline by 3,4 percent in high-income countries during 2009, while net private debt and equity flows to developing countries are projected to decline from \$1 trillion in 2007 to about \$530 billion in 2009, or from 7,7 to 3 percent of developing-country GDP.

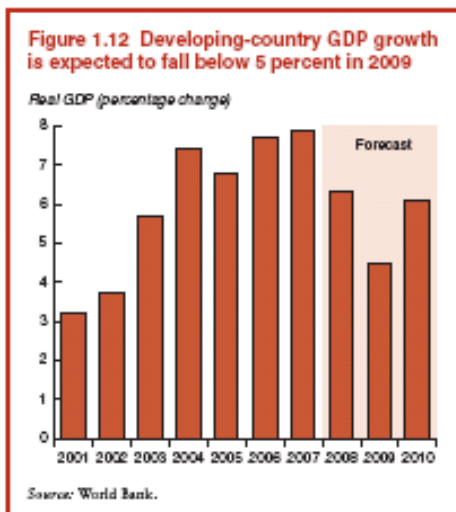
Table 1.1 The global outlook in summary
(percentage change from previous year, except for interest rates and oil prices)

Indicator	2006	2007	2008 ^e	2009 ^f	2010 ^f
Global conditions					
World trade volume	9.8	7.5	6.2	-2.1	6.0
Consumer prices					
G-7 countries ^{a,b}	2.2	1.7	3.3	1.6	1.8
United States	3.3	2.6	4.5	2.5	2.8
Commodity prices (US\$)					
Non-oil commodities	29.1	17.0	22.4	-23.2	-4.3
Oil price (US\$ per barrel) ^c	64.3	71.1	101.2	74.5	75.8
Oil price (percent change)	20.4	10.6	42.3	-26.4	1.8
Manufactures unit export value^d					
	1.6	5.5	9.0	2.1	1.3
Interest rates					
\$ LIBOR, 6-month (percent)	5.2	5.3	3.3	1.9	2.5
€ EURIBOR, 6-month (percent)	3.1	4.3	4.9	3.8	4.2
Real GDP growth^e					
World	4.0	3.7	2.5	0.9	3.0
Memo item: World (PPP weights) ^f	5.0	4.9	3.6	1.9	3.9
High-income countries					
OECD countries	2.9	2.4	1.2	-0.3	1.9
Euro Area	2.9	2.6	1.1	-0.6	1.6
Japan	2.4	2.1	0.5	-0.1	1.5
United States	2.8	2.0	1.4	-0.5	2.0
Non-OECD countries					
Developing countries	5.5	5.6	4.3	3.1	5.3
Developing countries	7.7	7.9	6.3	4.5	6.1
East Asia and the Pacific					
China	10.1	10.5	8.5	6.7	7.8
China	11.6	11.9	9.4	7.5	8.5
Indonesia	5.5	6.3	6.0	4.4	6.0
Thailand	5.1	4.8	4.6	3.6	5.0
Europe and Central Asia					
Poland	6.2	6.6	5.3	2.7	5.0
Russian Federation	7.4	8.1	6.0	3.0	4.7
Turkey	6.9	4.6	3.0	1.7	4.9
Latin America and the Caribbean					
Argentina	5.6	5.7	4.4	2.1	4.0
Brazil	8.5	8.7	6.6	1.5	4.0
Brazil	3.8	5.4	5.2	2.8	4.6
Mexico	4.9	3.2	2.0	1.1	3.1
Middle East and North Africa					
Algeria	5.3	5.8	5.8	3.9	5.2
Algeria	1.8	3.1	4.9	3.8	5.4
Egypt, Arab Rep. of	6.8	7.1	7.2	4.5	6.0
Iran, Islamic Rep. of	5.9	7.8	5.6	3.5	4.2
South Asia					
Bangladesh	9.0	8.4	6.3	5.4	7.2
Bangladesh	6.6	6.4	6.2	5.7	6.2
India	9.7	9.0	6.3	5.8	7.7
Pakistan	6.2	6.0	6.0	3.0	4.5
Sub-Saharan Africa					
Kenya	5.9	6.3	3.4	4.6	5.8
Kenya	6.1	7.1	3.3	3.7	5.9
Nigeria	5.2	6.5	6.3	5.8	6.2
South Africa	5.4	5.1	3.4	2.8	4.4
Memo items					
Developing countries					
excluding transition countries	7.8	7.9	6.3	4.6	6.2
excluding China and India	6.0	6.1	5.0	2.9	4.7

Source: World Bank.
 Note: PPP = purchasing power parity; * = estimate; † = forecast.
 a. Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.
 b. In local currency, aggregated using 2000 GDP weights.
 c. Simple average of Dubai, Brent, and West Texas Intermediate.
 d. Unit value index of manufactured exports from major economies, expressed in U.S. dollars.
 e. GDP in 2000 constant U.S. dollars, 2000 prices, and market exchange rates.
 f. GDP measured at 2000 PPP weights.

Table 1.1: The Global Outlook in Summary

(Percentage change from previous year, except for interest rates and oil prices)



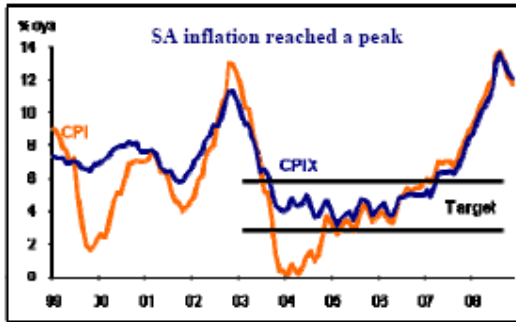
Graph 1.1: Expected Developing-country GDP Growth

National Outlook

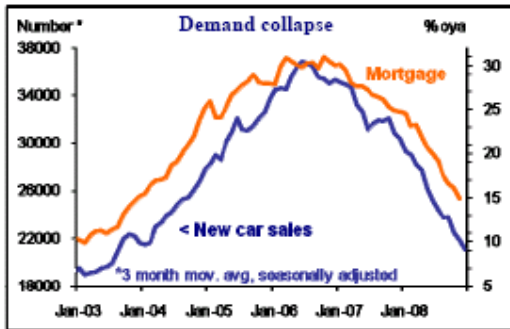
South Africa, the region's largest economy, has felt the repercussions of the intensification of the financial crisis since 15 September 2008, with the rand losing nearly 25 percent in value over the year. Although investment growth in South Africa is projected to ease in 2009, it will remain one of the engines of growth as the government continues to boost the energy sector and infrastructure ahead of the 2010 FIFA World Cup™.

South Africa's economic growth is likely to weaken further in 2009, falling below 3 percent for the first time in almost a decade, as a tighter monetary policy and high inflation cause household consumption to falter.

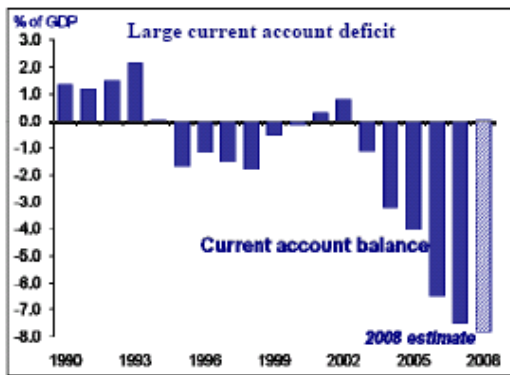
South Africa's risk of experiencing the same financial woes as the United States and European nations was limited by low exposure to "toxic" assets and foreign currency risks. However, a "flight to quality" could cause large portfolio outflows, which would affect the country's ability to finance its large current account deficit, which in turn could trigger a sharp depreciation of the rand and higher inflation.



Graph 1.2: SA Inflation Reached a Peak



Graph 1.3: Demand Collapse



Graph 1.4: Large Current Account Deficit

Western Cape – City Outlook

The Western Cape economy is expected to perform at rates above the national average. The economic forecast for the Western Cape has been estimated at 3,8 percent and 3,1 percent in 2008 and 2009 respectively, while the national estimates are 3,2 percent in 2008 and 3,0 percent in 2009. Recovery is projected from 2010, mainly as a result of an improving interest rate and inflation outlook.

This by implication indicates that most of the sectors in Cape Town, though not directly affected by the global recession, will indirectly be affected as competition for foreign direct investment will intensify even further from cities that Cape Town competes with, e.g. Dubai and Beijing. These cities offer favourable incentives to potential investors in addition to their favourable cost factors and sizes of the markets.

From a sectoral perspective, the region's services industries are expected to continue performing well, with only retail and wholesale, and possibly financial services, taking somewhat of a dip due to the higher level of interest rates (according to the Cape Town Chamber of Commerce). There is also some evidence of an under-performing regional manufacturing sector. Sectors like tourism, construction, wine exports and call centres would be relatively immune, including boatbuilding and oil repair trades in Cape Town. However, the automotive and clothing textiles see negative growth, with probable job-losses. Happily, the region's diverse economy places it in a better position to absorb downward economic cycles.

Financial sustainability

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.

South Africa's realistic short- to medium-term growth outlook is to achieve an economic growth rate of 3 to 4 percent given the advent of the international recession resulting from sub-prime credit crisis and liquidity problems in financial markets.

Nationally, the growing stock of outstanding tax and fee receivables, now amounting to about ZAR 40 billion, may have an impact as local authorities could need to fund a larger proportion of their working capital with external liquidity. This could lead to added borrowing, on top of loans and bonds planned to partly finance infrastructure improvements.

Finances could be challenged by the eventual creation of the Regional Electricity Distributors (REDs). The REDs may deprive metropolitan municipalities of one of their most reliable sources of income as it is unclear what compensatory revenues would be offered to municipalities in return for the potential loss of fees on electricity sales. The Municipal Fiscal Power and Functions Act, which was passed in 2007, should offer leeway to raise revenues in order to maintain good debt service coverage ratios over the medium term. However, the economic slowdown could make it difficult to implement new taxes, while the transition of the property tax base towards market values could expose cities to potential revenue shortfalls if house prices decline.

Threats

South Africa is currently experiencing an energy crisis. Continued electricity supply constraints constitute a threat to enabling the business environment. Power insecurities 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, higher than many first world countries. 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.

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 and potentially environmentally damaging. 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.

It is expected that water will become the scarcest resource, but Cape Town has the potential to be an innovative world leader in managing this threat. Water supply constraints will be managed through the provision and subsidisation of perennial household rainwater tanks, grey water systems and regulated water restrictions. Additionally, the City's Integrated Water Leaks programme works to reduce leakage at the end user, and promote skills development by providing training to local communities in basic plumbing repairs.

All new buildings in Cape Town should comply with environmentally optimal architectural designs, thereby reducing pressure on supply infrastructure (such as water consumption and disposal, sewerage disposal and treatment, and electricity consumption). 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.

OBJECTIVES AND TARGETS

CORPORATE INDICATOR 1A

CREATE AN ENABLING ENVIRONMENT FOR THE ECONOMY TO GROW AND BECOME GLOBALLY COMPETITIVE.

Directorate Objective 1.1 – Drive Investment into Cape Town- Directorate Objective 1.2 - Develop new and strengthen existing partnerships Directorate Objective 1.3 - Grow and strengthen the City's tourism capability and Destination Marketing Directorate Objective 1.4 – Promote the use of local economic development (LED) tools to grow SMMEs and Develop Enterprises 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							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
1A.1 Increase the number of direct job opportunities created (NKPI) <i>(Output indicator)</i>	13 229	9 500	10 177	10 600	11 500	12 000	13 000
1A.2 Increase the rand value of direct investment <i>(Outcome indicator)</i>	R 1.16 billion	R1.6bn	R1.67bn	R1.5bn	R1.6 bn	R1.7bn	R1.9bn
1A.3 Achieve year on year growth through Destination marketing facilitated through the SLA with DMO <i>(Outcome indicator)</i>	New	New	New	5%	2%	2%	2,5%
1A.4 Number of job opportunities created through the Expanded Public Works Programme (EPWP), to contribute to the reduction of poverty and unemployment <i>(Output indicator)</i>	6 204	12 000 (excluding the baseline)	12 501	12 000	12 000	12 000	12 000
1A.5 Percentage of Development Applications Finalised within Statutory Timeframes Project : Land Use Management <i>(Output indicator)</i>	New	72%		75%	80%	80%	80%
1A.6 Percentage of Development Applications Finalised within Statutory Timeframes Project : Building Development Management <i>(Output indicator)</i>	New	95%		96%	96%	96%	96%
1A.7 Percentage of the Rand value of Purchase Orders allocated to SMME/HDI suppliers/service providers <i>(Output indicator)</i>			46%	50%	54%	57%	62%

Table 1.2: Key Performance Indicators

DIRECTORATE OBJECTIVE 1.1 - DRIVE INVESTMENT INTO CAPE TOWN

The City has identified the provision of infrastructure as the most important investment accelerator. The City needs to actively leverage its infrastructure to maximise economic growth and investment, and currently works with the private sector through the sector bodies and area-based partnerships such as the Cape Town Partnership to facilitate area-based investment.

It is important for the City to ensure that it is aware of, and is responsive to, business needs. Interventions such as the crime reduction strategy and investment incentive and retention initiatives will promote Cape Town as an investment destination.

From an investment promotion perspective, Cape Town should be marketed as a business investment destination of choice. 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 and enterprise 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 to drive development facilitation to proactively assist investors and those wanting to set up/expand businesses in Cape Town. 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. The City's Integrated Rapid Transport system is

set to transform the City's public transport system with bus ways currently under construction to meet this need and more will follow. Other key road upgrading projects are also contributing towards greater road and transport capacity and efficiency.

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

Area Targeting

Various LED studies have been completed which have produced various recommendations in the form of action plans for south-east and north areas. These various action plans are at different stages of implementation, focused on poverty concentration areas like Khayelitsha, Mitchells Plain, Philippi and Atlantis. From a spatial growth perspective two economic growth nodes have been earmarked – north to link Parklands and Atlantis, and north-east of Durbanville. An Investment conference is being planned for Atlantis. In addition, greenfield developments in the Helderberg and Philippi areas are being considered. The City will also consider the provision of more industrial and commercial land throughout the metropole to alleviate the critical shortage of such land and to make industrial land more affordable.

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.

The performance of the UDZs will be monitored and, if necessary, it will be recommended that the UDZ boundaries should be amended. In addition, the City needs to actively encourage private sector developers to make use of the benefits offered by the UDZ.

Broadband Infrastructure

The City has initiated a broadband project that together with the projects of private sector companies will dramatically increase citizens' access to the internet. These initiatives will make Cape Town a connected city enabling better opportunities in the ICT sector.

The current telecommunications environment is characterised by high telecommunications costs, limited bandwidth and poor service, which has been repeatedly cited as barriers to investment and economic growth.

During 2009/2010 the first phase of construction of the City's own broadband infrastructure will be completed. This comprises a network system of buried ducts and manholes containing optic fibre cables across Cape Town, together with associated switching centres and other physical infrastructure. This will initially link together all of the municipality's major administrative buildings, as well as provide wider access to centralised – and expensive – administrative systems and allow other facilities – such as call centres – to be more widely distributed. More services can be provided and more processes automated.

The capital cost of R292 million will be recovered from the internal cost savings that will accrue. Since the capital costs are principally for civil works, the marginal cost of installing additional capacity is small. Until needed by the City, this spare capacity will be made available to licensed telecommunications companies. This is expected to increase the competitive provision of telecommunications services to the residents and businesses of Cape Town, thus contributing to the region's attractiveness for inward investment as well as supporting information-intensive industries including film and call centres. The direct revenue will be used to recover costs and expand the geographic reach of the network. This includes currently underserved areas including urban renewal zones, which will consequently be better positioned for investment and economic growth.

In 2008 the project was reassessed in the light of a number of new developments and to take into account a number of options that did not previously present themselves. This assessment concluded that the project would incur the same costs as the current low-bandwidth, limited reach network. If the City were to do nothing, its current telecoms costs over the next ten years would amount to ±R1.1 billion, whereas the net cost of the proposed project over the same time-frame (±R1.18 billion) is roughly similar, but with far more bandwidth and more buildings connected – before considering any of the internal productivity or external developmental benefits. This comparison is illustrated in the following table.

Do nothing		
Current annual telecommunications costs	±R110 million	All current voice and data costs
Ten-year costs in today's money	R1,1 billion	Current annual costs for ten years – low 64Kb/sec – 2Mb/sec connectivity, few buildings connected
Opportunity costs incurred from low bandwidth provision to few buildings	Many hundred of millions	
Total City telecommunications costs with Broadband Infrastructure Project as proposed		
Current annual telecommunications costs	±R110 million	Current voice and data costs
Expected annual internal costs savings resulting from Broadband Infrastructure Project	R36,3 million	33% as per business plan
Current annual telecommunications costs LESS savings	R73,7 million	Future voice and data costs

Estimated costs for ten years	R737 million	In today's money (no inflation considered)
PLUS cost of Broadband Infrastructure Project	R443,144 million	As per approved business plan
Total estimated ten year costs	R1,18 billion	Future costs for ten years – high speed 100Mb/sec connectivity, many buildings connected

Table 1.3: Comparison of the direct cost of 'doing nothing' (i.e. maintaining the status quo) with the cost of Broadband Infrastructure Project (taken from Report to Council, October 2008)

The Council's investment in broadband infrastructure recognises both the importance of telecommunications to efficient service delivery, and its commitment to ensuring that Cape Town enhances its global competitiveness as a key aspect of bolstering the economy and creating employment opportunities.

Urban Renewal

To stimulate economic growth and development in the Mitchell's Plain and Khayelitsha nodes and relieve poverty and unemployment, 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). Some of the projects under the Urban Renewal Programme include the:

- Khayelitsha CBD;
- Khayelitsha Rail Extension;
- HIV/Aids programmes;
- Housing programmes;
- Mitchells Plain CBD;
- Colorado Multi-Purpose Centre;
- Youth and Family Development Centre;
- Lentegeur Station Precinct; and
- Swarklip Sports Complex.

In order to unlock the economic growth potential of the urban renewal nodes, it is essential that the investment from any interventions is maximised. The City will review the range of interventions with a view to getting the maximum return on the expenditure.

DIRECTORATE OBJECTIVE 1.2 - DEVELOP NEW AND STRENGTHEN EXISTING PARTNERSHIPS

Partnership Programme

Successful and accountable institutions are key to successful cities. The City works in partnership with a range of institutions and more attention will be paid to the institutional framework that enables the realisation of economic opportunities. The City will monitor and manage the mandate, service and delivery of strategic partners such as Wesgro, Cape Town Tourism and Cape Town Routes Unlimited to ensure they are empowered and also deliver on the needs of the City's expanding economy. 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 that will enhance Cape Town's global competitiveness include, inter alia, the following:

- Through Wesgro – the aim is to attract R1 billion in investments 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), continue to attract investment and support SPVs such as the Cape Town Partnership and Cape Town Tourism – 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 government agencies responsible for looking at strategies aimed at addressing energy shortages in the medium to long term. In addition, collaboration will be encouraged between various stakeholders in the creative industry and the City of Cape Town in order to further the City's strategy that is aimed at positioning Cape Town as a global knowledge and innovation hub by concentrating on creativity.
- In partnership with the ICT and film sectors, develop an ICT/media campus to foster business start-ups and support the City's multi-billion rand film, media and technology sectors.
- To explore the possibility of a small craft harbour at Silverstroomstrand to bolster the boatbuilding industry in Atlantis.
- Service opportunities for the West Africa Oil and Gas Industry will be pursued with this sector body.
- 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, and will be accessible via public transport. 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 databank to provide craft producers with recycled production material.
- The continued support of the Cape Town Partnership and City Improvement Districts (CIDs): The Cape Town Partnership has undertaken an intensive review of its roles and functions and this, when approved by its Board, will assist in its ongoing developmental role and growth in the central city, whilst adding value to other partnerships and similar initiatives across the metropolitan area. The City and the Partnership acknowledges the important role that it plays in the development of the central city, creative industries and 2010, and in continuing on focussing on these important strategies and initiatives, should also put its energies into the Central City Development Strategy.
- The support of Cape Town Tourism as the City's visitor services and destination marketing agency: Cape Town Tourism is constituted as an industry association, creating a vital link between the public and private sector. With close to 3 000 industry businesses affiliated to Cape Town Tourism, it is one of the largest and most representative tourism organisations in the world. It is recognised by the United Nations World Tourism Organisation (UNWTO) as an international best practice organisation in terms of destination

management and visitor services, and has been elected as a member of the International Business and Destination Council of the UNWTO. Cape Town Tourism has recently developed a 2020 tourism strategy that underlines the key objectives of the City's economic development plan and aims.

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 and Local Area Economic Development (LAED) plans.

Focus on Wesgro: This is the official Trade and Investment Promotion Agency of the Western Cape, and is pursuing a proactive, targeted and focused approach in 2009/10. This approach represents the optimal utilisation of limited resources to achieve the highest return on investment in all trade and investment promotion activities. The trade initiatives will have a market focus, whilst the investment initiatives will have a sector focus.

The following are the priority sectors for investment promotion and proposition-based marketing to potential investors: Agribusiness (including aquaculture), boatbuilding, business process outsourcing, chemicals, ICT, oil and gas, renewable energy, tourism, and creative industries

Wesgro's international trade team is taking a focused, business-driven approach to trade development in Cape Town and the Western Cape. The aim of the trade promotion programme is to proactively grow the exports of products and services from the Western Cape through the development of export capability, demand and market access. To get companies to the point of being export-ready, Wesgro's Trade Team has constructed an Export Readiness Programme designed to assist local traders. This programme includes skills development, market strategy, expansion facilitation and new service development and delivery.

Municipal Entities

A municipality may decide to provide a municipal service in its area through an internal mechanism, such as a department or business unit within the administration, or through an external mechanism, *inter alia*, by establishing a municipal entity. The municipal entity can take the form of a private company or a service utility. Each municipal entity must comply with the local government legislative framework which ensures good governance, accountability and transparency. Municipal entities are accountable to the municipality or municipalities that established them and must perform according to the service delivery agreement and performance objectives set by the municipality. As their debts, liabilities and decisions are made on behalf of the municipality, their financial results are consolidated with those of the parent municipality.

The City currently has two municipal entities that were previously established by the City and, by virtue of a change in legislation, become classified as municipal entities. The two entities are the Cape Town Convention Centre Company (Pty) Ltd (Convenco) and the Khayelitsha Community Trust (KCT).

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 square metres.

CTICC, with the support of its shareholders, 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. This will cement Cape Town as the African city of choice for meetings, conferences and exhibitions.

Khayelitsha Community Trust: This municipal entity (KCT) was established to facilitate the development of the Khayelitsha Business District (KBD) through the development of commercial, residential and communal facilities. The Trust has a strong social and empowerment objective and hopes to achieve an increased sense of ownership through raising equity in the local community.

The City provides funding towards the KCT based on an approved three-year business plan. The KCT's key objectives for the next three years are:

- Compliance with corporate governance and legislative requirements;
- Establish an effective working environment;
- Facilitate the upgrading of bulk electricity supply within Khayelitsha;
- Facilitate the development of affordable housing within the KBD;
- Update development plan and operational decision-making framework for the KBD;
- Implementation of updated development plan (infrastructural development, additional commercial and business activities and municipal offices);
- Initiate integrated KBD management;
- Initiate empowerment plan and programme;
- Improve communication with relevant stakeholders;
- Secure alternative sources of funding.

Performance of the KCT is monitored on a regular basis by the City's Shareholders' Management Unit and Property Management Department. Phase 1 of the retail development (shopping centre and a further extension) have been completed. The Trust is rolling out a gap housing development and a show village has been constructed. The development plans for the KBD are being reviewed and a strategy for the second phase of development is in its final stages of preparation.

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 towards an asset management methodology

The Property Management Department will be introducing an asset management strategy to ensure optimal utilisation of the City's immovable property assets. This will be achieved by the introduction of a proactive property portfolio performance management system.

The strategy is to ensure that the City's immovable properties required for municipal purposes are utilised effectively and optimally, while properties surplus to Council's requirements will be applied towards meeting Council's strategic economic and social objectives. The latter will be achieved through partnerships with the private and/or public sector, the granting of lease, development and other rights, or the disposal of such property assets.

DIRECTORATE OBJECTIVE 1.3 - GROW AND STRENGTHEN THE CITY'S TOURISM CAPABILITY AND DESTINATION MARKETING

Tourism is a key driver for the social and economic development of Cape Town. It is not just about the direct benefits of visitor expenditure, but about the impact on quality of life for all the people of the city; on the world's awareness and image of the city; on decisions relating to inward investment across the economy and to the export of goods and services – particularly, but not only, through the impact of attracting key players to conferences and exhibitions here.

The vision is that by 2020:

- Cape Town will be celebrated as one of the top ten most iconic tourism destinations in the world.
- The skilled and responsible development of tourism will be a driving factor in establishing Cape Town as one of the world's greatest cities to visit, live, work and invest in.
- The tourism industry will be a real driver in the economic and social transformation of Cape Town and its role fully recognised as such by public and private sectors alike.
- Through the deployment of exceptional design, architectural talent and vibrant creative economy, the tourism industry and the public sector together will play a key role in delivering the visible expression of the wider city vision of being celebrated globally as the cultural and creative centre of Africa.

The strategic target, to enable the city to achieve this vision, is to double the value of tourism to the economy of the city by 2020. Achievement of this vision and target is the responsibility of a wide partnership of organisations that together develop, manage and promote the destination and service the needs of visitors. These organisations include Cape Town Tourism (the City's principal agency for tourism marketing, visitor and industry services, and community engagement), Cape Town Routes Unlimited (the provincial tourism marketing agency), the Cape Town Partnership, CTICC, the Cape Film Commission and the tourism sector represented by FEDHASA, SATSA and SAACI.

Cape Town Tourism

Cape Town Tourism is a source of relevant business information, a vehicle to provide representation to all tourism businesses, large or small, allowing access to promotion and tourism programmes, and importantly,

a platform to put visitors in touch with the remarkable experiences of Cape Town. This dynamic partnership allows them to deliver and exceed upon the expectations of visitors, whether local, national or international, whilst showing a real return on investment to stakeholders.

On 1 July 2008, Cape Town Tourism's mandate was extended to include destination-marketing services for Cape Town. Key elements of Cape Town Tourism's programmes include developing and promoting the Cape Town brand, leisure tourism marketing, provision on information and reservation services through the city, marketing the city for conference and incentive travel, engaging tourism businesses in joint marketing activities, and enabling Capetonians to know and enjoy the city so as to act as ambassadors for it.

A key objective is to reduce seasonality, in order to ensure year-round, permanent employment, increased benefit to the economy, enhanced profitability and maximum return on public and private sector investment.

The City will support and endeavour to implement the principles of responsible and sustainable tourism set out in the Cape Town Declaration. Given Cape Town's distance from volume growth markets in Southern Africa, tourism growth should be driven by value, rather than volume.

For tourism, the 2010 FIFA World Cup™ is not an end in itself, but rather a springboard for long-term growth and legacy. Ensuring sustainability will require a comprehensive and long-term approach. Thus CTT will focus now on both readiness for and legacy from 2010, making sure that all programmes are aligned with the Host City's 2010 business and marketing plan. This relates to Directorate Objective 1.8 below.

The City's marketing efforts are intended to position Cape Town domestically and internationally as a 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 year on year;
- To increase the overall number of nights spent by visitors in the Western Cape by 2 percent year on year;
and
- To increase the proportion of visitor numbers during the off-peak period (May-September) by 2 percent.

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 by 2 percent year on year;
- To increase the proportion of trip numbers during the off-peak period (May-September) by 2 percent year on year;

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.

Tourism remains a key economic opportunity for Cape Town, but the City cannot rest on the laurels of having great city scenery and closely located environmental attractions. Local Tourism will build on and improve service infrastructure to service visitors and to support the promotion and conservation of the cultural landscape, ranging from music and theatre, to public spaces and attractive urban landscapes. Places where visitors can interact with locals in public places, such as urban markets, will be promoted.

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 and demand, which is in turn based on pertinent market-related information. The iconic City marketing campaign will focus on events marketing that positions Cape Town appropriately as the city of great events in terms of attracting year-round tourists. The City will particularly encourage events that support its world-class image. In addition, initiatives will be taken forward to ensure that the City is able to leverage the superior infrastructure and City events services for economic opportunities well beyond 2010. Supplementing this objective is the action to engage South African Airways and National Government to promote more direct European flights to Cape Town during peak holiday seasons and enhancing code-sharing agreements where possible.

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

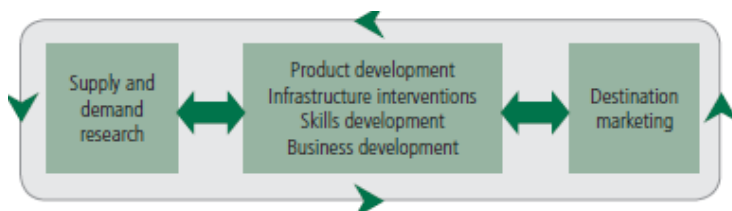


Figure 1.3: Components in the Destination Development Programme

The City will proactively identify and facilitate the development of new destinations that will be visited by residents and tourists alike. To this end the feasibility of developing the Athlone Power Station as a high quality cultural centre is being investigated.

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. The development of Cape Town as a desired tourism destination will rely, inter alia, on an improved aviation policy and a focus on increasing accessibility from Africa and the SADC community. Furthermore, the development of a cruise liner terminal is being investigated as part of a strategy to position Cape Town as a regional home port for cruise liners. These development actions will be supported by a focussed marketing strategy that is based on the outcomes of market segmentation studies and extensive tourism research.

DIRECTORATE OBJECTIVE 1.4 - PROMOTE THE USE OF LOCAL ECONOMIC DEVELOPMENT (LED) TOOLS TO GROW SMMEs AND DEVELOP ENTERPRISES.

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

LED Programme

- The development and implementation of interventions, which in the short, medium and long term respond to area-specific challenges.
- Leverage resources to support the establishment of business support infrastructure, e.g. job centres.
- Support and accelerate alternative livelihood strategies, which are compatible with sustainable imperatives.
- 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 through its LED capital projects and business support facilities management. 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. Specific initiatives are underway to continue to empower SMMEs via the City's procurement system, including the introduction of

terms and conditions in the City's tender contracts that will be more focused towards SMMEs. Also, business support programmes will be extended to emerging SMMEs.

Urban Agriculture Programme

The City's Urban Agriculture Policy recognises the important role that urban agriculture can play in terms of food security, economic empowerment, social inclusion and a sustainable natural environment. The sustainable development of survival food gardens and emergent commercial urban farmers is promoted. An emphasis is placed on fast growing, high yield vegetables and niche produce such as herbs, traditional medicine plants and organic food is also promoted. The Policy also provides for a strategy to support livestock keepers in the City and this includes the development of community kraals and commonages outside the residential areas. The City plays a proactive role with regard to land reform for agricultural development (LRAD) by inter alia providing secretariat service for the District Assessment Committee for the City region. Currently five new LRAD projects have been registered in the City, which relates to about 250 beneficiaries.

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

- Develop and grow SMME opportunities through partnerships, 2010 and Supply Chain Management.
- Encourage SMME development through SMME projects.
- Target growing of SMME business for support for business place, business support voucher programme, job centres, etc.
- Present franchise and procurement opportunities through Small Business Week and other events.

SMME Programmes

The City will prioritise the facilitation of SMMEs through partnerships with the Red Door (PGWC), SEDA, etc. projects and complement these with other initiatives such as developing relations with key cities throughout South Africa and the rest of the world, e.g. Barcelona knowledge exchange.

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 and the EHD's Capex Programme;
- 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; and
- 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.

Higher Learning Institutions Programme

The City will continue to 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 CHEC and established a formal relationship (Memorandum of Understanding] based on key deliverables with the Higher Learning Institutions (HLIs) that it represents. These include:

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

Three work groups were established to develop projects and to facilitate the implementation thereof. These three groups are:

- Human Capital Development;
- Infrastructure Development; and
- Information and Communication Technology.

Other areas of collaboration such as economic development, promotion of innovations and Campus safety and security will also be investigated for implementation over the next three years.

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 IDP's. This results in continuous engagement and partnerships between the City, SIFE, business, learning institutions and students. Two SIFE competitions are held annually. One is 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 in April 2008. Participation in the next conference in 2010 will be considered on the basis of cost benefit.

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.

While the responsibility for education lies outside of local government, the city will expand its activities into early childhood development, infrastructure and the training of educators and facilitators. It will also seek ways through its normal operations to provide training to people for real jobs in the economy, e.g. the city's training of apprentices and debt collectors.

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.

Other planned initiatives include fast-tracking the completion and implementation of the Cost of Doing Business project to improve service delivery, manage administrative costs and promote investment. In addition, a review will be initiated to determine key constraints within the City processes to small business development and promotion.

DIRECTORATE OBJECTIVE 1.7 - DEVELOP THE CITY'S CREATIVITY AND KNOWLEDGE AND INNOVATION BASE INDUSTRY.

Skills Development Programmes

- 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 and film industries.

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 FIFA 2010 World Cup in the City of Cape Town in accordance with FIFA's requirements and the City's developmental objectives							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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 <i>(Outcome indicator)</i>	13% of Stadium completed measured in terms of actual construction	50% of Stadium completed.	36%	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.	0%	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. ^{N1}	61.33% Electricity reinforcement completed.		100% Electricity reinforcement completed		
	Appointment of consultant in procurement phase to do detailed 2010 Transport Operational Plan.	Detailed 2010 Transport Operational Plan 50% complete.	20% completed	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. ^{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	New	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%		
1B.2 Completion of process to award Naming Rights for Stadium and appointment of long term Operator to manage Stadium <i>(Input indicator)</i>	RFP for Operator advertised.	Operator appointed	Operator not appointed	Naming Rights awarded and Operator appointed			

Table 1.4: Key Performance Indicators

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.

The City's 2010 business plan comprises three components:

1. 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, a FIFA fan park 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.

2. 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, comprising PTIS 1, 2, 3 & 4 allocations is made up as follows:

National	1,602,025,000
City	735,000,000
Provincial Government of the Western Cape	837,000,000
Total	R3,174,025,000

Table 1.5: Road-based Transport Component

The above estimates also exclude the upgrading of the R300, which is funded by SANRAL at an estimated cost of R525 million; upgrading of Cape Town International Airport which is funded by ACSA at an estimated

cost of R2,210 million; and upgrading of the rail system which is funded by SARCC at an estimated cost of R 1,750 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 R4,53 billion. The City has contributed R685 million. Construction is at an advanced stage and completion is scheduled for December 2009.



Figure 1.4: Green Point Precinct Planning

Total capital investment (as at end December 2008) is calculated at R12,214,100,041 and is made up as follows:

Stadium	4,528,694,041
Reconfiguration of the Green Point Common	352,606,000
Electricity Infrastructure	151,800,000
Decentralised viewing	11,000,000
Road-based Transport	2,430,000,000
Rail based Transport Upgrade	1,720,000,000
Airport rail link to CBD	410,000,000
Airport Upgrade	1,200,000,000
Bus and Taxi Rationalisation and Recapitalisation	1,410,000,000
Total	R12,214,100,041

Table 1.6: Total Capital Investment

Cape Town will be the recipient of more than 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. 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 shipbuilding, film-making and food and wine;
- Developing a sustainable events strategy for Cape Town, building on the 2010 infrastructure and the International Convention Centre; and
- 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 the annual local Bayhill under-19 football tournament.

Facility Development

- Prepare Athlone Stadium in accordance with FIFA specifications as a venue-specific training site 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 N2 and Eastern Boulevard. Upgrades are also planned for Somerset Road Waterkant

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

The Cape Town Partnership

The Cape Town Partnership is a collaboration between the public and private sectors working together to develop, promote and manage Cape Town Central City – as a place for all and a leading centre for commercial, retail, residential, cultural, tourism, education, entertainment and leisure activities. The Partnership was formed in July 1999 when the City of Cape Town, the South African Property Owners Association (SAPOA), the Cape Town Regional Chamber of Commerce and Industry and other stakeholders came together to address issues of urban degeneration and disinvestment in the Central City and related social problems.

The Central City's regeneration process has been built upon the strength and pillars of successful private-public partnerships at both operational and strategic levels, which were established over the past decade. Fulfilling the role of a development facilitation agency, the Partnership focuses on the mobilisation, coordination and alignment of public, private and social resources.

The Partnership manages the Central City Improvement District (CCID), a non-profit organisation that provides complementary services and programmes that make the Central City a cleaner, safer, and more attractive place – conducive for development, investment and growth.

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; and
- Power and influence as the legislative capital of South Africa.

Central City Development Strategy

For the past decade, the work of the Cape Town Partnership and the Central City Improvement District have been largely focused on basic urban management issues and crime prevention strategies to provide a clean and safe environment to attract investment. Slowly, issues like capital flight, crime and urban decay have made way for a rejuvenated and upgraded Central City. Now, the future of the Central City for the next decade can be proactively charted – through a Central City Development Strategy (CCDS).

The Cape Town Central City plays an important role within the economic, social, cultural and political life of the region. It represents 40% of business turnover in the City. It is a destination for Capetonians and visitors, a place of many education and training institutions, location of important sectors of the regional economy,

and the site of all three spheres of Government and the South African National Parliament. Given its significance, that it succeeds and continues to attract investors, locals and visitors is not negotiable.

The purpose of the CCDS is to inspire and to capture the public imagination about what the future of the Central City can be. The aim is to mobilise stakeholders around a shared vision and specific strategies, and to generate a measurable delivery plan, in order to manage growth and lead change over the next 10 years.

The CCDS is part of other City of Cape Town processes, such as the City Development Strategy, the Integrated Development Plan and the City Space project (City Spatial Development Framework and district integrated Spatial Development Plans/Environmental Management Frameworks).

The CCDS describes five key outcomes (what will set the Central City apart and should be achieved over the next ten years), and suggests strategies (how we will get there) and actions (what we will do) to make these outcomes a reality. There is a strong emphasis on enhancing and protecting elements that contribute to local distinctiveness.

Within the next ten years, the Central City aims to be:

- Cape Town's premier business location, recognised globally;
- A high quality sustainable urban environment;
- A popular destination for Capetonians and visitors;
- A leading centre for knowledge, innovation, creativity and culture, in Africa and the South; and
- A place that embodies the heart and soul of Cape Town.

While the CCDS contains many different inter-connected strategies, it is built on five 'big ideas'. These are:

- To reinstate the historical connection of the City to the sea, the mountain and to water, the *raison d'être* of the City of Cape Town in the first place, through a variety of public space interventions;
- To bring the people of Cape Town back into the Central City, through appropriate residential densification and affordable housing;
- To improve the public transport system, providing greater accessibility to, from and around the Central City for Capetonians and visitors;
- To provide space for future growth and investment in the Central City, in particular through the redevelopment of the Cape Town Station Precinct; and
- To divide the Central City into 20 neighbourhoods, paving the way for development protocols, based on local characteristics that reinforce the distinctiveness of the Central City, which can address issues such as appropriate densification, mixed usage, building height, parking ratios, street-frontage, heritage and conservation.

In 2009 and onwards, the City and the Partnership will be conducting public engagement sessions so that the ideas and proposals in the CCDS can be translated into a 10-year action plan.



Figure 1.5: Central City Development Strategy

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.

A key opportunity to enhance the city, particularly the CBD, is to progress the concept of the 'Legible City' - to enable visitors and residents alike to readily understand the extent and diversity of the attractions of the city and access them easily and safely. Through action on the ground (signage, colours, street furniture, murals, etc), supported by promotion and interpretational activity, this initiative aims to provide a clear understanding of the distinctive offers of the different parts of the city and to generate a clear sense of place within the city.

Creative Cape Town Initiative

An integral part of the Partnership is its Creative Cape Town Programme – a programme that communicates and facilitates the development of the creative and knowledge economy in the Central City of Cape Town. Creative Cape Town's main aim is to facilitate dynamic partnerships in the Central City, in line with the goals of the CCDS in making it a leading centre for knowledge, innovation, creativity and culture in Africa and the South.

It does this by nurturing and supporting the growth of the creative and knowledge economy, and also by providing opportunities for networking and information-sharing through the Cape Town Creative Cluster

forums and Creative Cape Town newsletter to build a proactive creative milieu in the central city. Other goals include:

- Raising the profile of and building the capacity of the central city as a place for production and innovation.
- Increasing the number of visitors to the Central City by signposting, building an interest in and facilitating the development of cultural tourism attractions. The proposed flagship of the programme is turning the largely vacant and derelict City Hall into an iconic and inclusive music centre. Located within the historic East City, this project can provide the impetus for further cultural developments in the area.
- “Signposting” creative products made in Cape Town or by Capetonians through the Goemarati lifestyle brand and its related outlets, thereby building an interest and economic support base for locally originated products, focusing especially on the locally distinctive. The related Goematronics project will further stimulate thinking on local distinctiveness.

Creative Cape Town aims to support the more than 800 creative and cultural practitioners based in the city centre. These include individuals and companies involved in architecture, advertising and communication, media, jewellery, fashion, crafts, visual arts and photography, the heritage, music, performance and film sectors.

Green City

Since February 2007, the Cape Town Partnership has hosted the ‘Energy Efficiency Initiative’ (EEI), which is the first South African city-level public-private partnership created to reduce energy consumption within commercial buildings. It was established jointly with the Sustainability Institute (linked to the University of Stellenbosch), with seed funding from Dutch foundation CORDAID. The EEI has established valuable theoretical and practical knowledge, developed stakeholder relationships, and has made solid progress despite the dynamic context of the national energy supply crisis in the last year. Some highlights of the Energy Efficiency Initiative programme were:

- A basic study comparing the electricity consumption of 20 commercial buildings in the Central City illustrated that there is scope for energy-efficiency measures in many buildings. 14 pilot commercial buildings have been audited, and the first of these to go ahead with a ‘retrofit’ is the Media24 head office on the Foreshore. The Partnership has selected a local firm of energy management experts with a strong track record as a technical and financial partner. An active network of stakeholders has been established, with ongoing promotional activity and updates exploring the barriers to implementing energy efficiency and ways to address these.
- A detailed business model has been developed to investigate the viability of a self-financing mechanism.
- Starting in 2009, the EEI becoming part of a bigger Green City Programme for the Central City – building on the energy efficiency work and including other environmental sustainability elements such as water efficiency, solid waste re-use and recycling, densification with greater mixed-use and residential opportunities, and improved public and non-motorised transport.

The Cape Town 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

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.

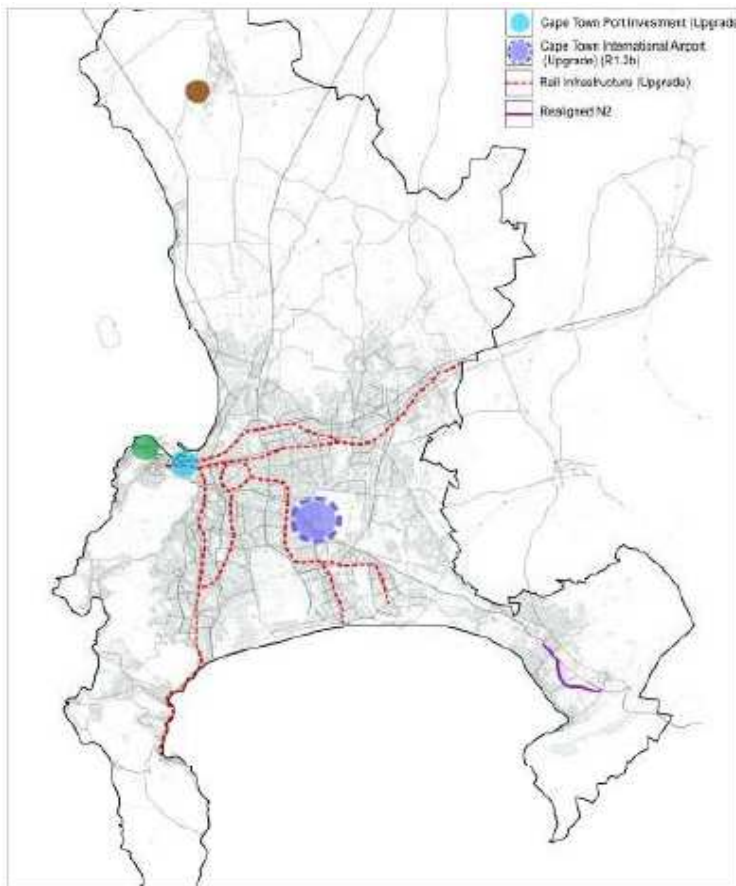


Figure 1.6: Investments by Parastatals and other Spheres of Government

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. With a huge increase in air and passenger traffic expected up to 2010 and beyond, Cape Town International Airport will continue to undergo major improvements as part of ACSA's R5,2 billion investment into the infrastructural development of its airports. Substantial progress has been made with the new terminal development at CT International Airport known as 'Terminal 2010', which is scheduled for completion by end 2009 and will cost R1 billion. The new 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 meters, including 2 360 square metres of retail space.

Completed work includes the refurbishment of the runway, logistics warehousing and a Common User Self-Service check-in (CUSS) roll-out system. Upcoming projects include:

- A new terminal building (R900 million);
- A new retail mall (R60 million);
- An elevated road;
- Additional passenger parking; and
- Air-side parking.

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; and
- 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). Work has started on the upgrade of Cape Town's container terminal. The five-year projects will almost double the capacity of the facility, SA's second-largest container terminal after Durban. The expansion is expected to relieve mounting pressure at the port, enabling the terminal to improve from the current 740 000 to 1.4 million twenty-foot equivalent unit (TEUs) by the end of 2012.

In its entirety, the project includes the demolition of non-essential infrastructure and buildings, reconfiguration of the terminal to maximise stack capacity, a reefer point expansion programme, as well as the procurement

of new, specialised equipment. The upgrade will also entail extending the quay line by 10 metres to accommodate new cranes.

STRATEGIC FOCUS AREA 2

SUSTAINABLE URBAN INFRASTRUCTURE AND SERVICES

The City will embark on consistent long-term development by creating an enabling environment to support economic development. 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 and 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 quality natural environments. 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, and puts pressure on key service delivery infrastructure.

INVESTMENT IN INFRASTRUCTURE THAT ENABLES ECONOMIC GROWTH

Urban infrastructure and related services will be developed in a sustainable way to enable economic development, address basic needs and encourage the reduction of the environmental impact of resource use. 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);
- Upgrading or focused investment in new strategic infrastructure; and
- 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, Sanitation and Wastewater Treatment Services;
- Solid Waste Services;
- Electricity Services; and
- Roads and Stormwater Services

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, and contributing to environmental decay. 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, as well as alternative technologies, 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

CORPORATE OBJECTIVE 2A

UNIVERSAL ACCESS TO BASIC SERVICES

Directorate Objective 2.1 - Reduce backlogs in line with national objectives for basic services							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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) <i>(Outcome indicator)</i>	97.9%	97.5%	97.10%	97.5%	99.1% (N1)	99.4% (N1)	99.7% (N1)
2A.2 Percentage of households with access to basic levels of water (NKPI) <i>(Outcome indicator)</i>	100%	100%	100%	100%	100% (N1)	100% (N1)	100% (N1)
2A.3 Percentage of households with access to basic levels of Electricity (NKPI) <i>(Outcome indicator)</i>	91.12%	91.8%	92.5%	90.83%	90.46% (N1)	91.28% (N1)	92.11% (N1)
2A.4 Percentage of households with access to basic levels of solid waste removal (NKPI) <i>(Outcome indicator)</i>	99%	99%	99%	99%	99% (N1)	99% (N1)	99% (N1)
N1: Based on an updated household count estimated at 902 278							

Table 2.1 Key Performance Indicators

DIRECTORATE OBJECTIVE 2.1 - REDUCE BACKLOGS IN LINE WITH NATIONAL OBJECTIVES FOR BASIC SERVICES

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; and
- 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 resources 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.

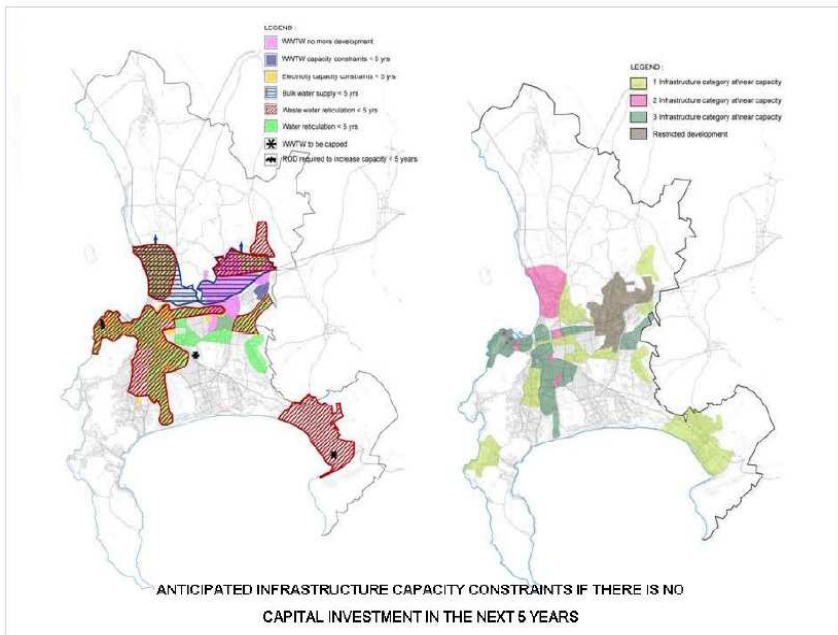


Figure 2.1: Anticipated infrastructure capacity constraints if there is no capital investment over the next five years

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.

The Water-Ladder Concept

The City subscribes to “the water ladder” concept (as proposed in DWAF’s ‘Strategic Framework for Water Services,’ September 2003). 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 already exceeds the **DWAF standard** of providing access to potable water within a 200m radius of dwelling units. The City’s current plans are to eliminate the sanitation backlog by 2013, using additional manpower resources to accelerate implementation. The challenge remains of achieving the targets against the City’s growth, increasing densities and the availability of land.

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 million cubic metres per annum.

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.

Wastewater Treatment Works Backlogs Programme: A sum of R285 million over three years has been budgeted for upgrading six of the City's wastewater treatment works.

New roads and infrastructure construction programme: This programme has a budget of **R314 million for 2008/09**. An Integrated Budgeting Programme comprising an "integrated programme" approach to infrastructure and service planning and budgeting will be developed.

OBJECTIVES AND TARGETS

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 reduction, private transport usage and reduction of 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

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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 <i>(Outcome indicator)</i>	25.5%	27.4%	26%	27.5%	27%	27%	27%
2B.2 Percentage compliance with 4 critical DWAF effluent standards (E-coli count, Ammonia content, Oxygen demanding substances, Total suspended solids) <i>(Outcome indicator)</i>	81.2%	79%	81%	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 <i>(Outcome indicator)</i>	87%	89%	65%	78%	80%	82%	85%
2B.4 Percentage cleanliness of the City (Metropolitan Cleanliness/ Photographic index) <i>(Outcome indicator)</i>	61%	67%	77%	70%	70%	70%	70%

2B.5 Percentage of airspace saved in relation to the volume of waste disposed <i>(Outcome indicator)</i>	14.73%	14.5%	16.55%	15%	15.5%	16%	16.5%
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Table 2.2: Key Performance Indicators

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 help 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 currently implementing and will build on and extend a range of essential interventions, including:

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, 294km of coastal zone, and its cultural-heritage resources. The City will continue to work towards establishing the Biodiversity Network, aimed at conserving the full suite of biodiversity and creating linkages between existing natural areas.

Coastal Management Programme: The completion of the assessment of risks to the city’s coastline will inform the Coastal Development Guidelines, thus improving decision-making and safeguarding these areas from inappropriate or unsustainable development. Integrated coastal management will continue to be implemented by a variety of City line functions, in order to ensure the conservation of this asset.

Environmental Compliance Programme: The City will continue to 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. City-wide integrated, goal orientated and outcomes based programmes/strategies have been formally initiated for various line functions.

Energy and Climate Change Programme: This programme focuses on long-term changes to the way the City uses energy. Long-term interventions include the implementation of energy- and resource-efficient technologies in line with best practice, and the adoption of the City’s Solar Water Heater By-Law.

The City’s coastal climate change risk assessment will be extended to the terrestrial environment in order to assess the likely impacts of global climate change on the city. This will enable the City to establish accurate and appropriate mitigation and adaptation plans. The Climate Change Adaptation Plan of Action will be adopted by the City and will begin to be implemented. It will focus on building resilient communities and

ensuring that the City is protected from the worst effects of Climate Change. This is a long-term programme. (Refer to Strategic Focus Area 3 for more information.)

Environmental Education, Awareness and Advocacy Programme: The City will build public awareness of environmental issues, through environmental education, capacity building, outreach and advocacy programmes among the youth, residents and City employees. Youth Environmental Schools (YES) will focus on environmental education both in and outside schools, and on nature reserves

Environmental Sustainable Livelihoods Programme: Sustainable livelihood programmes – aimed at realising the full socio-economic potential of the city's unique natural and heritage resources – will be implemented. These programmes will focus on quality-of-life interventions that promote environmentally sensitive development and address poverty.

Integrated Metropolitan Environmental Policy (IMEP) Implementation Programme: In order to promote environmentally sensitive service delivery, this programme aims to include environmental principles, goals and issues into all relevant and appropriate existing City policies and by-laws, with a focus on planning for sustainability. The City will also adopt and publish the City's Environmental Agenda. This document will constitute a public reference for its environmental goals and approach.

Invasive Species Programme: This programme will continue to address the problem of invasive species in a holistic manner, by means of clearing, education, research and community-based initiatives.

Key Partnerships Programme: The City will continue to build new international and local partnerships, and reinforce existing ones. The ongoing partnerships between the City and International Council for Local Environmental Initiatives (ICLEI) Africa, Danish International Development Agency (DANIDA) and Departments of Environment and Tourism (DEAT) will be maintained and strengthened.

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

Key Challenges

The City faces a number of challenges in achieving a sustainable future for current and future 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."¹¹¹⁵ 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.

¹¹ World Commission on Environment and Development 1987

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 wellbeing 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. (Refer to Strategic Focus Area 3 for more information.)

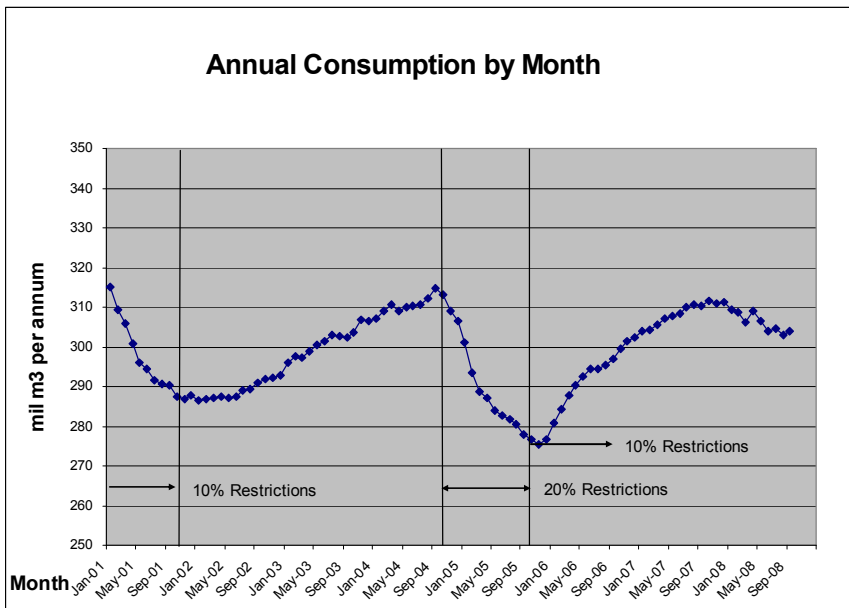
DIRECTORATE OBJECTIVE 2.3 - DEVELOP DEMAND MANAGEMENT PROGRAMMES FOR WATER, ELECTRICITY, WASTE REDUCTION, PRIVATE TRANSPORT USAGE AND THE REDUCTION OF ATTENDANT POLLUTANTS

DEMAND MANAGEMENT PROGRAMMES

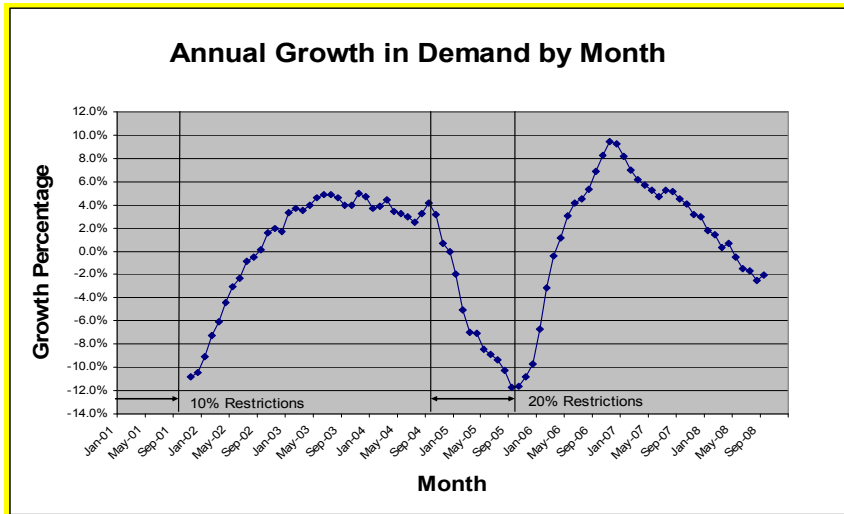
Demand management programmes continue to be developed and implemented for water in line with our Water Conservation and water Demand Strategy (WC & WDM) strategy. Current projects are as follows:

- Integrated water leaks repair;
- Fixit Leaks;
- Pressure Management;
- Treated Effluent;
- Awareness Programmes.

The implementation of the water conservation and demand management strategy is yielding positive results. The annual water consumption tracked on a monthly basis is showing a downward trend (currently –2 percent) as show in the graphs below:



Graph 2.1: Annual Consumption by Month



Graph 2.2: Annual Growth in Demand by Month

Efficiency Improvement in Water and Sanitation Services (W&S)

Since 2007/08 the City has placed additional emphasis and funding on ensuring implementation of infrastructure enhancements as well as the maintenance of existing infrastructure. The increased workload and the fact that W&S had insufficient skilled staff levels meant that a staffing strategy had become necessary. In excess of 700 appointments have been made since then.

W&S is also focusing on restructuring its operation to gain maximum efficiency, limit the cost per kilolitre of water and to limit the extent of future staff increases. To this end several optimisation projects have been launched, including an Integrated Infrastructure Master Plan, an Integrated Information System, Integrated Automation, Control and Monitoring Programme, and restructuring of the Reticulation Districts and the Technical Operation Centre.

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 City has created 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.

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

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

Table 2.3: Water Conservation and Water Demand Management Budget Projections

Water Balance

The twelve-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 cubic metres p.a. with real losses of 47 million cubic metres per annum. The distribution of water demand is as follows:

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	18.3%	17.8%
Other	12.9%	11.4%

Table 2.4: Distribution of Water Demand in Cape Town

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 address existing inadequacies. Formal risk reduction and mitigation programmes focussing on vulnerable communities have been prioritised given the adverse socio-economic impacts of flooding. These programmes include the following supporting sub-programmes:

- Pro-active Stormwater Cleaning of high-risk infrastructure prior to onset of the winter rains (An integral component of the Corporate Winter Readiness Programme).
- Preparation and updating of Stormwater Master Plans for bulk infrastructure to manage development and support formulation of an Infrastructure Asset Management Plan for the service.
- Development and implementation of policy to control development within floodplains and reduce stormwater runoff at source.
- Research, development and implementation of Climate Change adaptation measures pertaining to rainfall

and flooding.

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 harmful impacts of urban development on receiving waters such as rivers, vleis and coastal waters. This includes:

- Formulation of regulatory frameworks, policies and guidelines to facilitate control of the impacts of new and existing urban development on receiving waters;
- Customised water quality indices and reporting tools;
- Implementation of inland and coastal water quality improvement and remediation measures; and
- Development of partnerships with other stakeholders and line functions to further the objectives of the service.

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.

OBJECTIVES AND TARGETS

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 and implement an integrated infrastructure asset management programme							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
<p><i>2C.1 Phased completion of an integrated Infrastructure Asset Management Programme in respect of Transport, Roads & Stormwater, Electricity, Water, Sanitation and Solid Waste Management</i></p> <p><i>Phase 1: Completed Asset Register</i> <i>Phase 2: Completed Evaluation</i> <i>Phase 3: Completed Condition Assessments</i> <i>Phase 4: Commence implementation of IAMP (Input indicator)</i></p>	New	Integrated Infrastructure Plan developed and approved	Initial target is no longer relevant as it was set in June 07 with the information that was available at that stage. After December 07, a more realistic project plan was compiled that has informed the amended targets. Australian consultant has been involved with assessments. Consultants are 2/3's complete with status quo	75% completion of established Asset Management register for Major Infrastructure Departments	<p>Transport To be provided</p> <p>Roads & Stormwater To be provided</p> <p>Electricity: <u>Medium Voltage</u></p> <ul style="list-style-type: none"> • Phases 2 & 3 <p>Water & Sanitation <u>Sewer Pump</u></p>	<p>Transport To be provided</p> <p>Roads & Stormwater To be provided</p> <p>Electricity: <u>Medium Voltage</u></p> <ul style="list-style-type: none"> • Phase 4 <p>Water & Sanitation <u>Wastewater Treatment</u></p>	<p>Transport To be provided</p> <p>Roads & Stormwater To be provided</p> <p>Electricity: <u>Low Voltage</u></p> <ul style="list-style-type: none"> • Phases 2,3 & 4 <p>Water & Sanitation <u>Sewer Network</u></p>

			assessment – report to be submitted as soon as rating of each department has been done (expected early August 2008).		<u>Stations</u> • Phases 1, 2 & 3 Solid Waste Fleet Phases 1, 2 & 3	<u>Plants</u> • Phases 1,2 & 3 Solid Waste Landfill Sites Phases 1,2 & 3	• Phases 1,2 & 3 Solid Waste Transfer Stations & Drop-off facilities Phases 1,2 & 3 Fleet • Phase 4
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Table 2.5 Key Performance Indicators

DIRECTORATE OBJECTIVE 2.7 - LARGE OR BULK INFRASTRUCTURE PROGRAMMES THAT ARE ESSENTIAL MUST RECEIVE PRIORITY

WATER AND SANITATION

Cape Town and the immediate region’s sustainable water supply is 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 wastewater 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 and Sanitation 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.
- Timeous 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.

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 metres 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 of 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:

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

Table 2.6: Water Service Level Profile

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) Municipal Systems Act evaluation, was about R22,15 billion. Historically, infrastructure maintenance has been largely reactive. The City will implement an asset

management strategy, Asset Management Improvement Programme (AMIP) 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

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. 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 replacement landfill and a system of multipurpose 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 is a compliance issue in terms of the MFMA and operating permit conditions, and 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 it 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 accordance with the statutory reforms related to the National Waste Management Strategy, which is based on Integrated Waste Management (IWM) principles. This requires services over and above the present Constitutional obligations of 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 I). 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 that is in the final stages prior to being submitted for Council approval. This will complete the process for the municipal waste management law reform that was needed as a consequence of municipal restructuring.

Integrated Waste Management, Service Delivery Strategy and Solid Waste Challenges

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 exclusively. The Council derives income for routine service provision by billing for services per its tariff schedule.

The City needs to replace some of its almost-redundant infrastructure (full landfills) by expanding the system and creating new infrastructure that can accommodate Cape Town's expected population and economic growth. It must also improve access to basic services in poor areas, and create waste minimisation and capital infrastructure partnerships to reduce 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.

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 2009/10.
- Continue with implementation of 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.
- Implement education and awareness programmes regarding waste management and waste minimisation (continuation of previous programmes linked to WasteWise).
- 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.

Resources required	2008/09 R/Million	2009/10 R/Million	2010/2011 R/Million
Capex	R236,697	R338,653	R297,653
Opex	R1,171,144	R1,247,268	R1,328,341
Staff	2,284	n/a	n/a

Table 2.7: Resources to be used to achieve planned outcomes (next MTREF period)

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 (EDI) 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, 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.

ELECTRIFICATION PLAN

The electrification plan aligns with the Integrated Human Settlement Strategic Focus Area of the City's IDP. New housing developments are normally serviced, including the provision of electricity, by the developer, with these service costs being recovered from the homeowner. In the case of housing developments that consist of dwellings for which the beneficiaries are eligible for Government housing subsidies, the City provides the electrical supplies at a greatly subsidised rate. The Department of Minerals and Energy (DME) partially funds the electrification projects through external grant funding with the remainder being sourced internally by the Electricity Service. The result is that the City achieves a 100 percent electrification rate for formal housing developments.

However, a backlog in service connections exists in the electrification of informal settlements in some areas and in the electrification of backyard dwellers in formal areas. Certain informal areas are excluded from the electrification programme for the following reasons:

- Dwellings are below the 50-year floodline;
- Dwellings are in road, rail and power line reserves; and

- Dwellings are on private property.

At this stage the bulk of the backlog of electrical connections in informal areas are found in the portion of the Metro which is in the Eskom area of supply. Eskom will only electrify housing with funding from the Department of Minerals and Energy and until recently the DME funding was only allocated to formally proclaimed townships. With a change in the DME policy, Eskom has now embarked on the electrification of informal areas which comply in terms of the City's electrification policy. Eskom has planned to complete 3470 informal connections in 2009/10, 3519 connections in 2010/2011 and 4720 connections in 2010/2011. Electrification is an ongoing process that follows on the creation of houses for the homeless and will therefore continue over the medium to long term.

DIRECTORATE OBJECTIVE 2.8 - DEVELOP AND IMPLEMENT AN INTEGRATED INFRASTRUCTURE ASSET MANAGEMENT PROGRAMME

The City has embarked on the development of a public infrastructure plan, and has already captured 2,4 million asset units in the Financial Asset Register on its SAP system for this purpose. Its Water Services Development Plan (WSDP, Annexure J), which is updated annually, 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.

Infrastructure Asset Management Programme (IAMP)

Infrastructure and asset investment plans for the City's other service infrastructure units have also been initiated. The City plans to develop and implement a life cycle management system for infrastructure that is used to provide services of the Transport, Roads, Stormwater, Electricity, Waste, Water and Sanitation departments. The IAMP is a Corporate Project that shares synergy with the Department of Provincial and Local Government (DPLG) requirement to establish and use a Comprehensive Infrastructure Plan (CIP). Preventative maintenance and timeous upgrades or replacement will save costs in the long term, minimise outages and improve service provision. 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 Project

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 Berg Water

Dam, 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 and diminishing landfills capacity will not be able to cope with expected increasing waste volumes during the next five years and beyond. The City's new Northern region landfill site and the new integrated transfer stations in Oostenberg, Tygerberg and Helderberg will assist in alleviating the current waste problem. The roll-out of mini-MRFs (Material Recovery Facilities) includes facilities as part of preparation for the 2010 FIFA World Cup™ event in the city/Green Point/CBD areas. An alternative-technology disposal facility will be established by 2009/10. Contract services via community-based organisations will continue to be implemented for integrated area cleaning and waste collection in informal areas.

The contract services for sandy area clean-up programmes in disadvantaged communities via community-based organisations and a split-bag collection system will continue to be implemented in 2009/10. Education and awareness programmes regarding waste management, waste minimisation and aggressive waste minimisation processes will be implemented, as well as enforced once the proposed IWM by-law has been promulgated.

Electrical infrastructure

The City provides electricity distribution services to approximately 75 percent of its customers, with some areas in the northern and eastern parts of the City being serviced by Eskom. The provision of electricity distribution services is affected 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 substations, transmission lines and switching stations. Three areas have been prioritised for the first cycle: The City Business District (CBD), Roggebaai and Green Point in terms of the energy needs for the 2010 events. 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 roadside 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 water account reduction per 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.

Cape Town Partnership

The Partnership champions and facilitates a number of programmes aimed at improving infrastructure and service delivery in the Central City area. Through its unique GIS mapping and planning tool, the Partnership has been able to gauge infrastructural capacity in the Central City as well as other variables, inter alia sewage, water supply, electricity and cabling. Through its management of the Central City Improvement District (CCID), the Partnership directly contributes to a cleaner, safer urban environment within the Central City area. It holds its partners to their service-level agreements and is likewise accountable to the rate-payers who pay for these top-up services via a City Improvement District (CID) levy.

STRATEGIC FOCUS AREA 3: ENERGY FOR A SUSTAINABLE CITY

CONTEXT

Cape Town recognises the central role that energy plays in a city's economic development, social welfare and environmental sustainability. It also recognises that the global and the local energy crises, clearly marked by rapidly increasing oil prices and by South Africa's electricity supply shortages, have brought in a new era which requires that the City take a central role in managing its energy future. In addition, the threat of climate change means that industrialised countries in the developing world, such as South Africa, will in the near future be required to meet carbon reduction targets. As most energy is consumed in cities, the city governments bear the responsibility of leading the way in reducing carbon emissions. Lastly, the City needs to take proactive adaptation action to protect its economy, infrastructure and vulnerable communities from climate change impacts through the development of adaptation and climate proofing strategies.

Integrated Metropolitan Environmental Policy (IMEP)

The City formally adopted IMEP in 2001 as an overarching environmental policy that placed sustainable development, an integrated environmental plan, the wellbeing of people and the natural resources on which they depend at the very top of the agenda. During 2008, the City reviewed IMEP and is in the process of recommitting itself to a future of strong sustainability. Throughout the IMEP Review process a number of key issues emerged, including:

- The need for environmental accountability and commitment across city line functions;
- The need for coordinated and integrated approaches to effect positive change in complex issues;
- The need for an increased commitment to resource conservation and resource efficiencies; and
- The need for the City as an organisation to lead by example.

Cape Town Partnership

Energy Efficiency Initiative and Green City Programme: The Partnership's 'Energy Efficiency Initiative' (EEI) established jointly with the Sustainability Institute linked to the University of Stellenbosch, is the first South African city-level public-private partnership created to reduce energy consumption within commercial buildings. The EEI has established valuable theoretical and practical knowledge, developed stakeholder relationships, to the extent that it has given rise to the imminent establishment of a larger "Green City" programme under the auspices of the Partnership. This will include additional environmental sustainability elements such as water efficiency, solid waste re-use and recycling, densification with greater mixed-use and residential opportunities, and improved public and non-motorised transport.

Key Environmental 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: Citywide 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.

OBJECTIVES AND TARGETS

CORPORATE OBJECTIVE 3A THE DEVELOPMENT, ADOPTION AND IMPLEMENTATION OF A COMPREHENSIVE RESPONSE TO THE CITY'S ENERGY AND CLIMATE CHANGE CHALLENGES

Directorate Objective 3.1 - Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption Directorate Objective 3.2 – Monitoring and Review of the City energy and climate change strategy Directorate Objective 3.3 – Energy Security and Carbon Mitigation Directorate Objective 3.4 – Communications and Education							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
3A.1 Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption (<i>Outcome indicator</i>)	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

Table 3.1 – Key Performance Indicators

CORPORATE OBJECTIVE 3.1 - REDUCTION IN ENERGY CONSUMPTION IN THE CAPE METROPOLITAN AREA BELOW PROJECTED UNCONSTRAINED ENERGY CONSUMPTION

The establishment of the Section 80 Committee in 2008 at the highest level to address Energy and Climate Change reflects the City's commitment to ensuring a sustainable future. Further, it demonstrates the City's commitment to:

- Accountability and responsibility;
- Integrated planning;
- Resource conservation and efficiencies; and
- Leading by example in reducing the City's own resource consumption.

The City already has a comprehensive Energy and Climate Change Strategy and a Framework for Adaptation to Climate Change (both of 2006). There has however been very little implementation to date, and the City evidently has to prepare to take on the new role of managing and implementing a sustainable energy future. Some of the focus areas are discussed in more detail below:

Energy security through energy efficiency and diversification of supply: In recognition of the threat that an uncertain electricity supply constitutes and the vulnerability inherent in Cape Town's dependence on one electricity source (coal power stations), the City is developing both a five-year Electricity Savings Plan and a plan to diversify Cape Town's electricity supply to include renewable energy sources. The City aims to immediately achieve a 10+ percent reduction in electricity consumption below current consumption (on 2007 baseline) and maintain this level of reduction into the future. It also aims to have 10 percent of its energy supplied by renewable energy sources by 2020.

Low-carbon economy: In addition to the role of energy in economic development and social welfare, our heavy dependence on fossil-fuel-based energy production and low energy efficiency means that Cape Town has a very large carbon footprint. It is highly likely that industrialised countries in the developing world will be required to meet carbon emission reduction targets in the very near future. The City thus aims to proactively establish a low-carbon economy by implementing aggressive energy conservation and by increasing the proportion of renewable and cleaner energy supply to the City.

Adaptation to the impacts of climate change and climate-proofing of vulnerable communities: 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 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 adaptation interventions to address the risk to the City's infrastructure, facilities and amenities, and to build the resilience of vulnerable communities to cope with climate change impacts.

The City's Aims and Commitments

The City aims to facilitate, manage and use energy in a way that ensures access to clean, safe and affordable energy for all residents, 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.

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 the City's Energy and Climate Change Strategy. As energy and climate change impacts both 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 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 implementing 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. As 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 rollout of efficient lighting, building insulation and building management systems, solar water heating and public transport systems. The City will facilitate local industrial efficiency gains through encouraging engagement with the Eskom Demand Side Management programme.

As energy consumption by the City accounts for an annual R 100 million billion (petrol/diesel and electricity), the City will lead by example through a programme to retrofit City-owned or managed buildings and housing stock, equipment and other infrastructure, for energy efficiency.

The process of prioritising energy efficiency and emissions targets in fleet tenders and management has begun. Furthermore, as Council is the largest employer in Cape Town and has constant contact with all consumers through billing, it has extensive reach into the community and this will be used as the basis for extensive communications and education campaigns. Finally, the City intends to integrate principles of sustainability into its supply chain, through greening the Procurement Strategy.

Implementation of Objectives

The development, adoption and implementation of a comprehensive response to the City's energy challenges is a key priority for the City. Extensive work has already been done in order to develop a comprehensive Energy and Climate Change Strategy. However, the implementation of this strategy requires significant additional work and finance.

DIRECTORATE OBJECTIVE 3.2 - MONITORING AND REVIEW OF THE CITY ENERGY AND CLIMATE CHANGE STRATEGY

Directorate Objective	Focus areas	Action / Business Plans
3.2. Energy and Climate Change Strategy	3.1.1 Monitoring and evaluation of implementation; Review of Strategy	Set up M&E system for all E&CC activities Set up review of E&CC Strategy system

	3.1.2 Overseeing and facilitation of implementation of action plans as produced by work streams 2-4	Oversee and facilitate development of action plans by the work streams 2-4 Oversee and facilitate implementation of action plans Assess achievement of KPAs on Score Cards
	3.1.3 Management of energy income and expenditure	Establish carbon trading and energy savings financial management mechanisms. M&E of carbon sales and energy savings income in the City

Table 3.1: Objective 3.2 Action Plans

The Energy and Climate Change Strategy is the overarching plan that informs all City energy activities in the short, medium and long term. It sets out the vision, objectives, targets, measures and projects for the City. A draft was developed in 2003 when some of the targets were incorporated into the IDP. The final strategy was approved by Council in August 2006. The City also takes into account targets set by Provincial and National government, e.g. the National requirement to reduce electricity consumption by 10 percent off the 2007 baseline. Action Plans will be developed where they do not already exist under objectives 3.2, 3.3 and 3.4 (below) in order to implement the objectives and targets set out in the Strategy. The City will monitor and evaluate the implementation of the Strategy, which will be reviewed every five years.

Overseeing implementation of the City's overarching Energy and Climate Change Strategy will involve the following:

- Monitoring and evaluation of implementation;
- Review of the Strategy targets and measures;
- Identification of focus areas and short-, medium- and long-term goals;
- Identification of Action Plans required, review of Action Plans, overseeing of implementation of Action Plans; and
- Management of energy income and expenditure and promotion and management of carbon trading in the City.

DIRECTORATE OBJECTIVE 3.3 - ENERGY SECURITY AND CARBON MITIGATION

Directorate Objective	Focus areas	Action / Business plans (to be developed)
3.3. Energy Security and Carbon Mitigation	3.2.1 Electricity Efficiency (10+% electricity savings)	Managing current and future demand Develop sectoral action plans for: <ul style="list-style-type: none"> • Industrial • Residential • Commercial • Buildings
	3.2.2 Energy Supply Security	Management of demand: <ul style="list-style-type: none"> • Develop plans to diversify and secure adequate supply to the City of all energy sources • Options for generation by CCT
	3.2.3 Council Operations and Systems	Action plans to cover the following areas: <ul style="list-style-type: none"> • Buildings and other facilities (workshops etc) • Waste to energy projects (including landfill gas projects) • Waste minimisation • Water pumping / sewerage pumping • Fleet tenders and management • Greening of the procurement policy • Incorporation of E&CC onto corporate score cards

	3.2.4 Renewable Energy and cleaner energy sources	RE development as an energy source for CCT: <ul style="list-style-type: none"> • Financing renewables • Tariffs • Network development/ management • PPAs, etc
	3.2.5 City form and urban edge	Efficient urban form/development: <ul style="list-style-type: none"> • Densification + urban edge • Spatial Development Framework • EE guidelines and regulations for new developments
	3.2.6 Transport Energy	Establishment of single Transport Authority Plans to promote: <ul style="list-style-type: none"> • Public transport • Non-Motorised Transport • Alternative fuel and fuel-efficient vehicles • Energy efficient management of traffic in the City
	3.2.7 Local Economic Development	Development of local energy business sector Promotion of a city economy based on low carbon activities

Table 3.2: Objective 3.3 Action Plans

The City will develop and implement action plans to address the City’s energy security, reduce carbon emissions and develop a low carbon economy, including:

- Reduction in electricity consumption by 10+ percent below baseline 2007 consumption), targeting industry, residential, commercial sectors and buildings, Council operations and systems;
- Diversification of supply - development of renewable energy and cleaner energy sources for the City;
- Reduction of transport energy consumption through development of public and non-motorised transport, promotion of energy-efficient and cleaner fuels vehicles;
- Ensuring energy efficiency in Council operations and systems;
- Supporting a more efficient city form and urban edge; and
- Supporting the development of a local low carbon economy.

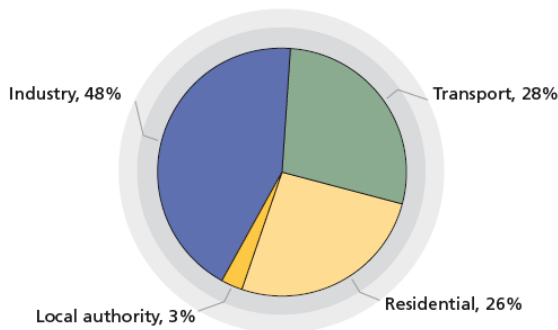


Figure 3.1: Cape Town carbon emission by sector

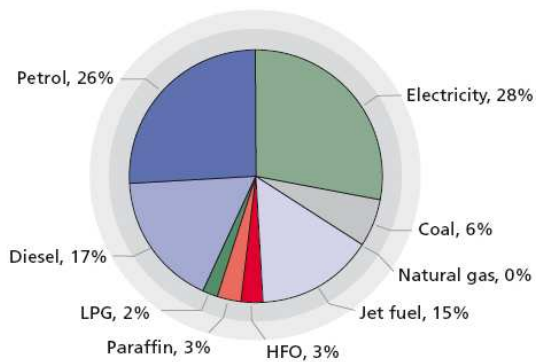


Figure 3.2: Cape Town energy consumption by energy source

Reduction in Electricity Consumption

The City seeks to move towards an economy where growth is decoupled from electricity consumption. This move will also work to improve energy security and requires urgent attention and radical action in order to meet the required 10 percent reduction in electricity consumption as required by national government and Eskom. The City will aim to achieve and maintain, year-on-year, a 10+ percent reduction in electricity consumption on the 2007 baseline through the development and management of sectoral plans for the industrial, commercial, residential and buildings sectors.

Some key mechanisms by which the City will achieve efficiency gains are the following:

- **Mass rollout 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 that all new building development 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. In order to promote the retrofitting of solar water heaters on existing houses, the City will proactively engage the private sector, banks and Eskom to reduce the capital cost barrier blocking market uptake of the technology.
- **Building energy efficiency:** The City will finalise and distribute its Green Building Guidelines to promote and support resource efficient development. This will be rolled out through a communication and education programme.

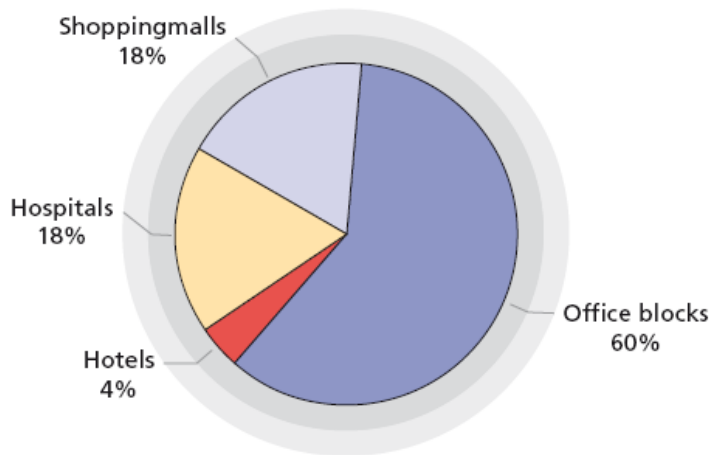


Figure 3.3: Energy consumption in the commercial sector

Energy Supply Security through the promotion of Renewable Energy and Cleaner Energy Sources

The potential applications of renewable and alternative energy sources in the specific context of Cape Town will be examined and a plan developed to diversify and secure adequate supply to the City of all energy sources. Options for generation by CCT will be explored and incentives and regulatory measures will be developed as appropriate. An action plan for Renewable Energy development as an energy source for CCT will also be developed and reduce electricity consumption in Council operations and systems. The City budget needs to provide for the inclusion of Renewable Energy in its supply mix.

Council Operations and Systems

A City Green Procurement Policy is currently in development. The first phase has been completed, where fleet tender specifications were amended to ensure that energy efficiency and carbon and other emissions are a key determining criterion. Action Plans with energy efficiency targets will be developed for all utilities. Energy efficiency and clean energy use will be incorporated into the scorecards of all Directorates. The City will lead by example through:

- Installing solar water heaters on council-owned buildings and housing stock; and
- Retrofitting council-owned or managed buildings, facilities, infrastructure and equipment for energy efficiency.

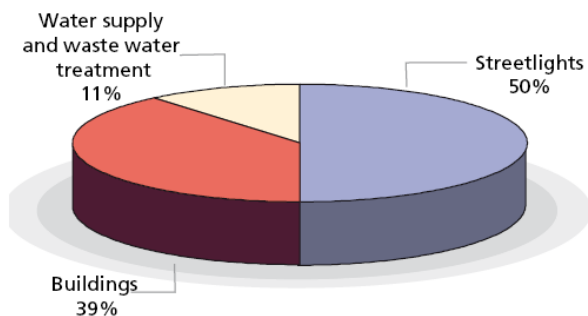


Figure 3.4: Electricity consumption in City operations

City Form and Urban Edge

The largest energy user in the City is transport, primarily consumed by private vehicles and mini-bus taxis. The monetary and time cost of travel is an extremely heavy burden borne by the poor and is a legacy of the apartheid city (which located the poor in dormitory suburbs far from urban goods) and of a lack of investment in public transport. The City will pursue a more efficient spatial urban form that benefits all citizens. Compact development, densification, respect for the urban edge, locating low-income housing on well-located land, and concentration of development and services around nodes and activity routes are priorities in determining an energy efficient and more equitable future for the City.

Transport Energy Plan

The City will prioritise public transport and non-motorised transport. It will also promote the use of fuel-efficient vehicles and enforce emissions standards. To these ends, the City recognises the necessity of establishing a Metropolitan Transport Authority for Cape Town to provide effective coordination of the national, provincial and local transport authorities.

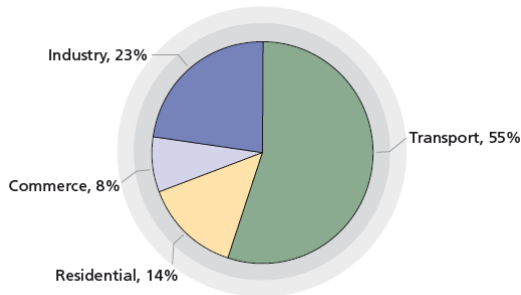


Figure 3.5: City energy use by sector 2007

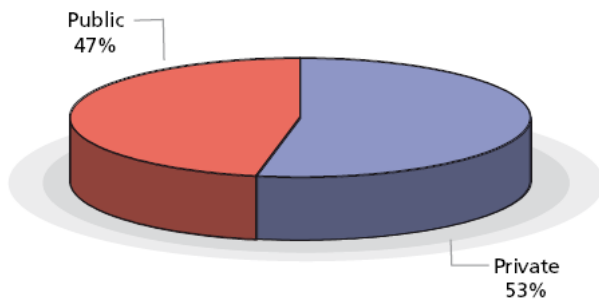


Figure 3.6: Transport modal split

Local Economic Development

The City will promote a city economy based on low carbon activity while developing a local energy economy.

DIRECTORATE OBJECTIVE 3.4 ADAPTATION AND BUILDING COMMUNITY RESILIENCE TO CLIMATE CHANGE

The City is responsible for the development and implementation of the Action Plans to address impacts on city development and vulnerable communities. These will be based on the Framework for Adaptation to Climate Change and Risk Analysis for the CCT.

Directorate Objective	Focus areas	Action / Business plans (to be developed)
3.4 Adaptation and Climate Proofing	3.3.1 Adaptation	Plan to reduce/contain risks and impacts <ul style="list-style-type: none"> • Risk analysis incorporated into City Spatial Planning • Risk analysis incorporated into infrastructure development / protection of existing infrastructure • Incorporate climate change impacts into Disaster Management Plans
	3.3.2 Building resilience amongst vulnerable communities to climate impacts	Identification of vulnerable communities and low income households, identification of risks and prioritisation of interventions such as: <ul style="list-style-type: none"> • Access to safe, healthy, affordable energy sources • Ceilings (energy efficient housing) • Food gardens • Water tanks • Safe affordable energy sources / efficient use • Incorporate climate impact resilience into Informal Settlement Upgrade

Table 3.3: Objective 3.4 Action Plans

There is increasing evidence that we are currently, and will in the future, experience climate change regardless of the successful implementation of mitigation measures. Therefore the City's Climate Change Adaptation Plan of Action will address adaptation measures, which seek to ameliorate or minimise the impact that climate change is likely to have on Cape Town.

As a coastal city, Cape Town is particularly vulnerable to Climate Change, specifically in terms of sea level rise and an increase in extreme weather and storm events. Climate Change is a significant threat to the City's basic resources, including water, land and infrastructure. It is likely that the impacts of Climate Change will be most felt by the poorest of the poor, who have the least capacity to adapt to these impacts. It is therefore clear that climate change adaptation is an area of critical concern for the City.

Adaptation to Climate Change

The Adaptation Plan of Action will address the following:

- The development of a climate change impacts model that clearly maps out risks to the city. 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.
- An assessment of the climatic variables which are likely to impact on the City, and a determination of the likely impacts of changes in those climatic variables, for a number of different sectors (e.g. transport, water & sanitation, etc.).
- The development of adaptation options and measures for each of those sectors, in order to increase adaptive capacity, as well as enable future sustainability in the projected environment.

- The integration of climate change impact planning into the City’s Disaster Management planning.

The Climate Change Plan of Action is a long-term plan. Climate change is dynamic, and therefore this approach may need to be adjusted as various changes take place. In order for this plan to be effective, the City needs to commit itself to the prioritising its approach to climate change by:

- Understanding risks and risk areas;
- Taking a proactive approach to adaptation;
- Ensuring all City Line Functions work towards implementing adaptation;
- Actively engaging with national and international partners and strengthening existing relationships;
- Incorporating risk analysis and adaptation strategies into City spatial planning and location of facilities;
- Protecting current infrastructure; and
- Prioritising vulnerable communities.

Above all, the City intends to adopt a “no regrets” approach to future planning, in which potential climate change impacts are taken into consideration in order to avoid future costly social and economic impacts.

Building Resilience to Climate Change Impacts

It is likely that the poorest and most vulnerable communities will be most severely affected by Climate Change. In order to help ensure the resilience of these communities, the City is adopting a sustainable livelihoods approach to climate resilience. This is a long term plan. Planned interventions include:

- Promoting access to safe, healthy and affordable energy sources, that are less prone to price and availability shocks and fluctuations;
- Building and upgrading settlements and houses such that they support resource efficiency;
- Creating an enabling environment in order to promote food gardens and other urban agriculture to ensure food security and limited economic development; and
- Promoting rainwater tanks and water conservation measures in order to ensure increased resilience to climate change.

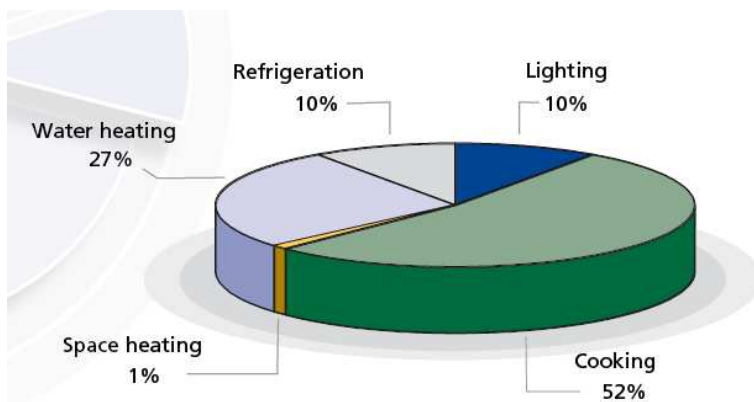


Figure 3.7: Residential energy consumption by activity

DIRECTORATE OBJECTIVE 3.5 – COMMUNICATION AND EDUCATION

The City is currently developing a comprehensive communications and education plan for the new energy vision for the city, which includes internal and external sectoral communications and education action plans.

Communication, awareness-raising, and education are critical to the long-term success of the City's energy, climate change and adaptation interventions. Behavioural change is fundamental to achieving and maintaining reductions in energy use.

The City currently implements various communications and education initiatives around energy efficiency and sustainability, but these are not integrated under a single campaign and are not as far reaching as is necessary. The majority of the education initiatives fall under the City's Youth Environmental School (YES) Programme. The Smart Living Handbook, published in 2007, is being used successfully as a tool to educate on and raise awareness of sustainable living, which includes energy and climate change issues. The overall communications and education plan will address, inter alia, the following:

Directorate Objective	Focus areas	Action / Business plans (to be developed)
3.4 Communications and education	3.4.1 Overall communications plan on new energy future for the City of Cape Town	Vision of future new energy city: <ul style="list-style-type: none"> • Energy efficient, clean and renewable energy sources, low carbon economy, public and NM transport
	3.4.2 Internal communications and education plan	Plan for all city departments to suit the needs of each
	3.4.3 Sectoral communications and education plans	Plan/s targeting: <ul style="list-style-type: none"> • Industry • Residents – upper to low income • Commercial • Building owners • Covering energy efficiency, renewable energy, transport, adaptation, sustainable livelihoods, etc.

Table 3.4: Objective 3.2 Action Plans

Overall Communications Plan on New Energy Future for the City

Through a comprehensive, integrated and dynamic communications action plan, the City will communicate how it is responding to the immediate and long-term challenges of making Cape Town a sustainable energy city. This will include communicating the work of the other three work streams.

Internal Communications and Education Plan

Internal education and communications action plans will be implemented, the objective of which will be to enable the staff of the City to become energy champions and role models and to take the necessary actions towards energy efficiency.

Sectoral Communications and Education Plans

A sectoral communications approach will be adopted, which will target specific audiences with appropriate messages.

Summary of the City of Cape Town's Energy and Climate Change Strategy Targets of 2006 with Indicators:

Sector	Target	Baseline	Directorate Indicators
Residential	<ul style="list-style-type: none"> 10% of City-owned housing stock to have Solar Water Heaters (SWH) by 2010 10% of all households to have a SWH by 2010 All new subsidy housing to have ceilings from 2005 All existing homes to be retrofitted with ceilings by 2020 30% of all households to use efficient lighting by 2010, 90% by 2020 	<ul style="list-style-type: none"> Energy & Climate Change Strategy 2006 Records of total installations of SWHs, ceilings and lighting will need to be retained and report periodically in State of Energy Reports 	<ul style="list-style-type: none"> Number of SWH installations in Council stock Number of SWHs installed in new buildings Number of ceiling installations in subsidy housing
Transport	<ul style="list-style-type: none"> By 2010 (from 2005 levels) 10% increase in rail transport share of modal split 10% decrease in private vehicles commuting into city centre Non-motorised transport (NMT) strategy operational by 2015 	<ul style="list-style-type: none"> Transport Strategy Annual Vehicle Screenline Survey Energy & Climate Change Strategy 	<ul style="list-style-type: none"> % increase of rail transport share of total transport modal split % decrease in private vehicles commuting to city centre % increase in pedestrian and cycle routes
Council	<ul style="list-style-type: none"> 12% energy efficiency in all municipal buildings by 2015 	<ul style="list-style-type: none"> Audit of Municipal Buildings Energy & Climate Change Strategy 	<ul style="list-style-type: none"> % decrease in electricity consumption in all Municipal building
Commerce and Industry	<ul style="list-style-type: none"> 10% increased energy efficiency in industrial and commercial facilities by 2010 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> % decrease in electricity consumption in commercial and industrial facilities in the City
Energy Supply	<ul style="list-style-type: none"> 100% of formal households connected to electricity from 2005 90% of informal households connected to electricity by 2010 CO₂ emissions reduced by 10% from 2005 levels by 2010 10% Renewable Energy Supply by 2020 	<ul style="list-style-type: none"> National electrification statistics State of Energy Report/State of Environment Report 	<ul style="list-style-type: none"> Electrification statistics for the City % decrease in CO₂ emissions % of sales of green electricity

Table 3.6: Summary of energy targets

STRATEGIC FOCUS AREA 4: PUBLIC TRANSPORT SYSTEMS

The Integrated Transport Plan, approved by Council in June 2007, is the statutory transport component of the City of Cape Town Integrated Development Plan. The Integrated Transport Plan is premised on sustainable transport, based on the triple bottom line - society, economy and the environment.

Through a focused transport intervention programme, 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 the public transport system to attract new users and enhance the benefits of those who are already using 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 a longer operational span that includes efficiencies during off-peak periods, over weekends and public holidays. The extended services should also cater for special-needs passengers, tourists and shift workers.

The transport policy and programme is in alignment with the Integrated Metropolitan Policy and the Energy and Climate Strategy of the City. In addition to the 2010 FIFA World Cup™ "Green Goal" transport programme, the City has focused the overall transport programme to enhance public transport, non-motorised transport, travel demand management measures and energy efficient transport alternatives.

Planning processes and policies in the City promote the integration of spatial planning, land use and transport appropriately. 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). Necessary land use and spatial policies that facilitate increased residential densities and multipurpose activities will provide the required thresholds to ensure a supportive environment for public transport.

Decentralised and local economic development that enables 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, maintained transport assets and a regulatory environment to improve the transport operational environment, image and appeal.

Integration of planning, implementation and transport operations with human settlement development and related utility infrastructure are critical success factors. The focus on public transport systems requires a multi-agency alignment and an integrated capital investment approach for the planning and implementation of the transport network that serves non-motorised transport, public transport, general traffic and other transport-related services.

Public transport interchanges will be prioritised as hubs of economic development where socially inclusive communities can interact. 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. A best-fit model for freight traffic management will be promoted, through working in partnership with transport agencies, logistics industries and other spheres of government.

Transport services will be improved through multimodal integration, the application of Intelligent Transport Systems and the securing of new investment in infrastructure, including the construction of a Transport Management Centre in support of the 2010 FIFA World Cup™. Transforming and restructuring public transport systems to ensure that investment in public transport not only focuses on transport, but also the improvement in the spatial development of the city, will be supported.

With the deep-port harbour, international airport, well-developed network of roads and railway, as well as large-scale cold-chain facilities and a productive 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 has developed a list of strategies that is categorised into freight facilities, freight operations and freight vehicles.

A key programme that has directed the transport resource allocation and budget is the preparation and build-up towards the FIFA 2010 World Cup™. As a host city, key transport responsibilities will have to be delivered on. Since 2005, the City has coordinated and guided a structured process relating to this event with other spheres of government and transport agencies. A development framework for the City's transport plan was concluded, a transport impact assessment for the broader City and the Green Point Stadium was formulated, and funding for projects from national government and provincial government is secured. The City has secured coordination with all transport parastatals and agencies, meeting on a monthly basis. As an element of the Integrated Development Plan, a "Green Goal" agenda programme, a road infrastructure programme, public transport programme, non-motorised transport programme, transport technology and signage programme, Phase 1 of the IRT programme and the refinement for the transport operations plan for the event, the Green Point Stadium and the public viewing areas will be engaged in and delivered on.

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 along selected corridors

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

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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 on selected transport corridors (home to work – peak period- public transport) <i>(Outcome indicator)</i>	45 min	40 min	Travel time along the N2 BMT lane reduced by 20 min for Public Transport users and 5 min for other modes. Metrowide travel time not available.	38 min	10% reduction in travel time along Phase 1A of the Atlantis corridor	10% reduction in travel time along Phase 1B of the Atlantis corridor	10% reduction in travel time along the full Atlantis corridor
4A.2 Increase cumulative kilometres of critical routes with dedicated public transport lanes on selected transport corridors	45km	5 km on baseline	53 km's	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 <i>(Output indicator)</i>	Intergovernmental transport agreement drafted	Creation of a single transport authority Revised target: MPTAC (Metropolitan Public Transport Advisory Council) approved by Council	Inaugural meeting of Metropolitan Transport Planning Advisory Council held. Section 78 (3) of the Municipal Systems Act now in progress. National Land Transport Bill 2008 currently debated in parliament	Transport authority fully operational	'Municipal Entity to provide Public Transport Services' established	'Municipal Entity to provide Public Transport Services' operational	'Municipal Entity to provide Public Transport Services' operational

Table 4.1 Key Performance Indicators

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 form of a metropolitan transport authority is therefore a necessity. Therefore, one of the City's objectives is to move towards a single point of authority for transport. Having followed due legal process, the City supports a Municipal Entity as the appropriate mechanism for the provision of municipal public transport services. Before the establishment thereof can be approved, the City will engage with various institutions and parties. The mandate of the Municipal Entity will be to focus on the delivery of integrated public 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.' As such, the City is driving a focused investment

programme using the 2010 soccer event to accelerate a number of projects on the transport implementation programme.

Road-based Public Transport Programme

A high-quality road-based public transport system will complement and enhance the overall public transport, offering and reducing 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 will transform road-based public transport services is a concept known as Integrated Rapid Transit Systems. This 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 are 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 4.1 illustrates the phases of the Integrated Rapid Transit System. Phase one will focus on the inner city and the west coast-Atlantis corridor infrastructure, business model and services. This is synchronised with the 2010 World Cup programme. The follow-through of operations plans and business development for the subsequent corridors will be done in parallel. Simultaneously, and as part of the bigger scheme, refined planning and improvements in infrastructure and operations on many of the principal corridors, including Klipfontein Corridor, Symphony Way and Koeberg Road/N1/Old Marine Drive, is continuing.

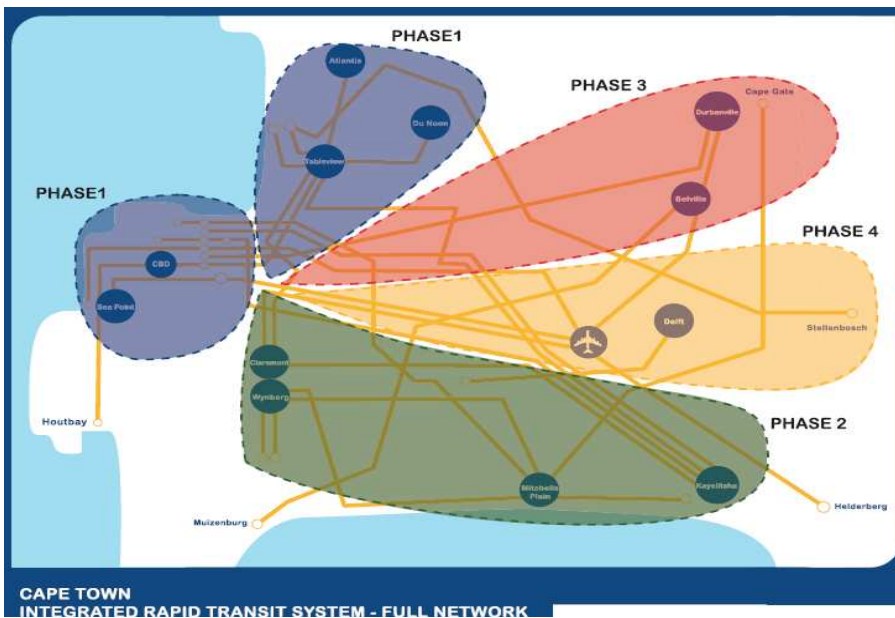


Figure 4.1: Integrated Rapid Transit Corridors

Throughout the metropolitan city, 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 Public Transport Interchange Terminal;
- Khayelitsha Rail Extension;
- Lentegeur Public Transport Interchange;
- Nyanga Public Transport Interchange;
- Cape Town Station Deck and long distance coach terminal facility upgrade;
- General bus and taxi embayments improvements;
- Public transport shelters; and
- Access control introduction at key Interchanges.

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 the substantial investment in rail;
- Plan rail as part of an integrated multi-model transport system; and
- 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 – Cape Town, including services from Bellville;
- Simon's Town/Cape Flats – Cape Town; and
- Wellington – Bellville – 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-centred. Dedicated public transport lanes will be enforced.

DIRECTORATE OBJECTIVE 4.4 - REDUCE AVERAGE PEAK PERIOD TRAVEL TIME ALONG SELECTED CORRIDORS

As a monitoring mechanism, the City will structurally and periodically measure the travel time along identified segments of the network, where the City and other agencies have physically and operationally made sustained improvements along corridors.

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:

- 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; and
- 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. The City 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 other public transport transfer

facilities;

- Maintenance of NMT infrastructure;
- 'Vehicle Car-Free Days' to create awareness and promote a culture of walking and cycling; and
- 'Walk and Bike Safe to Schools' programmes at schools.

CAPE TOWN PARTNERSHIP:

Support and Facilitation of work on IRT, Cape Town Station, New Mobility and PSPL

In addition to its Public Space for Public Life Programme, which focuses on the provision and maintenance of clean and safe public open spaces within the Central City, the Partnership works closely with its partners in the public and private sectors to promote safe and reliable public transport systems. Most notable of these is the Integrated Rapid Transit System and Non-Motorised Transport. Furthermore, the incomplete flyover is something that the organisation will continue to question until a solution – no matter how novel – is found to address this architectural anomaly.

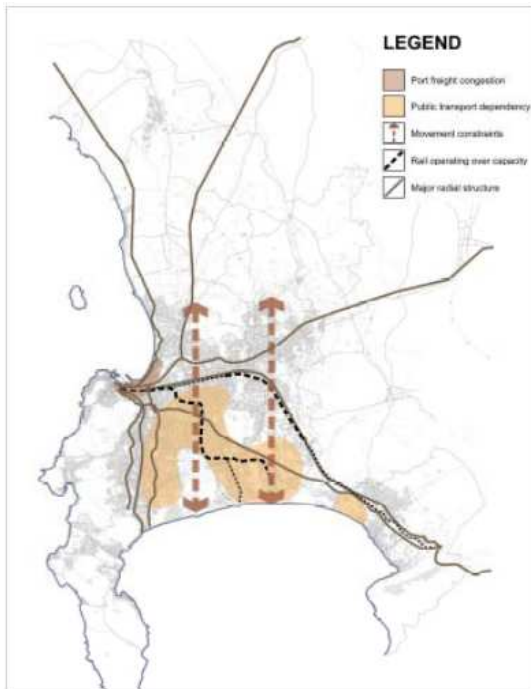


Figure 20: Movement and Mobility

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 remain 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

New subsidised housing developments are still generally built without the concomitant delivery of amenities and facilities, and the services they imply. It is therefore imperative that delivery coordination 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 – 10 000 housing opportunities per year. Possible land invasions pose a threat to the City's plans for orderly and accelerated housing delivery.

The major challenges facing the City include:

- An estimated 400 000 families do not have adequate access to essential services and shelter.
- It is estimated that this 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)
- Ending the production of mono-functional new housing developments i.e. ones without related amenities, facilities and services.



Figure 5.1: 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 Settlement Development and the Western Cape Sustainable Human Settlement Strategy (Isidima). 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 drive the construction of quality houses in accordance with the BNG housing specifications of 40 m² per house (as approved by Housing Minmec at the beginning of 2007).
- 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 coordinate the delivery of amenities and facilities, with their implied services, at the same time as houses are being constructed.
- To explore ways and means of formalising backyard structures as a means of reducing the housing backlogs and provide the necessary support to such homeowners to enable them to improve their dwellings.

The Global Housing Environment

The City’s housing initiatives are aligned with the International Habitat Agenda, the 2000 Millennium Goals and the World Summit on Sustainable Development (WSSD) held in 2001. Areas of alignment include the acceleration of access to urban land, security of tenure, provision of basic services, transportation, livelihood considerations and addressing urban form in housing projects. Alignment also includes the upgrading of informal settlements, the alleviation of poverty and squalor.

Alignment with National Housing Policies

The above is also aligned to national housing policy, based on the Integrated Sustainable Human Settlement Development Plan adopted by National Government in September 2004.

The Local Housing Environment

The aforementioned City strategies are also aligned with the Western Cape Sustainable Human Settlements Strategy (Isidima). The City receives approximately R800m from the Provincial Housing Department. This comprises about 70 percent of the provincial housing allocation, yet it is still not enough to eradicate the housing backlog.

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.

	SUB-OBJECTIVES	INTERVENTION STRATEGIES
Organisational Capacity and staffing	<p>Ensure staff placement and development</p> <p>Ensure that specialist staff are appointed to meet output demands e.g. project</p> <p>Establish the City as an accredited housing authority</p> <p>Improve Intergovernmental Relations (IGR), including input into national and provincial</p>	<p>Implement corporate staffing strategy, including placements, up-scaling, parity, relocations, training etc (100%)</p> <p>Appoint professional project managers</p> <p>Facilitate accreditation to level 3 over the next 18 months</p> <p>Establish and provide staffing for the accreditation unit</p> <p>Create an IGR Framework that establishes co-operation with other Metros, National and Provincial Housing departments, as</p>
Accelerate housing delivery	<p>Investigate blockages in housing delivery and streamline housing delivery process</p> <p>Facilitate housing for backyard people and saving groups with specific focus on people/groups that can mobilise their own</p> <p>Ensure that the entire housing budget is spent</p> <p>Ensure that housing delivery targets are achieved</p> <p>Facilitate the upgrading of informal settlements as a first step towards formal housing and tenure</p> <p>Accelerate a structured and well co-ordinated upgrading of informal settlements</p> <p>Ensure housing plan aligns with City departments to ensure integrated development i.t.o budget provisions and</p>	<p>Monitor and document blockages in housing delivery on an ongoing basis</p> <p>Measure and monitor housing delivery in terms of qualitative and Develop City strategy on housing for backyard families and savers</p> <p>Develop City strategy in respect of People's Housing Process</p> <p>Measure and monitor housing projects on an ongoing basis</p> <p>Develop realistic and proper cash flows and monitor them on a regular basis</p> <p>Provide invoices for payments timeously</p> <p>Provide suitable and affordable land to implement new greenfield projects</p> <p>Create liveable environment for communities in informal settlements until formal housing can be delivered.</p> <p>Develop and implement an informal settlements Master Plan</p> <p>Establish Informal Settlements Co-operative Co-ordination team</p> <p>Develop Service Level Agreements</p> <p>Emphasise People's Housing Process (PHP) and build capacity</p> <p>An Integrated Housing Development Business Plan must be reviewed and developed</p> <p>Participate in the Provincial Human Settlement Co-ordination</p>

Improving quality of living environments and developing integrated human settlements.	Implement social and rental housing projects	Facilitate the release of land to the City's Social Housing Partners
	Develop land strategy for housing and strive to acquire 450 ha of land over 5 years	Engage with the National Housing Department for the provision Proactively develop a city-wide housing land plan
	Improve the location of housing projects	Engage Provincial and National Government for additional funding for land Engage Provincial Government to transfer Housing Board land to the City. Secure suitable land for housing in accordance with district plans
	Link housing to poverty alleviation and job creation Co-ordinate GAP housing	Lobby state to release strategic sites for housing purposes Introduce EPWP principles and framework into housing projects
Strategic management and maintenance of City's Housing Assets.	Provide social and economic amenities, with related services	Monitor the development of land allocated to financial institutions Facilitate direct sales of individual plots to purchasers for self built process
	Ensure rationalisation of housing offices	Formulate Service Level Agreements with providers of amenities and services to new housing developments.
Institutional Capacity and Governance	Roll out the long term maintenance programme	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
	Facilitate accreditation of the City to implement national housing programmes Zero tolerance on invasions	Roll out the long term maintenance plan, in accordance with the Community Residential Units (CRU) national housing
	Improve internal and external communications e.g. staff, sub councils,	Apply to National and Provincial Government for the City to be accredited to level 3 over the next 18 months Provide more field workers to monitor informal settlements and take immediate action against invaders Establish area co-ordination and sub council unit Finalise communication and stakeholder engagement strategy

Table 5.1: Housing Objectives

CORPORATE OBJECTIVE 5A

IMPROVE AND DEVELOP INTEGRATED HUMAN SETTLEMENTS

Directorate Objective 5.1 - Transform the delivery of mono-functional housing areas through the provision of greater range of amenities and social facilities, along with the related services

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

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
5A.1 Percentage completion of the Spatial Development Framework (SDF) and District Spatial Development Plans (SDP's) Phases 1-5 completed to prepare City SDF and District Spatial Development Plans (SDP'S)	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.	30% Draft of SDF underway. 1st round of public meetings on preparation of SDF completed. PEPCO endorsement of vision, principles, issues and strategic	90% City SDF and District SDP's completed and submitted to Provincial Government of the Western Cape (PGWC) for approval.	3rd round of advertisement of City SDF and District SDP's for comment completed (subject to timing of feedback from PGWC)	City SDF & 8 District SDP/EMF's approved by PGWC	Implementation of the City SDF & 8 District SDP/ EMF's

			goals obtained. Draft of SDF underway. Draft 1 of district spatial development plans reviewed internally and prepared for public scrutiny.				
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Table 5.2: Key Performance Indicators

DIRECTORATE OBJECTIVE 5.1 - TRANSFORM THE DELIVERY OF MONO-FUNCTIONAL HOUSING AREAS THROUGH THE PROVISION OF A GREATER RANGE OF AMENITIES AND SOCIAL FACILITIES WITH THE RELATED SERVICES.

Quality Public Spaces Programme

This programme seeks to deliver new or improved high quality public spaces in different parts of the city each year in order to bring dignity to neglected public environments and to celebrate the natural and cultural heritage of Cape Town and its people. This programme includes a specific allocation towards the creation of high quality public spaces associated with the development of new residential areas as part of the City's Five Year Integrated Housing Plan, as well as the creation and/or improvement of public spaces within informal settlements undergoing an incremental programme of upgrading.

DIRECTORATE OBJECTIVE 5.2 - CITY SPATIAL DEVELOPMENT FRAMEWORK (SDF) & INTEGRATED DISTRICT SPATIAL & ENVIRONMENTAL PLANS

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's SDF and eight integrated district spatial development plans (SDP) and environmental management frameworks (EMF) will guide land use and public investment decisions and clearly communicate the City's spatial development policies and intentions. Once the City SDF & District

SDP/EMF's 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, mixed land use, the urban edge and densification.

Council will endeavour to raise extra funds for housing purposes from private developers as part of the development application process. This will be based on voluntary contributions at this stage.

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, in order to expedite housing delivery.

Upgrading Of Informal Settlements Programme:

The informal settlement master plan explains the City's approach to the upgrading of informal areas. 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.

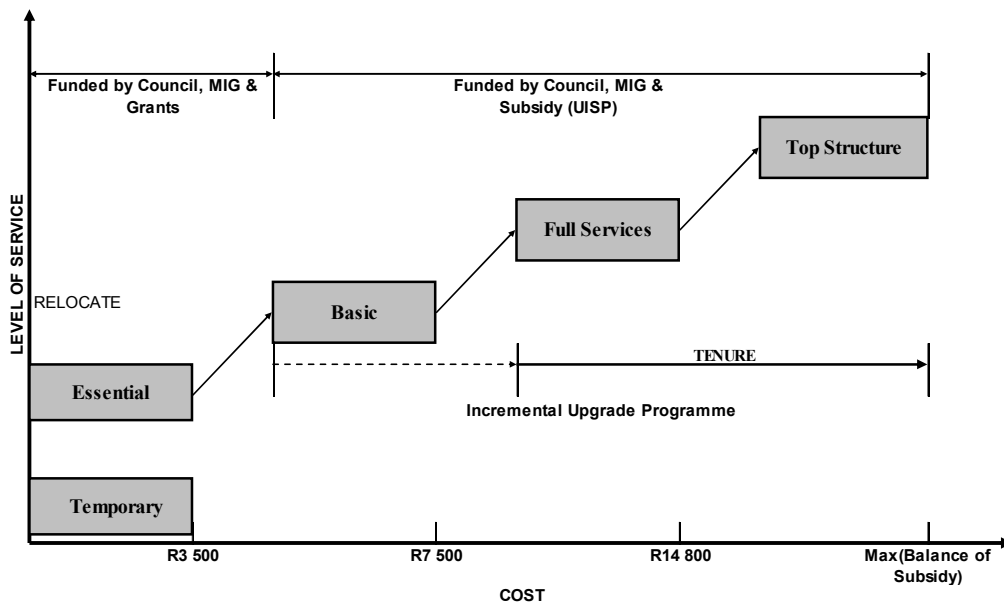


Figure 5.2 : Upgrading Of Informal Settlements Programme

Emergency Housing Assistance:

This programme provides temporary assistance to beneficiaries who suffer loss of shelter due to disasters such as fire and flood. The City provides kits or materials to such family's immediate replacement of their shelters. Emergency settlements that are similar to those situated in Delft will be established to cater for such families.

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.

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 - The number of Housing opportunities provided per year including Community Residential Units (CRU) developed							
Directorate Objective 5.5 - Implementation of Informal Settlements Upgrade programme (UISP and EHP)							
Directorate Objective 5.6 - Development of an urbanisation and informal settlements improvement strategy							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
5B.1 Number of housing opportunities provided per year including Community Residential Units developed. (CRU) <i>(Output indicator)</i>	7 519 Was 7182 @30.6.2007	10 200	6 439	9 900	10 200	10 200	11 000
5B.2 Implementation of Informal Settlements Upgrade programme (UISP and EHP) <i>(Output indicator)</i>	Framework plan approved (including essential services)	100% Programme compliance	100% Compliance *60 informal settlements were serviced	100% compliance with plan specifications	1000 Incrementally Serviced Erven.	1200 Incrementally Serviced Erven.	1400 Incrementally Serviced Erven
5B.3 Development of an urbanisation and informal settlements improvement strategy <i>(Input indicator)</i>	Not applicable	Not applicable	Not applicable	New	Approved draft urbanisation strategy	To be determined based on approved strategy	To be determined based on approved strategy

Table 5.3 Objectives and Targets

DIRECTORATE OBJECTIVE 5.4 - DEVELOPMENT OF NEW HOUSING OPPORTUNITIES

New Housing Programmes:

The City is currently able to deliver on average 7 500 - 10 000 housing opportunities per annum for the next five years based on National Government's housing subsidy.

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

Table 5.4: New Housing Delivery Targets 2007- 2012

DIRECTORATE OBJECTIVE 5.5 - INCREASE RENTAL STOCK THROUGH THE DEVELOPMENT OF COMMUNITY RESIDENTIAL UNITS (CRUS) AND SOCIAL HOUSING PARTNERSHIPS

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.

This programme will thus cover the following sub-programmes:

- Redevelopment of hostels;
- Capital long term maintenance of the City's rental units;
- Building new public rental units.

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.

Strategic Management Of The City's Rental 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 initiative is to develop an integrated 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.

- **Five-year land acquisition plan:** To achieve housing delivery targets by 2012, the City will need to acquire 450 ha of suitable and affordable land. In 2008/9 R100million was spent on land acquisition for housing. These same is anticipated for the coming 2 years. While this will still not meet the full needs it does allow the Housing Directorate to deliver at maximum capacity for the next 5 years. National and Provincial funds remain indispensable for both land acquisition and delivery.

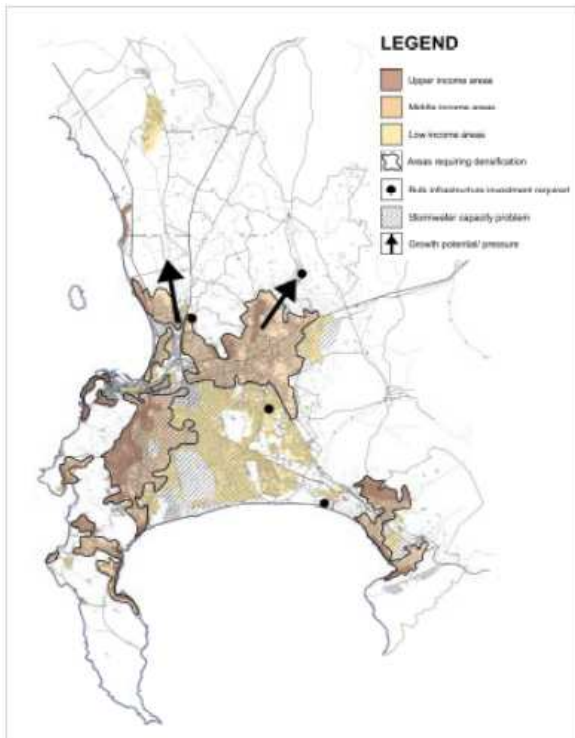


Figure 5.3: Housing Settlement Patterns

- **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.

YEAR	ACQUISITION	USAGE
2007/8	70 ha acquired	will provide for delivery according to the five-year financial plan for the next three years' projects
2008/9	100 ha acquired	Allows for projects in the five-year Integrated Housing Plan and up to seven years in future
Long term	8 000-10 000 ha to be acquired	To address backlog of 400 000 households, and for natural growth. Includes informal settlements where required. Could be partly addressed by unlocking pockets of Public Works and other state-owned land.

Table 5.5: Land Usage

ACCREDITATION PROGRAMME:

Accreditation is the assignment of functions 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 at the earliest opportunity

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.

LINKING HOUSING PROGRAMMES TO THE IDP STRATEGIES

IDP STRATEGY	HOUSING INTERVENTIONS
Shared growth and economic development	Community Based Job Creation (EPWP) Integration and densification projects
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)

Public transport system	Integrated transport corridors Integration and densification projects Medium density housing
Safety and security	Establishment of an Anti-land invasion unit Emergency housing programme
Health, Social and Community Development	Social and economic amenities and services Incremental upgrading of informal settlements Housing consumer education People's housing process
Good governance and regulatory reform	Accreditation Anti-corruption

Table 5.6: The Housing Programme's Contribution to the IDP's Strategic Focus Areas

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.

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 a total of 223 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 has approved an informal settlement master plan framework (November 2007) that integrates informal settlements into the broader urban fabric to overcome spatial, social and economic exclusion. The central thrust of the master plan framework is to provide essential services (i.e. water, sanitation, solid waste, electricity and where necessary, stormwater) to settlements within the approved framework. The City aims to upgrade 25 percent of Cape Town's existing informal settlements by 2012. 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 objectives are to:

- Improve the service delivery planning and implementation efforts by line departments
- Improve the sustainability of operating and maintenance services by line departments
- Improve the efficiency and effectiveness of capital and operating expenditure patterns by line departments
- Have clear deliverables and timelines
- Monitor and report corporately on project performance
- Proactively identify impediments
- Provide clear direction on the feasibility of in-situ upgrade projects
- Improve the basic living conditions in these settlements

The following implementation approaches are to be followed:

Master Plan Approach

- Line departments to roll-out essential services to the required target levels in batches of 30 settlements every 6 months
- Identify opportunities for other services (facilities and operating services)
- Identify settlements requiring de-densification/reconfiguration/relocation to improve service delivery efforts
- Identify settlements that are feasible for in-situ upgrade projects
- Identify settlements that are not suitable for in-situ upgrade projects and require total relocation (i.e located within a flood plain)
- Manage land invasions
- Complete the master plan programme by December 2012

The Master Plan programme will run concurrently with the revised approach outlined below.

Informal Settlement Upgrade Approach

- Adopt a community-centred approach to service delivery
- Determine a corporate services menu that is feasible in terms of implementation and operational criteria
- Identify pilot sites for in-situ implementation to test and evaluate the community-centred approach
- Determine community services needs
- Upgrade the settlements
- Refine the approach
- Expand roll-out to other feasible settlements

CORPORATE OBJECTIVE 5C

PROVISION OF EQUITABLE COMMUNITY FACILITIES AND SERVICES ACROSS THE CITY

Directorate objective 5.8 Develop and implement community services investment framework
 Directorate objective 5.9 Improve service delivery standards towards comparable international standards

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
5C 1 Percentage of community facilities meeting set standards. <i>(Outcome indicator)</i>	64%	80%	82% (City Parks = 83% SR&A = 79%)	90%	93%	100%	100%

Table 5.7 Key Performance Indicators

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. 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 and upgrades of community facilities and services.

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 (nitrogen freezing and powdering of bodies).

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, making sure the on-going services are realisable.
- 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 (URP):

The City remains committed to Improving living conditions in Mitchells Plain and Khayelitsha . 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.

URP is a government initiative, announced in 2001 aimed at conducting a sustained campaign against urban poverty and underdevelopment by focusing the support of all agencies of government in a coordinated manner. It sets out to coordinate and integrate (horizontally and vertically) the development efforts of the three spheres of government to alleviate poverty and address underdevelopment in the nodes. Also to initiate and facilitate alignment of strategies, priorities and budgets of the three spheres of government including State Owned Enterprises and the private sector.

URP Objectives:

The intention of this programme is to speed up service delivery and improve the quality of life of communities living in eight identified townships otherwise known as nodes:

- Promoting local economic development to relieve poverty and unemployment.
- Providing a safe and secure environment by fighting crime.
- Supporting education, training and skills development.
- Creating a quality urban environment where people can live with dignity and pride.

- Developing efficient, integrated and user-friendly transport systems.
- Creation of jobs through labour intensive methods

Anchor Projects:

The Urban Renewal Programme Department focuses on the implementation of anchor projects. Projects that are currently being implemented in both Khayelitsha and Mitchell's Plain are the following:-

Anchor Projects: Khayelitsha

- Khayelitsha CBD
- Khayelitsha Rail Extension
- Housing Programme
- HIV / Aids

Anchor Projects: Mitchell's Plain

- Mitchells Plain CBD
- Mitchells Plain Housing Programme
- Lentegour Station Precinct
- Swartklip Sports Complex
- Colorado Multi-Purpose Centre
- Youth and Family Development Centre

The total amount secured committee for the above-mentioned project is approximately R2.9 billion over the next five years.

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.

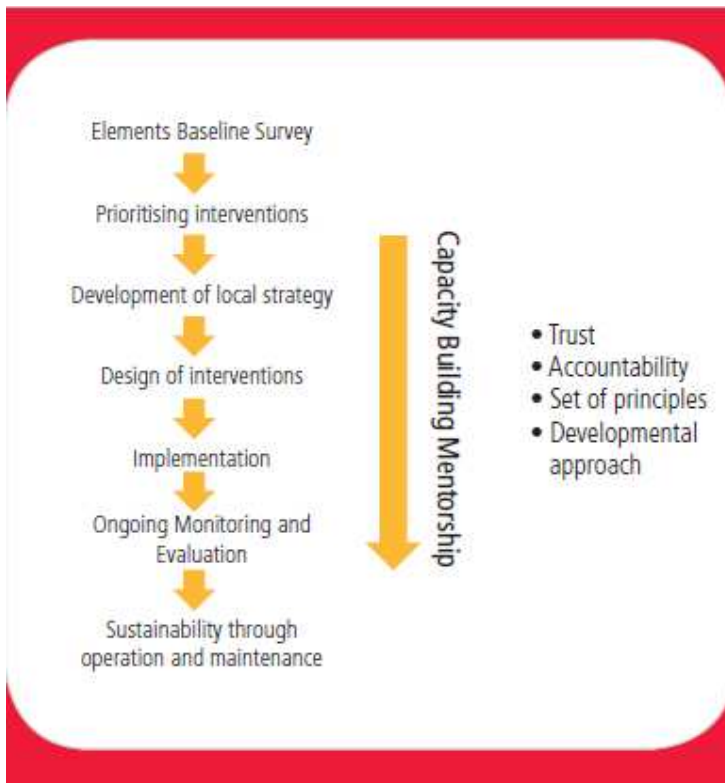


Figure 5.3: Methodology that is followed

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).

STRATEGIC FOCUS AREA 6:

SAFETY AND SECURITY

FOSTER A SAFE AND SECURE ENVIRONMENT

This core objective is linked to the following Key Performance Indicators (KPI) and targets on the City's Corporate scorecard and is divided into objectives that are explained below.

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

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, and 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 antisocial behaviour;
- Enhanced service delivery and operational effectiveness;
- Safeguard life, property, livelihoods and the ever-increasing risk profile of the City through fast, efficient emergency response to fires and other related emergencies;
- Improved service delivery through the development of proactive risk reduction initiatives; and
- 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 combating of minor crimes and by-law offences;
- Continued development of the City's CCTV surveillance network;
- Increase efficiency of Traffic and Law Enforcement Departments and all specialised units;
- Contribute effectively to the City's comprehensive Alcohol and Drug Combating Strategy;
- Increase the number of fire response facilities and their staffing level capacities to provide adequate protection to the ever-increasing and expanding risk profile of the City;
- Develop proactive disaster risk reduction and response plans;
- Expansion of City Emergency Services Emergency Call-Taking Centre.

This will be achieved by making law enforcement 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 antisocial behaviour will be addressed and community participation will be promoted to engender a sense of shared responsibility through participation and involvement at community level.

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.

CORPORATE OBJECTIVES

CORPORATE OBJECTIVE 6A FOSTER A SAFE AND SECURE ENVIRONMENT

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, 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 environment threat from fires and other related emergencies

Directorate Objective 6.6: Undertaking of Comprehensive Disaster Risk Assessment and development of pro-active disaster risk reduction 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

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
6A.1 Percentage adherence to key objectives in Security Plan <i>(Output indicator)</i>			3		Achieving ≥3 on 5 point Likert scale on community survey regarding positive perception on decrease in prevalence of anti-social behaviour	Achieving ≥3 on 5 point Likert scale on community survey regarding positive perception on decrease in prevalence of anti-social behaviour	Achieving ≥3 on 5 point Likert scale on community survey regarding positive perception on decrease in prevalence of anti-social behaviour
					12% reduction in the incidence of all crime categories	12% reduction in the incidence of all crime categories	12% reduction in the incidence of all crime categories
			New		10% increase in arrests in drug related crimes (Possession & Dealing)	10% increase in arrests in drug related crimes (Possession & Dealing)	10% increase in arrests in drug related crimes (Possession & Dealing)
6A.2 Percentage adherence to the implementation of Disaster Plans according to legislative requirements <i>(Input indicator)</i>	Disaster Management Plan as per statutory requirements completed and approved	Disaster Management Plan developed and approved	1. Disaster Management Plan developed and approved. 2. 100% compliance with quarterly targets.	100% compliance with plan	1. Disaster Management Plan developed and approved. 2. 100% reviewed with quarterly targets.	1. Disaster Management Plan developed and approved. 2. 100% reviewed with quarterly targets	1. Disaster Management Plan developed and approved. 2. 100% reviewed with quarterly targets.

Table 6.1: Key Performance Indicators

**DIRECTORATE OBJECTIVE 6.1 - COMMUNITY AND YOUTH DEVELOPMENT PROGRAMMES
DIRECTED AT PERSONAL, TRAFFIC AND PEDESTRIAN SAFETY**

Social Crime Prevention Programme

At the request of the City, the Centre for Criminology at the University of Cape Town (UCT) evaluated existing social crime prevention initiatives and made valuable recommendations in respect of the future

delivery of such programmes. A City Crime Prevention Strategy has accordingly been developed which provides for the continued delivery of social crime prevention programmes that focus on the root cause of crime. A number of City Directorates will implement social crime prevention programmes that are related to their core business and this process will be coordinated by the Governance and Interface Department. As recommended in the UCT report, these programmes will be:

- Thoroughly conceptualised;
- Based on research and needs assessments;
- Evidence-based;
- Utilising a partnered approach;
- Pilot-tested before further roll-out;
- Utilising specialised resources and skills;
- Subject to ongoing evaluation and monitoring; and
- Sustainable.

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.

Stakeholder Collaboration

The following initiatives have been embarked upon in an effort to strengthen 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. The possibility will be investigated of tasking non-uniform officials who can focus exclusively on strengthening relationships and facilitate communication and cooperation.
- A Neighbourhood Watch Support Programme has been launched and the City recently established a Multi-Disciplinary Neighbourhood Watch Task Team to oversee this initiative, which strives to empower and equip neighbourhood watches. The initiative will be expanded beyond the current four pilot projects.
- The City is in the process of introducing a Community Safety Coordinator Concept in cooperation with the University of Cape Town and the Dutch Police. This model, which has been tested by the Dutch Police, will be introduced in three pilot areas, namely Muizenberg, Nyanga and Gordon's Bay. It is the intention to expand this initiative to other areas in due course.

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.

CPTED principles are already employed in the City's Violence Prevention through Urban Upgrading (VPUU) programme in Khayelitsha and guidelines for the implementation thereof have been developed.

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 'HOTSPOTS'

Establishment of Multi-disciplinary Advisory and Technical Team

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

- Short-term roll-out plan up to 2010 as well as medium-term plan up to 2015;
- Definite and sustainable funding streams;
- 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 Directorate of Public Prosecutions (DPP) as well as private individuals or organisations; and
- The preferred conceptualisation, design, implementation and operational concepts.

The City's CCTV network will be managed and developed in accordance with the recommendations of the MAT and there will be a focus on the improved utilisation of current resources and gradual covering of key economic and transport locations, as well as 'hotspots' for crime and disorder.

DIRECTORATE OBJECTIVE 6.4 - IMPROVE LAW ENFORCEMENT (TRAFFIC POLICING AND GENERAL LAW ENFORCEMENT) THROUGH MORE VISIBLE ACTIONS

Addressing the Current High Levels of Crime and Disorder

Antisocial behaviour such as drunkenness, drinking in public, riotous behaviour, urinating in public, gambling, excessive noise, 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 by-laws, especially the by-law relating to streets, public places and the prevention of nuisances;
- Expansion and continuous development of the City's specialised services. These include the Camera Response Unit, Informal Trading Unit, Anti-Land Invasion Unit, Non-Ferrous Metal Theft Unit, Substance

Abuse Unit, Displaced People Unit, Liquor Control Unit and Tactical Response Unit; and

- Continuously contributing to National and Provincial Crime Combating Strategies.

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 coordinated 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; and
- 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 Training Academy has now been established and the City will continue to capacitate this facility so that it can effectively deliver on all the training requirements of the Metro Police, and Traffic and Law Enforcement Departments. Full accreditation will also be pursued.

Strategies to be followed:

- Building and improvement of training facilities;
- Continuous capacitating of training staff; and
- 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 through personnel and resource management, and will contribute significantly to efficient service delivery. The overall objective of this initiative is to create an integrated information management system that can effectively contribute to policing, crime prevention and emergency services management.

Strategies to be followed:

- Complete introduction of ISERMS in the Metro Police Department; and

- Further roll-out of ISERMS to Emergency Services, Traffic and Law Enforcement

Drug and Alcohol Combating Programme

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

- Focused enforcement action on 'Driving whilst under the influence of alcohol';
- Focused enforcement of the City's new by-law relating to streets, public places and prevention of nuisances;
- Dedicated enforcement action to be taken on persons dealing in drugs;
- Participation in Local Drug Action Committees that will be established and driven by Social Development;
- Contribution to the principles of 'restorative justice'; and
- Dramatically increased number of roadblocks and vehicle control points across the city.

A specialised Substance Abuse Unit has accordingly been established. This unit is working closely with the SAPS and has achieved significant success since its inception. The continued strengthening of this unit is a priority and it will continue to clamp down on drug dealers in Cape Town. The City's liquor control capacity will likewise be strengthened with the establishment of a dedicated liquor control team that will have a significant impact on the illegal liquor trade in Cape Town.

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 necessitated that these departments be capacitated to acceptable levels of efficiency and the City accordingly resolved to make additional budgetary resources available for the creation of a significant number of new positions in the Traffic, Law Enforcement and Specialised Services Departments. A comprehensive process of filling these vacancies is underway. The effectiveness and efficiency of the City's Traffic Testing and Licensing Centres will also be enhanced through the appointment of additional personnel and continuous capacity-building programmes.

Strategies to be followed:

- Filling of vacancies within corporate timeframes; and
- Introduction of specialist training programmes.

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; and
- 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; and
- Improving response times through effective utilisation of planned additional resources.

Resources linked to the projects:

- Capital expenditure to cover purchase and replacement of vehicles and equipment, and refurbishment and building of fire stations; and
- Operating expenditure of R160 million planned over a three-year staffing strategy period.

DIRECTORATE OBJECTIVE 6.6 - UNDERTAKING OF COMPREHENSIVE DISASTER RISK ASSESSMENT AND DEVELOPING OF PROACTIVE DISASTER RISK REDUCTION AND RESPONSE PLANS

Strategies that will be followed:

- Undertaking of Comprehensive Disaster Risk Assessment;
- Development of disaster risk reduction initiatives and plans;
- Coordinate activities of Advisory Forum as well as other Risk Reduction forums/structures; and
- Empowerment of role-players.

Key projects and initiatives:

- Comprehensive Disaster Risk Assessment and development of specific disaster risk reduction initiatives and plans;
- Ongoing Public Awareness and Preparedness Programmes to reduce disaster risk; and
- 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 telephone number for all public safety services.

Strategies that will be implemented:

- Public education and awareness;
- Staff training and development; and
- 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); and
- 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 being dysfunctional.

An investment in health, social and community 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 maximise health, social and community development and economic opportunities. The City will therefore continue to facilitate the delivery of healthcare at a local level. The most marginalised communities in every settlement must benefit from health, social and community 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, e.g. libraries, community halls and sport facilities.

Cape Town Partnership

Central City Improvement District (CCID) – providing safety and security, urban management, social development and marketing and communications services to the Central City.

Security: The CCID security officers, together with the South African Police Services and other law enforcement agencies work in close partnership to ensure that the Central City is safe and secure. Due to this cooperative effort, the crime rate has dropped significantly and many incidents are prevented from happening. The valuable complementary services provided by the CCID security partnership ensure that additional officers are being deployed in the Central City all day, every day.

Quality urban management: The CCID provides a dedicated top-up cleansing service to ensure that the streets and public spaces of the Central City are kept clean at all times. The more than 60 dedicated cleaners ensure that this target is met.

Social development: The CCID Social Welfare/Development department consists of two field workers and a dedicated social welfare manager. The department focuses on assisting homeless people in the Central City as well as alleviating poverty by supporting skills training and job creation projects. It works in partnership with NGOs and other stakeholders.

CORPORATE OBJECTIVE 7A

FACILITATING THE DEVELOPMENT OF A HEALTHY AND SOCIALLY INCLUSIVE SOCIETY

This core objective is linked to the following Key Performance Indicators (KPI) 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.
 Directorate Objective 7.4 - Implementation of programmes to address the plight of Street People
 Directorate Objective 7.5 - Provision of effective primary healthcare services in close collaboration with Provincial Health Services with a special emphasis on maternal and child healthcare and HIV/AIDS/STIs 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).

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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 governmental and NGOs to promote holistic childhood development. <i>(Input indicator)</i>	New	2	0	3	3	3	3
7A.2 Number of targeted socio-economic development support programmes <i>(Input indicator)</i>	New	0		4	4	4	4
7A.3 Number of street people placed in rehabilitation and reintegration programmes. <i>(Input indicator)</i>	280	300	449	300	300	300	300
7A.4 Number of strategic sporting partnerships and	10	12	19	19	19	22	24

events created maintained and expanded on. <i>(Input indicator)</i>							
7A.5 Number of days when air pollution exceeds WHO guidelines <i>(Impact/Outcome indicator)</i>	132	144	128	140	137	135	133
7A.6 Reduction of the infant mortality rate (Number infant deaths per 1000 live births) <i>(Outcome indicator)</i>	21.40	20,6	20.28	20	19.5	19.2	19
7A.7 Slow the rate of increase of TB per 100 000 of Cape Town Population <i>(Outcome indicator)</i>	831	980	876	1 040	1 090	1 120	1 140
7A.8 Slow the rate of increase of the City's ante-natal HIV prevalence <i>(Outcome indicator)</i>	15.2%	18.5%	15.90%	19%	19.3%	19.6%	19.8%

Table 7.1: Key Performance Indicators

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 EARLY CHILDHOOD DEVELOPMENT (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 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 caregivers, establishing toy libraries and associated activities, training aimed at producing effective parenting skills, and caring for children who are affected by or infected with HIV/Aids. Support is also given to the establishment of new ECD forums that deal with a wide range of ECD-related matters, including, inter alia, training and development, legislation and infrastructural issues, and more.

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:

- Identify priority needs and opportunities facing young women and men and their development;
- Identify any specific target groups of women and men that require particular attention; and
- 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 (Also see Strategic Focus Area 6: 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 these 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 needs to be addressed and this requires a consolidated effort from the City and its partners in supporting initiatives within 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 sport 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. These will cover 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 and 'come and play' to increase participation by the community in physical activities.
- The City will build the capacity of community sport 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 sport and recreation 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 healthcare 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:

- **Reunification 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 HEALTHCARE SERVICES IN CLOSE COLLABORATION WITH PROVINCIAL HEALTH SERVICES, WITH A SPECIAL EMPHASIS ON MATERNAL AND CHILD HEALTHCARE 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 clinics and four mobile clinics.

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

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 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). It 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 citywide '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 practices. The condom distribution programme will also be continued.

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 wellbeing 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 Tik, the indicators are higher in Cape Town than in other parts of the country. 2.3 percent of people using treatment services in 2003 had 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). Furthermore, 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 nine and 10 years. Dealing with substance abuse has been identified as an Executive Mayoral Special Project to be driven by the Deputy Mayor.

Contributions to the City's Substance Abuse Plan are as follows:

City Health: The Operational Drug and Alcohol Strategy will be finalised and two Substance Abuse Treatment Centres at Tafelsig and Table View Clinics were operational by December 2008, providing services to alcohol and drug users and their families, including education, early intervention and referral. A further two 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.

Social Development: The Social Development Department collaborates with a range of partners and stakeholders, comprising communities, NGOs, City departments and counterparts at Provincial Government, in the implementation of the Substance Abuse Plan. Implementation involves working within communities that have a high incidence of substance abuse and related problems through the establishment and support

of Local Government Drug Action Committees (LGDAC). These get involved with interventions that target substance abuse within communities by focusing on prevention and awareness around the early detection of warning signs that indicate possible drug abuse, as well as information about the detrimental effects of substance abuse drugs.

Safety and Security: The Safety and Security Directorate contributed to the City's Substance Abuse Plan by establishing a specialised Substance Abuse Unit. This unit is working closely with the SAPS and has achieved significant success since its inception. The continued strengthening of the unit is a priority and it will continue to clamp down on drug dealers in Cape Town. The City's liquor control capacity will likewise be strengthened with the establishment of a dedicated liquor control team, which will have a significant impact on the illegal liquor trade in Cape Town. In addition, the Metropolitan Police Department will step up the frequency of roadblocks targeting driving whilst under the influence of alcohol.

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, vendors 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, including 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 focuses 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

This Strategic Focus Area addresses good governance and regulatory reform, thereby accommodating the legal requirements of Chapter 2 of the Municipal Systems Act. This is addressed through the following three primary areas of focus:

- The Organisational Development & Transformation Plan (OD&T Plan);
- The management of key financial and governance areas; and
- Effective community engagement.

The OD&T Plan seeks to ensure enhanced service delivery with efficient institutional arrangements through the following three strategies:

- Enhance service delivery through the development and implementation of institutional frameworks and business systems, including alternative service delivery mechanisms;
- Implement human capital management systems and processes to enhance staff alignment to business needs and to improve staff morale and performance; and
- Improve service culture and workplace ethics, and implement efficiency gains interventions through business improvement initiatives.

The Management of Key Financial and Governance Areas

The management of key financial and governance areas will be achieved by focusing on the following:

- Improving the organisational and regulatory environment by creating and administering by-laws that reflect the changing needs of the community and continuously reviewing policies and the system of delegations;
- Continuing to exercise sound financial management;
- Adopting anti-corruption initiatives and adopting a zero tolerance approach to fraud, corruption, theft and associated irregularities;
- Continuing to implement an integrated risk management programme in order to ensure that key risks are identified and that controls are effective in mitigating risks; and
- Continuing to develop and implement a Disaster Risk Management Centre in order to mitigate against the risk of a citywide disaster.

Effective Community Engagement

Effective community engagement will be achieved as follows:

- The City has successfully established 23 sub-councils and 105 ward forums, through which the City will continue to improve the process of public engagement;
- Assessing the community satisfaction levels through a second community satisfaction survey; and
- The City has provided for an independent Ombudsman's office to investigate and facilitate the resolution of public complaints, and will continue to promote dispute resolution through this office, so as to minimise the number of unresolved complaints and improve community satisfaction levels.

CORPORATE OBJECTIVE 8A

ENSURING ENHANCED SERVICE DELIVERY WITH EFFICIENT INSTITUTIONAL ARRANGEMENTS

The OD&T Plan provides the direction for implementing Objective 8A. It aims to identify and develop internal transformation and institutional strategies and programmes that will enable the City to achieve its strategic goals and objectives. This includes the development of institutional and business systems and processes to support the City's development strategies and initiatives. The focus of the transformation plan is to change the institutional arrangements, processes, managerial practices and culture in order to maximise service delivery. This will be done by focusing on the following areas:

- To shift the organisation to high performance based on best practice benchmarking and through the alignment of people strategies to business strategies;
- To guide and drive the process of changing to a high performance organisation through the key strategic programmes;
- To measure the value gained by revised business systems and processes, investment in employees, the percentage alignment of people strategies to business strategies and the extent to which the organisation measures up to international and national best practice benchmarks;
- To optimise the way in which information and communication technology is used to enable business change; and
- To identify and prioritise key levers that will have the greatest impact on improved service delivery.

The OD&T plan is based on the seven habits of high-performing organisations:

1. Embedding of high-performance quality management systems and practices;
2. Ongoing strategising that focuses on a challenging desired future through the IDP process;
3. Development of business partners (internal & external) required to achieve desired destiny;
4. Development of transformational leaders;
5. Aligning people strategies to business strategies;
6. Realising potential of people; and
7. Broad-based change management initiatives.

The plan contains the following three Directorate Objectives, which will drive the implementation of this corporate objective through multiple programmes.

Directorate Objective 8.1 - Enhance service delivery through the development and implementation of institutional frameworks and business systems, including alternative service delivery mechanisms

Directorate Objective 8.2. – Implement human capital management systems and processes to enhance staff alignment to business needs and improve staff morale and performance-Directorate Objective 8.3 - Improve the service culture and workplace ethics and implement efficiency gains interventions through business improvement initiatives

Directorate Objective 8.4 - Improve the organisational and regulatory environment

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8A.1 Improved average turnaround time of tender procurement processes in accordance with procurement plan <i>(Input indicator)</i>	7.2 weeks	8 weeks	6.5 weeks	8 weeks	7 weeks	7 weeks	6 weeks
8A.2 Retention of skills as measured by staff turnover <i>(Output indicator)</i>				5 to 8% overall turnover	5 to 8% overall turnover	5 to 8% overall turnover	5 to 8% overall turnover
				8 to 12% within skilled categories	8 to 12% within skilled categories	8 to 12% within skilled categories	8 to 12% within skilled categories
8A.3 Staff availability as measure by % absenteeism <i>(Output indicator)</i>	New	New	New	New	≤ 4% average for the period 1 July 2009 to 30 June 2010	≤ 4% average for the period 1 July 2010 to 30 June 2011	≤ 4% average for the period 1 July 2011 to 30 June 2012
8A.4 Percentage budget spent on implementation of WSP (NKPI) <i>(Input indicator)</i>		100%		90%	90%	90%	90%
8A.5 Percentage improvement in the positive employee climate as per annual Culture Climate Survey <i>(Outcome indicator)</i>	New	25%	25%	28%	31%	34%	37%
8A.6 Percentage of capital projects meeting original planned milestones <i>(Input indicator)</i>	New	New	New	80% ^{N3}	85%	90%	90%
8A.7 Percentage improvement in the time taken to close notifications in terms of the Corporate Works Management process <i>(Input indicator)</i> <i>Previous indicator:</i> Percentage of C3 notification process implemented including geo-coding and correspondence functionality	New	New	New	100% of C3 notification process implemented including geo-coding and correspondence functionality	12% reduction in time taken to close notifications (measured against the baseline)	10% reduction in time taken to close notifications (measured against the baseline)	10% reduction in time taken to close notifications (measured against the baseline)

Table 8.1: Key Performance Indicators

DIRECTORATE OBJECTIVE 8.1 - ENHANCE SERVICE DELIVERY THROUGH THE DEVELOPMENT AND IMPLEMENTATION OF INSTITUTIONAL FRAMEWORKS AND BUSINESS SYSTEMS, INCLUDING ALTERNATIVE SERVICE DELIVERY MECHANISMS

The OD&T Plan contains the following three programmes through which the strategy will be implemented:

1. **Operations Integration Model Framework** (which will include the Eight District Model, integrated service centres, Customer Relationship Management (CRM) roll-out, and sub-council participatory mechanisms and Executive Management Team (EMT) Sub-committees);
2. **Information and Communication Technology (ICT) Programme** (which will enable the Operations Integration Model); and
3. **Organisational Development and Design Framework.**

These programmes will deliver:

- Development and implementation of the Eight District Model;
- Implementation of the eight service centres and the related call centre;
- Corporate works management process;
- Development and implementation of information and communication technology strategy;
- Installation of broadband fibre optic network;
- Integrated spatial information system;
- Development and implementation of the support services model, including delivery of standard operating procedures for all support functions; and
- Alignment of organisational structure to business strategy and delivery model.

Operations Integration Model Framework

During August 2007, the EMT adopted a revised Operations Integration Mode (OIM). 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; and
- Customer demands/needs-driven.

The OIM is based on:

- The need to work together to gain synergy in a “New Way of Working as teams!”;
- Some Services will be coordinated Citywide, especially utilities;
- The City being too big to centralise management and delivery on most services;
- Rates-funded services will benefit from local area coordination and planning and integrated service centres; and Agreement on eight service districts.

Operations Integration Model

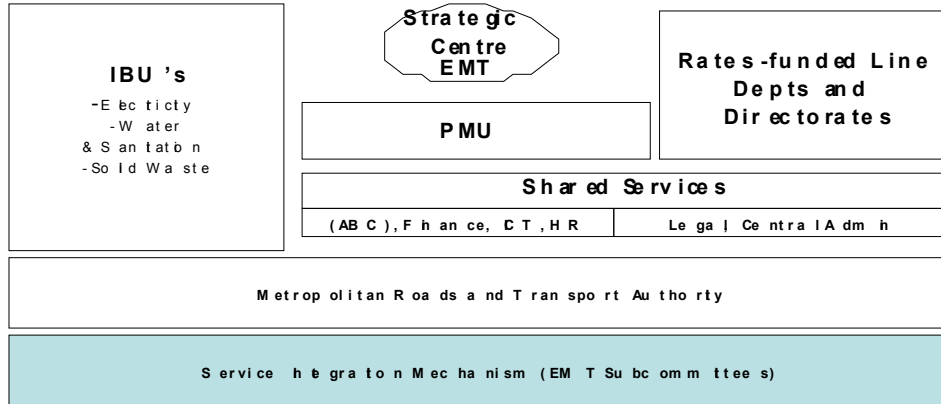


Figure 8.1: Operations Integration Model

EMT also established a system of EMT subcommittees to drive and steer service delivery in a coordinated manner.

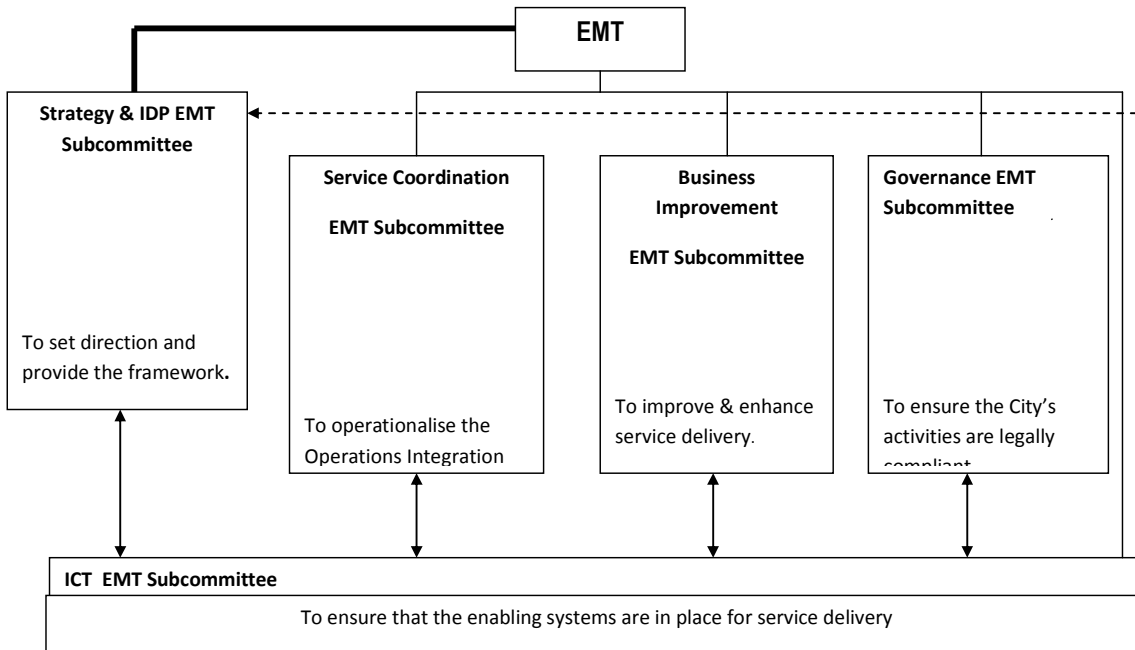


Figure 8.2: EMT Sub-committees

The EMT Sub-committees have established a number of corporate cross-cutting projects that are focused on improving service delivery. A summary of these sub-committees is as follows:

STRATEGY AND IDP SUB-COMMITTEE: the objective is to ensure, via a strategic planning and engagement process, the attainment of council's long-term objectives for the city via city development planning, public participation, the development of the integrated development plan (idp) and appropriate allocation of resources through the budget process.

Service Coordination Sub-committee: The main purpose is to improve service delivery for the City's customers by operationalising the integrated service delivery aspects of the OIM.

Business Improvement Sub-committee: The primary focus of this sub-committee is to enhance effective and efficient service delivery through an improved way of working, business improvement methodology and business process re-engineering.

Governance Sub-committee: The objective is to ensure legal compliance and to ensure that this is coordinated and supported with respect to Audit Committee, SCOPA, Bid Adjudication Committee/SCM, External Audit, Inter-governmental Relations, Anti-Corruption and Risk Management.

ICT Sub-committee: The ICT Sub-committee will ensure that through the use of appropriate information systems and technology a sound business applications and IT infrastructure is provided to ensure improved service delivery and enable the alternative service delivery mechanisms. It will drive the City's ICT strategy.

Priority Projects identified by the above sub-committees that relate to the OD&T Plan are:

- **District Service Coordination**, i.e. the 8 Service District Model. It deals with an integrated way of working at an area level (including local service delivery planning, budgeting & delivery.) The City is to work within the eight service districts (based on the Planning Districts). Each Service District is to have its service planning and coordination team, which comprises a senior manager in that area from every service/function that requires some level of decentralised management.
- **Pilot Integrated Service Centres** in the Blaauwberg & Khayelitsha service districts. These will deal with an integrated way of working at an area level which includes unpacking of what services will be supplied to customers at Integrated Service Centres (Walk-In Centres) and agreeing on a way of working together (including local service delivery planning).
- **Optimising the corporate call centre.** The City will continue to enhance its CRM capabilities and introduce a citizen portal to facilitate online transactions and make system information available to the public via self-help systems.
- **Corporate Works Management Process.** All services/works requests in the City follow the same Corporate Works Management Process to ensure that every request can be tracked.

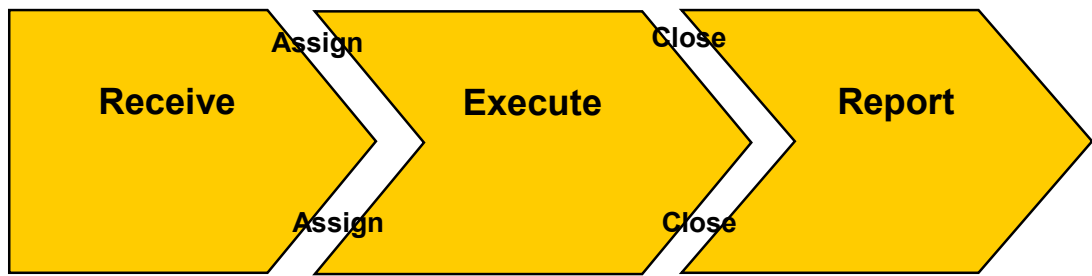


Figure 8.3: Corporate Works Management Process

Project Management

The City has embarked on a strategy to instil a project management culture in the organisation through the development of a Project Management Policy. This will ensure more effective planning and defined workflow processes during the implementation of infrastructure projects. The strategy includes the up-skilling and development of existing project managers in order to entrench project management principles in the implementers and the organisation. The aim is to:

- Improve planning;
- Improve capital expenditure patterns;
- Instil sound project implementation governance practices;
- Have clear deliverables and timelines;
- Monitor and report corporately on project performance; and
- Proactively identify impediments.

The City has thus far successfully implemented the planning and tracking of corporate milestones (10 milestones per project) for each capital project on SAP. This has enabled the project managers to manage critical milestones during the implementation of projects.

ICT PROGRAMME

The Information and Communication Technology (ICT) strategy, which is also known as the 'Smart City Strategy' aims to:

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

This will be realised using 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.

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 maintains and operates 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. 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 ongoing programme to enhance the existing IT systems by adding new functionality, e.g. 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 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 innovations include the City's Enterprise Resource Planning System, the Smart Cape 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).

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 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 through ICT: 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 and attract investment. 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.

Organisational Development and Design Framework

The strategy underpinning the development of the organisational restructuring is based on it being a living structure, open to ongoing alignment with changes in the internal and external environments. The current structure is based on existing people, reporting lines and budgets. It will be aligned with incremental changes on an ongoing basis, as business improvement interventions are completed, the service delivery model is implemented or resources became available through relocation of staff, resignations and additional funding for posts.

To assist the City Manager and Executive Directors in their task of ongoing alignment of structure to business needs, a Policy Framework as required by the Municipal Systems Act was developed which covers organisational design principles including:

- Centrality of Community/Customer;
- Alignment with the political structure;
- Review of the City's service menu of functions on the basis of Council's IDP and budget;

- Benchmarking of support services vs. total staff costs for the total organisation;
- Business improvement aimed at improving customer satisfaction, staff satisfaction and operational efficiency;
- Decentralisation/centralisation of functions; and
- Increased span of control and fewer levels of management for operational effectiveness.

OBJECTIVE 8.2 - IMPLEMENT HUMAN CAPITAL MANAGEMENT SYSTEMS AND PROCESSES TO ENHANCE STAFF ALIGNMENT TO BUSINESS NEEDS AND TO IMPROVE STAFF MORALE AND PERFORMANCE

The Organisational Development and Training (OD&T) Plan contains the following two programmes through which this strategy will be implemented:

1. **Human Capital Management Programme**, which will deliver
 - Roll-out of competency frameworks across all job families; and
 - Roll-out of Personal Development Plans for all employees, through skills audit.
2. **e-HR Programme**, which will deliver
 - Roll-out of e-HR for Talent Management, time management, OHS; and
 - Development & implementation of HR business indicators.

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 that 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; and
- Identifying and monitoring key measurements that will support the above outcomes.

The key interventions aim to achieve the following outcomes:

- Improvement in the staff loyalty index as measured annually through the culture/climate survey; and
- Improvement in staff productivity as measured by percentage loss of skills and staff availability (absenteeism).

Directorate Level Staffing Strategies

Management of staff is a line management responsibility. Systems, process 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 formulation 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; and
 - The identification of areas that require special interventions, such as Business Process Re-engineering (BPR) and Quality Management (QM).
- A talent management plan, including:
 - Staff development plans; and
 - The identification of scarce skills retentions and attraction strategies where required.

Directorate	Legislators , senior officials and managers	Professional s	Technicians and associate professional s	Clerk s	Service and Sales Worker s	Craft and related trades worker s	Plant and machine operators and assembler s	Elementary occupation s	Total Of No Filled
CITY HEALTH	33	70	289	210	589	4	8	140	1343
COMMUNITY SERVICES	68	76	510	405	622	37	385	1935	4038
CORPORATE SERVICES	66	158	114	544	130	84	136	262	1494
ECONOMIC AND SOCIAL DEVELOPMENT	43	97	30	113	9	4	2	17	315
FINANCE	92	121	89	1054	9	5	13	20	1403
HOUSING	8	48	71	260	56	32	12	144	631
INTERNAL AUDIT	12	22	6	9					49
METRO POLICE SERVICES	5	11	17	27	541	1	0	11	613
OFFICE OF CITY MANAGER	50	29	15	171	4		3	6	278
SAFETY AND SECURITY	37	29	47	413	2064	18	25	111	2744
SERVICE DELIVERY INTEGRATION	73	76	120	99		4		2	374
STRATEGY AND PLANNING	59	170	271	171	22	11	19	43	766
TRANSPORT, ROADS AND STORMWATER	49	65	119	189	75	136	191	761	1585
UTILITY SERVICES	107	199	880	1038	502	547	1010	2867	7150
	702	1171	2578	4703	4623	883	1804	6319	22783

Table 8.2: Staff Numbers per Directorate as at 31 December 2008

Description	Number
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Clerks	4703
Craft and related trades workers	883
Elementary occupations	6319
Legislators, snr managers and Plant & machine operators and	702 1804
Professionals	1171
Service and sales workers	4623
Skilled agricultural and fishery	0
Technicians and associate	2678
Total	22783

Table 8.3: Total Staff Numbers per Category as at 31 December 2008

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.

OBJECTIVE 8.3 - IMPROVE SERVICE CULTURE AND WORKPLACE ETHICS AND IMPLEMENT EFFICIENCY GAINS INTERVENTIONS THROUGH BUSINESS IMPROVEMENT INITIATIVES

The OD&T Plan contains the following two programmes through which this strategy will be implemented:

- **Quality Management and Business Improvement Programme;** and
- **Organisational Performance Management Systems (OPMS) Programme.**

These programmes will deliver:

- Business improvement processes conducted for all core Citywide business processes and other key functional areas impacting on customer satisfaction;
- Corporate-wide individual performance management; and
- Corporate-wide organisational performance management.

Quality Management and Business Improvement Programme

The strategic mission of quality organisations is to systematically monitor and identify process improvements and cost-effectiveness opportunities throughout the organisations' operations while safeguarding the quality of services. The City delivers services essential to the wellbeing and development of its community. To ensure that its services are as efficient, effective and economical as possible, it requires the continued review of how it does its business, including assessing and changing, if required, its service culture and ethos. The primary goals of the business and quality management programme are to improve operational efficiency and organisational effectiveness. The key performance drivers are:

- Provide more efficient/effective customer services;

- Improve service delivery cycle time;
- Reduce costs of providing services;
- Reduce operational expenses;
- Increase resource optimisation, including staff productivity; and
- Create and sustain best practice operational performance measures.

A key critical factor to ensure a successful business improvement and quality management programme in a organisation like the City is to ensure a coordinated and focused approach. To ensure this integration and coordination as well as to drive and sustain a best practice business improvement and quality management process, the City implemented the ISO 9001:2000 quality management framework, which is an internationally accepted standard to guide, direct and sustain business improvement initiatives. This methodology focuses on process improvements and provides a system and processes for developing and/or improving business processes through a structured approach. It is strongly customer-focused and requires clear leadership and direction.

The business and quality management programme will primarily focus on improving the effectiveness and efficiency of identified corporate business processes and critical functional areas. Building internal capacity by skilling identified staff in practically implementing sustainable business improvement projects through the ISO 9001:2000 system is a fundamental thrust of this programme.

The following core corporate business processes have been identified:

- Tender and Procurement Process; and
- Corporate Works Management Process.

The following key functional areas have been identified:

- Property Management Services;
- Valuation Services;
- Corporate Call Centre;
- Strategic Information Services; and
- Building Plan Approvals

It must be noted that this programme is closely link with the objective of enhancing service delivery through information and communication technologies (Strategic Objective 8.1).

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEMS (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 practical aspects of the Balanced Scorecard System as its performance management methodology. The focus during this five-year political cycle is to institutionalise and formalise performance management at political, organisational and community levels.

The first step to achieve this is by finalising and getting approval for the OPMS Manual that will detail the OPMS of the City through the utilisation of the Balanced Scorecard methodology. The linking of the OPMS with the City's SAP system will be investigated in order to provide for a seamless system and to reduce the manual capturing of performance results and optimising the use of the City's ICT system to monitor, report on and manage performance.

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 OPMS: Capacity will be built in Ward Forums to enable an understanding and active participation of Ward Forums in the development and monitoring of Key Performance Indicators (KPI's). The focus will be on involvement and consultation in performance management processes that affect them.

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

8 B 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 finance and governance areas (such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management) review
Directorate Objective 8.6 – Anti-Corruption Initiatives

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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)] <i>(Input indicator)</i>	21.07%	20%	21.77%	19.70%	22.50%	22,00%	22,00%
8B.2 Debt coverage by own billed revenue (NKPI) <i>(Input indicator)</i>	4.51:1	4.31:1	3.21:1	4.50:1	2,5:1	2,4:1	2,2:1
8B.3 Percentage of City's Capital budget spent (NKPI) <i>(Output indicator)</i>	77%	95%	78%	95%	95%	98%	98%
8B.4 Percentage of City's operating budget spent <i>(Output indicator)</i>	92%	98%	90% (100% after completion of the financial statements as confirmed by the CFO)	98%	95%	95%	95%
8B.5 Ratio of cost coverage maintained	3.01:1	2.60:1	4.67:1	3.10:1	3,20:1	3.30:1	3.50:1

<i>(Input indicator)</i>							
8B.6 Revenue collected as a percentage of billed amount <i>(Input indicator)</i>	99,3%	95,5%	94.71%	96%	95%	95%	95%
8B.7 Percentage reduction in the number of recurring findings emanating from Internal Audit <i>(Input indicator)</i>	New	50%	48.57%	60%	70%	80%	90%
8B.8 Unqualified Audit from Auditor General <i>(Outcome indicator)</i>	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	Unqualified audit received from AG
8B.9 Maintain City's credit rating <i>(Outcome indicator)</i>	A1+ (short term) AA- (long term)	A1+ (short term) AA- (long term) Revised target: P-1 (short term) Aa2.za (long term)	Maintained Aa2-za from Moody's. Prime -1 (Short 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 <i>(Input indicator)</i>		100% completed by 31 May		100% completed by 31 May	100% verification of the assets completed by 30 June	100% verification of the assets completed by 30 June	100% verification of the assets completed by 30 June

Table 8.4 Key Performance Indicators

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:

- To provide democratic and accountable government;
- To ensure the provision of services in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage involvement of communities in local government matters.

Following the repeal of obsolete by-laws in the last financial year, the City has, in the second phase of the process of rationalising its by-laws and policies, embarked on a review and consolidation of separate pieces of legislation (by-laws) dealing with the same subject matter inherited from the seven previous municipalities now forming part of the City of Cape Town. This phase is ongoing and is expected to be completed by the end of the 2009/10 financial year.

Further, in compliance with the Systems Act, the City has developed and made available to members of the public its Municipal Code, which is a record of all its applicable by-laws. The Municipal Code is compiled and

maintained in a loose-leaf bound volume for regular updating and copying for the public to ensure transparent and efficient governance.

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) REVIEW

Management of Key Financial Areas

The City will continue to exercise sound financial management. It will strive to extend its unbroken record of five successive years of unqualified external audit reports. In addition, it will ensure that its credit rating, an Aa2 investment grade awarded by Moody's Investors Service, be maintained if not improved. The City's prudent management of its financial resources will provide comfort to investors in the City's recently issued R1 billion Municipal Bond, CCT0, and in planned future issues under the R7 billion Domestic Medium Term Note Programme listed on the Bond Exchange of South Africa.

INTEGRATED RISK MANAGEMENT PROGRAMME

The City has approved and endorsed the implementation of an Integrated Risk Management (IRM) Programme via the Office of the Executive Mayor and City Manager to comply with legislation as well as to be proactive in the identification of uncertainties that could prevent the City from achieving its strategic objectives or impact negatively on the desired level of service delivery. The IRM initiative is a cross-cutting function to assist in providing assurance that key risks are being identified.

According to Section 62(1)(c) of the Municipal Finance Management Act (Act 56 of 2003) the Accounting Officer must inter alia take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The City has therefore embarked on a process to develop a proactive 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. Integrated risk management is seen by the City as providing the framework to meet its goals and objectives by minimising the effect of uncertainties on its objectives. The ultimate goal is to have risk management integrated and embedded within all the City's activities by avoiding, for example, high-impact and high-likelihood risks, but also having the ability to identify the risk to service delivery proactively as well as to respond appropriately in mitigating such risks.

The City's risk management methodology includes:

- Determining risk appetite;
- Establishing an appropriate risk culture;
- Developing and implementing a risk management framework and policy;
- Identifying potential threats and opportunities;
- Assessing risk (likelihood and impact);

- Selecting and implementing responses;
- Assessing controls and responses;
- Communicating consistently about risk at all levels; and
- Monitoring and revising risk management processes and outcomes.

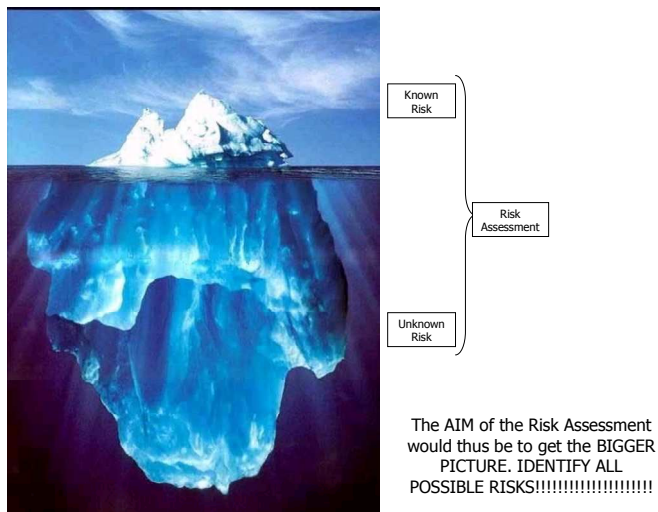


Figure 8.4: Risk Assessment

In order to execute the City's methodology, risk identification and assessment workshops have been conducted on strategic and management/tactical level with operational workshops commencing shortly. These assessments should provide a holistic/helicopter view to management regarding the status and prioritisation of risks in the organisation.

Levels of Risk

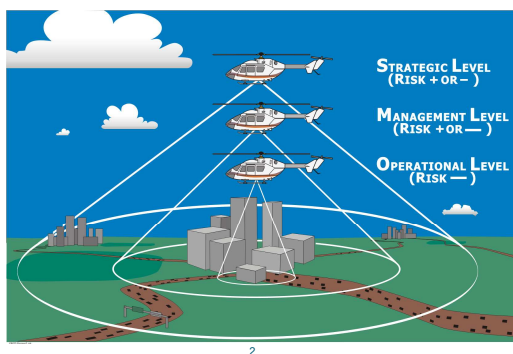


Figure 8.5: Levels of Risk

DISASTER RISK MANAGEMENT

Disaster Risk Management Centre

The City continues to give effect to the various requirements of the Disaster Management Act, 57 of 2002. It has to date met the statutory requirements of establishing a Municipal Disaster Risk Management Centre for the City (Section 43), appointed the Head of the City's Municipal Disaster Risk Management Centre (Section 45), provided Annual Reports of the City's Municipal Disaster Risk Centre to the National Disaster Management Centre (Section 50), established a City Municipal Disaster Risk Management Advisory Forum (Section 51), formulated a Municipal Disaster Risk Management Plan for the City (Section 53), etc.

Disaster Risk Assessment

Currently, a comprehensive Disaster Risk Assessment that comprises a citywide disaster risk assessment and a community-based disaster risk assessment is being undertaken by the service provider, Africon. This 16-month detailed project was commissioned in March 2008, and is due for completion by 30 June 2009, having gone out for public tender late in 2007. The undertaking of this detailed study is in keeping with the requirement of Key Performance Area 2: Disaster Risk Assessment, as prescribed in the National Disaster Risk Management Framework, 2005.

Disaster Management Plans

In addition to the recent reviewing of the City's Municipal Disaster Risk Management Plan, other risk-specific hazard plans have also been reviewed to date:

- Koeberg Nuclear Emergency Plan;
- Flooding and Storms Plan;
- Major Interruption to Electricity Power Supply Plan; and
- Aircraft Disaster Plan.

The Strategic Disaster Risk Management Plan for the 2010 FIFA World Cup™ Event is currently in draft format and due for finalisation during the latter part of 2009.

DIRECTORATE OBJECTIVE 8.6 - 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 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.

Council has, as part of the continuous fight against corporate crime, adopted a Whistle Blowing Policy, Fraud Prevention Policy and a Fraud Response Plan. All three documents were drafted in accordance with best practise and national legislation. The City is of the view that these policies will assist it in the fight against corporate crime and also ensure that the City aligns itself with the relevant legislative requirements.

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 Hotline 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; and
- 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.

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.

8C Establish effective community engagement channels							
Directorate Objective 8.7 - Establishment of representative Ward Participatory Mechanisms Directorate Objective 8.8 - Improvement of community satisfaction							
CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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 assymetrical scale (1-5) <i>(Outcome indicator)</i>				2.5	2.6	2.7	2.8

Table 8.5: Key Performance Indicators

DIRECTORATE OBJECTIVE 8.7 - ESTABLISHMENT OF REPRESENTATIVE WARD PARTICIPATORY MECHANISMS

Sub-councils: As part of its Governance structure, the City of Cape Town has instituted 23 sub-councils that are governed by a number of delegations of Council together with the Cape Town Sub-council By-law 2003, as amended. Issues that sub-councils 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. Sub-councils are also logistically responsible for Ward Forums.

Ward Participatory Mechanisms: Ward Forums have been established in all 105 wards. These are part of the City of Cape Town's Governance Structure and work via the 23 sub-councils. These forums hold regular meetings and are assisting Ward Councillors in articulating community needs to Council as well as monitoring service delivery within the Ward.

DIRECTORATE OBJECTIVE 8.8 - IMPROVEMENT OF COMMUNITY SATISFACTION

Community Satisfaction Survey

The City has commissioned a second community satisfaction survey to assess satisfaction levels with the various municipal services offered and to identify priority needs with respect to service improvements. The results of the second survey (2008/9) and a comparison with the results from the first survey (2007/8) will be available from April 2009 onwards.

Ombudsman

The City ombudsman is an impartial/neutral office, set up by the City of Cape Town to investigate and/or facilitate the resolution of public complaints pertaining to alleged maladministration, injustice, poor service by or gross negligence of any City employee, in an independent, impartial, unbiased, non-prejudicial and apolitical manner, after the complainant has tried unsuccessfully to have the matter resolved.

The ombudsman can institute, should the parties consent thereto, informal mediation or other facilitative processes aimed at addressing a complaint. It should be approached as a last resort.

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.

GOVERNANCE STRUCTURE

The relationships between the City's political structures are as follows:

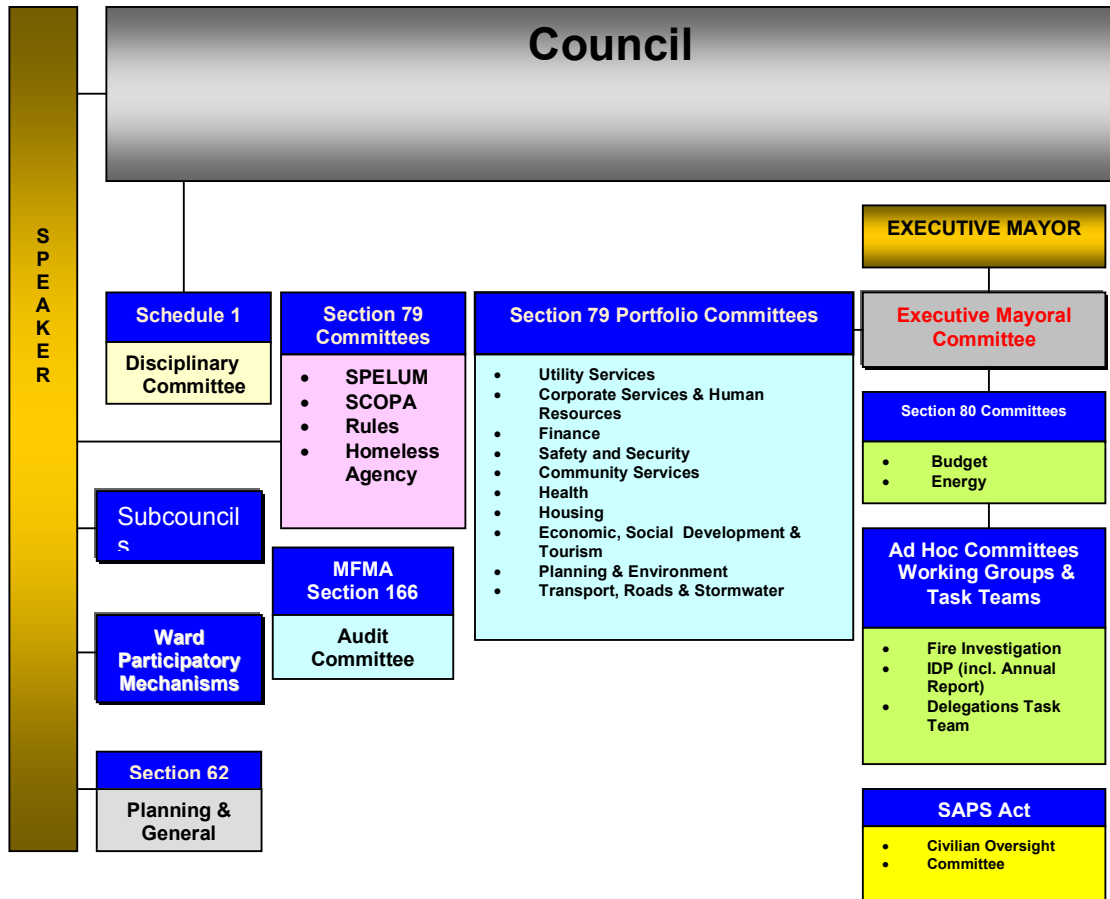


Figure G.1: The Governance Structure

COUNCILLOR/ALDERMAN	PORTFOLIOS
Ald H Zille	Executive Mayor
Cllr G Haskin	Executive Deputy Mayor: Special Projects: Substance Abuse and AIDS Orphans
Ald I Neilson (Acting)	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 Services, and City Parks
Cllr S Sims	Community Services
Ald B Walker	Corporate Services & Human Resources
Ald C Justus	Utility Services
Ald I Neilson	Finance
Cllr D Plato	Housing

Table G.1: Mayoral Committee

Office of the Speaker

The responsibilities of the Speaker's Office range from coordination of all processes flowing from the implementations of the sub-council'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.

COUNCILLOR/ALDERMAN	PORTFOLIOS
Ald C Justus	Utility Services
Cllr S Pringle	Corporate Services & Human Resources
Cllr I Iversen	Finance
Cllr JP Smith	Safety and Security
Cllr G Cavanagh	Community Services
Cllr J Vos	Health
Ald N Ross	Housing
Cllr P Hill	Economic, Social Development & Tourism
Ald B Watkyns	Planning & Environment
Cllr B Lee	Transport, Roads and Stormwater

Table G.2: Portfolio Committees

SUB-COUNCIL	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 Ipser
8. Helderberg	Cllr G Siljeur

9. Nxele Makana	Cllr N Bevu
10. Charlotte Maxeke	Cllr M Mnqasela
11. Look Smart Solwanddle Ngudle	Cllr L Dunn
12. Mitchells Plain	Cllr G Pascoe
13. David Mthetho Ntlanganiso	Cllr B Maboee
14. Miranda Nqculu	Cllr A Figlan
15. Pinelands	Cllr B Watkyns
16. Good Hope	Cllr JP Smith
17. Athlone and 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

Table G.3: Sub-councils and Chairpersons

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:

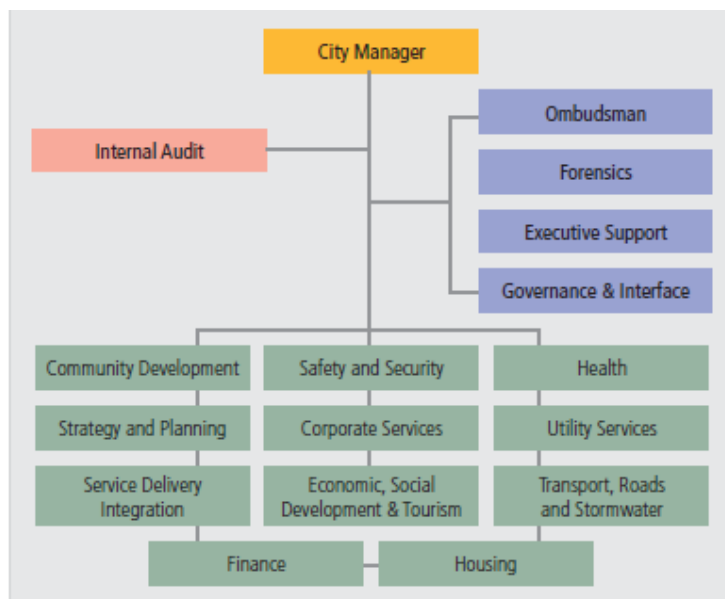


Figure G.2: Executive Management Structure

CITY MANAGER	ACHMAT EBRAHIM
CHIEF AUDIT EXECUTIVE	ZULPHA ABRAMS
EXECUTIVE DIRECTORS:	

Community Development	Lokiwe Mtwazi
Economic, Social Development & Tourism	Mansoor Mohamed
Safety & Security	Vacant
Health	Dr Ivan Bromfield
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

Table G.4: EMT Structure

CITY/PROVINCE INTERGOVERNMENTAL COOPERATION

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 both operate in the same geographic space.

The engagements were structured into 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 thereof 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 cooperation 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 cooperation with regard to the registration, resourcing and accounting for the

outputs and outcomes among the City and the Provincial Education, Health and Social Development Departments were proposed.

Economic Development: The Regional Development Strategy (RDS) proposals and the Organisation for Economic Cooperation 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 cooperation 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 structured engagements between the City and Province will focus on resolving communication gaps between the two spheres of government and will ensure effective integration within and between the various clusters dealing with service-specific issues. Coordination of the clusters is vital for purposes of synergy. Methods of collaborating with Provincial Government on policy issues regarding planning will be explored, in line with the Intergovernmental Relations Framework Act. Clusters will meet as frequent as is necessary, but meetings will be scheduled 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.

Emergency Services: 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 coordinated 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. Good cooperation exists between the City and Provincial Departments of Sport. Institutional arrangements are in place with quarterly meetings at administrative strategic level and

operational meetings more regularly. Pilot joint initiatives and programmes identified around facility provision, programmes and events.

3. Education and Health

There is a high level of collaboration between the Provincial 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 upskilling officials, building a call centre for learners and communities, and enhancing the capacity of local drug action committees.

INTERNAL AUDIT

The Directorate: Internal Audit's vision is to be recognised by the City as a business unit adding value and contributing to the achievement of the City's goals. Thereby assisting the City to become known for its effective and equitable service delivery as well as distinguish itself as a well-governed and efficiently run administration.

The Directorate: Internal Audit's mission is to provide independent, objective assurance and consulting services designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing about a systematic, disciplined approach by critically evaluating the efficiency and effectiveness of risk management, control and governance processes.

The internal audit function is a requirement of the Municipal Finance Management Act 56 of 2003, but is largely directed by a number of international standard-setting bodies, specifically the Institute of Internal Auditors (IIA). These standards were endorsed by the King Committee in the King Report, which was formally adopted by Council.

The Internal Audit directorate at the City of Cape Town reports functionally to the Audit Committee and administratively to the City Manager. The directorate is therefore appropriately placed in the organisation to ensure its status, objectivity and independence is maintained.

Internal Audit supports the Audit Committee by empowering the committee to fulfil its oversight responsibilities in respect of the operation of adequate systems and control processes, safeguarding of assets and the preparation of accurate financial reporting in compliance with all applicable legal requirements and prescribed accounting standards. In addition, Internal Audit provides administrative and technical support to the Standing Committee on Public Accounts (SCOPA) in its endeavours to enhance the

accountability process by ensuring that there is objective political oversight in addition to other governance committees.

The Internal Audit Charter is approved by the Audit Committee and aligned to our Council delegations, which define the activity's purpose, authority, accountability and responsibilities.

Based on the IDP and risk assessment of the City, Internal Audit determines where to focus internal auditing efforts so that resources are utilised where they can add optimal value. By analysing and recommending business improvements in critical areas, auditors assist the organisation to succeed.

The activities to be audited are documented on a rolling three-year audit plan, which is updated on a periodic basis so that it is aligned to the current priorities and risks. Internal audit essentially contributes to good governance, which benefits the organisation in the following ways:

- Minimises business risk and adverse publicity;
- Saves costs by reducing duplication, waste and cancellations;
- Reduces loss, penalties and damages;
- Increases confidence in the organisation for all stakeholders; and
- Streamlines operations and information for improved responsiveness to changing circumstances.

Internal Audit will assist management by providing independent reviews on the following areas:

- **Internal Control:** Internal auditing is primarily directed at evaluating and recommending improvements to internal controls, which are designed and implemented by management to ensure effective and efficient operations, reliable reporting and compliance with laws and regulations. Based on audit work performed, Internal Audit annually provides an opinion to the Audit Committee regarding the organisation's control framework.
- **Risk Management:** Internal auditing is required to monitor and evaluate the effectiveness of the organisation's risk management processes, which relate to how an organisation sets objectives and identifies, analyses and responds to risks that could potentially impact its ability to realise its objectives.
- **Corporate Governance:** Internal auditing is one of the 'four pillars' of corporate governance, which is a combination of organisational structures and processes that are implemented by Council, Mayco and the Executive Management Team to inform, direct, manage and monitor the organisation's resources, strategies and policies towards the achievement of the organisation's objectives.
- **Performance Management:** Legislation requires that the internal audit activity assess and report on performance management on a quarterly basis, regarding the functionality of the City's performance management system, compliance with legislation and the extent to which the City's performance measurements are reliable.

The directorate implements quality assurance and improvement processes to ensure compliance and best practices that enhance the quality of audit work and value added to the City.

In terms of the Internal Audit Maturity Capability Model recently adopted by the IIA, the following levels have been established:

- **Level 1 – Introductory:** The internal audit activity does not have a Quality Assurance and Improvement Programme in place. Typically, a Level 1 internal audit shop would be fairly new or one that has not yet conformed to the new requirements. In some cases the CAE and audit committee might not have a clear understanding of the importance of such a programme and the value it can bring to an organisation.
- **Level 2 – Emerging:** The internal audit activity conducts periodic and ongoing self-assessments, or internal quality assessments (QA's), monitoring compliance with the Standards.
- **Level 3 – Established:** The internal audit activity obtains an independent validation of its self-assessment and will do so every five years.
- **Level 4 – Progressive:** A Quality Assurance and Improvement Programme is well defined within the ongoing operations of the internal audit activity. The activity generally complies with the Standards and Code of Ethics, and obtains an external QA every five years.
- **Level 5 – Advanced:** An active and fully integrated Quality Assurance and Improvement Programme exists within the daily operations of the internal audit activity. The activity obtains an external QA every three years. All staff members follow a rigorous continuing education programme.

In terms of this model, the Directorate: Internal Audit at the City of Cape Town is a Level 4 activity and striving towards Level 5.

MEDIUM-TERM REVUE AND EXPENDITURE FRAMEWORK

In terms of the City's financial planning and statutory requirements, the Medium-Term Revenue and Expenditure Framework (MTREF) is reviewed annually to ascertain the affordable level at which the municipality can operate. The budget process for the 2009/10 financial year initiated the establishment of a Budget Committee in deliberating and providing guidelines to budget drafts.

Budget Committee

In terms of Section 53(1)(a) of the MFMA, "the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget." To assist in this function, a Section 80 Budget Committee was established to enable the Mayor in discharging this responsibility. The establishment of a Budget Steering Committee also gave effect to related sections of National Treasury's draft budget regulations, which are expected to be promulgated before 1 July 2009.

The Committee represents all spheres of the organisation at political level and its establishment enhanced the political oversight of the budget process and ensured strengthening of the link between the strategic focus areas and objectives of the budget. Also, presentations by directorates to the Budget Committee ensured that critical and strategic municipal issues were considered for incorporation in the draft budget.

The principles applied to the MTREF modelling and presented to the Budget Committee informed various financial scenarios over the short to medium term. These scenarios were based on revenue and expenditure parameters applied to the current, adopted three-year financial plan and were utilised to calculate the consequential affordability and sustainability of the operating budget.

FINANCIAL MODELLING

The outcomes of MTREF modelling incorporated the strategic focus areas of the draft IDP at the time as well as core economic, financial and technical data sets obtained at local and national levels. The following paragraphs outline the assumptions made and modelled, and which were adopted by the Budget Committee:

- Inflation-linked revenue parameters, to the extent that it affects and supports Council's operational activities of relevant services;
- Higher than nationally projected inflation provisions for Repairs and Maintenance to attain nationally benchmarked levels on this expenditure item – and ensure/enhance preservation of the City's infrastructure;
- Higher increases to selected cost elements that are subjected to higher than average inflationary pressure, e.g. fuel provisions;
- A 100% capital expenditure implementation rate assumed; and
- Credible collection rates, based on collection achievements to date and incorporating improved success anticipated on selected revenue items.

CPIX

A Consumer Price Index excluding mortgage costs (CPIX) rate provision of 8 percent was used for the 2009/10 financial year, with forecasted percentages of 5.7 percent for 2010/11 and 5.8 percent for 2011/12 respectively. While the published CPIX¹² forecast for the 2009/10 financial year was 6 percent at the time, the MTREF scenarios acknowledged the current (2008/09) financial period's under-provision in this regard (6.5 percent used in 2008/09). An additional 2 percent provision to compensate for the 2008/09 'shortfall' was consequently added to the forecasted 6 percent for the 2009/10 financial year.

Organic service growth

Water and Sewerage services' annual organic growth is projected at 2.7 percent and Refuse at 2 percent, resulting from a combination of the City's population and user base growth. A moderate 1 percent in organic rates revenue growth is projected for the 2009/10 financial year, resulting from the expected downturn in the formal development industry. Electricity service growth is factored at zero percent, as the implementation of an energy savings plan would warrant organic growth to this base imprudent.

Collection Rate

In accordance with relevant legislation and national directives, the City's projected revenue recovery rates are based on realistic and sustainable trends. Its collection rate is set at an average of 94.7 percent (excluding Housing, which has an average collection rate of 54 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:

	2009/10	2010/11	2011/12
Salary increases	11.5%	9.2%	7.7%
Add: Increments	2.0%	2.0%	2.0%
Staff attrition (Rates) funded only)	-5.0%	5.0%	

Table M.1: Salary Increases

In the absence of a concluded SALGABC agreement and based on the current CPIX rate, a higher than the projected CPIX rate was provided for the 2009/10 salary increase provision. The MTREF model assumes that pay parity adjustments will be completed in the 2008/09 financial year.

General Expenses and Fuel

General expenses category increases were set at the CPIX level (from a 1 percent less than CPIX adjustment in the 2008/09 financial year). Based on increased fuel prices of recent months, a 30 percent increase on the fuel expenditure element is proposed.

¹² As from February 2009 CPIX is being replaced with Headline CPI as the official target measure on inflation. Although the 2009/10 modelling was based on CPIX, outer years were based on Headline CPI as projected by BER.

Repairs and Maintenance

Based on *Revenue and Expenditure Trends in Local Government* published by National Treasury, the average percentage of Repairs and Maintenance to total Operating Budget is 7.3 percent for all local authorities. To address backlogs, this percentage is targeted to be between 10 percent and 15 percent. The City's budget provisions for Repairs and Maintenance increased steadily (nominally) over the previous two financial years and is currently at 7.6 percent. This percentage should, however, be viewed in context of an overall budget quantum which increased substantially over the last two budget years as a result of added 2010 FIFA World Cup™ provisions. MTREF modelled Repairs and Maintenance at CPIX plus 2.5 percent for 2009/10 and CPIX plus 3 percent for outer years.

Capital expenditure (EFF component)

Affordability constitutes the primary basis for determining the level of EFF-funded expenditure. Proposed EFF-quanta for the following three financial years were set at R1,727 million, R1,848 million and R2,135 million respectively (2009/10, 2010/11 and 2011/12).

Capital investment: Consequential Operating Impact

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 10.5 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 10.7 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 100 percent was factored into the model.

RSC Levies/National Grants

DOR Bill 2009-published allocations in lieu of RSC levies and provided for in the model:

2009/10 – R1,296 million

2010/11 – R1,590 million (2008 DORA gazetted; actual will be based on 60% RSC levy replacement share and 40% fuel sales)

2011/12 – R2,110 million (current y-o-y projection but actual will be based on 25% RSC levy replacement share and 75% fuel sales)

DOR Bill 2009-published allocation provided for in the model for:

Equitable Share Provisions

2009/10 – R609 million

2010/11 – R818 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 “major tariff” increases were factored in the MTREF model and determined the affordability levels for the compilation of the ensuing years’ operating budgets:

- **Rates:** A rates revenue parameter of 8.5 percent was modelled.
- **Refuse removal:** A 10 percent revenue parameter was factored into the MTREF model.
- **Electricity:** The electricity revenue parameter was projected at 33.3 percent and is based on the 27 percent Eskom tariff increase to municipalities.
- **Water:** The water revenue parameter was modelled at 10 percent and sanitation revenue parameter at 7 percent.

In terms of the model, the above-mentioned revenue parameter increases are estimated to realise the following revenue:

REVENUE CATEGORY	2008/09 BUDGET INCLUDING ORGANIC GROWTH R'000	PROPOSED REVENUE PARAMETER INCREASE (INCLUDING ORGANIC GROWTH)	2009/10 BUDGETED REVENUE R'000
Rates	3,715,832	9.50%	4,068,836
Refuse	489,800	12.00%	548,576
Electricity	4,121,546	33.30%	5,494,020
Water	1,308,045	12.70%	1,514,150 ¹
Sanitation	729,007	9.7%	*819,721

Table M.2: Service Revenue

Major Parameters

The table below summarises the major parameters applied in performing the MTREF modelling, which should inform detailed compilation of the City’s 2009/10 – 2011/12 budgets:

	2009/10	2010/11	2011/12
	%	%	%
CPIX	8.00	5.70	5.80

¹ A further R40 million and R20 million for Water and Sanitation respectively for the 2009/10 financial year.

Collection rates:			
Rates	96.89	96.89	96.89
Electricity	97.50	97.50	97.50
Water	92.00	93.00	94.00
Sanitation	90.00	92.00	94.00
Refuse	97.00	97.00	97.00
Housing	54.00	56.80	56.80
Parameters applied (including organic growth):			
Rates	9.50	6.70	6.80
Electricity	33.30	21.60	22.10
Water	12.70	14.60	13.45
Sanitation	9.70	6.80	6.70
Refuse	12.00	25.00	21.80
Salaries, wages and related costs	11.50	9.20	7.70
Staff Attrition – rate funded	-5.00	5.00	-
General Expenses	8.00	5.70	5.80
Repairs and Maintenance	10.50	8.70	8.80
Fuel	30.00	5.70	5.80
Capital (EFF component)	R1,727 m	R1,848 m	R2,135 m

TABLE M.3: MAJOR PARAMETERS

Corporate Dashboard Indicators

Indicators	Baseline 30.06.2008	Target 30.06.2010
Customer Survey		
Community satisfaction score measured in terms of the asymmetrical scale (1-5) (Outcome indicator)	-	2.6
Culture Climate		
Percentage improvement in the positive employee climate as per annual Culture Climate Survey (Outcome indicator)	25%	31%
Operational efficiency		
Percentage improvement in the time taken to close notifications in terms of the Corporate Works Management process (input indicator)	New	12% reduction in time taken to close notifications (measured against the baseline)
Unqualified audit report		
Unqualified Audit from Auditor General (Outcome indicator)	Unqualified audit received from AG	Unqualified audit received from AG

DRAFT FIVE YEAR CORPORATE SCORECARD 2009/2010 REVIEW

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 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 Investment into Cape Town-							
Directorate Objective 1.2 - Develop new and strengthen existing partnerships							
Directorate Objective 1.3 - Grow and strengthen the City's tourism capability and Destination Marketing							
Directorate Objective 1.4 – Promote the use of local economic development (LED) tools to grow SMMEs and Develop Enterprises							
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 Increase the number of direct job opportunities created (NKPI) <i>(Output indicator)</i>	13 229	9 500	10 177	10 600	11 500	12 000	13 000
1A.2 Increase the rand value of direct investment <i>(Outcome indicator)</i>	R 1.16 billion	R1.6bn	R1.67bn	R1.5bn	R1.6 bn	R1.7bn	R1.9bn
1A.3 Achieve year on year growth through Destination marketing facilitated through the SLA with DMO <i>(Outcome indicator)</i>	New	New	New	5%	2%	2%	2,5%
1A.4 Number of job opportunities created through the Expanded Public Works Programme (EPWP), to contribute to the reduction of poverty and unemployment <i>(Output indicator)</i>	6 204	12 000 (excluding the baseline)	12 501	12 000	12 000	12 000	12 000
1A.5 Percentage of Development Applications Finalised within Statutory Timeframes Project : Land Use Management <i>(Output indicator)</i>	New	72%		75%	80%	80%	80%

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
1A.6 Percentage of Development Applications Finalised within Statutory Timeframes Project : Building Development Management <i>(Output indicator)</i>	New	95%		96%	96%	96%	96%
1A.7 Percentage of the Rand value of Purchase Orders allocated to SMME/HDI suppliers/service providers <i>(Output indicator)</i>			46%	50%	54%	57%	62%
1B Preparations for hosting the FIFA 2010 World Cup™ accordance with FIFA's requirements and the City's developmental objectives							
Directorate Objective 1.8 Prepare for hosting of the FIFA 2010 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 <i>(Outcome indicator)</i>	13% of Stadium completed measured in terms of actual construction	50% of Stadium completed.	36%	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.	0%	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. ^{N1}	61.33% Electricity reinforcement completed.		100% Electricity reinforcement completed		
	Appointment of consultant in procurement phase to do detailed 2010 Transport Operational Plan.	Detailed 2010 Transport Operational Plan 50% complete.	20% completed	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. ^{N2}					

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
	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	New	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%		
1B.2 Completion of process to award Naming Rights for Stadium and appointment of long term Operator to manage Stadium <i>(Input indicator)</i>	RFP for Operator advertised.	Operator appointed	Operator not appointed	Naming Rights awarded and Operator appointed			
Strategic focus area 2: Sustainable Urban Infrastructure and Services							
2A Universal access to basic services							
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) <i>(Outcome indicator)</i>	97.9%	97.5%	97.10%	97.5%	99.1% (N1)	99.4% (N1)	99.7% (N1)
2A.2 Percentage of households with access to basic levels of water (NKPI) <i>(Outcome indicator)</i>	100%	100%	100%	100%	100% (N1)	100% (N1)	100% (N1)
2A.3 Percentage of households with access to basic levels of Electricity (NKPI) <i>(Outcome indicator)</i>	91.12%	91.8%	92.5%	90.83%	90.46% (N1)	91.28% (N1)	92.11% (N1)

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
2A .4 Percentage of households with access to basic levels of solid waste removal (NKPI) <i>(Outcome indicator)</i>	99%	99%	99%	99%	99% (N1)	99% (N1)	99% (N1)
N1: Based on an updated household count estimated at 902 278							
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 reduction, private transport usage and reduction of 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 <i>(Outcome indicator)</i>	25.5%	27.4%	26%	27.5%	27%	27%	27%
2B.2 Percentage compliance with 4 critical DWAF effluent standards (E-coli count, Ammonia content, Oxygen demanding substances, Total suspended solids) <i>(Outcome indicator)</i>	81.2%	79%	81%	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	87%	89%	65%	78%	80%	82%	85%

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
standards <i>(Outcome indicator)</i>							
2B.4 Percentage cleanliness of the City (Metropolitan Cleanliness/ Photographic index) <i>(Outcome indicator)</i>	61%	67%	77%	70%	70%	70%	70%
2B.5 Percentage of airspace saved in relation to the volume of waste disposed <i>(Outcome indicator)</i>	14.73%	14.5%	16.55%	15%	15.5%	16%	16.5%
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 and implement an integrated infrastructure asset management programme							
2C.1 <i>Phased completion of an integrated Infrastructure Asset Management Programme in respect of Transport, Roads & Stormwater, Electricity, Water, Sanitation and Solid Waste Management</i> <i>Phase 1: Completed Asset Register</i> <i>Phase 2: Completed Evaluation</i> <i>Phase 3: Completed Condition Assessments</i> <i>Phase 4: Commence implementation of IAMP</i> <i>(Input indicator)</i>	New	Integrated Infrastructure Plan developed and approved	Initial target is no longer relevant as it was set in June 07 with the information that was available at that stage. After December 07, a more realistic project plan was compiled that has informed the amended targets. Australian consultant has been involved with assessments. Consultants are 2/3's complete with status quo assessment – report to be submitted as soon as rating of each department has	75% completion of established Asset Management register for Major Infrastructure Departments	Transport To be provided Roads & Stormwater To be provided Electricity: <u>Medium Voltage</u> • Phases 2 & 3 Water & Sanitation <u>Sewer Pump Stations</u> • Phases 1, 2 & 3 Solid Waste <u>Fleet</u> • Phases 1, 2 & 3	Transport To be provided Roads & Stormwater To be provided Electricity: <u>Medium Voltage</u> • Phase 4 Water & Sanitation <u>Wastewater Treatment Plants</u> • Phases 1,2 & 3 Solid Waste <u>Landfill Sites</u> • Phases 1,2 & 3	Transport To be provided Roads & Stormwater To be provided Electricity: <u>Low Voltage</u> • Phases 2,3 & 4 Water & Sanitation <u>Sewer Network</u> • Phases 1,2 & 3 Solid Waste <u>Transfer Stations & Drop-off facilities</u> • Phases 1,2 & 3 <u>Fleet</u> • Phase 4

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
			been done (expected early August 2008).				
<p>Strategic focus area 3: Energy Efficiency for a Sustainable City</p> <p>3A The Development, Adoption and Implementation of a comprehensive response to the City's energy and climate change challenges</p> <p>Directorate Objective 3.1 - Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption Directorate Objective 3.2 – Monitoring and Review of the City energy and climate change strategy Directorate Objective 3.3 – Energy Security and Carbon Mitigation Directorate Objective 3.4 – Communications and Education</p>							
3A.1 Reduction in energy consumption in the Cape Metropolitan Area below projected unconstrained energy consumption <i>(Outcome indicator)</i>	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
<p>Strategic focus area 4: Public Transport Systems</p> <p>4A Improve public transport system and services</p> <p>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 along selected corridors Directorate Objective 4.5 - Promote Non-Motorised Transport (NMT))</p>							
4A.1 Reduction of average commuter travel time on selected transport corridors (home to work – peak period- public transport)	45 min	40 min	Travel time along the N2 BMT lane reduced by 20 min for Public Transport users	38 min	10% reduction in travel time along Phase 1A of the Atlantis corridor	10% reduction in travel time along Phase 1B of the Atlantis corridor	10% reduction in travel time along the full Atlantis corridor

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
<i>(Outcome indicator)</i>			and 5 min for other modes. Metrowide travel time not available.				
4A.2 Increase cumulative kilometres of critical routes with dedicated public transport lanes on selected transport corridors	45km	5 km on baseline	53 km's	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 <i>(Output indicator)</i>	Intergovernmental transport agreement drafted	Creation of a single transport authority Revised target: MPTAC (Metropolitan Public Transport Advisory Council) approved by Council	Inaugural meeting of Metropolitan Transport Planning Advisory Council held. Section 78 (3) of the Municipal Systems Act now in progress. National Land Transport Bill 2008 currently debated in parliament	Transport authority fully operational	'Municipal Entity to provide Public Transport Services' established	'Municipal Entity to provide Public Transport Services' operational	'Municipal Entity to provide Public Transport Services' operational
Strategic focus area 5: Integrated Human Settlements							
5A Improve and develop Integrated Human Settlements							
Directorate Objective 5.1 - Transform the delivery of mono-functional housing areas through the provision of greater range of amenities and social facilities, along with the related services							
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 Percentage completion of the Spatial Development Framework (SDF) and District Spatial Development Plans (SDP's) Phases 1-5 completed to prepare City SDF and District Spatial Development Plans (SDP'S)	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.	30% Draft of SDF underway. 1st round of public meetings on preparation of SDF completed. PEPCO endorsement of	90% City SDF and District SDP's completed and submitted to Provincial Government of the Western Cape (PGWC) for approval.	3rd round of advertisement of City SDF and District SDP's for comment completed (subject to timing of feedback from PGWC)	City SDF & 8 District SDP/EMF's approved by PGWC	Implementation of the City SDF & 8 District SDP/ EMF's

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
			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.				
<p>5B Delivery of housing opportunities</p> <p>Directorate Objective 5.4 - The number of Housing opportunities provided per year including Community Residential Units (CRU) developed</p> <p>Directorate Objective 5.5 - Implementation of Informal Settlements Upgrade programme (UISP and EHP)</p> <p>Directorate Objective 5.6 - Development of an urbanisation and informal settlements improvement strategy</p>							
5B.1 Number of housing opportunities provided per year including Community Residential Units developed. (CRU) <i>(Output indicator)</i>	7 519 Was 7182 @30.6.2007	10 200	6 439	9 900	10 200	10 200	11 000
5B.2 Implementation of Informal Settlements Upgrade programme (UISP and EHP) <i>(Output indicator)</i>	Framework plan approved (including essential services)	100% Programme compliance	100% Compliance *60 informal settlements were serviced	100% compliance with plan specifications	1000 Incrementally Serviced Erven.	1200 Incrementally Serviced Erven.	1400 Incrementally Serviced Erven
5B.3 Development of an urbanisation and informal settlements improvement strategy <i>(Input indicator)</i>	Not applicable	Not applicable	Not applicable	New	Approved draft urbanisation strategy	To be determined based on approved strategy	To be determined based on approved strategy
<p>5C Provision of equitable community facilities and services across the city.</p> <p>Directorate objective 5.8 Develop and implement community services investment framework</p> <p>Directorate objective 5.9 Improve service delivery standards towards comparable international standards</p>							
5C 1 Percentage of community facilities meeting set standards. <i>(Outcome indicator)</i>	64%	80%	82% (City Parks = 83% SR&A = 79%)	90%	93%	100%	100%
Strategic focus area 6: Safety and Security							

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
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, 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 environment threat from fires and other related emergencies							
Directorate Objective 6.6: Undertaking of Comprehensive Disaster Risk Assessment and development of pro-active disaster risk reduction 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 key objectives in Security Plan <i>(Output indicator)</i>			3		Achieving ≥3 on 5 point Likert scale on community survey regarding positive perception on decrease in prevalence of anti-social behaviour	Achieving ≥3 on 5 point Likert scale on community survey regarding positive perception on decrease in prevalence of anti-social behaviour	Achieving ≥3 on 5 point Likert scale on community survey regarding positive perception on decrease in prevalence of anti-social behaviour
					12% reduction in the incidence of all crime categories	12% reduction in the incidence of all crime categories	12% reduction in the incidence of all crime categories
			New		10% increase in arrests in drug related crimes (Possession & Dealing)	10% increase in arrests in drug related crimes (Possession & Dealing)	10% increase in arrests in drug related crimes (Possession & Dealing)
			5 Months		Reduce turnaround time between applications and appointments for learner/driver testing	Maintain 5 months turnaround time between applications and appointments for learner/driver testing	Maintain 5 months turnaround time between applications and appointments for learner/driver testing
6A.2 Percentage adherence to the	Disaster Management	Disaster	1. Disaster	100% compliance	1. Disaster	1. Disaster	1. Disaster

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
implementation of Disaster Plans according to legislative requirements <i>(Input indicator)</i>	Plan as per statutory requirements completed and approved	Management Plan developed and approved	Management Plan developed and approved. 2. 100% compliance with quarterly targets.	with plan	Management Plan developed and approved. 2. 100% reviewed with quarterly targets.	Management Plan developed and approved. 2. 100% reviewed with quarterly targets	Management Plan developed and approved. 2. 100% reviewed with quarterly targets.
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 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.							
Directorate Objective 7.4 - Implementation of programmes to address the plight of Street People							
Directorate Objective 7.5 - Provision of effective primary healthcare services in close collaboration with Provincial Health Services with a special emphasis on maternal and child healthcare and HIV/AIDS/STIs 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	3	3	3	3

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
<i>(Input indicator)</i>							
7A.2 Number of targeted socio-economic development support programmes <i>(Input indicator)</i>	New	0		4	4	4	4
7A.3 Number of street people placed in rehabilitation and reintegration programmes. <i>(Input indicator)</i>	280	300	449	300	300	300	300
7A.4 Number of strategic sporting partnerships and events created maintained and expanded on. <i>(Input indicator)</i>	10	12	19	19	19	22	24
7A.5 Number of days when air pollution exceeds WHO guidelines <i>(Impact/Outcome indicator)</i>	132	144	128	140	137	135	133
7A.6 Reduction of the infant mortality rate (Number infant deaths per 1000 live births) <i>(Outcome indicator)</i>	21.40	20,6	20.28	20	19.5	19.2	19
7A.7 Slow the rate of increase of TB per 100 000 of Cape Town Population <i>(Outcome indicator)</i>	831	980	876	1 040	1 090	1 120	1 140
7A.8 Slow the rate of increase of the City's ante-natal HIV prevalence <i>(Outcome indicator)</i>	15.2%	18.5%	15.90%	19%	19.3%	19.6%	19.8%
Strategic focus area 8: Good governance and regulatory reform							
8A Ensuring enhanced service delivery with efficient institutional arrangements							
Directorate Objective 8.1 - Enhance service delivery through the development and implementation of institutional frameworks and business systems, including alternative service delivery mechanisms							
Directorate Objective 8.2. – Implement human capital management systems and processes to enhance staff alignment to business needs and improve staff morale and performance–Directorate Objective							
8.3 - Improve the service culture and workplace ethics and implement efficiency gains interventions through business improvement initiatives							
Directorate Objective 8.4 - Improve the organisational and regulatory environment							
8A.1 Improved average turnaround time of tender procurement processes in accordance with procurement plan <i>(Input indicator)</i>	7.2 weeks	8 weeks	6.5 weeks	8 weeks	7 weeks	7 weeks	6 weeks

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8A.2 Retention of skills as measured by staff turnover <i>(Output indicator)</i>				5 to 8% overall turnover	5 to 8% overall turnover	5 to 8% overall turnover	5 to 8% overall turnover
				8 to 12% within skilled categories	8 to 12% within skilled categories	8 to 12% within skilled categories	8 to 12% within skilled categories
8A.3 Staff availability as measure by % absenteeism <i>(Output indicator)</i>	New	New	New	New	≤ 4% average for the period 1 July 2009 to 30 June 2010	≤ 4% average for the period 1 July 2010 to 30 June 2011	≤ 4% average for the period 1 July 2011 to 30 June 2012
8A.4 Percentage budget spent on implementation of WSP (NKPI) <i>(Input indicator)</i>		100%		90%	90%	90%	90%
8A.5 Percentage improvement in the positive employee climate as per annual Culture Climate Survey <i>(Outcome indicator)</i>	New	25%	25%	28%	31%	34%	37%
8A.6 Percentage of capital projects meeting original planned milestones <i>(Input indicator)</i>	New	New	New	80% ^{NS}	85%	90%	90%
8A.7 Percentage improvement in the time taken to close notifications in terms of the Corporate Works Management process <i>(Input indicator)</i> <i>Previous indicator:</i> Percentage of C3 notification process implemented including geo-coding and correspondence functionality	New	New	New	100% of C3 notification process implemented including geo-coding and correspondence functionality	12% reduction in time taken to close notifications (measured against the baseline)	10% reduction in time taken to close notifications (measured against the baseline)	10% reduction in time taken to close notifications (measured against the baseline)
8 B 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 finance and governance areas (such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management) review Directorate Objective 8.6 – Anti-Corruption Initiatives							
8B.1 Net Debtors to Annual Income [Ratio of outstanding service debtors to revenue actually received for services (NKPI)] <i>(Input indicator)</i>	21.07%	20%	21.77%	19.70%	22,50%	22,00%	22,00%

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8B.2 Debt coverage by own billed revenue (NKPI) <i>(Input indicator)</i>	4.51:1	4.31:1	3.21:1	4.50:1	2,5:1	2,4:1	2,2:1
8B.3 Percentage of City's Capital budget spent (NKPI) <i>(Output indicator)</i>	77%	95%	78%	95%	95%	98%	98%
8B.4 Percentage of City's operating budget spent <i>(Output indicator)</i>	92%	98%	90% (100% after completion of the financial statements as confirmed by the CFO)	98%	95%	95%	95%
8B.5 Ratio of cost coverage maintained <i>(Input indicator)</i>	3.01:1	2.60:1	4.67:1	3.10:1	3,20:1	3.30:1	3.50:1
8B.6 Revenue collected as a percentage of billed amount <i>(Input indicator)</i>	99,3%	95,5%	94.71%	96%	95%	95%	95%
8B.7 Percentage reduction in the number of recurring findings emanating from Internal Audit <i>(Input indicator)</i>	New	50%	48.57%	60%	70%	80%	90%
8B.8 Unqualified Audit from Auditor General <i>(Outcome indicator)</i>	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	Unqualified audit received from AG
8B.9 Maintain City's credit rating <i>(Outcome indicator)</i>	A1+ (short term) AA- (long term)	A1+ (short term) AA- (long term) Revised target: P-1 (short term) Aa2.za (long term)	Maintained Aa2-za from Moody's. Prime -1 (Short 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 <i>(Input indicator)</i>		100% completed by 31 May		100% completed by 31 May	100% verification of the assets completed by 30 June	100% verification of the assets completed by 30 June	100% verification of the assets completed by 30 June

CORPORATE OBJECTIVE / INDICATOR	BASELINE 30.6.2007	TARGET 30.6.2008	BASELINE 30.6.2008	TARGET 30.6.2009	TARGET 30.6.2010	TARGET 30.6.2011	TARGET 30.6.2012
8C Establish effective community engagement channels Directorate Objective 8.7 - Establishment of representative Ward Participatory Mechanisms Directorate Objective 8.8 - Improvement of community satisfaction							
8C.1 Community satisfaction score measured in terms of the asymmetrical scale (1-5) <i>(Outcome indicator)</i>				2.5	2.6	2.7	2.8

DRAFT CORPORATE SCORECARD INDICATOR DEFINITIONS FOR 2007 – 2012 (2009/2010 IDP REVIEW)

Strategic Focus Area	Corporate 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 and become globally competitive	1A.1 Increase number of direct job opportunities created (NKPI)	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 Increase Rand Value of direct investment	A monetary measure (Rand Value) of new investment in Cape Town secured by Wesgro and the Sector Organizations 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 Service Level Agreements with Destination Marketing Organisations	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%

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		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%
		1A.7 Percentage of Rand Value of Purchase Orders allocated to SMME/HDI/ suppliers / service providers		
	1B Preparations for hosting the FIFA 2010 World Cup in 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	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 pre-defined 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 of 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 %'s are based on an estimated City-wide household count that is updated annually. 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)	
		2A.2 Percentage of households with access to basic levels of water (NKPI)	This indicator refers to household access. The %'s 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 condition of 200m distance away is achieved and that all settlements are serviced.
		2A.3 Percentage of households with access to basic levels of Electricity	This indicator refers to household access. The %'s are based on an estimated City-wide household count. Basic Service delivery refers to informal household access to electricity connections (including subsidised connections). Based on the average	

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		(NKPI)	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 containerized 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 2000/2001 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: (The 12-month rolling demand curve values - The 12-month rolling value of monthly bulk water treated) / the 12-month rolling demand curve values = to get %.	
		2B.2 Percentage compliance with 4 critical DWAFF effluent standards (E-coli count, Ammonia content, Oxygen demanding substances, Total suspended solids)	The overall average of % samples passing tests for 4 parameters at each works: TSS 25mg/l, COD 75mg/l, NH3 10mg/l, E Coli 1000/100ml. 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 Department 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 <i>Escherichia coli</i> counts / 100ml water b. 95 th percentile of sample results over 12 months < 2000 <i>Escherichia coli</i> count / 100ml water. (2) For intermediate contact recreation (i.e. Fishing, canoeing, etc): Median of sample results over 12 months < 1000 faecal coliform counts / 100 ml water.	

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		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 which 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 % 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 disposed (generated)	<p>This indicator reflects the % 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>$\% \text{ reduction in airspace used} = \frac{\text{total waste stream diverted (cub.m} - \text{m}^3)}{\text{total waste disposed (cub.m} - \text{m}^3)}$</p>	
	2C Effective management of City's Infrastructure and Resources	2C.1 Percentage completion of an integrated infrastructure asset management programme in respect of Transport, Roads & Stormwater, Electricity, Water, Sanitation and Solid Waste Management	The indicator will be measured against the development and implementation of a Planned Infrastructure Management and Maintenance programme in the form of % 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.	
3 Energy Efficiency for a Sustainable Future	3A. The development, adoption and implementation of a comprehensive response to the City's energy and climate change challenges	3A.1 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 on selected transport corridors (home to work – peak period- public transport)	The average travel time for commuters from home to work. The indicator will be measured using EMME2 Transport model with 2004 household survey as a base.	

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		4A.2 Increase cumulative kilometres of critical routes with dedicated public transport lanes on selected transport corridors	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 Percentage completion of the Spatial Development Framework (SDF) and District Spatial Development Plans (SDP's)	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 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, (5) Land Restitution, (6) Hostel Units and (7) CRU Capital Upgrading of existing rental units	Annual delivery target
		5B.2 Implementation of informal Settlement Upgrade programme (UISP and EHP (Emergency Housing Programme)	The indicator will be measured against the output of the Upgrading of Informal Settlements Programme (UISP) and Emergency Housing Programme (EHP) project programmes.	Annual delivery target
		5B.3 Development of an urbanisation and informal settlements improvement strategy	The indicator will be measured against the development research progress milestones for a long-term strategy and plan for informal settlements.	Development of long term strategy
	5C Provision of equitable community facilities and services across the city	5C.1 Percentage of community facilities meeting set standards	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. Community Parks are measured against standardised mowing cycles. 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. Formula: Number of facilities maintained to standard / Total number of facilities x 100.	Maintenance standards developed for each category of facility and approved by Portfolio Committee. Internal data source.

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6 Safety and Security	6A Foster a safe and secure environment	6A.1 Percentage adherence to key objectives in the City's Security Plan	The City Law Enforcement Plan is an overarching plan of 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. 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.	100% adherence to objectives.
		6A.2 Percentage 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 review. 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 NGO's 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 to the Local White Government Paper (ie) Maximising Social 'Development and Economic growth' a minimum of <u>Six Programmes</u> 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 placed in rehabilitation and reintegration programmes	Indicator implies that 300 Street People will be placed into rehabilitation programmes with NGO's and thereafter reintegrated into communities of origin and their families.	A minimum of <u>Two Programmes</u> 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

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		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 1000 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 Populationx100 000	
		7A.8 Slow the rate of increase of the City's antenatal 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 x100.	
8 Good governance and regulatory reform	8A Ensuring enhanced service delivery with efficient institutional arrangements	8A.1 Improved average turnaround 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 6 weeks from the closing to award, this is the norm. Therefore we have improved from 15.5 down 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 % indicated.	Tenders are believed to be completed in 6 weeks from the closing to award
		8A.2 Retention of Skills as measured by staff turnover	All staff: total terminations as % of staff complement each month, as measured over the preceding 12 month period (i.e. a 12 month running average). This will exclude seasonal, short term/temporary, student contracts. Target – at any point in time, the organisation/directorate/department should have a staff turnover % for the preceding 12 months which falls within the target of 4% – 8%. Scarce Skills: as for the above, but limited to the following EE categories: Legislators & senior managers, Professionals, Technicians and other professionals. In this case the target parameters are 8% - 12%. Data Source: SAP & SAP BI	4% to 8% total staff turnover 8% to 12% turnover for scarce skills category.
		8A.3 Staff availability as measured by % absenteeism	All line managers must manage employees' time and attendance with a view to reducing unplanned absenteeism to below 4% ($\leq 4\%$). In so doing managers must apply policy, monitor and evaluate employees' attendance and absence trends and take remedial action where required in terms of such policy.	International best practice target of 2 to 4% ($\leq 4\%$)

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			<p>The following initiatives based on industry best practice are available to help managers manage time and attendance and reduce absenteeism:</p> <ul style="list-style-type: none"> • Encouraging healthy lifestyles through various employee wellness programmes. • Ensuring appropriate screening through recruitment and selection procedures • Enhancing flexible working arrangements where service delivery requirements allow such flexibility and policy supports such flexibility. • Providing proper systems for transport where required and supported by policy. • Improving the physical working environment • Continually improving business processes which would result in amongst other things revising job design and improving efficiencies. • Managing career expectations through continuously updating and supporting personal development plans. • Rebuilding trust and loyalty through focusing interventions on the key touch points identified in the culture climate survey. <p>All the above interventions are aimed at improving overall staff morale which should result in improved time and attendance. They are not a substitute for active management of time and attendance.</p> <p>Calculation for the Formula: Total absence in a period expressed in hours or days divided by planned hours or days in this period multiplied by 100.</p> <p>The calculation includes the following leave types: sick leave, injury on duty, strike leave, unauthorised leave, and family responsibility leave.</p> <p>Target - average absenteeism rate should be less than or equal to 4% for the 12 month period.</p> <p>Data Source: SAP Report PT64</p>	
		<p>8A.4 Percentage budget spent on implementation of WSP (NKPI)</p>	<p>What is WSP? A Workplace Skills Plan is a document that outlines the planned education, training & development interventions for the organisation. The WSP should be aligned with the staffing strategy, IDP, PDP's , EE , NSDS and Sector Skills Plan.</p> <p>Calculation for the Formula: Two parts (A) Measured against training budget. (B) Manual exercise on which Seminars & Conferences costs are calculated.</p> <p>The two parts are combined to give final figures of the spending on WSP</p>	<p>80% National Benchmark 90% City of Cape Town</p>

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			<p>implementation.</p> <p>The conferences are recognised by the SETA as claimable from the 1% of the wage bill as per the Act.</p> <p>Data Source: SAP & SAP BI</p>	
		<p>8A.5 Percentage improvement in the positive employee climate as per annual Culture Climate Survey</p>	<p>The Loyalty Index measurement comprises 12 “Touch Points” as an indicator of how well the City is doing in relation to the management of its human resources. The interventions put in place to address concerns raised as a result of the last survey should reflect a % improvement in the 4 key “Touch Points” which were identified of having the biggest impact on the staff loyalty index. This improvement should cascade into a % improvement in the Loyalty Index. The Culture Climate Survey is driven on a corporate level. Line departments are encourage to implement corporate initiatives to improve staff morale e.g. Leadership development Program, Coaching & Mentoring courses.</p>	<p>International Norm 41%</p>
		<p>8A.6 Percentage of capital projects meeting original planned milestones</p>	<p>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 mobilization of resources from a number of different functions (or disciplines). Projects in this instance to have a value exceeding R200 000.</p> <p>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</p> <p>A formula is applied at Departmental, Directorate & Corporate levels which implies different reporting on targets achieved.</p> <p>At Departmental level the following formula applies: # of Projects meeting milestones # of Capital Projects in Departments = %</p> <p>At Directorate level: SUM Results (Departments) Number of departments x 100 = %</p> <p>At Corporate level: SUM Results (Directorate) 11 x 100 = %</p>	
		<p>8A.7 Percentage improvement in the time taken to close notifications in terms of the Corporate Works Management process</p>	<p>12% reduction in time taken to close notifications (measured against the baseline)</p> <p>The 4 month rolling average age of all notification closed within the preceding 4 month period will be used to measure performance.</p>	<p>The 4 month average age of notifications closed as @ 1 July 2009 will be used as the baseline for this measure.</p>

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	8B Management of key financial and governance areas 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)]	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)	% reflecting Actual Spend / Planned Spend – SAP Report	
		8B.4 Percentage of City's operating budget spent	% reflecting Actual Spend / Planned Spend – SAP Report Total actual to date as a percentage of the total budget including secondary expenditure.	
		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 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

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		8B.7 Percentage reduction in the number of recurring findings emanating from Internal Audit	<p>It is the reporting and monitoring of the reduction (in percentage) of the findings of audit follow-ups performed in the quarter.</p> <p>The timing for corrective action implementation is normally provided by line Directorates.</p> <p>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.</p>	
		8B.8 Unqualified Audit from Auditor General	Reflects that the Auditor-General is satisfied as in accordance with a prescribed accounting framework.	<u>Benchmark – 2007</u> Unqualified audit report for City
		8B.9 Maintain City's credit rating	A report which reflects credit worthiness of an institution to repay long-term and short-term liabilities.	<u>Benchmark - 2007</u> A1 + (short term) AA- (long term)
		8B.10 Percentage annual asset verification process completed	Reflects the percentage of assets annually verified for audit purposes.	
	8C Establish effective community engagement channels	8C.1 Community satisfaction score measured in terms of the asymmetrical 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 comparative would be City of Johannesburg 60%-70% (or 3 – 3.5 on Likert scale)

List of Statutory Plans Annexed to the IDP

The following statutory plans are attached as Annexures to the final compliance document:

STATUTORY PLANS	
City Development Strategy (Not listed as Statutory but is of strategic nature)	Annexure A
Public Infrastructure Investment Plan (Not listed as Statutory but is of strategic nature)	Annexure B
Economic development Plan <ul style="list-style-type: none"> o Development priorities and objectives for the elected term 26 (c) o Local economic development aims 26 (c) o Internal transformation needs 26 (c) o Development strategies which are aligned with national or provincial sectoral plans 26 (d) o Local economic development strategy o Business Investment strategy of Council (Reg 2(1)(b)) 	Annexure C
Municipal Police Plan <ul style="list-style-type: none"> • Municipal Safety Plan 	Annexure D
Budget Prioritisation Plan (Not listed as Statutory but is of strategic nature)	Annexure E
Land Reform Plan	Annexure F
Spatial Development Framework for the City (Future Cape Town discussion document)	Annexure G
Organizational Development and Transformation Plan	Annexure H
Public Transport plan	Annexure I
Energy Savings Plan (Not listed as Statutory but is of strategic nature)	Annexure J
Summary of Public Engagement Interactions	Annexure K
Integrated Transport Plan.	Annexure L
Disaster Management Plan 26 (g)	Annexure M
Human Resources Strategy <ul style="list-style-type: none"> o Institutional development, transformation and re-alignment plan for the City Of Cape Town 	Annexure N
Service Menu Resource Allocation Matrix Schedule Of Services	Annexure O
Urban Renewal Plan (Not listed as Statutory but is of strategic nature)	Annexure P
Annual Report	Annexure Q
IDP Process Plan	Annexure R
State of the City Report	Annexure S
Demographic Overview of Spatial Planning Districts	Annexure T
Integrated Waste Management (IWM) Plan	Annexure U
Water Services Development Plan <ul style="list-style-type: none"> • Water Demand Management Plan 	Annexure V
Sustainability Report	Annexure W
Health Plans <ul style="list-style-type: none"> • Air Quality Management Plan • HIV/AIDS/TB Plan for the City • District Health Plan 	Annexure X1 Annexure X2 Annexure X3
Corporate Scorecard and definitions	Annexure Y