2010 – 2011
Review

City of Cape Town

Five-year Plan for Cape Town

Integrated Development Plan (IDP) 2007 – 2012

CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU

Contents

Message from
Alderman Dan Plato
Executive Mayor

Ald. Dan Plato

The City of Cape Town's Integrated Development Plan (IDP) is agreed between local government and residents of the city, and guides the city administration in setting its budget priorities and allocating resources in order to meet the needs of all the residents of Cape Town as best it can. The current IDP, which is also known as the City of Cape Town's Five-year Plan, covers the period between 2007 and 2012.

As a guideline for the entire City of Cape Town ('the City') – not just certain areas – the effective implementation of the IDP requires that a fine balance be struck in allocating available resources. This can prove particularly difficult during times of economic hardship – such as the financial crisis and recession recently experienced the world over – which severely affects the City's income, as residents find it increasingly difficult to fulfil their financial obligations, and the payment of municipal rates and service charges becomes less of a household priority.

That said, the exact details of how the City will raise money through rates and service charges, and where and when this money will be spent, are worked out in the City's annual budget and Service Delivery and Budget Implementation Plans – both of which work hand in hand with the IDP, and set out the timelines, allocated amounts and specific beneficiary projects or departments.

For its part, the IDP identifies key strategic areas on which the City needs to focus in order to achieve its vision, while at the same time meeting the essential goals of creating jobs; expanding and enhancing infrastructure, ensuring that more Capetonians have access to basic services; and operating a well-run, accountable administration staffed by reliable, committed and hard-working employees.

In developing and reviewing the IDP, the City engages extensively with Capetonians to establish their key priorities and ensure that these are addressed in the Five-year Plan. Much of the feedback from residents has pointed to issues of housing, crime and jobs as the top priorities for most Capetonians. The IDP seeks to address these issues in a number of its key strategic focus areas, while also guiding the City in meeting its other key responsibilities, such as the provision of basic services like electricity, water, sanitation and refuse removal; the provision of primary health care; and the management of disasters, roads, stormwater, sport and recreational facilities, to ensure that Capetonians enjoy a safe, clean, well-maintained and pleasant city.

While issues such as education, policing and housing do not fall within the mandate of the City of Cape Town, we are entirely committed to working with, and supporting, provincial and national government in meeting their responsibilities in these areas.

Ultimately, the City of Cape Town's primary goal is to promote infrastructure-led economic growth that will create jobs and attract investment to Cape Town. By achieving this objective, the City will be better empowered to address the many other priorities identified by Capetonians, while ensuring that its administrative functions run effectively, and that services are provided efficiently to all residents and visitors to the city.

While it may be true that the excitement around the hosting of the 2010 FIFA World Cup™ will have subsided somewhat by the time that this report is printed, the legacy of being a host city to the greatest sporting event in the world will endure for decades to come. Not only did the World Cup see Cape Town receiving a R12 billion investment boost and a significant injection of tourism funds, the preparations for the World Cup have laid the infrastructural foundation on which our city's future growth can be built very effectively.

The legacy of being a host city for the 2010 FIFA World Cup™ will endure for decades

These investments – past and future – will change the face of Cape Town for the better, and will help us to promote further economic growth and job creation in the years ahead. In order to direct City resources in a way that facilitates such growth and development, the current IDP focuses on eight key strategic imperatives, the primary purposes of which I have attempted to summarise below:

SHARED ECONOMIC GROWTH AND DEVELOPMENT

The City is committed to ensuring that Cape Town maintains its status as a world-class tourist destination – not only for the international market, but for South Africans too. At the same time, we are striving to create more opportunities for businesses, thereby providing the stimulus for increased job creation. Skills development is an integral part of our focus in this strategic area, as we recognise that by developing our citizens' skills, we will create more opportunities for local economic growth. To encourage sustainable economic development further, we are proactively seeking solutions to make engagement with the City faster and more effective, and reduce the amount of red tape that still exists in development application processes.

SUSTAINABLE URBAN INFRASTRUCTURE AND SERVICES

The City of Cape Town is continually striving to provide basic services to all Capetonians. To achieve this, we are investing in the provision of adequate resources and infrastructure to meet service delivery needs. The City also recognises that it is essential to balance development with the conservation of natural areas, thereby ensuring a high-quality natural environment to complement and stimulate social and economic development. The City is absolutely committed to providing adequate health care to residents, and working to enhance their quality of life by means of clean, accessible recreational environments.

ENERGY EFFICIENCY FOR A SUSTAINABLE FUTURE

The City recognises the vital importance of conserving our limited natural resources and, as such, is committed to partnering with the relevant stakeholders to research and develop more efficient, or alternative, fuel and energy sources. By doing so, we are making every effort to ensure that sufficient energy is provided to the city and its residents, and to limit the impact of the city and its people on the environment.

PUBLIC TRANSPORT SYSTEMS

The mark of a great city is an effective public transport system. For this reason, transport remains a core element of the City of Cape Town's growth and development strategy. The ultimate aim is to establish a single authority for transport in Cape Town, as this will assist the City to meet the needs of citizens and visitors better by putting public transport, people and quality of life first. Work on Cape Town's integrated rapid transit (IRT) system is advancing well and, once completed, the first phase of this system will serve to enhance road-based public transport by means of dedicated public transport lanes and an improved road network. In addition to reducing average peak-period travel times along selected corridors, the IRT will promote non-motorised transport via a network of safe pedestrian and cycling paths linked to key transport interchanges, bus and rail stations, and access routes to schools and other areas.

INTEGRATED HUMAN SETTLEMENTS

Over the last 20 years, Cape Town has experienced a rapid trend of urbanisation, which has resulted in its population almost doubling to its current total of 3,5 million people. This stellar growth has been the result of two main factors: The first is the 1% annual growth through natural family formation, and the second is the continued in-migration of approximately 50 000 people (18 000 households) per year, primarily from the rural areas of the Eastern Cape, most of whom come to Cape Town in search of jobs.

This urbanisation trend presents Cape Town with a number of major challenges, particularly when one considers that around 91% of households in the city earn less than R6 400 per month, and therefore depend on the state for their housing needs.

In response to these challenges, the City is formulating its citywide strategic urbanisation plan, which will draw on the expertise and experience of professionals within various City departments as well as academics from local and international learning institutions. As part of this plan, the City will be providing a wide range of housing opportunities in accordance with the Housing Directorate's five-year Integrated Housing Plan, including a land banking initiative to secure land for future housing developments.

However, the City recognises that it cannot approach the provision of housing as an isolated issue, but needs to help create communities where people have access to good-quality public spaces and the services that will enable them to flourish.

SAFETY AND SECURITY

Crime is one of the key areas of concern for citizens of, and visitors to, Cape Town. The City works closely with the South African Police Service to ensure a safer Cape Town for all, and secure safe environments for communities and tourists. To this end, the City has embarked on a number of programmes to build awareness of, and address, problems of substance abuse, traffic violations and other illegal and criminal activities. In addition to developing safer community programmes and establishing partnerships with neighbourhood policing and development forums, the City is investigating the implementation of a closed-circuit television network to monitor key economic and transport locations as well as crime hot spots.

HEALTH, SOCIAL AND COMMUNITY DEVELOPMENT

A healthy city, made up of healthy individuals and communities, is an essential ingredient of sustainable economic growth and development. The City of Cape Town continues to invest in health care and social and community development in order to facilitate the delivery of effective care at a local level and across all communities. In response to the drug abuse problems that plague Cape Town, the City is focused on developing effective intervention programmes, delivered through accessible substance abuse centres.

GOOD GOVERNANCE AND REGULATORY REFORM
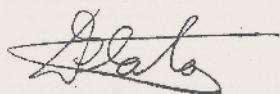
Effective corporate governance is a non-negotiable element of any successful municipal government. At the City of Cape Town, we recognise that good governance hinges on effective leadership with the proven ability to define strategy, provide direction, and model the ethics and values that influence and guide practices and behaviour across the organisation.

The City of Cape Town strives to maintain a high level of integrity, efficiency and effectiveness in all its administrative systems, processes, structures and delivery mechanisms. The City has consistently achieved these goals, receiving unqualified audits for six consecutive years, maintaining a credit rating of Aa2.za, and constantly improving both its customer and staff satisfaction ratings. All of these achievements contributed to the City of Cape Town

recently being recognised as the top metropolitan municipality in South Africa in terms of service delivery – an accolade of which we are particularly proud, and one that contributes to the already strong reputation Cape Town enjoys as a well-run city.

LOOKING AT THE YEAR AHEAD

While the City will continue to focus intently on all of these eight strategic areas in the year ahead, the constrained economic environment will, in all likelihood, give rise to shortfalls in revenue collection. As a result of this, combined with the extensive infrastructure investment in preparation for the 2010 FIFA World Cup™, the City has had to take the decision to rephase a number of its projects over a longer period of time in order to avoid forced budget cuts in the short term. This reprioritisation of key project implementation is the City's way of ensuring that it is able to achieve more with fewer resources, and will have no impact on service delivery levels, which remain a top priority for the coming months and years.

Alderman Dan Plato
Executive Mayor of Cape Town

Introduction by Achmat Ebrahim

City Manager

Achmat Ebrahim

The City of Cape Town's reputation as one of the leading metropolitan municipalities in South Africa was not achieved accidentally. It is the result of the administration's ongoing commitment to realise its vision of making Cape Town a well-governed, efficiently run city with effective and equitable service delivery, providing the benefits of shared growth and economic development to all its residents.

Integral to the achievement of this vision is the need for effective planning, with the City of Cape Town's Integrated Development Plan (IDP) as the primary outcome. The IDP is essentially a five-year strategic blueprint, which serves to guide local government and its key stakeholders, such as residents, commerce and industry, in their endeavours to position Cape Town not only as a preferred international tourist destination, but also a highly attractive investment destination.

This 2010/11 IDP represents the City of Cape Town's final review of its Five-year Plan covering the 2007/8 to 2011/12 financial years.

Largely thanks to this five-year IDP, the City of Cape Town ('the City') now finds itself in a position where it can formalise its longer-term vision, and develop a clear strategic direction for the next 20 to 30 years. To this end, the City is in the process of developing its long-term city development strategy, which represents a 30-year view of the kind of city in which all residents would like to live and which they would be proud to leave as a legacy for future generations. This 30-year plan will guide City planning, decision making, budgets, as well as the future five-year IDPs.

Apart from building on its position as a leading African tourist destination, the extensive amount of work that has been done over the years in the public and private sectors has seen Cape Town become ideally positioned as the events capital of southern Africa. The city now also possesses the talent, qualities and infrastructure required to be at the centre of knowledge and innovation in South Africa. The services sector in particular remains a major contributor to the wealth and development of Cape Town, and will continue to be nurtured and developed as an important part of the local economy.

The overall thrust of the City, and its overarching strategic focus, continues to be infrastructure-led economic development. To this end, the City established a budget committee to assist with the prioritisation of funds in order to achieve the best possible return on investment in public infrastructure. New resource and service demands for future expansion have been responsibly planned and provided for. In order to preserve Cape Town's natural beauty and biodiversity, the City will retain a multipronged approach to the provision of housing solutions, community spaces, services, public transport, economic development, and safety and security, as outlined in the City of Cape Town's Draft Spatial Development Framework. While the City has the constitutional mandate for only some of these aspects of its ongoing development, the intention is to continue cooperating closely with provincial and national government, as well as other agencies, to ensure ongoing efficiency and effectiveness in service delivery and the development of required infrastructure.

As a direct result of an immense amount of hard work by a great many people within the City of Cape Town, the last three years have seen the credibility of the City's administration restored, and the stability and efficiency of Council's workforce vastly improved. During this period, the City also laid the foundation for further economic growth and development as part of the continued investment in Cape Town's infrastructure. While this required that a large portion of the City's available budget be redirected in the short term, the extensive expenditure on

The strategic focus of the City is infrastructure-led economic development

infrastructure – particularly linked to the preparations for the 2010 FIFA World Cup™ – will undoubtedly serve to stimulate economic growth and development across the city for many years to come.

A number of specific focus areas within this IDP review bear emphasis. Governance is recognised as absolutely vital to administrative stability, and a significant enabler of service delivery to residents. Despite having achieved six consecutive unqualified audits, the City of Cape Town remains 100% committed to keeping its own house in order and therefore fully subscribes to the principles of the King III Report. Open and transparent processes are non-negotiable, and a zero-tolerance approach is taken to any irregularities in the management of processes and finances.

Building on the major financial injection into the development of Cape Town's transport infrastructure, the City will continue with the roll-out of its integrated rapid transit system well beyond the period of the 2010 FIFA World Cup™. This will eventually see different yet interlinked modes of transport carrying people across the metro, thereby addressing congestion and reducing transport's impact on the environment. This is an inclusive approach involving all transport role players and is not meant to exclude any service provider.

An integrated plan, involving several City line departments, has been put in place to upgrade some 230 informal settlements across Cape Town, and five pilot sites have been identified where the implementation of this upgrade has already begun. Also, the City's Housing Allocation Policy has been amended to make special allowance for families currently housed in the backyards of other households, to be allocated housing opportunities. It is imperative that the City works closely with the communities concerned to ensure that they take ownership of these upgrades for their key socio-economic priorities to be addressed, and that progress is not impeded through incidents of vandalism or theft.

Throughout the development of the Five-year Plan, the City has stressed the important role that partnerships have to play in ensuring that Cape Town is able to realise its potential to be one of the world's greatest cities. To this end, the City continues to work closely with all stakeholders and partners across all levels of government and the private sector. Already, partnerships such as those with the Cape Town Partnership and the Cape Town International Convention Centre have produced very impressive results. The City will therefore continue to build on all its partnerships, and identify new ones, in an effort to stimulate the local economy ever further.

Achmat Ebrahim
Cape Town City Manager

Abbreviations and acronyms

AOD	alcohol and other drugs
AQMP	Air Quality Management Plan
ART	antiretroviral treatment
BER	Bureau of Economic Research
BNG	Breaking New Ground (strategy)
BPO	business process outsourcing
BPR	business process re-engineering
BRT	bus rapid transit
BWP	Berg Water Project
CAPA	Climate Change Adaptation Plan of Action
CFC	Cape Film Commission
CBD	central business district
CBO	community-based organisation
CCID	central-city improvement district
CCTV	closed-circuit television
CHC	community health centre
CHEC	Cape Higher Education Consortium
CIP	comprehensive infrastructure plan
CITI	Cape Information and Technology Initiative
COA	certificate of acceptability
CO_2	carbon dioxide
Convenco	The Cape Town Convention Centre Company (Pty) Ltd
CPI	Consumer Price Index
CRM	customer relations management
CRR	Capital Replacement Reserve
CRU	community residential unit
CSIR	Council for Scientific and Industrial Research
CSS	community satisfaction survey
CTBi	Cape Town Boatbuilding and Technology Initiative
CTCHC	Cape Town Community Housing Company
CTICC	Cape Town International Convention Centre
CTP	Cape Town Partnership
CTT	Cape Town Tourism
DANIDA	Danish International Development Agency
DEA	Department of Environmental Affairs
DIMS	Data Integration and Monitoring System

Cape Town is one of the leading metropolitan municipalities in South Africa

DME	Department of Minerals and Energy
DMO	destination marketing organisation
DMTN	domestic medium-term note
DORA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DRMC	Disaster Risk Management Centre
DWA	Department of Water Affairs
ECD	early childhood development
ED	Executive Director
EDF	Economic Development Forum (programme)
EDIR	electricity distribution industry restructuring
EDP	Export Development Programme
EDS	Economic Development Strategy
EFF	External Finance Fund
EHD	Economic and Human Development (department)
EIA	environmental impact assessment
EMF	Environmental Management Framework
EMT	Executive Management Team
EPWP	Expanded Public Works Programme
ERP	Enterprise Resource planning
FEDHASA	Federated Hospitality Association of South Africa
FET	further education and training
FMC	Facility Management Committee
GDP	gross domestic product
GGP	gross geographic product
GIS	geographic information system
GPRS	general packet radio service
HDA	Housing Development Agency
HLI	higher learning institution
HR	human resources
IAMP	Infrastructure Asset Management Programme
ICT	information and communications technology
IDA	International Downtown Association
IDP	Integrated Development Plan
IMEP	Integrated Metropolitan Environmental Policy
IMR	infant mortality rate

Abbreviations and acronyms

IRDP	Integrated Residential Development Programme
IRPTN	integrated rapid public transport network
IRT	integrated rapid transit
ISERMS	Integrated Spatially Enabled Response Management System
ISIS	Integrated Spatial Information System
ISO	International Organisation for Standardisation
ISS	Institute for Security Studies
ISUP	Informal Settlement Upgrading Programme
IT	information technology
ITP	Integrated Transport Plan
IWM	integrated waste management
KAPS	Khayelitsha Air Pollution Strategy
KBD	Khayelitsha Business District
KCT	Khayelitsha Community Trust
KPI	key performance indicator
LAED	local area economic development
LED	local economic development
LEDs	light-emitting diodes
LRAD	land reform for agricultural development
LUPO	Land Use Planning Ordinance
MCI	Metropolitan Cleanliness Index
MFMA	Municipal Finance Management Act
MOA	memorandum of agreement
MRF	material recovery facility
MRS	Mayor's roadshow
MSA	Municipal Systems Act
MSAT	multi-sectoral action team
MSDF	Metropolitan Spatial Development Framework
MYPD	multi-year price determination
NERSA	National Energy Regulator of South Africa
NGO	non-governmental organisation
NGP	national geographic product
NPA	National Ports Authority
OD&T	Organisational Development and Training (plan)
OIM	operations integration model
OHS	occupational health and safety
OPMS	organisational performance management system
PABX	private automatic branch exchange
PDP	personal development plan
PHC	primary health care
PHDB	Provincial Housing Development Board

PHP	People's Housing Process
QM	quality management
RED (Door)	Real Enterprise Development
SAACI	South African Association for the Conference Industry
SADC	Southern African Development Community
SALGA	South African Local Government Association
SALGB	South African Local Government Bargaining Council
SAPS	South African Police Service
SARCC	South African Rail Commuter Corporation
SATSA	Southern Africa Tourism Services Association
SCM	supply chain management
SCOPA	Standing Committee on Public Accounts
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SDP	Spatial Development Plan
SEDA	Small Enterprise Development Agency
SETA	Sectoral Education and Training Authority
SIFE	Students in Free Enterprise
SLA	service level agreement
SMME	small, medium and micro enterprise(s)
SOHCO	Social Housing Development Company
SPELUM	Spatial Planning, Environment and Land Use Management (committee)
STI	sexually transmitted infection
SWM	strategic waste management
TB	tuberculosis
TMC	Transport Management Centre
TRA	temporary relocation area
UAW	unaccounted for water
UISP	Upgrade of Informal Settlements Programme
UUP	Urban Upgrade Programme
VCT	voluntary counselling and testing
VOIP	voice-over internet protocol
VPUU	Violence Prevention through Urban Upgrading (programme)
WDM	water demand management
WHO	World Health Organisation
WMD	water management device
WSDP	Water Services Development Plan

INTRODUCTION

STRATEGIC FOCUS AREAS

FRAMEWORKS
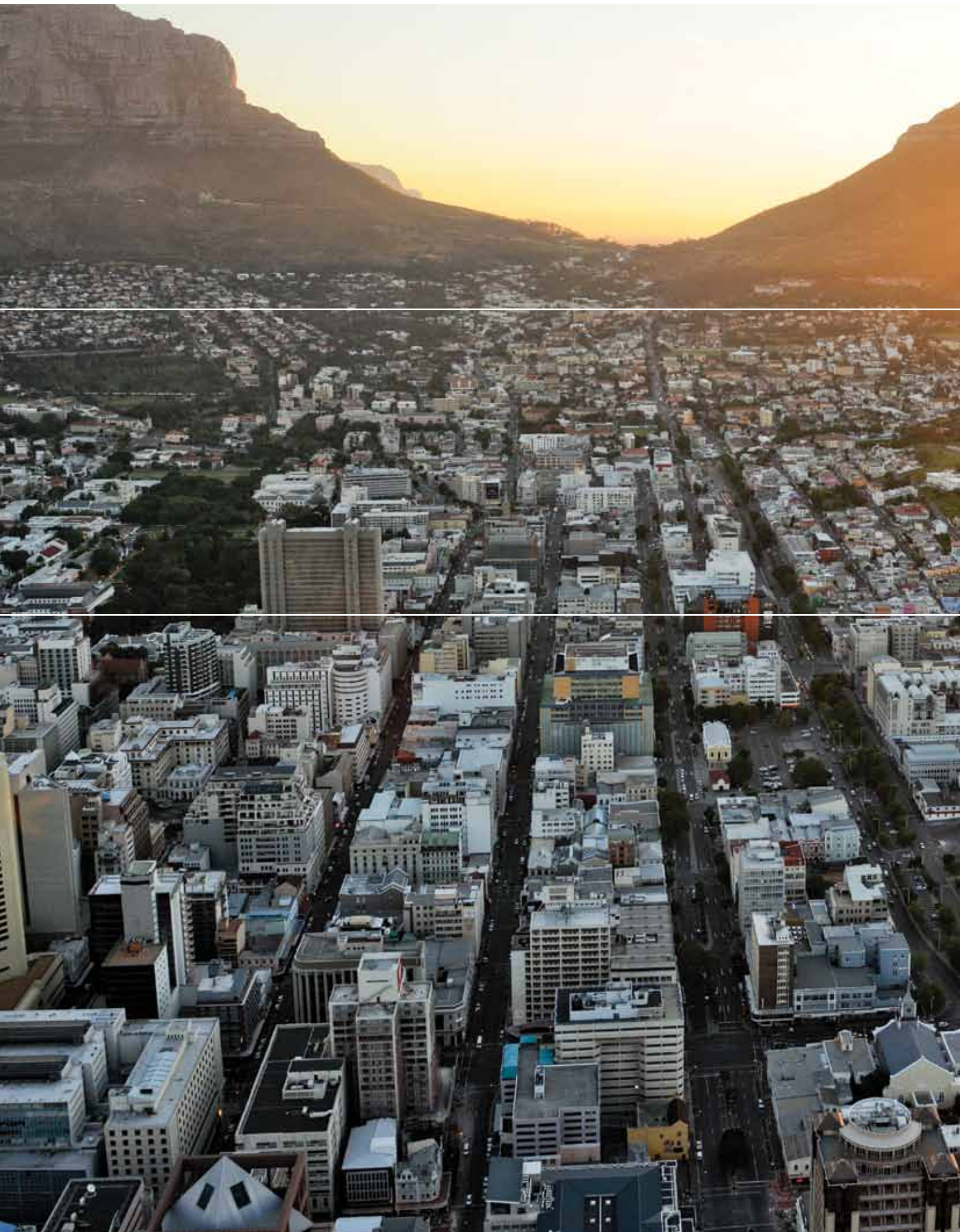
Introduction

The City of Cape Town's Five-year Plan (IDP)

The City of Cape Town's Integrated Development Plan (IDP) is its principal strategic planning instrument, which guides and informs its ongoing planning, management and development actions. The IDP represents the city administration's commitment to the exercise of its executive authority (except in cases where it is in conflict with national or provincial legislation, in which case such legislation prevails), and is effectively the local government's blueprint by which it strives to realise its vision for Cape Town in the short, medium and long term.

However, while the IDP represents the strategic intent of the City of Cape Town ('the City'), it is also compiled with the understanding that a number of challenges will need to be overcome in order to achieve the strategic objectives it sets out. Some of these challenges are known (and outlined later in this document), while others are as yet unknown and may arise at any time due to any number of national and international economic, political or social events.

On 1 July 2007, the City of Cape Town implemented a new five-year IDP for the period July 2007 to June 2012 to inform and guide the current elected public representatives in their term of office. This document is the fourth annual review of the IDP, and outlines the City's intent in terms of the agreed eight strategic focus areas that are required to overcome Cape Town's challenges, achieve its vision, and give effect to its other strategic considerations.

These eight strategic focus areas form the framework of the five-year IDP, and function as internal strategic levers to facilitate shared growth and development, and enhance urban efficiency and institutional effectiveness. The supportive link between the City's vision and the eight strategic focus areas is shown in the figure below:

Visionary goals:

a) A prosperous city

b) Effective and equitable service delivery

c) A well-governed and efficiently run administration

Strategic focus areas:

1. Shared economic growth and development

2. Sustainable urban infrastructure and services

3. Energy efficiency for a sustainable future

4. Public transport systems

5. Integrated human settlements

6. Safety and security

7. Health, social and community development

8. Good governance and regulatory reform

URBAN EFFICIENCY	**INSTITUTIONAL EFFECTIVENESS**

THE CITY OF CAPE TOWN'S IDP STRATEGIC FRAMEWORK

A number of key objectives have been identified for each of the eight strategic focus areas. These objectives form the foundation from which strategies and the allocation of the City's resources can be cascaded down through the organisation.

In support of the City's key objectives, the IDP is underpinned by a series of sector plans that have been prepared in recent years. These include:

• an Economic Development Strategy (EDS);

• an Integrated Waste Management (IWM) Plan;

• a Water Services Development Plan (WSDP);

• an Integrated Transport Plan (ITP); and

• an Integrated Metropolitan Environmental Policy (IMEP).

Also, parts of the IDP that impose duties on, or affect the rights of, citizens and other persons have been passed as bylaws, thereby extending the scope of the IDP even further. The Five-year Plan also informs the City's contribution to the work initiated through intergovernmental processes involving the Western Cape Provincial Government ('the Province') as well as National Government.

The IDP is continually refined through a project prioritisation process, which is largely informed by budget parameters. Its effective implementation relies on partnerships with external role players and institutional improvements within the City.

SETTING THE DIRECTION FOR THE FUTURE

At the beginning of the City's current term of office, the administration's main focus centred around the following two key issues:

1. Governance: Restoring the credibility of the administration, stabilising the Council workforce, and improving efficiency.

2. Investment in infrastructure: There was a large escalation in expenditure on infrastructure throughout the city. This was also linked to sustainable infrastructure investment for the 2010 FIFA World Cup™.

As the City finds itself in the fourth year of the current five-year IDP, the emphasis has shifted to longer-term sustainable growth and development for Cape Town. This thinking is shaped by the realisation that key fundamentals, such as mobility, densification and infrastructure investment along development corridors, need to be put in place. In order to achieve this, the City has embarked on a number of processes to create a long-term spatial framework and develop an overarching city development strategy to guide the development of the city over the next two to three decades.
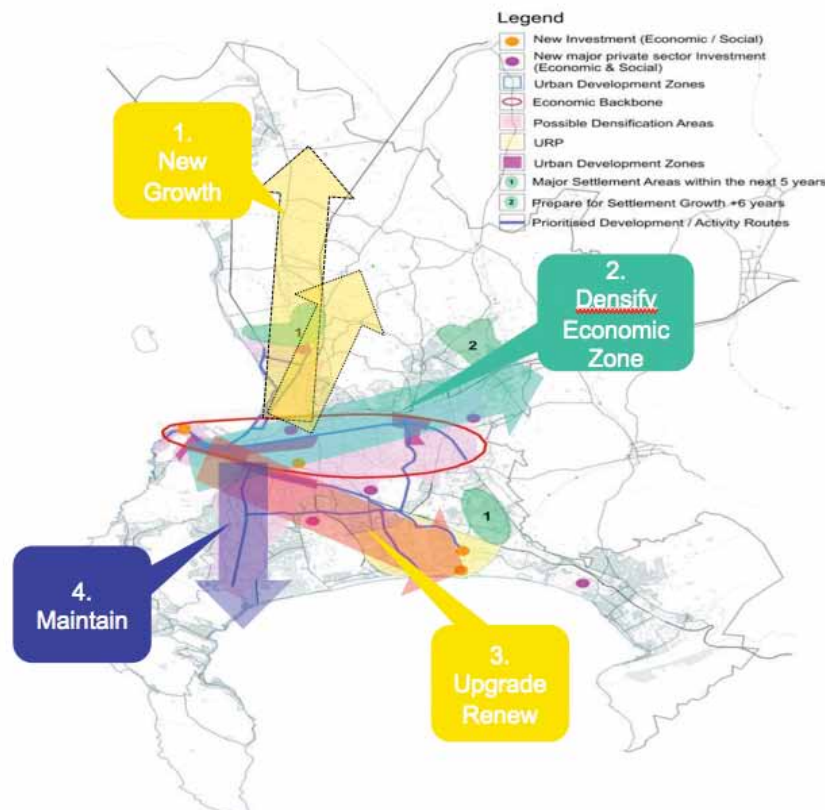
This IDP review (the final for the current term of office) attempts to create a bridge between the City's current five-year strategic path, and the development and implementation of its longer-term strategies. This bridge hinges on initial thinking with regard to four possible key strategic directions the City will take in the coming years, and how these could be realised tangibly in Cape Town's actual development.

The first key strategic direction involves guiding possible new growth towards the northwest (Blouberg–Atlantis) of the city. In support of this direction, the City is investing in a dynamic and innovative rapid public transport route over the next three years (see strategic focus area 4). Expansion around this corridor will be supported by planned and structured utility services and housing development. The City is already purchasing land to ensure that public infrastructure, investment and affordable housing can be facilitated in the longer term.

The second direction involves densification, focused economic growth, and the upgrade of public infrastructure around the N1–Voortrekker Road corridor. The City is currently reviewing its asset and infrastructure base to determine its approach in this regard. Service and infrastructure backlogs are placing enormous pressure on the services and utility budgets, and therefore this strategic direction will require the readjustment of the City's prioritisation process to direct public infrastructure funding towards the targeted areas in the next term of office. The City has already allocated R4,3 billion towards investment in the ITP over the next three years. This will include the city-airport link, which will provide an important public infrastructure injection into this area, and will hopefully lead to further private infrastructure investment and economic growth.

The third direction involves the upgrade and renewal of areas towards the southeast of the city. This will entail a major investment in affordable housing, poverty alleviation, training and education, as well as investment in public and economic infrastructure. In support of this approach, the City is already investing in the Urban Renewal Programme (URP) and the Violence Prevention through Urban Upgrading (VPUU) Programme in Khayelitsha and Mitchells Plain. The City has also embarked on a pilot programme in five informal settlements, primarily in the southeast of the city, as part of the Informal Settlement Upgrading Programme (ISUP) (see strategic focus area 5). The City directorates tasked with economic, social and community development are also investing in a variety of

infrastructure and maintenance activities to improve the lives of the people living in these areas, who constitute almost 50% of Cape Town's population.

The fourth strategic direction is towards the south-southwest of the city. For the most part, this area is well developed and enjoys good infrastructure and services. It is important that service and maintenance levels are maintained at current levels to sustain confidence levels and functioning, and the investment focus will therefore be on ensuring such maintenance.

A FOCUS ON ENCOURAGING INVESTMENT

While the city has successfully been positioned as a prominent international tourist destination, the EDS has now shifted to focus on attracting investment. This will be achieved by positioning Cape Town as a prominent investment destination as well, exploiting its comparative and competitive advantages, and targeting specific niche investment markets (see strategic focus area 1). This strategy is closely aligned with the City's environmental focus in order to build a resilient, low-carbon city (see strategic focus area 2). Apart from a drive to attract investors to the city, there is also a strong emphasis on local economic development; the encouragement of small, medium and micro enterprises (SMME); and business development and support. This focus includes plans to partner with the Provincial Department of Education and local academic institutions to promote relevant skills development for the expanding and growing segments of the economy.

ENCOURAGING INFRASTRUCTURE-LED DEVELOPMENT

The City established a budget committee to assist with the prioritisation of funds to achieve the best possible return on investment in public infrastructure. This is linked to the improvement and maintenance of the City's economic and social infrastructure, as well as the upgrade of services and service infrastructure in the areas of need (see strategic focus areas 2 and 5). The 2010 FIFA World Cup™ event ensured a major financial injection into the development of the city's transport and service infrastructure, and there is a strong drive to maintain this initiative over the next decade. This includes an investment of almost R5 billion in further transport infrastructure over the next three years (see strategic focus area 4). It will also see the introduction of a world-class integrated rapid transit (IRT) line between Cape Town International Airport and the city centre. In addition, the City is busy with a substantial upgrade of its institutional information technology (IT) infrastructure that will place its broadband and optic cable network on par with the best in the world.

Greater emphasis on densification as a strategic focus will require the prioritisation of funds to upgrade public infrastructure in targeted areas, as stated in the City's Draft Spatial Development Framework (SDF). It must be remembered, however, that the City is facing serious infrastructure backlogs, which it is committed to address. This nevertheless inhibits the City's ability to prioritise funds for further development in the short term.

In order to be an attractive investment destination, the City must be safe, clean and well governed. In terms of governance, the City has taken every measure to ensure that effective staff placement, performance management and reskilling processes are in place to ensure that it has productive people in the right jobs (see strategic focus area 8). The City is recognised as being well run, and in 2009 received an unqualified audit for the sixth consecutive year. A total overhaul of bylaws, and a substantial overhaul of policies and strategies, have seen an improvement in service delivery and staff morale, providing an important platform to make it easier for investors to do business with the City, as well as a more pleasant place for residents to stay.

In terms of safety, the City has made an impressive improvement in terms of preventative and visible policing. Various programmes targeting drug abuse and traffic offences have proved highly effective (see strategic focus area 6). This approach will continue with the aim of making the city safer for visitors, investors and residents. This, together with major improvements in the standards of the City's social, health and sport facilities, will contribute to making Cape Town an even more attractive place in which to live, work and invest, and will assist in promoting it as the preferred events and convention destination in Africa (see strategic focus area 7).

About Cape Town

Bounded by two oceans and majestic mountains, Cape Town is undeniably one of the most beautiful cities in the world. However, while its scenic splendour and its incomparable geographic setting serve to attract to its shores tourists, residents and businesses alike, in many ways these unique topographical factors are also at the heart of many of the challenges Cape Town faces in its efforts to deliver sustainable development at an economic, social and infrastructural level.

Shared functional regional challenges
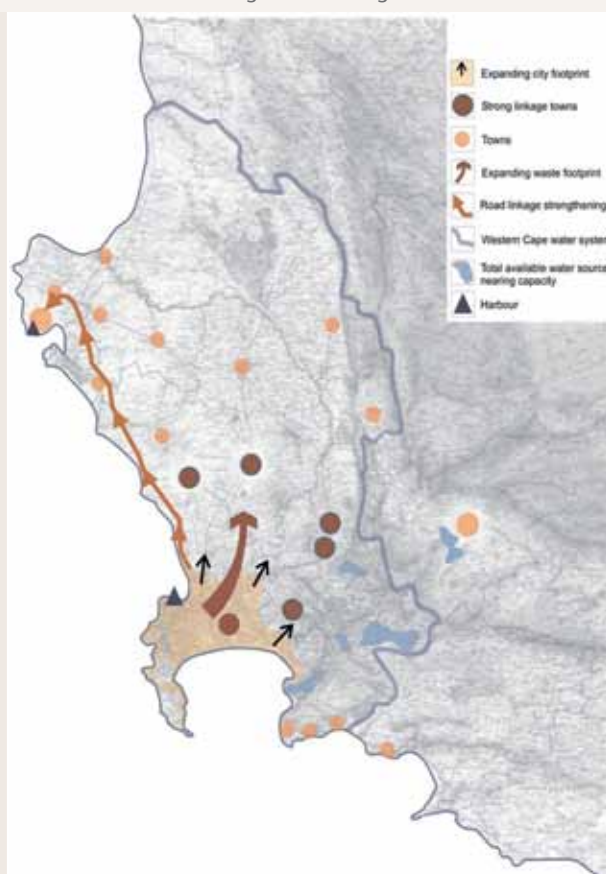
CAPE TOWN AS A CITY WITHIN A REGION

As South Africa's third-largest city, Cape Town has a large concentration of people, resources, services and infrastructure, while being faced with a number of physical constraints in terms of its spatial development. Home to 66% of the Western Cape's population,[1] Cape Town generates 76% of the region's gross domestic product (GDP), and contributes 11% to national GDP,[2] making the city an important driver of regional, provincial and national development. It is the region's major service centre for health care, education and shopping, and provides employment to people from across the province and beyond. The city is becoming increasingly linked to surrounding towns, resulting in higher levels of interdependence, but also placing greater pressure on the resources and infrastructure of those towns.

[1] Community Survey 2007
[2] Quantec 2007

Cape Town Port is set to undergo a major expansion

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

Other major regional infrastructure in Cape Town includes Cape Town International Airport, which is located in a strategic position in the centre of the metropolitan area. As the airport becomes busier, its traffic and environmental health implications may become cause for concern. For this reason, plans for further expansion of the airport on the existing site are being discussed with Airports Company South Africa. The longer-term development of a system of airports and the ongoing servicing of increasing air travel needs are also being discussed, and the feasibility of alternative sites is being investigated.

Cape Town as part of the region

For these and other reasons, the sustainable development plans for Cape Town must give due consideration to its position as a regional city as well as the strategic plans for the rest of the region.

CAPE TOWN AS A CITY WITHIN A COUNTRY

The effectiveness of Cape Town's strategic plans depends to a large extent on the City's ability to align these with national and provincial initiatives, and combine its efforts with those of regional and national government. There are currently six critical elements of the national and provincial development strategy that inform and influence the City's IDP. These include the following:

The Local Government Turnaround Strategy

National Government has expressed its concern about the state of local governments in the State of Local Government in South Africa 2009 Overview and has identified various initiatives to redress the perilous state in which many municipalities across the country find themselves. The following priority areas have been identified:

• huge service delivery and backlog challenges (e.g. housing, water and sanitation);

• poor communication and accountability relationships with communities;

• problems with political administrative interfaces;

• corruption and fraud;

• poor financial management (e.g. negative audit reports);

• number of service delivery protests;

• weak civil society formations;

• intra- and inter-political party issues negatively affecting governance and service delivery; and

• insufficient municipal capacity due to scarcity of skills.

In addition, urban municipalities and the more stable smaller municipalities face the challenges of increased urban growth, new household formation and population growth, all of which require better spatial and infrastructure planning, and more credible public participation and community interface systems. The proliferation of informal settlements in urban areas is beyond the capabilities (both institutional and fiscal) of many municipalities to address effectively by themselves. In November 2009, the Local Government Turnaround Strategy was produced, and included the following five strategic objectives:

• **Ensure that municipalities meet basic needs of communities** – This implies that an environment is created, support provided and systems built to accelerate quality service delivery within the context of each municipality's conditions and needs.

• **Build clean, responsive and accountable local government** – Make sure that systems, structures and procedures are developed and enforced to deal with corruption and maladministration, and to ensure better municipal communication with, and accountability to, communities.

• **Improve functionality, performance and professionalism in municipalities** – Ensure that the core administrative and institutional systems are in place and are operational to improve performance.

• **Improve national and provincial policy on, support for and oversight of local government**

• **Strengthen partnerships between local government, communities and civil society** – Ensure that communities and other development partners are mobilised to partner with municipalities in service delivery and development.

Some of the immediate implementation priorities of the Local Government Turnaround Strategy are to:

• address the immediate financial and administrative problems in municipalities;

• tighten and implement a transparent municipal supply chain management (SCM) system; and

• overcome the 'one-size-fits-all' approach by differentiating responsibilities and simplifying IDPs.

The City of Cape Town has already implemented a number of measures to deal with the issues above, by:

• ensuring that the provision of basic services is prioritised (see strategic focus area 2 and section 6);

• ensuring a clean and responsible government (see strategic focus area 8 and section 5);

Dealing with urbanisation and ensuring meaningful community involvement are important to the City

- ensuring financial sustainability (see section 6); and

- dealing with human resources (see strategic focus area 8).

Having put the basics in place, the two most important issues the City still needs to deal with in its turnaround strategy are:

- urbanisation (see various initiatives in the strategic focus areas relating to service delivery, healthy communities, spatial planning and economic development); and

- ensuring meaningful community involvement (such as the City's recently approved Public Participation Policy).

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. It 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 Province is currently considering a new 10-point strategy for the Western Cape. The 10 points, outlined below, are closely aligned with the strategies of the City:

1. Increase economic opportunity for all the people of the Western Cape

2. Reduce poverty through promoting opportunities for all

3. Promote rural development

4. Efficient and effective infrastructure

5. Sustainable human settlements

6. Improve individual and household capacity to respond to opportunity

7. Improve efficiency and effectiveness in health, education, well being and safety

8. Sustainable resource use through greater spatial integration

9. Effective public and non-motorised transport

10. Effective, responsive and responsible governance.

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The Provincial Spatial Development Framework

This aims to address urbanisation pressures on natural resources, and economic and social divisions within the province's cities and towns. It provides a policy context for urban development and environmental resource protection. The various engagements between the City and Province in order to finalise the City's SDF have resulted in clearly aligned intent between these two spheres of government.

The Intergovernmental Development Agenda for Cape Town

The City engages with the Province and National Government in a structured and functional manner. At a political level, formal engagements between the Provincial Cabinet and the City's Mayoral Committee take place quarterly. At a technical and administrative level, sectoral as well as three formal engagements take place between the Province's Heads of Department as well as the Executive Management Team (EMT) of the City. These are aimed at ensuring maximum benefit for the City through better planning, coordination and accountability among all spheres of government; enhancing the City's strategic objectives of infrastructure investment for economic growth, service delivery excellence and institutional efficiency; and achieving better and more efficient resource utilisation. In short, all the aforementioned engagements are aimed at ensuring that the City extracts value and benefit from its participation in intergovernmental and international cooperative relations.

Alignment of government strategies

NATIONAL

ACCELERATED AND SHARED GROWTH INITIATIVE FOR SOUTH AFRICA

NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

PROVINCE

PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

PROVINCIAL SPATIAL DEVELOPMENT STRATEGY

FUNCTIONAL REGION

CAPE TOWN FUNCTIONAL REGION DEVELOPMENT STRATEGY

CITY

SPATIAL DEVELOPMENT FRAMWORK

INTEGRATED TRANSPORT PLAN

INTEGRATED HOUSING PLAN

INTEGRATED ENVIRONMENTAL MANAGEMENT PLAN

ECONOMIC DEVELOPMENT STRATEGY

ETC

CAPE TOWN CITY STRATEGY (INCLUDING SPATIAL DEVELOPMENT FRAMEWORK)

CITY GROWTH MANAGEMENT STRATEGY

CAPE TOWN IDP

DISTRICT

CAPE TOWN DISTRICT SPATIAL DEVELOPMENT PLANS AND ENVIRONMENTAL MANAGEMENT FRAMEWORK AND LOCAL PLANS

DISTRICT IMPLEMENTATION PLAN

CAPE TOWN AS A CITY IN THE WORLD

Cape Town plays an increasingly important role in the development of South and southern Africa. It is a valued contributor to the national economy, and together with the Gauteng Global City Region and Ethekweni Municipality, anchors the Southern African Development Community (SADC) regional economy. Given the increasingly global economy within which the City operates, Cape Town is being called upon to compete internationally to ensure its sustainable economic growth, without losing sight of its local, regional and national development imperatives. For this reason, the City's development strategy is required to be a coherent guide for focused infrastructure investment and the sustainable utilisation and protection of global common goods, including climate/air quality, biodiversity and water.

While Cape Town is well established as a leading international tourist destination, the need remains for the aggressive promotion of the city as an international business and investment destination, despite the current lack of national tax and other incentives to attract investors.

At the beginning of the 20th century, benchmarks such as port capacity and manufacturing capabilities drove success among global cities. Now, new forces are seen as important levers to facilitate growth and development. These include intellectual capital, transport assets, business costs, technology, innovation and ease of doing business. In all of these areas, Cape Town has the potential to become a leader of economic development on the African continent, and the City's strategic plans need to build on the already strong local services sector, and work with business and leisure tourism stakeholders to become Africa's events capital. A key role player in achieving this vision is the Cape Town International Convention Centre (CTICC), which has played a pivotal role in attracting events and conferences to the city, and will continue to do so on a larger scale once its proposed expansion is approved and completed.

A CITY WITH VISION

Against the backdrop painted in the preceding paragraphs, the vision of the City of Cape Town remains as follows:

- To be a prosperous city that creates an enabling environment for shared growth and economic development

- To achieve effective and equitable service delivery

- To serve the citizens of Cape Town as a well-governed and effectively run administration.

To achieve this vision, the City recognises that it must:

- actively contribute to the development of its environmental, human and social capital;

- offer high-quality services to all who live in, do business in, or visit the city as tourists; and

- be known for its efficient, effective and caring government.

A focus on infrastructure investment and maintenance to provide a sustainable drive for economic growth and development spearheads the achievement of this vision. It is recognised that this growth must be supplemented by a strong focus on safety and security, support for business development, improved support for the poor and upgrading informal settlements and backyard dwellings to provide for all the citizens currently living in inadequate housing conditions.

RECOGNISING THE REALITIES FACING CAPE TOWN

While the City of Cape Town's ability to provide key infrastructure to achieve sustainable and shared economic growth is at the heart of the IDP, the achievement of this objective is not without its challenges.

The City's governance and management structures are currently confronted by a mixture of challenges and opportunities. The failure of international financial institutions, the impact of high oil prices, the worldwide economic downturn since 2008, and the huge cost of the integrated public transport system, are major challenges that the City now needs to manage.

Furthermore, Cape Town's participation in the 2010 FIFA World Cup™ has resulted in unprecedented public-sector investment in the city. While this has had the positive effect of spurring momentum among private-sector role players, it also translates into significant infrastructure provision, capital funding and institutional capacity challenges. The reality facing the City is that infrastructure spending has effectively been tied down in 2010, with little scope for the required infrastructure spending.

In addition, the IDP must be seen in the context of a number of other challenges and realities facing the City at present. These include the following:

Economy and productivity

The City currently operates within the context of a recessionary global economy. Expenditure has been reviewed, and where necessary, non-essential projects have been rephased. The City is also pursuing other diverse revenue income streams. Further fiscal risks, such as potential large electricity price increases and growing poor populations, mean that resources need to be utilised even more efficiently. The organisation maintains high financial management standards (as evidenced by its unqualified audit) and a good credit rating, and is working to reduce the amount of money owed to the City.

The City's contribution to provincial gross geographic product (GGP) decreased by 1,8% between 2005 and 2008, but its contribution to national geographic product (NGP) increased by 4% during the same period. This suggests that the global economic downturn is having less impact on Cape Town than the rest of the country.

Gross Geographic Product (GGP) 2005 – 2008
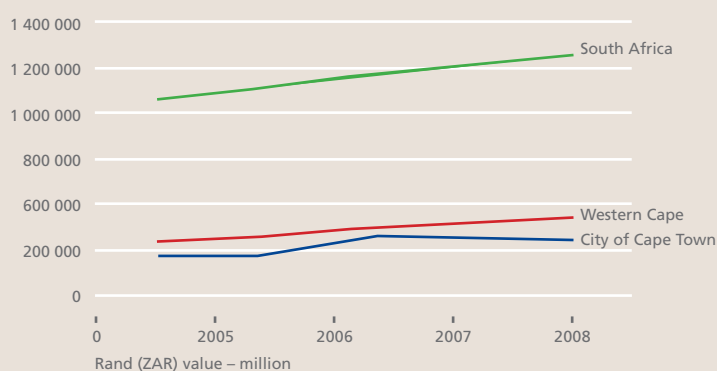
Source: Quantec 2009

The City may be more resilient to broader economic impacts as a result of its diverse economy, and reduced dependence on resources. Service industries are expected to continue performing well, except where higher interest rates might impact on retail and wholesale.[3] Tourism, construction, wine exports and call centres should be relatively immune to the current economic crisis, although this does not take into account anticipated electricity tariff increases.

[3] Cape Town Chamber of Commerce 2009

The City aims to have a prepared workforce to face the challenges of a high-technology workplace

Despite the City's flexibility in adapting to difficult economic conditions, unemployment has only decreased very slightly since 2003. According to Statistics South Africa's revised definition for this year, approximately 21% (22,5%, according to Province's quarter 3 of the 2009 labour statistics) of Cape Town's working population were unemployed in 2008. This unemployment figure equates to just below 336 000 people, of whom 0,5% were discouraged work seekers. It is interesting to note that although this provincial unemployment figure showed an increase, overall employment figures have remained stable. This means that higher unemployment is not necessarily a result of job losses (as has been the case nationally), but is more likely a result of an increase in the rate of labour force participation.[4]

The City's economic development programmes have created about 34 000 job opportunities since 2006. In the 2008/9 period, 10 613 direct opportunities were provided, mainly within informal markets, small-business support facilities and the Cape Film Commission, with a further 18 852 indirect opportunities occurring over this period. Jobs created by Cape Town's Expanded Public Works Programme (EPWP) have almost tripled since 2006, and in 2009 about 16 500 jobs were provided, with a target of 18 000 jobs for 2010. Although the City continues to be a net importer of migrant labour, the skilled workpool continues to decline with out-migration of skilled workers and reducing graduate numbers. This impacts negatively on the capacity of local business as well as the City as an organisation.

The promotion of entrepreneurship and incentives for import and export activities represent an opportunity to grow the number of employment opportunities in the longer term. Therefore, these need to form part of any strategic plans aimed at alleviating unemployment in the city.

Cape Town received R20,8 billion in total foreign direct spend (excluding capital expenditure) in 2008, which represented a 16,3% growth from 2007.[5] During 2008/9, R1,24 billion of investment in Cape Town was secured by Wesgro (the City of Cape Town's primary direct investment promotion partner) and other sector organisations. This was an admirable achievement given the current economic conditions, and not far off the R1,5 billion target. Facilitating local economic development (LED) is part of the City's job creation objective, which includes a range of projects and programmes, such as the urban agriculture programme, SMME business support and prioritising skills development based on local requirements.

An important consideration is the current skills mismatch in terms of qualifications needed in the market, and the limited number of employees with the necessary technical and academic abilities. This is exacerbated by the growth of the knowledge economy, and requires a coordinated and integrated plan involving the City, the Province and Cape Town-based academic institutions. The City-CHEC (Cape Higher Education Consortium) relationship will be a key factor in developing such a plan as part of the drafting of the City's long-term growth and development strategy.

An important factor for launching the City as a knowledge and innovation centre is a workforce that is prepared for the opportunities presented by a growing services sector and a high-technology workplace. A partnership between the City and the Province is important for a seamless strategy to ensure that workers are properly equipped with appropriate language, technical and managerial skills – from the early childhood development (ECD) system, which is the City's responsibility, to the tertiary education system. Infrastructure, facilities and systems need to be aligned in order to optimise these strategies.

[4] Provincial Economic Review & Outlook (PER&O), speech by Alan Winde, Provincial Minister of Finance, Economic Development and Tourism, 24 November 2009

[5] Cape Town Routes Unlimited

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Cape Town continues to be a preferred destination for tourists and investors, as well as a competitive choice for international and national events. The Western Cape received the second-highest share of international arrivals (1,6 million) in 2008.[6] The 2010 FIFA World Cup™, to be held in June/July 2010, has provided a strong impetus for infrastructure development, and will provide further opportunity for future events, tourism, City partnerships and niche investment opportunities. Cape Town's natural environment and resources are a cornerstone of economic wealth, and are attractive to both tourists and investors. However, continuing with a 'business-as-usual' approach, without considering sustainable development, is potentially damaging to Cape Town's future. Positioning Cape Town as a global 'green city' is likely to promote tourism and ecotourism even further, as well as make it an attractive foreign investment destination.

The City's ability to provide economic infrastructure that enables and supports a focused investment promotion strategy will remain an important challenge in the medium to long term. Sustainable incentives, an effective public transport system, world-class broadband facilities, relevant skills and an investment-friendly economic infrastructure development plan are therefore non-negotiable aspects of the City's development strategy.

Human settlements and services

The effect of an unpredictable global economic environment on Cape Town is compounded by continued urbanisation, and a steady inflow of rural and African job seekers into the city. While the United Nations World Development Report 2009 encourages concentrations of people to boost economic development in the long term, in the shorter to medium term this places pressure on local government to provide the infrastructure and services to support urban growth. The largely unplanned human influx into Cape Town has led to secondary challenges, mostly with regard to human settlement patterns, access to services and social cohesion.

The City's current population estimate of 3,5 million people (according to 2009 figures) exceeds what was anticipated by much earlier projections for 2009. Currently, almost half of Cape Town's households are sheltered in inadequate dwellings and informal settlements. Approximately 400 000 families have expressed a need for formal housing opportunities by placing their names on the City's housing database. This backlog is further aggravated by a consistent annual growth in housing demand of approximately 17 000 dwellings, either from new family formation or in-migration.

[6] Cape Town Routes Unlimited

The City has aligned its housing development strategies and goals with that of the National Department of Human Settlements Comprehensive Plan for the Development of Sustainable Human Settlements, called Breaking New Ground (BNG), and the Provincial Housing Department's Sustainable Human Settlements Strategy (*Isidima*) to deliver housing opportunities and a mixture of tenure types for poor households, with adequate access to social and economic opportunities in well-located and safe urban areas. The City seeks to achieve this by implementing the range of national housing programmes available, with funding provided through its annual allocation from the Province in terms of the Division of Revenue Act (DORA).

Informal settlements

There are currently an estimated 230 informal settlements in Cape Town, accommodating almost half of the city's households. The City approved an Informal Settlement Master Plan Framework in November 2007, which aims to integrate informal areas with the broader urban fabric to overcome spatial, social and economic exclusion. Central to this plan is the provision of *in situ* essential services, such as water, sanitation and electricity. The services will be delivered in phases, aiming for upgrades to 25% of existing informal settlements by 2012. Also, informal settlement management programmes are a new initiative to assist with service delivery to communities. These currently include 19 permanent management offices in some of the larger settlements to facilitate better governance processes for service delivery through equitable consultation.

Five pilot sites have been identified as part of the ISUP. However, the City is faced with the significant challenge of achieving a balance between densification and land banking on the periphery of Cape Town. This results in people living further away from economic zones and employment, and places pressure on transport infrastructure. Investigations into the viability of high-rise residential buildings along major transport corridors must be seen in this context, as well as the high cost of land and high-rise building construction, not to mention the increasing expectations of residents for own plot/house provision – especially in the lower-cost housing market.

Number of housing opportunities created by the City, 2007 – 2009, with projections until 2012
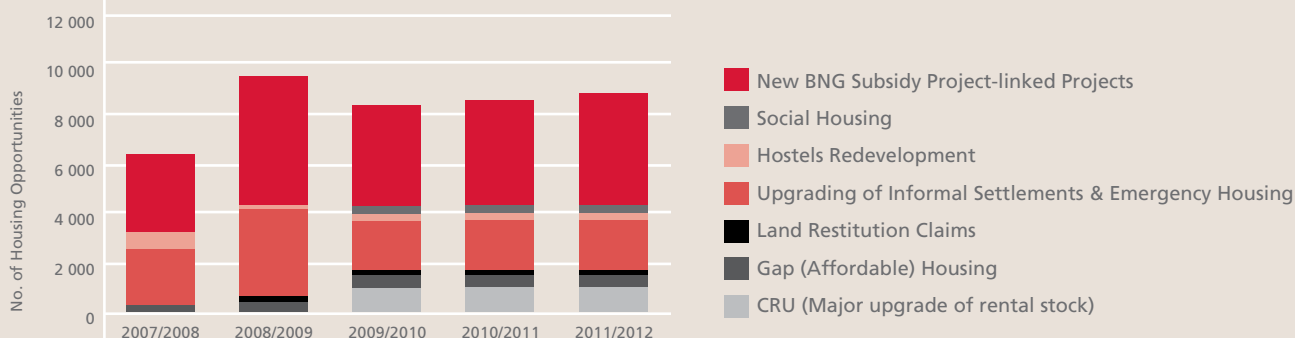
* Projected figures based on National Treasury funding

Creation of housing opportunities

Despite all the City's best efforts, housing demand in Cape Town currently outstrips available supply. The City is actively seeking ways of managing this challenge.

As part of this process, the City aims to improve its mandated town planning services through improved team performance, technology enhancements, regulatory reform and wider community impact.

High levels of access to basic services have been achieved in solid waste services, cleansing and refuse removal

Service delivery

Although the City follows an infrastructure-led development approach, the challenge remains to catch up on service backlogs in a sustainable and inclusive manner. A very small percentage of the City's increasing population still does not have access to certain basic services, which needs to be addressed. Unfortunately, new services provision and infrastructure maintenance compete for resources, and some existing infrastructure is in need of replacement. High levels of access to basic services have been attained for water supply, solid waste services and cleaning, and refuse removal. However, the provision of adequate sanitation and electricity still lag behind household target service levels in informal areas.

Cape Town faces a notable challenge in dealing with solid waste in the future, and its landfill capacity is not sufficient for likely waste increases in the medium term (five years). Various interventions and programmes are intended to deal with the waste site issue, such as landfill/dump rehabilitation, new landfill sites, integrated transfer stations, mini-material recovery facilities (specifically for the 2010 World Cup) and waste collection vehicle replacement. Furthermore, an alternative-technology disposal facility will be established by 2009/10. Contract services with community-based organisations (CBOs) for area cleaning and waste collection will continue in informal areas. In addition, education and awareness programmes on waste management and minimisation will be implemented in disadvantaged communities.

Energy and the environment

Cape Town derives its energy from a number of sources. Electricity is produced primarily through the burning of coal, with smaller proportions derived from nuclear and renewable sources. Liquid fuels – petrol and diesel – are mainly used for transport purposes, while paraffin is commonly used for household cooking and lighting needs. According to the 2003 State of Energy Report for Cape Town, electricity constituted 33% of overall energy consumption. Renewable-power generation sources currently constitute less than 1% of the City's grid-based electricity supply, provided mainly by the Darling wind farm and natural runoff through the Steenbras hydroelectric scheme.

Reduced electricity consumption targets are being included in an energy plan for Cape Town, and during 2008/9, the Cape metropolitan area achieved 2,5% less than projected unconstrained electricity consumption. This means that under current operating conditions (or 'business as usual'), the City used 2,5% less electricity than projected for the year based on historic electricity consumption growth. Future electricity consumption targets will aim for a further reduction in unconstrained growth of up to 10% on a 2007 baseline.

Legend:
- • • • • 2008/9 Projected Electricity Consumption
- —— 2006/7 Electricity Consumption
- —●— 2008/9 Electricity Consumption
- – – – 2008/9 Growth Trend
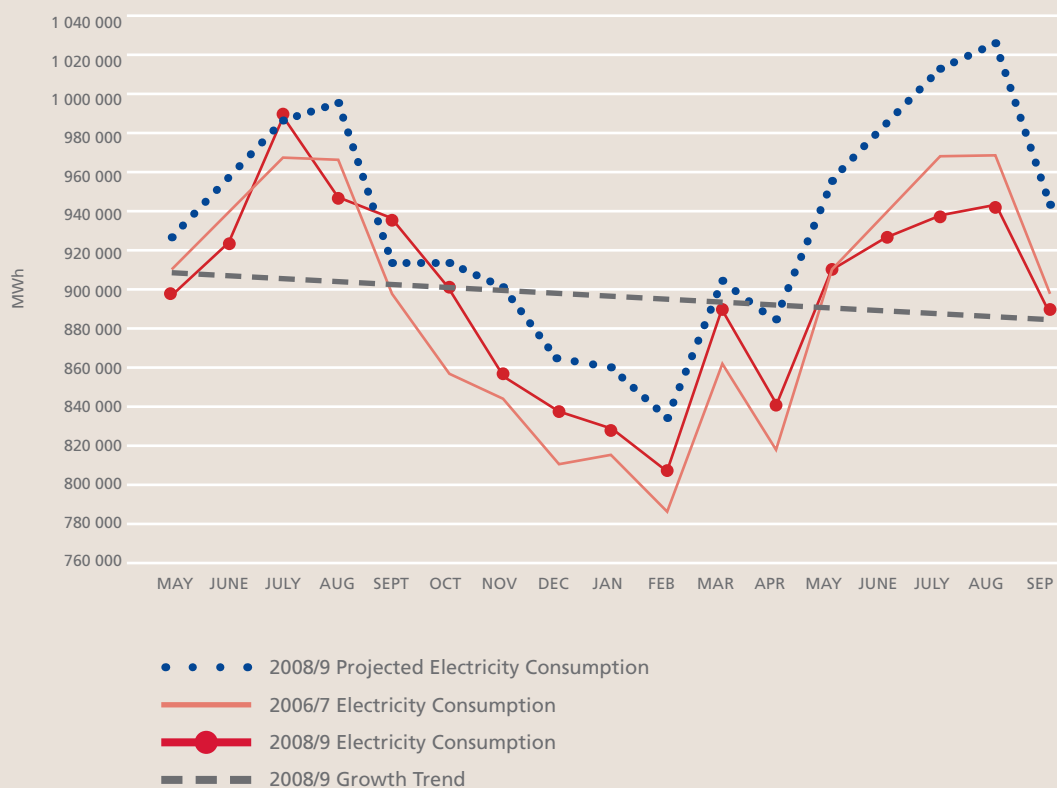
Electricity consumption by Cape Town in 2008/9 compared to projected electricity consumption for the same period, with 2006/7 as base year

The City's current water use is almost 27% below projected unconstrained demand. To maintain this reduction and improve water use efficiency, the City undertakes a number of activities, such as repairing end-user leaks, reusing treated effluent, as well as education and awareness programmes. Cape Town's 2008 State of the Environment Report categorises both the City's fresh water quality and the False Bay coastal water quality as deteriorating. The Atlantic coast has shown signs of improvement.

The main sources of natural water contamination are polluted stormwater, raw sewage from informal settlements, and leaking or damaged sewers and pump stations. The state of Cape Town's fresh water and coastal areas is a serious concern, and rapid urbanisation is adding to environmental pressure on these resources. However, Cape Town's air quality is showing overall improvements, and the City aims to achieve and maintain the status of having the cleanest air of all African cities over the next 10 to 20 years.

The conservation status of natural vegetation within the metro is being closely monitored, but changes in the historical extent of indigenous flora reflect shocking levels of losses. Since 2004, three additional vegetation types were reassessed as being critically endangered at national level, bringing the total of critically endangered species to 11 out of a total of 19 vegetation types. The negative impact of this degradation is not only of biological concern, but also affects the more intrinsic values of the environment, like natural beauty and aesthetics. Cape Town is the heart of the unique Cape Floristic Region, a global biodiversity hot spot, and the intangible benefits of its biodiversity cannot be accurately measured in monetary terms. However, the preservation of the city's natural assets for public well being, tourism, biological health and the benefit of all is apparent.

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Environmental education in Kirstenbosch National Botanical Garden

Minimum conservation targets of between 24% and 30% of original (historical) extent have been set for the individual vegetation types. Even though certain vegetation types may appear to be sufficiently above this target, high levels of species endemism as well as high turnover in species composition increase their vulnerability to degradation. The major causes for biodiversity loss are human development (built environments) as well as alien invasive species. The map opposite gives an indication of the complexities of biodiversity levels in the city.

Vegetation conservation status in Cape Town 2009

Legend:
- CRITICALLY ENDANGERED
- ENDANGERED
- VULNERABLE
- LEAST THREATENED
- PERCENTAGE LOST
- PERCENTAGE OF HISTORICAL AREA REMAINING

Critical Biodiversity Areas
& Wetlands

City of Cape Town
2010
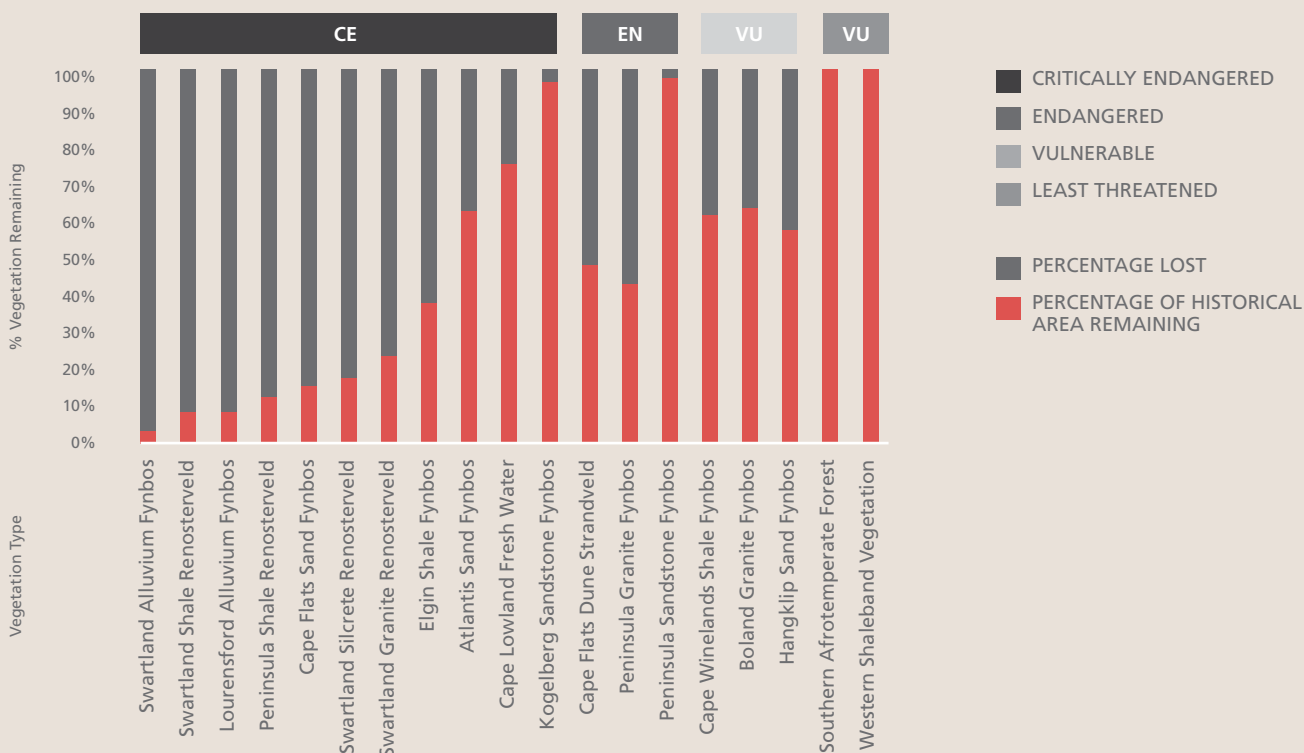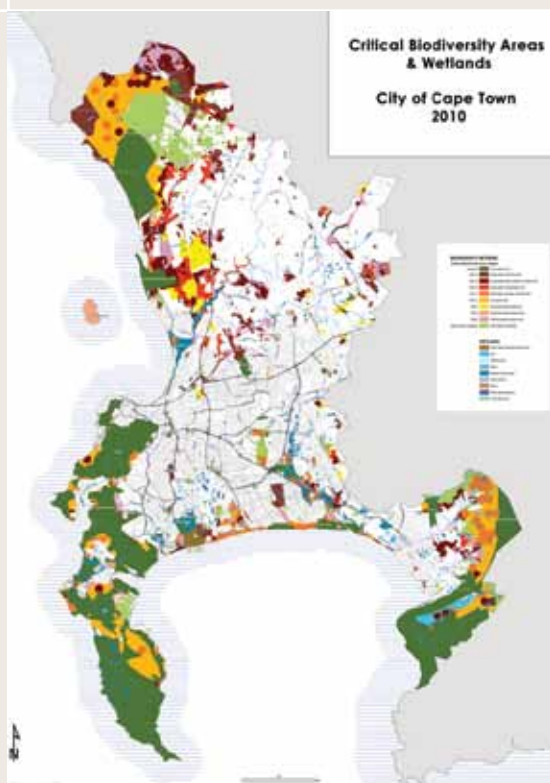
Climate change is placing increased pressure on the environment, and global emission agreements require the City to pay more attention to greenhouse gas emissions and other pollutants. Cape Town's large informal areas as well as its extensive biodiversity make it a high-risk location for disaster management. Preparing for the likely impacts of natural disasters and climate change will enable the City to be proactive in its response to such emergencies. Poor communities remain vulnerable to fire, flooding and other uncontrollable hazards, and the impacts of these events place additional strain on all resources.

Transport and spatial development

Transport systems are an essential function of smooth-running cities, and a critical facilitator of the mobility and access needed to support a healthy economy. This is particularly true for Cape Town, which has experienced an annual 3% increase in traffic volumes over the last 10 years. The City's ITP addresses three main objectives:

- Providing transport support, particularly public transport systems, for economic growth

- Prioritising people's transport needs

- Minimising the impact of transport on the environment.

Also, the ITP reviews a number of sectoral strategies for integrated transport, including safety, public transport operations, transport infrastructure, travel demand management, freight, non-motorised transport, ports, airports, road network operations, coordinated planning, asset management, institutional strategy, funding and public consultation.

Recognising that South Africans still largely depend on private vehicles for their transport needs, National Government introduced the concept of integrated rapid public transport networks (IRPTN) in 2007. This initiative will focus on priority rail corridors and bus rapid transit (BRT) networks, while maintaining the centrality of the existing bus and minibus sector. The first phase of the network is focusing on the route between Blouberg and Cape Town city centre, and 15 km of dedicated lanes are currently under construction along this corridor.

The average ratio of private-vehicle use to public transport is approximately 70:30 on any given day, although the morning peak reflects a 50/50 split. The ITP aims to reduce private-vehicle use and increase public transport use by 9% by 2020.

Modal split targets

Year	% private	% public transport
Existing	52%	48%
2010	50%	50%
2015	47%	53%
2020	43%	57%

Source: ITP 2009, City of Cape Town

While it is an obvious requirement of a growing city, as with all the strategic focus areas, transport must form part of an integrated infrastructural development plan. This plan must also take cognisance of Cape Town's housing, economic development and natural resource preservation needs when setting out how the rapidly growing transport needs of the city will be met.

Quality of life

As in the broader South African context, Cape Town also faces challenges due to sharp differences between socio-economic levels. These vulnerabilities contribute to broader social challenges, such as crime, gangsterism and drug-related behaviour. The fact is that poverty remains a reality in the city, and a comprehensive anti-poverty strategy is required to address the economic and social needs of Cape Town's poor. Any such strategic plan will need to be drawn up in partnership with the Province, and linked to the forthcoming national strategy aimed at addressing safety, job creation and health care in the country.

Although Cape Town has the lowest prevalence of HIV/Aids, sexually transmitted infections (STIs) and tuberculosis (TB) of all South African cities, it remains a challenge to reduce the spread and impact of these diseases. The City realises that such severe health issues impede sustainable development, and has therefore made the mitigation of HIV/Aids, STIs and TB a priority by adopting a multi-sectoral strategy to contain, reduce and treat these diseases, as well as address the underlying causes of their continued spread.

Cape Town's HIV/Aids prevalence rate remained largely unchanged between 2004 and 2007, at an average of almost 18% according to the Provincial Department of Health. What is more encouraging, however, is the increase in the number of facilities dispensing antiretroviral treatment (ART) over the last four years, as well as the number of people registered for treatment.

Number of ART facilities and people registered for treatment in the city

	Dec 2006	Dec 2007	Dec 2008	Jul 2009
Number of ART-dispensing facilities	28	35	44	48
Number of people registered for ART	17 646	25 544	37 355	46 460

Source: Provincial Department of Health

The City's Health Directorate currently operates according to a service level agreement (SLA) in partnership with the Provincial Health Department. The SLA guides the delivery of shared health services at 82 clinics, four community health centres (CHCs), 24 satellite clinics and four mobile clinics. These facilities ensure the provision of comprehensive primary health care (PHC), and maternal and child health services, including preventive and promotional programmes. Cape Town's infant mortality rate (IMR) has declined considerably since 2003, which is a good indicator of overall health in the city, as well as improved living and social conditions.

Infant Mortality Rate (IMR), per 1 000 live births
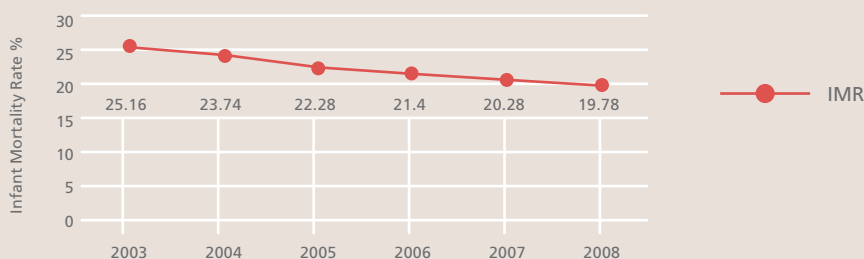
It has been difficult to track, and determine a trend in, poverty and living standard levels since the 2001 national census, mostly because of non-availability of household income data. Statistics South Africa's annual general household survey currently provides an indicator of income levels through its monthly expenditure figures. The graph below shows expenditure brackets for 2007 and 2008 in Cape Town. It is assumed that the poor spend almost all of their monthly income, and their expenditure can therefore be more closely linked to income levels. If household expenditure of R2 500 per month or less is considered the poverty line (the City defines an indigent household as having a monthly income of R2 880 or less), the proportion of households living below this line was approximately 48% in 2008. The percentage of households in this bracket dropped slightly from 2007.

Household expenditure for Cape Town, 2007 and 2008
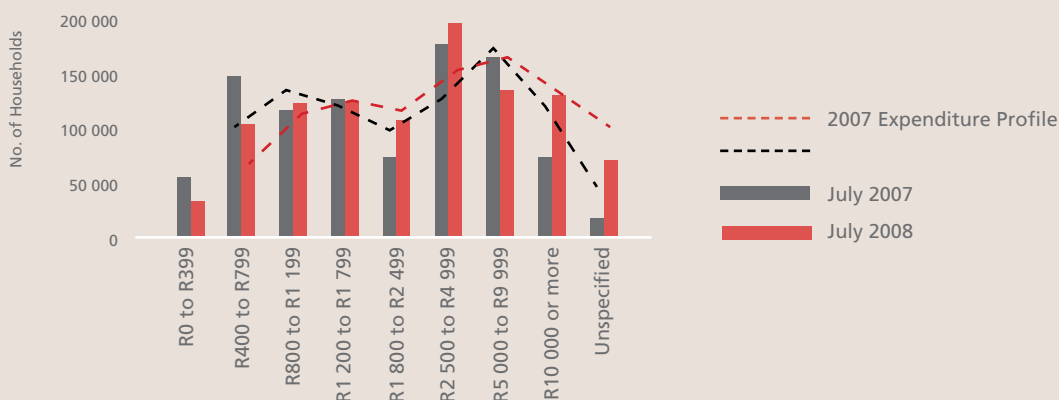
Source: Statistics South Africa's general household survey, compiled by the Strategic Development Information & Geographic Information System Department, City of Cape Town

Safety and security

Fostering a safe and secure environment is currently a strategic challenge for the City, as crime levels negatively impact on the quality of life in Cape Town, and also pose a threat to its future prosperity. Existing and future losses in investment opportunities and visitor revenues cannot be measured accurately, although they are likely to be significant.

Statistics indicate gradually decreasing overall crime levels since 2003, although Cape Town has experienced a significant increase in drug-related crime (approximately 27% increase per year), which includes an increase in driving under the influence of alcohol or drugs (an average annual increase of 22%). Also, there has been a notable increase in commercial crime since 2003 (an average annual increase of 10%), as well as robberies at

business premises (an average annual increase of 75%). Residential robberies have also shown an annual average increase of 25% in this time. However, it must be noted that increases in certain crime incidences may be a result of improved reporting and law enforcement, and are not necessarily a result of higher crime levels. Violent crime includes murder, sexual crimes, assault with intent to inflict grievous bodily harm, and robbery with aggravating circumstances. These have shown a gradual decrease of 6,6% per annum since 2003.

Crime trends (per 100 000 of the population) for drug-related crime, violent crime and commercial crime, Cape Town, 2003–2009

Source: South African Police Service (SAPS) crime statistics 2009, compiled by the Strategic Development Information and Geographic Information System Department, City of Cape Town
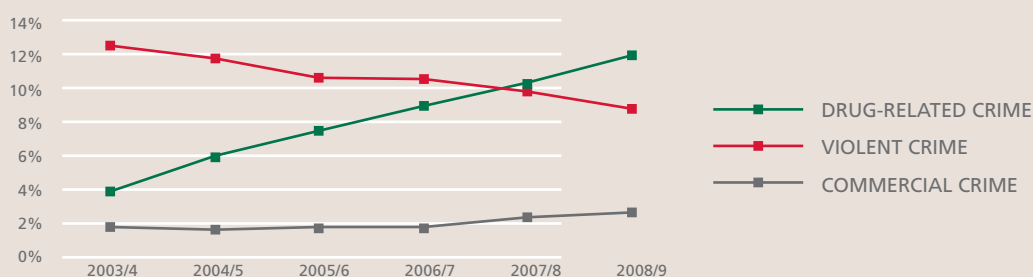
Despite the City's best efforts to reduce and prevent crime, it is becoming increasingly evident that criminal patterns are symptomatic of unhealthy social and living environments. HIV/Aids, drug-related behaviour, family breakdown, dislocation of communities and other social issues pose a threat to the establishment of a healthy, balanced society. Community activities and facilities, specifically for the youth, have been identified as methods to prevent criminal and gang-related behaviour. Particularly children's parks and multipurpose/sports facilities are in high demand, especially in poorer areas. Also, Cape Town has the advantage of leveraging its natural environment to create well being. Although the city has a good ratio of nature reserves to total population, these reserves are often inaccessible to people in lower socio-economic areas due to lengthy travel times and high transport costs (see Biodiversity Network map on page 31).

A focus on the youth and ECD is a potentially powerful method of reducing criminal behaviour 'at source'. Citizens are eager to use community and sports facilities and activities to engage with young people, and to try and prevent criminal and antisocial behaviour. Cape Town would benefit from investment in developing holistically integrated, healthy communities from both a spatial and a social perspective.

PUBLIC PRIORITIES: WHAT CAPETONIANS WANT FROM THE IDP

The City of Cape Town regards public confidence in its abilities, participation by citizens, and mutual understanding among all stakeholders as key elements in achieving its objectives. In order to obtain the public's input on the IDP review, the City used a range of mechanisms, including:

- the annual community satisfaction survey (CSS) 2008/9;

- the C3 notification system records for 2008/9;

- the IDP public participation outreach comments and inputs, August to October 2009;

- the Mayor's roadshow (MRS), 'Talking to the People', September to November 2009; and

- the City's risk register for 2008/9.

Of all the sources of information used to glean resident feedback, the CSS findings are the most scientifically defensible. The second annual City of Cape Town CSS of residents and businesses in the city was conducted between November 2008 and February 2009. The results of the survey showed that Capetonians' perceptions regarding the performance of the City of Cape Town have improved. 54% of residents now say that the City's overall performance is good, very good or excellent. This is up from last year's score of 50%.

Priority issues for Cape Town's residents – customer satisfaction survey 2009

Significant change from 2007/8 ▲▼   2008 ■   2009 ■

Priority	2008	2009	Change
Creating jobs	64	70	▲
Preventing crime	58	62	▲
Fighting corruption	35	34	
Providing housing	34	32	
Having primary health care	19	16	▼
Growing the economy	12	14	
Having an open and accountable government	13	14	
Protecting the environment	11	13	▲
Addressing HIV/Aids	16	13	▼
Building and maintaining existing infrastructure	14	11	▼
Enforcing traffic and other bylaws	11	9	▼
Encouraging social development	11	9	▼
Reducing red tape	3	3	

Provides a strong indication of the issues that are important to people...

...jobs and preventing crime have increased in importance

What should the City prioritise?

The responses from Cape Town businesses have also shown improvement, with 77% of those surveyed rating the overall performance of the City as good, very good or excellent. This is up from last year's 69%. In its role as public service provider, 75% of businesses rated the City as good, very good or excellent – an increase from 70% for last year.

The CSS polled a random sample of residents, and asked them what the priorities of the City should be (see graph above). The top two priorities – job creation and crime prevention – were the same as the results obtained in the 2007/8 CSS. However, the number of residents choosing these priorities had increased. Another steadily increasing priority is the protection of the environment – currently in eighth place. Fighting corruption, providing housing and access to PHC completed the top five priorities.

The responses were analysed by grouping the comments according to the City Directorate to which they apply, thereby identifying which services were most important in addressing the public's needs and concerns. Transport, Roads and Stormwater topped the list, accounting for some 13% of public comments and requests. A cluster of four directorates – Economic and Social Development, City Manager, Community Services, and Housing – accounted for over 12% of the comments, followed by Service Delivery Integration, Utility Services, Safety and Security, and Health. The remaining three directorates all evoked less than 2% of the comments.

A number of issues raised by respondents do not fit neatly into any one focus area. These include illegal dumping, traffic calming and housing delivery – all of which bear relation to several or all of the eight strategic focus areas.

FOREWORD

INTRODUCTION

STRATEGIC FOCUS AREAS

FRAMEWORKS

IDP Alignment with a Long-term Spatial Development Framework (SDF)

To be effective, the five-year IDP must be linked to a medium- to long-term spatial plan, which illustrates how the IDP's aims will be achieved over time.

SPATIAL ALIGNMENT OF PUBLIC AND PRIVATE INVESTMENT

The state's role should be to create the framework for market development, while simultaneously enhancing the required assets for such development (e.g. infrastructure), and protecting the foundations of sustainable and quality human settlements (e.g. the environment). 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™, for which very specific objectives had 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 revealed that, in the short to medium term, the vast majority of public funds will have to be focused on maintaining existing infrastructure and catching up on basic infrastructure backlogs. Decisions on major bulk infrastructure that either causes or prevents urban expansion will therefore shape the spatial development of the city over the next five years. Obviously, this will impact on the achievement of the strategic objectives set out in the City's five-year IDP.

Generally speaking, the City's spatial development strategy will be to manage urban growth effectively 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. This will require the upgrade of existing infrastructure in areas where densification is considered, which in turn will require budget prioritisation (over and above the funding of repair/replacement backlogs of bulk and reticulation-type infrastructure that will form part of future asset management plans). Where new growth is allowed, this must take place along planned growth corridors that are adequately serviced by public transport.

This spatial development strategy, however, presents something of a catch-22 situation for the City. The cost of land along the corridors earmarked for densification is prohibitive, while the budget requirements to fund the upgrade of infrastructure along these corridors limit the available funding for the provision of low-cost housing on the city periphery. This is exacerbated by the private sector's reluctance to invest in higher-density, low-cost residential development. Finally, the fact that preparations for the 2010 FIFA World Cup™ and the establishment of the city's IRT system have tied up most of the City's discretionary resource allocation for the next three to five years, will impact on the realisation of this spatial development strategy and the associated IDP objectives.

A NEW CITY SDF

The City first adopted its Metropolitan Spatial Development Framework (MSDF) in 2001. Since then, Cape Town has undergone a dynamic period of change and development, which the MSDF does not reflect. As a result, in 2006, the City proposed a set of ideas called Future Cape Town, which 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 a new 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. This is a long-term plan to manage growth changes in the city and to ensure that urban growth happens in a sustainable, integrated and equitable manner. The framework includes district-level spatial and environmental plans, and will specifically guide densification and urban edge decisions. The SDF is guided by four overarching ideas, namely to ensure that the city becomes more adaptive and resilient to change; to manage expansion; to conserve natural resources; and to arrange development around vibrant development corridors.

Integrated district-level Spatial Development Plans (SDPs) and Environmental Management Frameworks (EMFs) are currently being prepared for Cape Town's eight functional planning districts in line with, and informed by, the citywide SDF. These plans will replace outdated regional plans, and are due for completion by the end of 2010, with approval in terms of the Land Use Planning Ordinance (LUPO) following soon thereafter. On completion, the citywide SDF and the SDPs will inform the preparation of the annual IDP review as well as the development of new IDPs.

The figure below provides a map of the City's proposed planning districts, while a demographic overview of the eight planning districts and the draft Future Cape Town document are contained in annexures D and E to this document.

PRINCIPLES INFORMING THE CITY'S SDF

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 fairly includes all the city's residents.

The principles informing the SDF are based on the idea that Cape Town should work better for its citizens, while simultaneously acknowledging its inevitable growth as more people make the city their home, and Cape Town seeks to attract visitors and investors. Behind this lies the realisation that we need to protect and improve the existing natural and urban environment that makes the city a unique and desirable place in which to live, work and invest. In addition, it is critical to take the economic, service and social value of the region's natural resources into account.

Some of the key principles of the SDF are based on good city planning and management practice, 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.

• High-quality living environments should be created across the city.

The SDF will, among other things, propose the following five spatial strategies to guide the long-term development and growth of metropolitan Cape Town:

1. **Enhance the value of the natural and rural environment and green spaces for the people of Cape Town**
   For social, economic and environmental reasons, it is critical that Cape Town's valuable natural resources and green spaces are defined, protected, enhanced and made more accessible. The sustainability of these natural resources also depends on the protection and enhancement of natural ecosystems.

2. **Establish an integrated grid-based movement system**
   Cape Town must have a movement system that works for all and provides access to the city's resources and amenities. The movement system connects people with people, as well as people with opportunities. Its infrastructural components (pedestrian routes, bicycle lanes, roads and rail) and their patterns of interconnection have a profound impact on spatial patterns and accessibility and, hence, on economic and social opportunities.

3. **Consolidate and intensify development on the accessibility grid**
   The City should ensure that Cape Town's growth and land management strategies and policies enhance its position in the global and regional economy. Economic, social and higher-intensity development should be steered to locations that offer the greatest opportunity to the entrepreneur and that have the best possible impact on people's quality of life, especially that of the poor. These locations are on the accessibility grid.

4. **Direct urban growth and promote compact, integrated development**
   A compact form of development, with settlement growth directed towards areas suitable for development, and away from important resource areas and hazards, will be actively pursued. Also, Cape Town's future spatial development needs to be informed by the infrastructure capacity and maintenance challenges facing the City.

5. **Develop more great people places**

   What makes Cape Town special and unique and, more importantly, what will continue to give it an edge as an attractive place to live in and visit in the decades ahead, is its high-quality destination places. Some of these are of cultural and heritage value, e.g. Robben Island and Groot Constantia; others capitalise on the city's natural assets, e.g. Kirstenbosch National Botanical Garden and Cape Point; while yet others are attractive public places where people can relax and see other people, e.g. the V&A Waterfront and Sea Point Promenade. These need to be consolidated into a citywide network of destination places with improved accessibility.
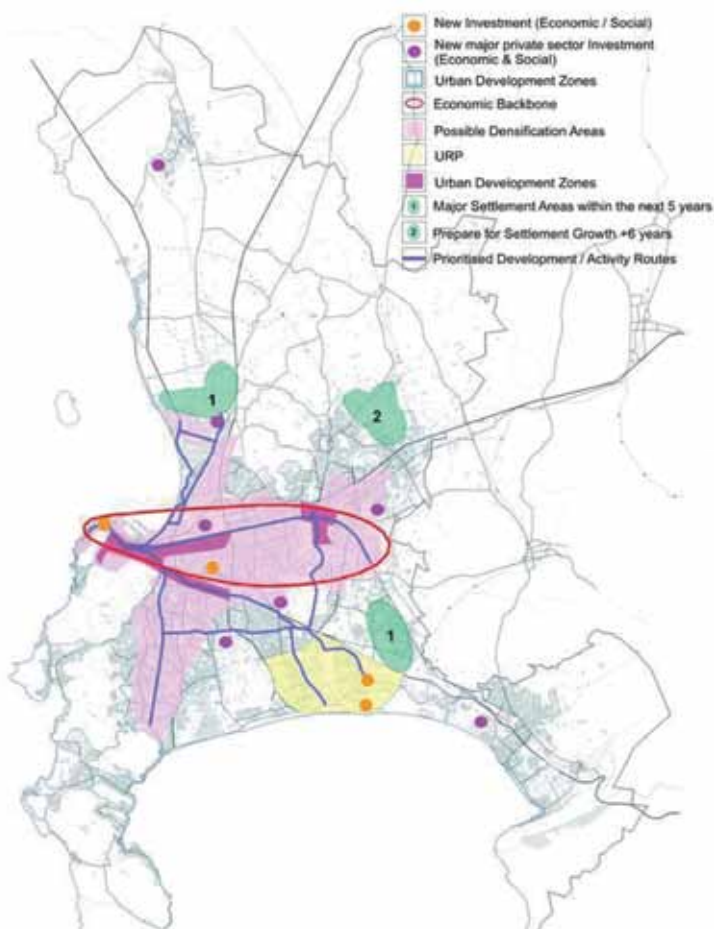
High-quality destination places like the V&A Waterfront and Cape Point need improved accessibility

The map above gives a spatial depiction of major infrastructure initiatives that the City has planned for the next five years.

FIVE-YEAR SPATIAL DEVELOPMENT

Future investment and settlement should be linked to economic drivers and opportunities. Individual business decisions and private investment cannot be dictated by a public sector plan. However, concentrating public investment on infrastructure, especially transport systems, proactive land management and related infrastructure, will provide a level of certainty and direction to such investors.

The Strategic Focus Areas
of the IDP

The Strategic Focus Areas of the IDP

The diagram below illustrates how the IDP strategic focus areas have been broken down into strategic responses, objectives and programmes for budgeting and operational implementation.

SIMBU MODEL
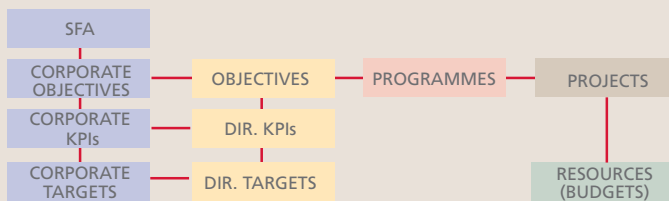
The IDP in action

The diagram above explains how corporate strategy is cascaded towards the lower levels of the organisation, and how this influences and shapes the operating and capital budgets of the various directorates and departments within the City.

The City's visionary framework is rolled out into objectives, key performance indicators (KPIs) and targets for implementation. These are then broken down into Service Delivery and Budget Implementation Plans (SDBIPs) that reflect the detailed projects. Each of these projects is allocated a budget and other resources.

The IDP also informs the City's organisational performance management system (OPMS), as the KPIs are monitored and must be reported on every quarter.

USE OF VISUAL ICONS TO DEPICT INTERSECTION OF STRATEGIC FOCUS AREAS

While the linear document requires that each of the City of Cape Town's strategic focus areas be outlined and explained independently, the IDP is, as its name implies, highly integrated. Therefore, the various focus areas do not function in isolation, but intersect and overlap. For this reason, this year's IDP review for the first time shows this intersection by means of a series of icons that accompany the text on the pages that follow.

Where an icon appears, it reveals that the issue, objective or action under discussion in the accompanying text not only concerns the relevant strategic focus area, but touches on one or more of the City's other strategic focus areas as well.

The table on the opposite page shows the icons used to represent each of the strategic focus areas in this IDP review.

1	Shared economic growth and development		
2	Sustainable urban infrastructure and services		
3	Energy efficiency for a sustainable future		
4	Public transport systems		
5	Integrated human settlements		
6	Safety and security		
7	Health, social and community development		
8	Good governance and regulatory reform		

Strategic Focus **Area 1**
SHARED ECONOMIC GROWTH AND DEVELOPMENT
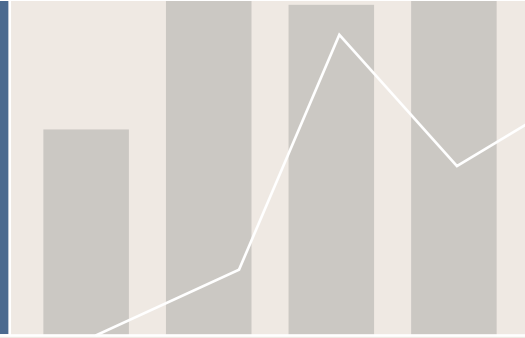
The revised City of Cape Town EDS has five strategic thrusts aimed at making the City internationally competitive and innovative. While infrastructure-led economic growth remains the overarching objective, the EDS also calls for a balance of perspective and policy interventions in order to address the socio-economic challenges Cape Town faces, as well as the growing economic inequality and social disconnection among its various communities. The issue of poverty reduction needs to be elevated to a strategic level, so that we indeed can have a city that works for all.

As most infrastructure budgets relating to the 2010 FIFA World Cup™ have now been spent, the City is faced with the challenge to leverage the facilities delivered in order to generate revenue. Essential to this, is the need to have a multipurpose strategy for Cape Town Stadium, while recognising that the real benefit of the World Cup should be the legacy it leaves in terms of improved public transport infrastructure, and its positioning of Cape Town as a tourist destination and a viable option for future international sporting events.

As the local economy recovers from the recession, significant policy challenges have developed as to how industries in distress could be assisted and what the drivers of sustained recovery could be. Similarly, the rate of economic recovery in various sectors will vary, as the impact of the recession will have differed across sectors. The knowledge economy is likely to become even more important, as a significant number of highly skilled people choose to live in Cape Town thanks to the combination of lifestyle choices and learning and innovation opportunities it offers. This trend should be fostered and encouraged as part of the repositioning of Cape Town as a design and service hub. The importance of IT as part of this repositioning should not be underestimated.

A CLOSER LOOK AT CAPE TOWN'S ECONOMIC DEVELOPMENT STATUS

Investor interest

Despite the recessionary environment, the City has successfully leveraged land for development purposes. In 2009, the City of Cape Town awarded a R3-billion tender to establish retail, business, residential, hotel and conference facilities on a 11,5 ha property in the Bellville Velodrome precinct. Approximately R800 million is estimated to accrue to the City in rates and service charges, while approximately 26 000 direct and indirect jobs will be created by this development.

Cape Town International Convention Centre

One of the 2010 FIFA World Cup™ benefits is its positioning of Cape Town as a tourist destination

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STRATEGIC FOCUS AREA 8

Cape Town has also enjoyed substantial investor interest, both internationally and locally, in renewable energy projects such as solar farms, solar panel production facilities, solar water-heater manufacturing, etc. It is imperative that the City converts this interest into actual investment by providing support packages and incentives.

Building on our partnerships

The formation of the central-city improvement district (CCID) in 2000 saw the realisation of the vision of a 'downtown' city area that could serve as a place for Capetonians to live, work and play in a safe and secure environment. A recent survey conducted by the Cape Town Partnership (CTP) among retailers revealed that 84% of retailers felt that they had made a good investment by opening their business in the central city and 92% were confident that they would still be in business by the time the World Cup starts in June 2010. In addition, the International Downtown Association (IDA) has recognised Cape Town central city for its good work as a downtown destination during July 2009.

The Cape Town/Barcelona city partnership centres on promoting the city as an innovation SMME and knowledge economy hub. Since Barcelona and Cape Town share certain economic features, the shared learning and information exchanges have resulted in a future innovation project.

The recent Cape Silicon initiative presents a drive for the broader functional city region to become a knowledge and information centre. This is a milestone project, which will make the broader city region more internationally competitive in terms of skills migration, export of intellectual capital, etc.

The City is engaged in talks aimed at establishing ties with Tsinghua University in China, with the aim of developing a world-class innovation village in Cape Town. In a broader context, this partnership will be an important link in terms of stimulating mutually beneficial business relations.

Wesgro continues to play a leading role in facilitating investment in Cape Town. A 2010 investment strategy has been developed and certain actions prioritised to enhance the Cape Town business brand, and increase the perceptions of the city as a premier investment destination.

City of Cape Town policy initiatives

To get a firm theoretical and empirical basis for determining Cape Town's competitive advantage, an extensive competitiveness study has been initiated, covering core themes around governance, efficiency, small-business development, institutions, etc. Key aspects from this study that will inform planning for Cape Town's economic future, include the following:

- promoting and developing a low-carbon economy;
- strategic use of the city's available land to unlock investment and development opportunities with regard to densification and mixed-use developments in close proximity to the inner city;
- proactive economic spatial planning to cope with in-migration;
- an investment agenda that prioritises investment in informal settlement areas; and
- incorporating local area economic development (LAED) action plans into district-level SDPs.

Financial sustainability

The City has been under pressure due to increasing wage bills, poor debt collection ratios and the inability of its customers to pay for services. In addition, the timing of budget cutbacks in conjunction with service delivery protests in some communities was unfortunate, given the need to improve and increase services in underprivileged areas. According to economists, the proposed electricity tariff increase will also create a knock-on effect that would cause inflationary pressures to continue for consumers for a number of years. Obviously, this will impact on the City's revenue collection as well and, therefore, there is a need to establish other, sustainable revenue streams.

The City does, however, have a number of opportunities in the years ahead. These include:

* addressing electricity efficiency concerns by stimulating the market for the production of solar water heaters – particularly for fitting in low-cost housing;

* job creation through stimulating supply and demand;

* investment in renewable energy;

* developing clean industries as part of a broader sectoral programme development intervention; and

* the 2010 FIFA World Cup™, which presents key opportunities to leverage Cape Town as a premier business, investment and leisure destination, by forging a distinctive Cape Town business brand.

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

KEY CITY FOCUS AREA 1A: CREATE AN ENABLING ENVIRONMENT FOR THE ECONOMY TO GROW AND BECOME GLOBALLY COMPETITIVE

Promote the use of LED tools to grow SMMEs and develop enterprises

Objective 1i – Increase number of direct job opportunities

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, while the City has a skills development strategy that supports the EDS.

PROGRAMMES

LED programme
The aims of the LED programme are to:

* develop and implement interventions in response to area-specific challenges in the short, medium and long term;

* support the establishment of business support infrastructure by leveraging available resources;

* support and accelerate alternative livelihood strategies that are compatible with the need for sustainability; and

* support small businesses through economic participation, entrepreneurship and building small-business networks to sustain economic development initiatives.

Urban agriculture programme
The City's Urban Agriculture Policy recognises the important role that urban agriculture could play in terms of food security, economic empowerment, social inclusion and a sustainable natural environment. The sustainable development of subsistence food gardens and emerging commercial urban farmers is promoted.

The policy particularly encourages the cultivation of fast-growing, high-yield vegetables and niche produce, such as herbs, traditional medicine plants and organic food, by improving access to finance for emerging SMMEs. It also provides for a strategy to support livestock keepers in the city, which includes the development of community

Careers expo – promoting local goverment as a career option

Skills developments, promotion of urban agriculture and stimulation of the market for solar water heaters will have a positive impact on the local economy

kraals and commonages outside the residential areas. The City plays a proactive role in land reform for agricultural development (LRAD) by, among other things, providing secretarial support to the District Assessment Committee for the Cape Town region.

Municipal service providers

During the year, the City appointed a project team to establish a framework to track its service providers' performance, as required by the Municipal Finance Management Act (MFMA), the Municipal Systems Act (MSA) and performance regulations. This included setting KPIs, targets, measurements and reporting standards, as well as the revision of strategies and objectives.

Business support programmes

The primary aims of the City's businesss support programmes are to:

- develop and grow SMME opportunities through partnerships, the 2010 event and supply chain management;

- encourage SMME development through SMME-specific projects;

- target the growth of SMMEs by supporting The Business Place eKapa, the business-support voucher programme and job centres; and

- 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 Business Place, Small Enterprise Development Agency (SEDA) and the Province via the RED (Real Enterprise Development) Door initiative. These partnerships will be complemented by other projects, including the development of relations with key cities throughout South Africa and the rest of the world.

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

- maximising low-skilled, short-term job creation through the EPWP and the Economic and Human Development (EHD) Department's capital expenditure 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 benefit;

- improved access to Council procurement opportunities; and

- ongoing 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 IT skills.

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Objective 1ii – Increase direct investment in the local economy

There are a number of challenges in achieving this objective. These include:

- how to facilitate labour-absorptive economic growth, and improve the quality of jobs provided;

- how to address the issue of declining industries, such as textile and clothing;

- how to improve entrepreneurial education of informal traders in township economies; and

- how to provide a safe and secure environment that would be attractive to potential investors.

Infrastructure-led growth continues to be the major imperative for enhancing the City's economic growth objectives. While recognising the financial stimulus of capital expenditure toward stadiums and various other improvements, the finalisation of the World Cup infrastructure does have certain negative effects, the most obvious of which will be the scaling down of jobs in the construction industry. In this regard, CTP has played a vital role in maintaining investor interest in developments around the city centre.

It is important that Cape Town develops a decisive business brand, based on real competitive advantages. From an investment promotion perspective, the following interventions will create this enabling environment:

- Commissioning of a global competitiveness study

- Development of Cape Town Activa – our fledgling innovation centre development

- Forming partnerships with Accelerate Cape Town in developing a business brand for Cape Town

- Promoting SMME participation in the local economy via SCM opportunities, and providing entrepreneurs with a voucher programme and skills-based training through further education and training (FET) institutions to improve competitiveness, productivity and sector-based skills.

Development facilitation programme

Despite the global economic conditions and the overall drop in local and foreign direct investment, the Economic Development Forum (EDF) programme will continue to promote investment, job creation and development in the priority sectors, through sector-specific interventions. EDF operates consciously and proactively to integrate the first and second economies (through sector bodies and Wesgro) by focusing on, among others, the following interventions:

- The promotion of enterprise development through the Cape Craft & Design Institute's market access programme (trade facilitation). The strategic objectives of the programme are to facilitate long-term enterprise sustainability through SMME sales increases, access to new and existing markets and other trade opportunities, and improved business capacity through individual development and training.

Upskilling SMMEs to deal with export markets is vital

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- The Cape Information and Technology Initiative (CITI) focuses on growing the size and number of SMMEs in the information and communications technology (ICT) industry. The EDF supports CITI programmes that target women in ICT, providing them with a support network and the knowledge and tools they require. CITI also supports SMMEs in the early growth stage by providing a facilitated mentoring forum with the objective of increasing the number of successful ICT businesses in Cape Town.

- Wesgro offers an Export Development Programme (EDP) to SMMEs. The EDP helps to equip SMMEs with the knowledge and tools to tackle the export markets.

- The Cape Town Boatbuilding and Technology Initiative (CTBi) runs a jumpstart programme aimed at empowering entrepreneurs (SMMEs) who offer a product or service related to the boatbuilding industry. The jumpstart programme assists, mentors and coaches new entrants to the boating industry. The programme also creates exposure for enterprises at the Cape Town International Boat Show.

- Calling the Cape promotes enterprise development in the business processing and outsourcing industry by offering SMME capacity-building programmes with the aim of enhancing these companies' capacity in marketing and financial strategies, effective communication and branding.

- The Cape Film Commission (CFC) has been providing corporate governance and administrative support to SMMEs in order to facilitate the development of the local film industry. Their enterprise development programme also assists SMMEs with the development of business plans and mentoring.

  The CFC has been working in close partnership with Animation South Africa and industry partners on an animation industry development initiative to develop key scarce animation talent and skills, and to contribute to the transformation of the industry. This initiative is aimed at meeting the existing and future industry skills demand, with a view to supplying South African animation production companies with an immediate and ongoing pool of skilled animators.

Area targeting

LAED forms the basis of various interventions in the informal economy and specific communities. The challenge is the timeous incorporation of some of the action plan recommendations into district spatial plans. Ideally, these action plans should inform new economic development corridors and spatially map the areas where service delivery should be concentrated in future.

Business development programme

The programme is driven by the City's Business Support Policy and focuses on influencing policy, the regulatory environment and access to business information, business development services and procurement support.

SMME participation and skills development in the local economy are encouraged via:

- among others, the business support voucher programme, support for The Business Place eKapa and access to information programmes;

- support for various sector-specific initiatives, such as the animation training programme by the CFC;

- departmental support for events such as the MIT Global Startup Workshop held in Cape Town in March 2009 and the City's link to Global Entrepreneurship Week in November 2009 through its own Small-Business Week; and

- the City's links and relationships with SEDA, the Province's RED Door initiative and various other role players in the business support environment.

Objective 1iii – Increase percentage of visitors to Cape Town

Tourism is an important driver of Cape Town's social and economic development. The value of attracting key players to conferences and exhibitions held in the city is not limited to the direct benefits of visitor expenditure, but also has an impact on residents' quality of life, the world's awareness and image of the city, decisions relating to inward investment across the economy and the export of goods and services.

The City has a vision that, by 2020:

• Cape Town will be celebrated as one of the top 10 iconic tourist destinations in the world;

• responsible tourism development will be a driving factor in establishing Cape Town as one of the world's greatest cities to visit and in which to live, work and invest;

• the tourism industry will be a real driver of the economic and social transformation of Cape Town, and its role will be fully recognised as such by public and private sectors alike;

• through combining and using exceptional design and architectural talent as well as the vibrant creative economy, the tourism industry and the public sector together will play a key role in making sure that Cape Town is known and recognised globally as the creative centre of Africa; and

• through a continuous process of strengthening the City's law enforcement capacity by means of the introduction of specialised training initiatives, expansion of resources and optimum utilisation of available technology, Cape Town will be known as the safest city in Africa.

To achieve this vision, the City has a strategic target to double the value of tourism to Cape Town's economy by 2020. This vision and target will be pursued via a number of partnerships aimed at developing, managing and promoting the destination, as well as serving visitors' needs. These partner organisations include:

• Cape Town Tourism (CTT) (the City's principal agency for destination marketing, and visitor and industry services);

• Cape Town Routes Unlimited [the provincial destination marketing organisation (DMO)];

• CTP;

• the CTICC;

• the CFC;

• the tourism sector, represented by the Federated Hospitality Association of South Africa (FEDHASA);

• the Southern Africa Tourism Services Association (SATSA); and

• the South African Association for the Conference Industry (SAACI).

About the CTT partnership

CTT is a unique tourism agency, as it is constituted as a voluntary industry association with more than 2 700 members, and is recognised as one of the largest and most representative tourism industry associations in the world. This structure means that CTT works with the private sector, while remaining in a dynamic partnership with local and provincial government – enabling them to deliver on visitor expectations as well as show a real return on investment to stakeholders.

An important objective of the CTT partnership is to reduce seasonality so as to ensure year-round, permanent employment; increased benefit to the economy; enhanced profitability; and maximum return on public and private-sector investment.

Cape Town carnival – promoting the local cultural landscape

Cape Town aims to be one of the top 10 tourist destinations in the world by 2020, and a preferred host of world-class events

STRATEGIC FOCUS AREA 1

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The City will support, and endeavour to implement, the principles of responsible 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.

Also, the 2010 FIFA World Cup™ must not be seen as an end in itself, but rather a springboard for long-term growth and benefits. Ensuring sustainability will require a comprehensive and long-term approach. Therefore, CTT will now focus on both readiness for, and the long-term benefits of, the 2010 event, ensuring that all programmes are aligned with the host City's 2010 business and marketing plan.

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.

Annual tourism objectives have been set for the next five years, with targets relating to increased visitor numbers and expenditure, and improved regional visitor spread.

With regard to international markets, the aims are as follows:

• to increase overall visitor numbers by 2% each year;

• to increase the overall number of nights spent by visitors in the Western Cape by 2% each year; and

• to increase visitor numbers during the off-peak period (May – September) by 2% each year.

With regard to the domestic market, the aims are as follows:

• to increase peak-season trip numbers in line with national growth;

• to increase the overall number of nights spent by visitors in Cape Town by 2% each year; and

• to increase the number of trips during off-peak period (May – September) by 2% each year.

The strategies supporting the City's tourism development goals can be traced back to Council's strategic themes to realise its commitment to economic development and job creation.

Programmes
Local tourism programme

The Constitution explicitly defines 'local tourism' as a function of local authorities within the context of developmental local government. It is interpreted as 'developmental tourism at a local level' and, as such, constitutes the process by which partners from the public, business, labour and civic sectors work together to identify, utilise and harness location-specific resources (including people, buildings and the environment) 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 continue to rely on having great scenery and closely located environmental attractions. Local tourism will need to build on, and improve, service infrastructure for visitors, and support the promotion and conservation of the cultural landscape – ranging from music and theatre to public spaces and attractive urban landscapes. Public spaces where visitors can interact with locals, such as urban markets, will also be promoted.

Destination development programme

The City has combined the key destination development elements of tourism supply, demand and market knowledge to develop its destination development programme, called Destination Cape Town. Strategic research and destination planning guide the fine balance between supply and demand, which is in turn based on pertinent market-related information. The iconic City campaign will focus on events marketing that positions Cape Town appropriately as the city of great events in order to attract year-round tourists. The City will particularly encourage events that support Cape Town's world-class image. In addition, certain initiatives will be explored to ensure that the City is able to leverage its infrastructure and events services to gain economic opportunities well beyond 2010. Supplementing this objective is the engagement with South African Airways and National Government to promote more direct flights to Cape Town during peak holiday seasons.

Objective 1iv – Improve approval time for building plan, land use and planning applications to well within the statutory time frames

Business process improvement initiatives are currently under way in key departments to reduce the processing time of the planning approvals and property transactions essential 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 of City processes will be initiated to determine key constraints affecting small-business development and promotion.

Objective 1v – Develop new partnerships and strengthen existing ones

As part of the City's ongoing partnership with a range of institutions, more attention will be paid to the institutional framework that enables the delivery of economic opportunities. The City will monitor and manage the mandate and service delivery of strategic partners, such as sector bodies that receive funding for sectoral development programmes. In light of budget cuts, short-term funding allocations will need to be reduced. Hence the need for improved efficiency and financial sustainability in the longer term.

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Partnerships between the City and its stakeholders that will enhance Cape Town's global competitiveness include the following:

- The City of Barcelona and City of Cape Town have developed a formal memorandum of agreement (MOA) on the development of a Cape Town Activa innovation and SMME cluster concept.

- The bilateral agreement between the City and Transnet/National Ports Authority (NPA) related to the cruise liner strategy and broader development around the Culemborg site, continues to be a productive engagement.

- The sector bodies and CTP will continue to play an enabling role in stimulating the local economy. CTP has recently completed its 10-year review, showcasing the significant achievements in turning around the fortunes of the inner city.

Municipal entities

The City currently has two municipal entities that had been previously established and that, by virtue of a change in legislation, have been classified as municipal entities:

The Cape Town Convention Centre Company (Pty) Ltd (Convenco)

Convenco was established to develop and operate the world-class CTICC. Cape Town has already captured 65% of the local convention market and could expand even further as the country as a whole has only captured 1,1% of the international market at this stage. The City has therefore made the expansion of the CTICC a strategic priority.

In the five years of its existence, CTICC has delivered on, and exceeded, all expectations in terms of its contribution to South Africa's economy. During the 2008/9 financial year, 1 166 141 delegate, visitor and tourist days were recorded, and the CTICC contributed R2,7 billion to the national GDP. Contribution to GDP is expected to increase to R3,38 billion in 2009/10 and to R5,67 billion by 2013.

Since opening, the cumulative macro-economic benefits generated by the CTICC for the national economy amount to more than R9,5 billion and the centre expects to contribute a further R21,5 billion by 2013. To date, the contribution to the Western Cape economy alone stands at R3,25 billion.

Khayelitsha Community Trust (KCT)

The 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 funds the KCT, based on an approved three-year business plan. The KCT's key objectives are as follows:

- complying with corporate governance and legislative requirements;

- establishing an effective working environment;

- facilitating the upgrade of bulk electricity supply within Khayelitsha;

- facilitating the development of affordable housing within the KBD;

- updating the development plan and operational decision-making framework for the KBD;

- implementing an updated development plan (infrastructural development, additional commercial and business activities, and municipal offices);

- initiating integrated KBD management;

- initiating an empowerment plan and programme;

- improving communication with relevant stakeholders; and

- securing alternative sources of funding.

Business development programme

The programme aims to support the formal business environment proactively, conduct meetings with organised business and resolve business constraints. An asset management methodology for property management is being implemented and 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 two-pronged. Firstly, it will ensure that the City's immovable property required for municipal purposes is utilised effectively and optimally. Secondly, properties not needed by Council will be used to meet the City's strategic economic and social objectives. This 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.

Objective 1vi – Prioritise skills development based on the needs of the local economy

Higher learning institutions (HLIs) have a vital role to play in enhancing the City's delivery mandate. As such, the City provides annual bursaries for economics and business study areas, which will boost the future supply of potential economists.

In terms of skills development, the City faces two challenges:

1. The inability to retain scarce skills in financial services and among black professionals – the current skills export trend is likely to continue, resulting in acute demand in financial and business services.

2. The in-migration of semi-skilled people from peri-urban and neighbouring provinces in search of employment opportunities – this further compounds the employment challenges and competition for resources.

Programmes and projects
HLI programme

The City will continue to engage with tertiary institutions through CHEC to create a partnership aimed at establishing Cape Town as a global research and development hub. Universities will be engaged in innovation and new technology projects with a 'green' focus.

Based on key deliverables, a formal relationship has been established with the following institutions:

• The University of Cape Town

• The University of the Western Cape

• Stellenbosch University

• The Cape Peninsula University of Technology.

The following working groups were established to develop and commission projects:

• Human capital development

• Infrastructure development

• ICT.

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

Students in Free Enterprise (SIFE) project

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

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 urban management challenges, ranging from housing, asset management, transport and the environment to service delivery, water, energy and resource management. While the responsibility for education is not that of local government, the City will expand its activities to ECD, infrastructure and the training of educators and facilitators. It will also seek ways through its normal operations to provide training to equip people for real jobs in the economy, e.g. through the training of apprentices and debt collectors.

Universities and research institutes can play an important role in building understanding of the economic geography of informal, second-economy areas. There has been a broader private-sector focus on knowledge, and the development of an innovation hub of excellence. This will attract prime skills to new areas of improved knowledge management.

Pillars of Knowledge Economy Development
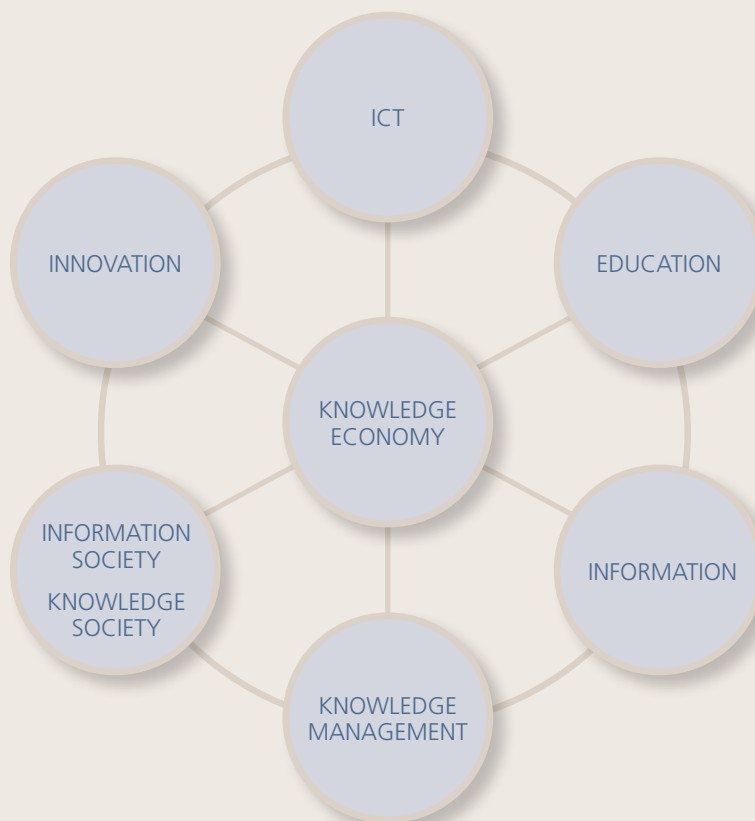
Objective 1vii – Develop Cape Town's creativity, knowledge and innovation-based industry

Programmes

Skills development programmes

- Skills development programmes in strategic sectors – support skills development programmes in ICT, business process outsourcing (BPO), film, and oil and gas artisanship

- Skills development programmes aligned with 2010 – establish skills development programmes for 2010, in the services, hospitality and film industries

Other strategic initiatives aimed at economic development

Connect'd Cape Town

This recently launched initiative, led by the private sector, focuses on specialised investor support services for international companies looking for business opportunities in Cape Town. It aims to leverage business spin-offs from participating international corporate sponsors of the 2010 FIFA World Cup™ and beyond, premised on the International Business Club concept. Connect'd Cape Town aims to showcase local skills and expertise, and to attract and facilitate significant investment and business opportunities to the Cape Town region.

Investment by other spheres of government and state-owned enterprises

Cape Town International Airport upgrade

Cape Town International Airport is South Africa's second-largest airport and a prime tourism gateway that serves millions of tourists. 'Terminal 2010' has been completed at a cost of 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 m², including 2 360 m² of retail space.

Upcoming airport projects include:

- a new terminal building (R900 million);

- a new retail mall (R60 million);

- an elevated road;

- additional passenger parking; and

- airside parking.

City rail network upgrade

Metrorail carriage upgrades are in progress, and will be completed in time for the 2010 FIFA World Cup™. The South African Rail Commuter Corporation (SARCC) has also 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.

Cape Town International Airport has been upgraded at a cost of R1 billion

A number of upgrades have been planned for the city's train stations and railways

Strategic Focus **Area 2**
SUSTAINABLE URBAN INFRASTRUCTURE AND SERVICES
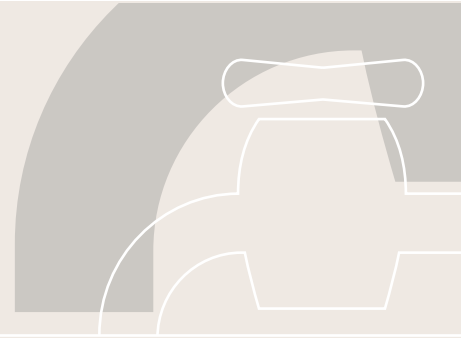
The City of Cape Town is committed to enabling and encouraging Cape Town's economic growth and development. One of the ways it achieves this is by investing in the maintenance and expansion of essential utilities and services, like water and sanitation, electricity, solid waste removal, roads and stormwater infrastructure. Through this type of investment, supported by effective IT and communication, Cape Town will be in a position to enjoy sustainable economic growth and, in time, will see a lowering of poverty levels across the city.

It is the City's aim to ensure that all Capetonians receive adequate basic services, while implementing effective plans and projects to reduce the demand for water, electricity and landfill space. In addition, the City is committed to protecting and preserving its natural environments and making sure that all people enjoy access to them in a sustainable and mutually beneficial way.

Cape Town's urban infrastructure, and the services relating to it, will be maintained and developed in a way that encourages economic development, while meeting the needs of all Capetonians. To this end, in the coming years, the City will focus especially on investing in bulk services delivery, including:

- providing effective and reliable basic services;

- maintaining the City's assets (bulk infrastructure and other);

- upgrading existing infrastructure, or investing in new infrastructure; and

- developing strategies to limit the expansion of the city, while making the best use of existing infrastructure.

The delivery of sustainable services relies on the following key infrastructure components (as mandated by the Constitution):

- Water, sanitation and wastewater treatment services

- Solid waste services

- Electricity services

- Roads and stormwater services.

Athlone Refuse Transfer Station – The City of Cape Town invests in the maintenance and expansion of essential utilities and services

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A CLOSER LOOK AT CAPE TOWN'S CURRENT SERVICES AND INFRASTRUCTURE

A small percentage of the city's increasing population does not have access to certain basic services. For the most part, these citizens reside in informal settlements, where sanitation and electricity backlogs are a constant challenge given the growth in the Cape metropolitan area. Such increasing strain on infrastructure is impairing sustainable service delivery, social development and, ultimately, economic growth in Cape Town, and could contribute to environmental decay in the long term. The unfortunate reality is that budget and resource constraints make it impossible for the City of Cape Town to meet all the city's infrastructure requirements simultaneously.

In addition, there is a dire need to address the issues of ageing infrastructure, and the growing backlogs due to funding limitations. Effective infrastructure asset management is absolutely dependent on sufficient budget and adequate human resources.

With this in mind, a number of national and local challenges have faced the City in terms of service delivery and infrastructure maintenance in recent years, including:

- a scarcity and loss of engineering skills in the organisation;

- the negative effect of the economic slowdown on revenue collection;

- increasing operating and capital costs in the form of fuel and raw-material price increases;

- a lack of access to land on which to provide the required infrastructure for basic service delivery;

- densities within informal settlements; and

- ongoing vandalism and theft of municipal infrastructure and equipment.

SUMMARY OF ANNUAL REPORT 2008/9 DELIVERABLES

The City is committed to making sure that all Capetonians have access to basic services, conserving our city's natural resources and managing its infrastructure and resources well.

All the formal households in the city have access to basic levels of sanitation, water, electricity and solid waste removal. However, some challenges still remain in the informal settlements. Last year saw a 27% reduction in water demand and 84% compliance with pollution standards for swimming beaches and inland recreational water bodies.

The City also received the Western Cape National Productivity Public Sector Award for 2009, as well as four awards for drinking-water quality, four for wastewater treatment and the National Water Sector Award. Other awards included the Western Cape National Productivity Public Sector Award for 2009 for the City's Electrical Support Services (ESS) Division, the National Gold Award – Asset Care Centre and the National Top Award – Green Fleet.

In terms of basic services, there is now one toilet for every 4,7 informal households, one tap for every 10,8 informal households, and 5 199 extra subsidised electricity connections installed in informal areas across Cape Town. Waste services include weekly door-to-door refuse collection in formal areas, and integrated cleaning and weekly door-to-door bagged refuse collection in informal areas for 100% of known households.

ESTABLISHING PUBLIC NEEDS

Notwithstanding the remarkable service delivery achievements of the City in recent years, the 2009 IDP public participation outreach programme saw residents communicating the following needs with regard to the range of services supplied by the City:

Electricity

Residents were generally happy with costs, provision of electricity and maintenance of the electrical system, with scores all in excess of 2,5 out of a total of 5. Residents in informal areas expressed a need to have electricity supplied to their dwellings – either on a temporary or permanent basis. There are, however, some areas of the city where achieving this is a challenge. This is particularly true of areas in which the City is currently attempting to relocate informal settlements to better living spaces, or where there is simply not enough space to provide the service. As a result of this, illegal connections become common. Residents have mixed views regarding such illegal connections, but many agree that Eskom, the City and the communities must work together to find solutions to the electricity provision problems in informal areas.

Water supply

While water supply is currently an area of strength for the City of Cape Town in terms of service delivery, water and electricity meter readings remain a contentious issue. Through its call centre and various service points, the City dealt with approximately 34 000 queries relating to meter readings in the 2008/9 financial year.

Unresolved bills are another common theme, and regularly cause for heated debate at IDP hearings and the MRS. It is possible that the process of meter reading and the method by which utility costs are calculated are poorly understood by the majority of the population. Many residents have limited previous experience in terms of paying rates and there appear to be lingering suspicions around the trustworthiness of government departments in their billing processes. A further challenge is the culture of non-payment for government services that still pervades many areas of the city. This culture needs to be addressed and changed in order to ensure the City's long-term financial sustainability.

Streetlighting

The surveys reveal that Capetonians are generally happy with the amount of streetlighting in the city, with the exception of certain of the poorer areas and informal settlements. Streetlighting is an important security issue for residents, as a lack of lighting could result in increased criminal activities. A lack of lighting can generally be attributed to insufficient streetlight installations or lingering maintenance issues. Many complaints were received regarding bulbs not being replaced, which again emphasises the importance of maintenance. Residents also complained that streetlights are being left on during the day – thereby wasting valuable electricity. This issue generated some 30 000 notifications on the C3 complaint-tracking system.

Refuse removal

In 2008/9, the City's Solid Waste Department experienced large volumes of extra work, over and above normal operations, in response to 30 000 requests. It appears that residents are very satisfied with the basic refuse removal services they receive. However, recycling was identified as a relative weakness within the city, scoring only 2,5 as opposed to 3 for most other waste services. Nevertheless, waste services enjoyed some of the highest scores of all the City's services, making the recycling score satisfactory. That said, recycling is the one intervention that can truly assist the City in improving on its landfill space-saving target. As a result, seven areas are currently running pilot recycling projects to determine if increased recycling operations across the city would be feasible.

Cleanliness

Both of the public participation processes highlighted the importance of street sweeping to residents, especially in the less wealthy areas of the city. This issue is also closely linked to littering, which is prevalent in such areas.

The City won several awards for drinking-water quality and wastewater treatment in 2009. There is also one tap for every 10,8 informal households

Bin theft remains a challenge for residents and the City alike, and this will need to be addressed – possibly in partnership with law enforcement services.

Illegal dumping

Illegal dumping is an ongoing issue and the residents' perception is that it is getting worse. It is, however, encouraging to note that such illegal dumping activities are frequently reported. Public open spaces, parks and cemeteries are often abused as dumping sites, compounding the challenges of community services, cleansing services and law enforcement. Although there is a bylaw in place that provides for the issuing of spot fines, illegal dumping remains a very common occurrence.

Stormwater drains and sewers

For the most part, residents appear to be happy with these services. Despite 2008/9 being a wet year, the City's winter preparedness initiative minimised the impact of flooding.

The above feedback from residents of Cape Town has allowed the City to identify a number of key issues that need to be addressed, in addition to the main service delivery focus areas, in the coming financial year. These include the need to:

- reduce the time taken to resolve public service requests;

- monitor the streetlighting programme and attend to public service requests more promptly;

- communicate with residents about its recycling pilot studies and roll out more recycling programmes;

- intensify user education and awareness programmes, with a targeted communication process to be added with regard to water meterage and billing; and

- explore the use of local community processes and forums to capacitate local communities, in particular informal settlements.

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

KEY CITY FOCUS AREA 2A: PROVIDE UNIVERSAL ACCESS TO BASIC SERVICES

Objective 2i – Increase access to sanitation

Various contractors have been appointed to help develop Cape Town's sanitation infrastructure. These partnerships have already enabled the City to exceed the phased five-year informal settlement household targets set for the 2008/9 financial year.

A key option for the expansion and improvement of existing services is dry sanitation solutions – particularly since Cape Town is located in a water-scarce region. The City was the first in the world to pilot the MobiSan dehydration toilet unit (manufactured and sponsored by the Dutch government) in Pook se Bos, an informal settlement in Athlone. The unit comprises 13 toilets and 12 separate urinals, and is operated by two dedicated City-employed janitors. This approach has meant that, since its installation in May 2009, no vandalism or thefts

have been reported, making the dehydration toilet model a perfect option for use throughout communities in the city.

On a broader scale, the City currently aims to eliminate the sanitation backlog by 2013, by employing additional manpower resources to accelerate implementation of its various initiatives. Of course, given the continued growth of the city's population, increasing densities, and a lack of available land, it is recognised that achieving this target will be a challenge.

Objective 2ii – Increase universal access to water

The City subscribes to the 'water ladder' concept, as proposed in the Department of Water Affairs' (DWA) Strategic Framework for Water Services of September 2003. While its priority is therefore to provide an emergency level of service to all households in all settlements, it is also extending the basic-level coverage and density of services. The City already exceeds the national standard of providing access to potable water within a 200 m radius of dwelling units.

A contractor has been appointed to assist with the roll-out of water infrastructure. Bulk water supply, as a pressurised service, is generally accessible to most informal settlements. The standard access ratio of one tap to 25 families is relatively low; hence the rapid attainment of targets. In future, remaining pockets of undersupply will be eradicated, but care needs to be taken not to generate greywater ponding problems.

The City is in the process of installing and piloting general packet radio service (GPRS) water-meter logging equipment to enable accurate water consumption analysis in informal settlements.

Objective 2iii – Increase access to electricity

The City's Electricity Department provides electricity distribution services to approximately 75% of City customers, with some areas in the eastern and northern parts of the city serviced by Eskom. Electricity service availability and access backlogs are mainly still a problem in informal settlements and these are being addressed by the Electricity Department and Eskom electrification programmes. As approximately half of the poor households in the city fall within Eskom's service area, the national power provider and the City are continuously working together to ensure effective planning and provision of electrification programmes.

The electrification plan aligns with the integrated human settlement theme of the City's IDP. The establishment of new housing developments normally includes the provision of electricity infrastructure. In the case of housing developments that consist of dwellings for which the beneficiaries are eligible for government housing subsidies, the City provides the electricity supplies at a greatly subsidised rate. The National Department of Minerals and Energy (DME) partly funds the electrification projects through external grant funding, with the remainder of the funds being sourced internally by the City's Electricity Department. In this way, the City achieves a 100% electrification rate for formal housing developments.

The City provides electricity distribution services to approximately 75% of City customers

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Some informal settlements experience service connection backlogs and there is also an electricity provision backlog to backyard dwellers in formal areas. Certain informal areas are excluded from the electrification programme if the dwellings are:

- below the 50-year floodline;

- situated on unsuitable land, e.g. landfill sites;

- in road, rail or power line reserves; or

- on private property.

At this stage, the bulk of the electrical connection backlog in informal areas is found in the Eskom supply portion of the Cape metropole. Eskom will only electrify housing with funding from the DME, which until recently, was only allocated to formally proclaimed townships. After a recent change to the DME policy, Eskom has now begun electrifying those informal areas that comply with the City's electrification policy. The electricity supplier has set itself a target to complete 3 470 informal connections in 2009/10, 3 519 connections in 2010/11, and 4 720 connections in 2011/12.

Objective 2iv – Increase access to basic refuse collection services

Cape Town's population is growing at an average of 2% annually. Without effective waste minimisation solutions, the increase in waste as a result of this population growth is projected to be approximately 7% per year.

Bulk waste management infrastructure requirements, specialised equipment investment needs and growing waste volumes are directly linked to population expansion, industrial development and growth in tourism. A new replacement landfill and a system of multipurpose transfer stations will be established, as the City's existing landfills are fast reaching capacity and will not be able to cope with the increasing waste volumes expected over the next five years and beyond. The rehabilitation of disused, full landfills and dumps throughout the city is a statutory requirement in terms of the MFMA and operating permit conditions, and is long overdue.

The existing waste collection vehicle fleet has an average age of eight years and is therefore not deemed reliable enough to sustain effective and efficient service delivery in the years to come. For this reason, waste management services are optimised and expanded, and it is recommended that they be balanced with the introduction of waste minimisation strategies. Waste minimisation that creates sustainability through recycling will only have true economic value if it is done in partnership with various key industries and other stakeholders.

The City's Solid Waste Management Department regulates waste management activities at municipal level, and is one of the providers of waste management services to the Cape Town municipal area. The City's services, together with those offered by external service providers, will have to be aligned and transformed to include waste minimisation in accordance with the national waste management strategy, which is in turn based on integrated waste management (IWM) principles. This requires services over and above the present constitutional obligations of municipalities to ensure effective cleansing, collection and disposal services.

IWM in Cape Town is guided by the City's policy of the same name and is executed via a statutory, detailed IWM plan. The overarching policy objectives are aimed at:

- minimising the amount of waste that is currently directed to landfill sites, or illegally dumped;

- conserving resources and the environment;

- ensuring basic waste management services; and

- reducing human and environmental health and socio-economic impacts.

Waste management legal reform

To give effect to sustainable IWM services, and regulate such activities, the City's service authority role will in future be regulated by a new bylaw that will be finalised and submitted for Council approval. This will complete the process of municipal waste management law reform, which became necessary as a result of municipal restructuring.

Key strategic waste management issues and challenges

In the short term, waste management and minimisation presents the City with the following issues and challenges:

- continued efforts to catch up on basic service backlogs (residential waste collection), which are exacerbated by unplanned population growth;

- the fact that waste generation outstrips population growth by almost 5%;

- sustainable service delivery to backyard dwellers;

- ensuring that service provision during the 2010 FIFA World Cup™ has a minimal impact on normal services;

- upsets in the commercial waste management sector due to current economic conditions that may put residential service delivery contracts at risk;

- inadequate waste management infrastructure creation, raising the risk of health and environmental degradation;

- capital requirements for the upgrade and replacement of the City's compactor fleet to improve equipment condition, reliability and availability;

- integration of multiple activities where clustered waste management infrastructure is being developed;

- inadequate revenue from rates and tariffs to cover the future replacement of existing infrastructure, or the construction of additional infrastructure;

- the major impact of any further delay in the issuing of a record of decision for the establishment of a new landfill to replace almost-full landfills;

- mitigation of landfill gas to reduce climate change and environmental impacts;

- securing external funding to reduce the onerous financial implications of implementing various waste minimisation initiatives as per the IWM plan;

- the development of strategic partnerships, both financial and non-financial, with business, industry and other sectors of society, to commission large-scale waste minimisation initiatives;

- attention to detail regarding conditions of service for new tenders; the timeous, successful completion and adjudication of tenders; and the subsequent management of contracts;

- remodelling of tariffs to allow for future recycling incentives;

- the finalisation of an organisational structure and the appointment of key staff at all levels to reduce skills and capacity shortages;

- streamlining of Council human resource (HR) policies for shift work, to allow effective utilisation of staff and infrastructure where service and private sector needs require this; and

- completion of the MSA Section 78 investigation and decisions regarding community partnerships and public-private partnerships as alternative service mechanisms to aid job creation, LED and SMME development, and to alleviate poverty, while improving general cleanliness in the city.

STRATEGIC FOCUS AREA 1

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STRATEGIC FOCUS AREA 8

Goals and objectives of strategic waste management (SWM) programmes

Priorities and objectives are influenced by the strategic issues and challenges listed above. The activity details contained in the IWM plan will therefore be updated for the period starting 2010/11. The aim is to ensure long-term sustainability through effective, efficient, economical and affordable waste management service delivery to the city's residents and to regulate waste management activities across the waste spectrum in Cape Town.

The strategic programmes, projects and initiatives for waste minimisation and service delivery in the short to medium term are adjusted according to the available budget. For the current IDP period, these include the following key objectives:

1. Improve access to basic waste management services (cleaning, collection and disposal) and minimise (reduce and divert) waste sent to landfills

2. IWM Bylaw implementation

3. Implement a waste information system

4. To contribute to the achievement of a clean city

To this end, key projects and initiatives for 2010/11 include the following:

1. Construct and commission a new northern-region landfill site by 2011/12

2. Rehabilitate old landfill sites (ongoing permit and MFMA requirements)

3. Establish three new IWM facilities:

    a. Oostenberg – project started 2007/8 (two years until commissioning)

    b. Tygerberg – project started 2008/9 (three years until commissioning)

    c. Helderberg – commences 2009/10 (three years until commissioning)

4. Roll-out of two mini-material recovery facilities (MRFs) – a 2010 initiative

5. Implement a split-bin waste system in strategic areas – a 2010 initiative

6. Continue with contract services via CBOs for integrated area-cleaning and waste collection in informal areas

7. Implement contracts for sandy-area clean-up programmes in disadvantaged communities via CBOs

8. Continue to monitor and evaluate efficacy of a residential split-bag waste collection pilot project in five areas (130 000 households), based on the separation-at-source principle

9. Continue with public education and awareness programmes regarding waste management and minimisation (part of WasteWise project)

10. Institute aggressive management, minimisation and reuse of demolition and construction rubble by facilitating the establishment of rubble-crushing plants – contract already awarded and implemented at three sites, with more to come

11. Complete a comprehensive MSA Section 78(3) assessment of alternative service delivery mechanisms, focused on changes to the Council's waste management system, to incorporate large-scale waste minimisation

12. Establish an alternative-technology disposal facility

13. Implement a landfill gas mitigation project

14. Implement IWM Bylaw once adopted and promulgated

15. Realign depots, and implement flexible working hours to achieve improved service efficiencies

16. Establish an integrated infrastructure asset management programme for fixed and movable assets, plants, equipment, infrastructure and superstructure to optimise asset use and service delivery – focusing on the waste management fleet as a priority

CITY FOCUS AREA 2B: CONSERVE NATURAL RESOURCES

Objective 2v – Reduce water demand

Reducing the demand for, and wastage of, water across the city is of paramount strategic importance, as doing so will effectively postpone the need for expensive capital infrastructure projects. Cape Town has already achieved significant water savings over the past decade, and the effect of demand management programmes has been substantial. Current water use is measured at 26,7% below projected unconstrained demand. In order to maintain and improve on this level, the City is embarking on the following programmes and projects:

a) *Water leaks repair programme*

This programme includes both the integrated water leaks repair project, as well as the 'Fix-it' leaks project, both of which are aimed at reducing water leaks at the end-user point, with a specific focus on low-income areas. Fix-it operates across the city, and is prioritised based on high consumption and high debt among indigent households. The integrated water leaks repair project focuses on suburbs that have been identified to have high consumption, and has thus far been rolled out in Mfuleni, Protea Park, Saxonsea, Westbank, Delft, Macassar and Kleinvlei.

The project has the dual benefit of reducing water lost due to leaks, as well as ensuring significant cost savings for poorer households. It has been running since 2005 and continues to be successful. To date, actual water savings range between 0,25 and 2 Ml per day. The programme will be extended across the city in 2010/11.

b) *Pressure management*

In order to reduce wastage by end users, and minimise water losses due to leaks in the reticulation network, the City has implemented a pressure management programme. Pressure-reducing valves have been installed in selected areas, resulting in pressure being reduced from around 10 bars to between 3 and 4 bars. Actual water savings so far range between 137 and 200 Ml per day.

Based on this programme's success, the initiative will be extended to other areas in the future, which have high levels of consumption and debt, as well as frequency of leaks. It is expected that the programme will eventually include Eerste River, Philippi, Delft, Lwandle, Fisantekraal, Brentwood and Westbank.

The costs of installing these pressure valves are significantly offset by the returns generated through water savings in the medium to long term, with the full investment recouped over a period of between five and 18 months, depending on the area.

c) *Roll-out of water management devices (WMDs)*

Another key programme is the roll-out of WMDs. These devices are designed to deliver a predetermined amount of water to households per day, thus ensuring that households do not use more than they can afford. The City has prioritised the roll-out of these devices to households on its indigent register on a voluntary basis. Residents of any income status can apply for a WMD. The City has installed approximately 30 000 devices thus far and it is estimated that around 5 000 can be installed monthly. Current water savings due to WMDs are approximately 18 Ml per month.

d) *Treated effluent reuse programme*

This programme has been in operation since 2005 and is aimed at offsetting potable water demand by supplying treated effluent to industrial customers, who do not require potable grade water for their operations. Treated effluent is also being used for the watering of selected sports fields and golf courses, thereby significantly reducing the use of potable water for irrigation operations. The City has prepared a master plan for the future development of the treated effluent programme, with the aim of significantly expanding it across Cape Town.

Steenbras hydroelectric scheme – lower dam

Currently, the City produces a total volume of 5 637,7 Ml of treated effluent water annually, with a projected target of 26 422 Ml per year once the treated effluent infrastructure has been expanded. Projects in 2010/11 will focus on extending the infrastructure of the wastewater treatment works at Potsdam, Athlone, Cape Flats, Macassar and Bellville.

e) Education and awareness programmes

Education and communication are integral to the City's water demand management (WDM) strategy. Wherever possible, an education or awareness programme is undertaken among affected communities or individuals before or during the project.

A number of other awareness projects are also run among households, businesses and schools. These focus on reducing water losses, enforcement of the water bylaws, and integration of water saving with everyday life. Additionally, during Water Month in March, the City presents exhibitions on water saving, including practical demonstrations and information sharing, in eight different areas of Cape Town.

Measuring performance

Performance on this objective will be measured as the percentage reduction in unconstrained water demand from the June 2008 baseline of 26%. The target is 27%.

CITY FOCUS AREA 2C: EFFECTIVELY MANAGE THE CITY'S INFRASTRUCTURE AND RESOURCES

Objective 2vi – Improve maintenance of City infrastructure

The City is busy developing 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. The City's WSDP (see section 8), 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 is considered an important enabler of economic growth and poverty reduction. The provision of basic services, access to social services and human resource development in areas of need, will also be ensured.

Infrastructure asset management

The City plans to develop and implement a lifecycle management system for infrastructure that is used to provide services in the City's Water and Sanitation; Electricity; Waste Management; and Transport, Roads and Stormwater departments. The Infrastructure Asset Management Programme (IAMP) is a corporate project that is aligned with the National Department of Provincial and Local Government's (DPLG) requirement to establish and use a comprehensive infrastructure plan (CIP).

Preventative maintenance and timely upgrades or replacements will save costs in the long term, minimise outages and improve service provision. When maintenance is neglected, infrastructure elements such as pipes, pumps and substations eventually require full replacement. When one considers that the replacement value of the City's water and sewer infrastructure (as determined in May 2003 and escalated by 6% per year) is approximately R22,15 billion, the importance of effective maintenance is evident.

Electricity infrastructure

The City has invested significantly in the electricity distribution infrastructure over the last few years to meet the growing demand for electricity and to replace ageing plants. Continued investment is required to ensure that quality, adequacy and reliability of supply – as stipulated by the National Energy Regulator of South Africa (NERSA) – are achieved and maintained.

Ageing plants pose a significant and increasing risk to the reliability of supply and the safety of staff and the public. While demand-side measures will contribute to slowing the rate of growth in demand, the demand for electricity will continue to grow as the city develops and the necessary infrastructure must be available to support development initiatives.

The high-voltage bulk supply to the Cape Town central business district (CBD) has been upgraded, partly in preparation for the 2010 FIFA Word Cup™, but mainly to cater for actual and potential development in the CBD and the Atlantic Seaboard, as well as to replace ageing transformers and switchgear. Investment in the medium-voltage distribution network is also required, and because of the increasing load density, the introduction of a new voltage level is being considered to improve efficiencies.

Over the next five years, existing substations, underground cables and overhead power lines across the metropolitan area will be upgraded and refurbished as part of a 15-year network development programme. Investigations in conjunction with Eskom indicate that a major new bulk intake point in the vicinity of Mitchells Plain will be required to relieve the load on the Philippi intake point and to meet the demand from extensive prospective developments in the Philippi horticultural area. The lead time for the construction of this point will be a minimum of five years and the project would also require a commitment from Eskom to invest substantially in upgrading its network.

Solid waste infrastructure

As mentioned earlier, the City's existing landfill capacity will not be able to cope with the expected increase in waste volumes over the next five years and beyond. The rehabilitation of the City's disused, full landfills and dumps is long overdue and required by the MFMA and operating permit conditions. Ageing waste collection vehicles will also have to be replaced to lower the average vehicle lifecycle and make service delivery more reliable and efficient.

The City's new northern-region landfill site and the new integrated transfer stations in Oostenberg, Tygerberg and Helderberg mentioned previously will assist in alleviating the current waste problem, while the roll-out of mini-MRFs will also form part of the preparations for the 2010 FIFA World Cup™ in the central city/Green Point/ CBD areas.

An alternative-technology disposal facility will be established by 2009/10. Contract services via CBOs will continue to be implemented for integrated area cleaning and waste collection in informal areas. As already mentioned, the contract services for sandy-area cleanup programmes in disadvantaged communities via CBOs, as well as a split-bag collection system will continue in 2009/10. Education and awareness programmes regarding waste management and minimisation, and aggressive waste minimisation processes, will be implemented and enforced in terms of the IWM Bylaw that was promulgated in March 2009.

Objective 2vii – Sustainable water supply

This objective has been strategically identified while the measurement to implement the objective is under development.

CITY FOCUS AREA 2D: IMPROVE CLEANLINESS OF THE CITY THROUGH WASTE MINIMISATION

Objective 2viii – Achieve a clean city

The strategic programmes, projects and initiatives for waste minimisation and service delivery in the short to medium term are adjusted according to the available budget, which are listed in Objective 2iv, will contribute to the achievement of a clean city.

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Strategic Focus **Area 3**

ENERGY EFFICIENCY FOR A SUSTAINABLE FUTURE

Cape Town is one of the most environmentally rich cities in the world. This environmental wealth is the foundation of the city's economy and in many ways underpins its future. The city's natural beauty is key to its attraction as a tourist destination and business and lifestyle location.

However, Cape Town also faces significant challenges as a result of resource scarcity, climate change and the cost implications of continuing a 'business-as-usual' approach to city and environmental management. The potential loss of natural resources, breakdown of biodiversity, and loss of income and employment if the environment is damaged or destroyed, are of extreme concern to the City as, once lost, this environmental wealth is virtually impossible to recover.

It is in this context that the City has committed to reducing its resource use in the future, with a specific focus on energy efficiency as a means of creating a sustainable city. To this end, the City of Cape Town is determined to meet the targets set out in its Energy and Climate Change Strategy and to update these on a regular basis.

The City also aims to implement extensive energy-efficiency programmes and diversify Cape Town's energy supply by incorporating renewable energy into the overall energy mix. The implementation of the City's Climate Change Adaptation Plan of Action (CAPA) will also help to create resilient communities, and prepare Cape Town and its citizens for a more energy-constrained future.

BACKGROUND AND TRENDS

Energy use in Cape Town has grown as a result of population growth and economic development and expansion. The following graphs show 2007 energy use by fuel type and reveal that electricity and petrol comprise more than two-thirds of total consumption. Transport accounts for 54% of the city's energy use – a reflection of Capetonians' strong reliance on private vehicles for transport. However, although transport accounts for more than half of the city's energy use, it is electricity that accounts for two-thirds of the city's carbon emissions. This is due to the fact that electricity in South Africa is primarily produced by coal-fired power stations, which are heavy polluters, producing up to 2,5 tons of carbon dioxide (CO_2) for every ton of coal burnt, or 1 kg of carbon for every kWh of electricity.

Carbon Emissions by Energy Source

14%	PETROL
66%	ELECTRICITY
1%	NATURAL GAS
1%	PARAFFIN
2%	HEAVY FUEL OIL
3%	COAL
5%	JET FUEL
8%	DIESEL
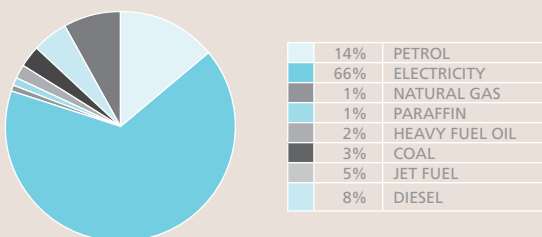
Total Energy Consumption by Fuel Type

14%	PETROL
66%	ELECTRICITY
1%	NATURAL GAS
1%	PARAFFIN
2%	HEAVY FUEL OIL
3%	COAL
5%	JET FUEL
8%	DIESEL
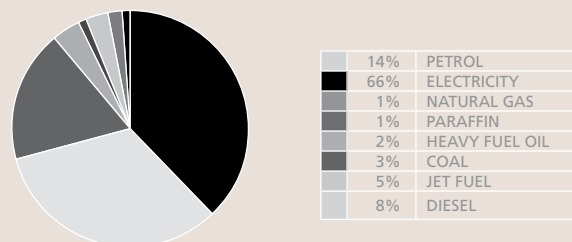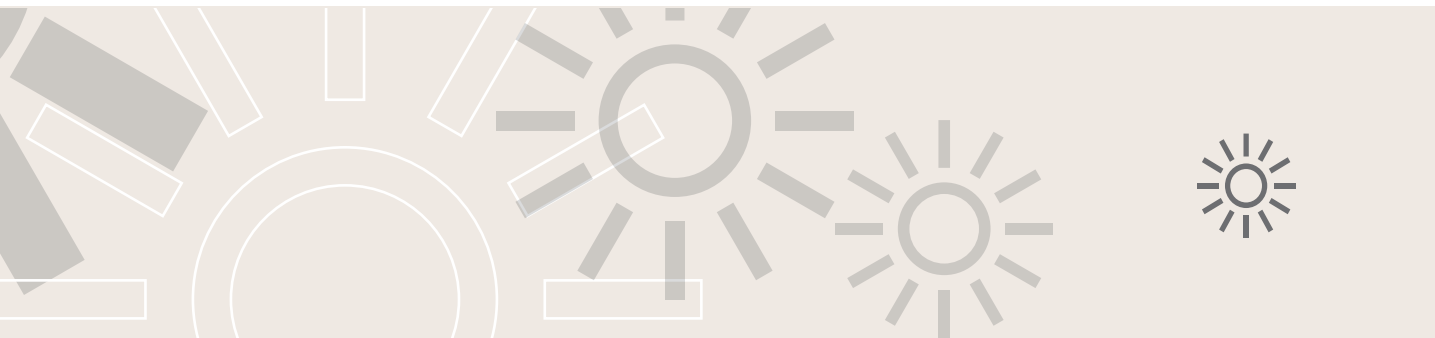
As can be seen from the graph below, until the end of the 1990s, electricity use in Cape Town increased steadily as the population expanded and the city enjoyed steady economic growth. However, this growth rate has slowed significantly in recent years – from a high of 4,8% in 2001/2, to only 0,5% in 2008/9. Electricity use per capita has remained at more or less constant levels since 1999/2000, with a slight decrease in recent years. The levelling-off seen between 2007/8 and 2008/9 can be attributed to a number of factors, most notably electricity price increases, increased energy-efficiency awareness, action by consumers and the recent global recession.

Electricity usage (Gwh) – Cape Town Supply Area

Electricity Usage per capita (Kwh) – Cape Town Supply Area
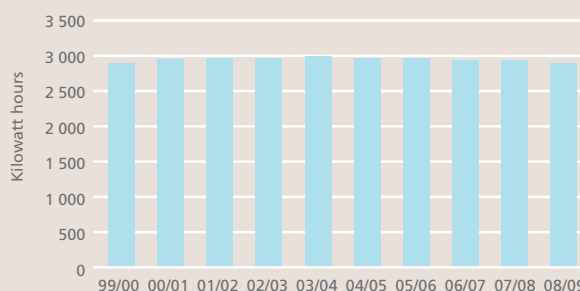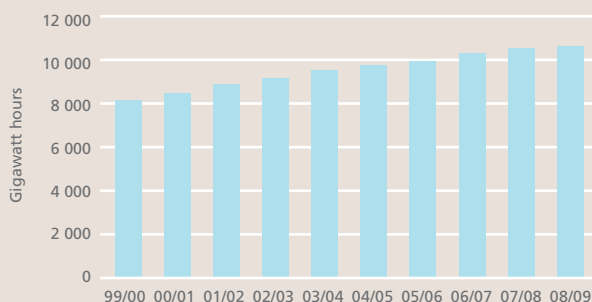
CAPE TOWN'S CURRENT ENERGY SITUATION

The City of Cape Town faces a number of challenges in achieving its goal of smart, effective resource management for a sustainable city. A lack of qualified staff, as well as an insufficient budget, means that there is a significant risk that the goals and objectives set out in this IDP may not be achieved. A traditional or 'business-as-usual' approach to managing these risks will not succeed. Innovative thinking and swift action are essential if we are to meet the energy-efficiency and carbon reduction challenges facing the City.

South Africa's own carbon reduction commitments and anticipated global agreements on greenhouse gas emissions will require the country to embark on a comprehensive programme of emissions reduction. As cities, including Cape Town, are major areas of energy consumption, they will need to take a leading role in achieving these targets.

Also, if Cape Town is not perceived to be reducing its carbon footprint, it poses a risk to the city's international investment competitiveness. This will almost certainly have an impact on the city's value and attraction as a tourist destination as international demand for responsible tourism offerings grows.

Climate change itself poses another severe risk to the city. The unpredictable effects of climate change, and the potential for dramatic changes in the natural environment in the future, make it essential to plan for possible water scarcity, extreme weather events, sea-level rise and other impacts well in advance. In order to start addressing this issue, the City has developed CAPA, which sets out the City's adaptation programme, with options ranging from 'no regret' and low-cost steps that can be taken immediately, to long-term, higher-cost interventions.

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The primary focus of the objectives contained in strategic focus area 3 is to manage the city's existing resources effectively so as to reduce costs and create a more liveable and equitable city, while planning for future scarcity through appropriate infrastructure decisions and actions. Additionally, the City aims to create and maintain a culture of saving among its citizens in order to ensure that responsible resource use continues into the future.

Electricity consumption and carbon reduction targets are key provisions of the City's IMEP Agenda 2009 – 2014, which envisages the implementation of a number of environmental goals and objectives over the five-year period it covers. The overall goal of the IMEP Agenda is to ensure that Cape Town is on a strong path of sustainability, on which potential problems are identified and addressed before they reach crisis proportions.

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

KEY CITY FOCUS AREA 3A: DEVELOP, ADOPT AND IMPLEMENT A COMPREHENSIVE RESPONSE TO CAPE TOWN'S ENERGY AND CLIMATE CHANGE CHALLENGE

Objective 3i – Reduce energy consumption

Globally, climate change has emerged as a significant threat to our way of life. Carbon emissions from coal-fired power generation, vehicles and industry are a primary cause of global warming and climate change. In South Africa, carbon emissions are mainly the result of a more than 90% coal-based electricity supply. As a result, Cape Town has a similar carbon footprint to cities like London and Paris, despite our GDP being approximately 10 times lower than that of these cities. It is vital that Cape Town reduces its carbon footprint to be internationally competitive and to comply with anticipated global emissions reduction targets. In response to this, the City of Cape Town has committed to reducing its carbon footprint from an estimated 6,2 tons per capita annually to 5 tons per capita in 2014.

The national electricity supply shortage is set to continue for the foreseeable future, while international access to oil will remain constrained. Electricity supply security is of particular concern for Cape Town, as it is the South African city that is located furthest from the supply source. This adds a further threat of transmission problems to the challenge of electricity supply constraints. While it is of critical importance that Cape Town has a reliable electricity supply, the City is striving to achieve an economy in which growth and energy consumption are not interlinked. This can only be achieved through the aggressive pursuit of energy-efficiency targets.

The City therefore aims to achieve and maintain a 10% or greater reduction in electricity consumption below the 2007 baseline, through the development and management of plans aimed at the industrial, commercial, residential and construction sectors. This target is also supported by National Government and Eskom.

In addition, the City of Cape Town is implementing action plans to address Cape Town's energy security, reduce carbon emissions and develop a low-carbon growth path. These plans include the following:

• Diversification of energy supply through the development of renewable-energy and cleaner-energy sources

• Reduction of transport energy consumption through the development of public and non-motorised transport and the promotion of energy-efficient and cleaner-fuel vehicles

• Ensuring energy efficiency and the introduction of renewable-energy supply in Council operations and systems

• Supporting a more efficient city form and enforcing the urban edge

• Supporting the development of a low-carbon economy

The City's new MyCiTi bus service

Biodiversity garden at Cape Town Stadium

Implementation of the national power conservation programme

In order to reduce electricity use by 10% or more, the City will be required to implement the national power conservation programme, once the scheme receives national approval. This programme will initially focus on large power consumers that use more than 25 GWh per annum. A pilot programme will be launched, which will incorporate smarter metering. The City intends to provide support to these users in the form of energy-savings forums.

Energy supply security through the promotion of renewable and cleaner-energy sources

Plans are being developed and implemented to secure adequate supply from all energy sources. Options for electricity generation by the City itself are being pursued and incentives and regulatory measures will be developed where appropriate. Energy-efficiency and renewable-energy projects are being developed to reduce electricity consumption in Council operations and systems. The City budget will need to take into account the potential for a reduction in revenue from electricity sales and provide for the inclusion of renewable energy in its supply mix.

Retrofitting of City infrastructure

In order to reduce both electricity consumption and the City's carbon footprint, elements of Cape Town's infrastructure are being retrofitted with energy-efficient technology. Currently, the focus is on fitting streetlights with energy-efficient technologies, replacing conventional traffic lights with LEDs (light-emitting diodes), as well as the energy-efficient retrofitting of Council office buildings, depots, facilities and utilities. These initiatives have been made possible through grant funding received from DANIDA (the Danish International Development Agency). Energy savings from these projects must feed into a revolving fund (the operational details of which are still to be determined) to provide ongoing funding for the programme.

Roll-out of energy-efficient and sustainable technologies

The Kuyasa energy-efficient retrofitting programme, in which 2 300 low-cost houses are being retrofitted with energy-efficient lighting and solar water heaters, is in the final project stages. Similar interventions are taking place on a smaller scale as part of an overall sustainable livelihoods and greening programme at selected low-cost housing developments. Additionally, the pilot green schools programme has been launched. This sees the City of Cape Town working with eight schools in the city to carry out energy audits, draw up retrofitting plans and implement the required technologies. This programme will realise significant cost savings for these schools and serves as an excellent educational tool for similar projects to be undertaken at other schools in the future. These projects have also been made possible by grant funding from the National Department of Environmental Affairs (DEA) and DANIDA.

Bylaw development

The City is finalising its Energy-efficient Water Heating Bylaw, which will mandate energy-efficient water heating in all new buildings and renovations. On the back of the City's Green Building Guidelines, the development of a Green Building Bylaw is being explored in order to develop a more resource-efficient built environment, with specific emphasis on energy efficiency.

Solar water heaters are key to reducing electricity bills through lower consumption

Mass roll-out of solar water heaters

The City has committed itself to engaging with service providers to provide solar water heaters to its residents, to be paid for by way of an affordable monthly payment, at no cost to the City, with revenue collection through the City's existing processes. Tender processes will determine the exact operating mechanism.

Education and awareness programmes

Education and awareness are key components of any demand-side management programme. The City is embarking on an electricity-saving campaign aimed at households, commercial buildings and operations, and large industrial users. An energy-efficiency forum for owners and managers of a range of commercial buildings has already been established and a similar forum is planned for industrial customers. The behaviour-change campaign for residents will focus on reducing electricity used for water heating, as the first of many saving options in homes. The Smart Living Handbook is a much-used resource that provides information on how to implement sustainable energy, water and waste interventions in daily life effectively and cheaply. It will be revised to provide more specific information to businesses and schools, in addition to the residential component.

Measuring performance

Performance on this objective will be measured as the percentage reduction in unconstrained use of electricity from the July 2007 baseline of 10 278 GWh. The target is 10%. It is intended that all future growth in electricity demand will be met via renewable energy supply.

Objective 3ii – Adapt and build community resilience to climate change

There is increasing evidence that climate change is, and will remain, a reality, regardless of the successful implementation of countermeasures and carbon mitigation. Therefore, while the City is focusing on reducing its carbon footprint, it is also working towards implementing adaptation measures to protect the city from the ongoing impacts of climate change.

The City's CAPA was completed in 2009 and provides a number of adaptation measures that the City can implement in order to minimise the impact of global warming on its infrastructure, economy and citizens. As a coastal city, Cape Town is particularly vulnerable to the projected impacts of sea-level rise and an increase in extreme weather and storms. Climate change is also a threat to the city's basic resources, including water, land and infrastructure. It is likely that the poorest communities will be hardest hit, as they are the least able to make potentially costly adaptations. CAPA provides a number of interventions that can minimise the impacts of climate change. In order to promote climate adaptation, the City is embarking on the following programmes and projects:

Cape Town's natural beauty is key to its attraction as tourist destination and lifestyle location

Climate-change impact modelling

The development of a climate-change impact model, which clearly outlines the risks climate change poses to the city, is of critical importance as this will provide the basis for determining which adaptation options are most needed and likely to have the greatest impact. The first phase of this model, sea-level rise modelling, was completed in 2008/9 and provided a clear picture of the most threatened coastal areas. This model is currently being extended to the terrestrial environment and the potential impacts of climate change on water, agricultural resources, biodiversity and City infrastructure are being examined. The potential impact on the local economy will also be modelled once the risks have been quantified.

Long-term planning for climate change adaptation

Climate change is a long-term problem and, as such, cannot be addressed by short-term projects or interventions. Rather, adaptation needs to be integrated with city planning as a key determinant in the decision-making process. In order for adaptation options to have maximum effect, the City has committed itself to:

- taking a proactive approach to adaptation;

- ensuring all City activities work towards adaptation;

- actively engaging with national and international partners, and strengthening existing relationships;

- incorporating risk analysis and adaptation strategies into spatial planning and the location of facilities;

- protecting existing 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 factored in to avoid costly social and economic impacts in the future. It is important to note that many adaptation options are of little or no cost if factored in at the planning stage, but may be very expensive to 'retrofit' onto poorly planned infrastructure.

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Promoting resilient communities

It is likely that poor communities will bear the brunt of the impacts of climate change due to their reduced ability to make potentially costly adaptations. In order to address this, the City is engaged in a programme aimed at building resilient communities, which are more able to withstand the effects of climate change. This programme is still in its infancy, but has the potential to make significant improvements to the quality of life of many poor citizens. The following interventions form part of the programme:

- Provision of ceilings in all new social housing to ensure better thermal comfort and reduce temperature extremes. This will also reduce the need for space heating, thus improving indoor air quality and reducing energy use and costs.

- Greening of new social housing developments to include lawns, shrubs and other vegetation. This has the significant impact of stabilising the soil in these areas, thus making it less prone to wind erosion, and improving air quality by reducing airborne dust.

- Urban agriculture projects, including community food gardens, often based at schools. The aim of these projects is to improve food security and provide the potential to earn some income through the sales of excess vegetables and fruit. This will help to ensure that poor communities are less vulnerable to global price shocks and the impact of oil and electricity price increases on the cost of food.

Planting trees, shrubs and other vegetation help stabilise soil and improve air quality

Measuring performance

Performance on this objective will be measured by the adoption of a progressive and effective CAPA, which remains up to date with current international information and trends, and fosters and promotes city, community and individual resilience to environmental change.

Key targets (extracted from City of Cape Town Environmental Agenda 2009 – 2014)

	Target	Baseline
Carbon footprint	Per capita carbon footprint will be reduced to an annual average of 5 tons (a total of 20 million tons) of CO_2 equivalents.	Current per capita carbon footprint of 6,21 tons (total of 20 126 952 tons) of CO_2 equivalents
Electricity consumption	Electricity efficiency will be improved to reduce the total electricity consumption in 2014 by 10% from 2007 total electricity consumption figures.	Electricity use in 2007: 10 278 GWh
Climate change adaptation	The development and endorsement of a progressive and effective CAPA, which remains up to date with current international information and trends, and fosters and promotes city, community and individual resilience to environmental change.	A draft CAPA has been prepared.
Social housing	By 2014, 40% of existing pre-2008 social houses will have been retrofitted with ceilings.	Retrofit process started in 2009.

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Strategic Focus **Area 4**

PUBLIC TRANSPORT SYSTEMS
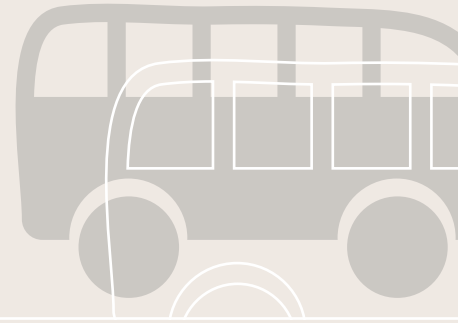
Transport plays a pivotal role in the economic development and competitiveness of Cape Town, as well as in promoting social, commercial and cultural exchanges. The transport sector contributes billions of rands to local, regional, national and international GDP; provides employment for large numbers of people; and encourages social cohesion.

Therefore, transport can be regarded as one of the cornerstones of the economy, and central to effective economic growth and development.

Two main factors currently influence the ongoing growth in demand for transport infrastructure in the city:

- the spectacular growth in private-car use for general passenger transport; and

- the demand for the transportation of goods, which is largely due to changes in the economy and systems of production, especially the shift from a stock economy to a flow economy.

A balance has to be struck between the demand for transport to enable economic growth, the increasing need for mobility among residents and the saturation of major transport networks that requires large financial investments to satisfy the increasing demand.

There is growing congestion on our city's roads (particularly during peak periods); at public transport interchanges and airports; and on trains, buses and taxis. Over the past 10 years, traffic volumes in Cape Town have grown by approximately 3% per annum. The road network carries approximately 90 million vehicle kilometres per annum. Public transport modes servicing 3,3 million people (2007) carry 1,1 million passenger trips. The impact of this trend on quality of life and pollution requires no further explanation.

Public transport, freight and business vehicles are competing for space with private cars, making the key challenge of the current public transport commuting system the concentration of demand during morning, afternoon and evening peak periods.

The newly upgraded Cape Town Station

The City finds itself having to deal with increasing congestion, lengthier travel delays and a rising number of road-based accidents – all of which penalise both the economy and road and transport users.

A CLOSER LOOK AT TRANSPORT IN CAPE TOWN

On 5 April 2009, the National Land Transport Act, Act 5 of 2009, was promulgated. The new Act has clarified the roles and responsibilities of the three spheres of government. The new legislative framework divides responsibilities into distinct functions of planning, regulatory and contracting authorities, which implies that more municipal public transport functions will be assigned to the City.

The City of Cape Town has risen to the challenge by putting in place an ITP, with key strategies, policies, programmes and projects to deliver improvements in the current transport system and services. The key strategic transport objectives of this plan include:

- ensuring support for economic growth and development by improving public transport and managing transport networks and facilities in a sustainable manner, with a primary focus on improved public transport and services;

- making transport more accessible, affordable and secure for users, and putting the access and mobility needs of our citizens first; and

- minimising the impact of transport on the environment, thus focusing on putting quality of life at the top of the City's agenda for service delivery.

The ITP, as a statutory component of the IDP, has been reviewed in terms of the requirements of the National Land Transport Act. A number of sectoral strategies for integrated transport have been reviewed. The strategies include safety, public transport operations, transport infrastructure, travel demand management, freight, non-motorised transport, ports, airports, the road network, asset management, funding and public consultation.

As a five-year strategic plan, the ITP recommends transport policies and investments required to support economic growth and development in the city, as envisaged in the 2007 – 2012 IDP. These include support for infrastructure-led economic growth and development; the need for improved public transport systems and services; and other social, economic and environmental objectives.

The 2010 Transport Strategy focuses on sustainable mobility for the 2010 FIFA World Cup™ and beyond. The aim is to leave a lasting legacy for improved public transport systems, infrastructure, networks, operations and services through significant investment in improvements and upgrades. This includes investment in non-motorised transport. Through ongoing coordination and cooperation with our partners, the City, as a host for the 2010 event, has invested over R8,5 billion in transport projects, which include airport, rail, major road and pedestrian facility upgrades.

The current policies and strategies encourage best performance from existing infrastructure and enable the management of travel demand to make better use of available capacity first. In terms of new capacity, the implementation of the IRT/BRT Phase 1A will be prioritised as a demonstration project. It is envisaged that this project will contribute to the renewal of assets; improve reliability and affordability; and provide additional transport system capacity.

STRATEGIC FOCUS AREA 1
STRATEGIC FOCUS AREA 2
STRATEGIC FOCUS AREA 3
STRATEGIC FOCUS AREA 4
STRATEGIC FOCUS AREA 5
STRATEGIC FOCUS AREA 6
STRATEGIC FOCUS AREA 7
STRATEGIC FOCUS AREA 8

The City's long-term vision for transport is to create a world-class transport system that delivers safe, reliable, affordable, efficient movement of people, goods and services that supports the local and regional economy, the environment and the creation of liveable communities.

Delivery on this vision also involves ongoing cooperation, communication and collaboration with our partners, including the National Department of Transport, National Treasury, the Province, the private sector, public transport operators and communities.

The City aims to improve the public transport system and services for the benefit of all citizens, both now and in the future. In the 2008/9 financial year, a number of key transport objectives and outcomes were identified as part of the City's IDP. These included:

•	the need to reduce average commuter travel time on selected corridors;

•	the need to increase cumulative kilometres of dedicated lanes on selected corridors;

•	the establishment of a single point of authority for transport and the need to improve public transport services; and

•	the need to secure new investment in transport infrastructure.

During the 2008/9 financial year, the City managed to deliver an additional 15 km of critical routes with dedicated public transport lanes. This brings the cumulative total of critical routes with dedicated public transport lanes in the City to 68 km. Work on the first phase of Cape Town's bus-based public transport system, the IRT system, commenced and by May 2010, in time for the 2010 FIFA World Cup™, main services will be in place between the airport, the CBD and Cape Town Stadium.

WHAT RESIDENTS THINK OF CAPE TOWN'S TRANSPORT INFRASTRUCTURE

While an effective public transport system is critical to the functioning of any city, very little input was received from Cape Town residents as part of the community surveys aimed at informing the IDP.

Public transport

Rather than indicating overall satisfaction with public transport in Cape Town, the relatively high scores received in this area probably point to a lack of awareness and understanding of public transport by residents. The City, having a vested interest in an effective public transport system, must continue taking necessary steps to assist and partner with public transport providers. Furthermore, the IRT will reshape public transport in the city forever.

Taxis

Residents are concerned that the minibus taxi industry as a whole is unsafe. Concerns include reckless driving, speeding and a disregard for the rules of the road. Calls are being made for more stringent enforcement.

Traffic calming

All sources of public input highlight that many residents feel unsafe with the dangers posed by traffic and residents have appealed for measures to improve road safety. This is an important issue, which needs to be addressed. Some of the measures that residents would like to see implemented are more traffic calming and visible policing. It appears that most of these calls come from less wealthy areas. As residents have identified specific roads and intersections, it will be important for the City to follow up and investigate possible solutions and interventions. On the other hand, given multiple users and opinions on the issues, it is important to have a standardised set of criteria to govern decisions on the implementation of traffic-calming measures.

Residents rely on private cars, bus and minibus taxis as a primary source of transport

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

Objective 4i – Increase length of dedicated public transport lanes on some selected corridors

There is a need to implement measures that will enable a decrease in commuter travel time, ensure dedicated right-of-way traffic flow and decrease the number of accidents. The increase in length of dedicated lanes supports this objective and will support economic development by improving public transport systems, with special emphasis on:

- getting people to work on reliable, radial links, within acceptable time frames and levels of crowding;

- improving access and mobility, and the need to accommodate the more dispersed growth in housing, employment and leisure trips, especially for those living on the outskirts of the city;

- ensuring that as many commuters as possible use public transport, walk or cycle; and

- managing the road network, reducing congestion and mitigating negative impacts on the environment.

Challenges and trends

A number of challenges need to be overcome in order to achieve this objective. These include:

- difficulties in persuading the taxi owners, drivers and related industries of the benefits of the new approach;

- growing congestion due to the imbalance between transport modes;

- limited funding;

- residents' reliance on private cars as a primary source of transport; and

- stabilising the volatile situation in the minibus-taxi industry from a safety and security perspective.

Implementation of the IRPTN

In recognition of the need for improved public transport systems, Cabinet approved a National Public Transport Strategy and Action Plan in 2007, with a specific vision of moving from basic public transport commuter operations, to accelerated modal upgrades and the establishment of IRPTNs in the major metropolitan areas of South Africa. The critical building blocks for this strategy include:

- an IRPTN and implementation plan;

- municipal control and authority over the integrated network; and

- maximum stake for the existing bus and minibus-taxi sector in the IRPTN operations.

The IRPTNs comprise the following elements:

- Rail priority corridors

- BRT networks that will imitate rail by running in exclusive lanes

STRATEGIC FOCUS AREA 1

STRATEGIC FOCUS AREA 2

STRATEGIC FOCUS AREA 3

STRATEGIC FOCUS AREA 4

STRATEGIC FOCUS AREA 5

STRATEGIC FOCUS AREA 6

STRATEGIC FOCUS AREA 7

STRATEGIC FOCUS AREA 8

- The formalisation and inclusion of current operators and labour, especially from the minibus-taxi and bus industries as contracted operators.

The intention is to ensure that trains, buses, taxis, and BRT main and feeder routes have a common fare collection system.

Progress thus far

- Phase 1A of the IRT/BRT system is under construction, with 15 km of dedicated lanes between the airport and Cape Town CBD, as well as along the Atlantis corridor.

- Existing public transport lanes are being enforced on the N2, Vanguard Drive, Duinefontein – Modderdam Road and the R300 Freeway in order to improve the north/south flow.

Resources allocated

R2,5 billion has been allocated for the implementation of IRT Phase 1A for the next three years, and the development of enforcement strategies for existing public transport lanes is a priority.

Measuring performance

The indicator will be measured by the number of additional kilometres of public transport priority lanes completed.

Objective 4ii – Increase percentage of commuters using public transport

The steady growth in the population of Cape Town has lead to urban sprawl and increasing traffic congestion. A key theme of the ITP is sustainability, supported by densification of developments rather than expanding into new areas, as well as reducing all impacts of transport trips on society and the environment. Effective public transport is therefore key in achieving such sustainability.

Challenges and trends

The City of Cape Town faces a number of challenges in terms of attracting commuters to public transport. These include the following:

- **Getting the basics right:** The transport system needs to be organised to maximise social inclusion, support economic development and provide sustainable mobility options. This implies that the system should be safe, reliable and convenient, and offer value for money.

- **Unequal growth in the different modes of transport:** The current transport system shows that some of the modes have adapted better to the needs of a modern economy. It also shows that not all the costs have been included in the price of transport and certain social and safety regulations are not being respected – especially those relating to road-based transport services.

- **Poor integration** between various transport operators and land use developments, as well as poor service levels and security concerns, hamper the transport sector and impact negatively on the development of the city as a whole.

- **Ensuring passenger safety** is a vital element of the programme and the City's Law Enforcement Department is expected to make a significant contribution to safety in the city. More than 100 additional law enforcement and traffic staff members will be deployed for the exclusive purpose of policing public transport modes.

Modal split targets

Year	% private	% public transport
Existing	52	48
2010	50	50
2015	47	53
2020	43	57

Source: ITP 2009

The first phase of Cape Town's bus-based public transport system

The overarching objectives of the programme include:

- increasing the number of public transport users;

- offering new public transport transfers;

- entering into new public transport contracts;

- instituting an 18-hour transport system;

- acquiring new infrastructure, stations and vehicles to improve the image of public transport;

- integrating non-motorised transport networks and services with public transport;

- improving safety and transport management and operations through the new Transport Management Centre (TMC);

- implementing rail-based park-and-ride facilities to support rail operations; and

- expanding the services of the transport information centre.

Resources allocated

The programmes by which the City will attempt to increase the number of people using public transport are integrated. Therefore, most of the HR and finances (R4 billion) available to the City of Cape Town's Transport Department are available to assist with this objective.

Measuring performance

Delivery on this objective will be assessed via ongoing surveys and vehicle counts to monitor any shift in the number of private vehicles used on Cape Town's roads.

Objective 4iii – Review unregulated and substandard taxi service through industry engagement

This objective has been strategically identified while the measurement to implement the objective is under development.

Strategic Focus **Area 5**

INTEGRATED HUMAN SETTLEMENTS

Cape Town's spatial structure remains fragmented and spread out and despite dramatic political changes, growth and development since 1994, the challenge of providing adequate housing in integrated settlements endures.

It is estimated that the current population of Cape Town is 3,5 million, comprising approximately 1 019 395 households (July 2008 estimate) – a figure researchers predicted would only be reached by 2015.

This can largely be attributed to an annual population growth of about 18 000 households due to steady in-migration, predominantly from the rural areas of the Eastern Cape, by people seeking job and economic opportunities.

Approximately 400 000 (44%) of these households live in densely occupied informal settlements and overcrowded conditions in the front and backyards of public and private formal housing – a situation that is not conducive to the physical and psychological well being of these families.

The scarcity of suitably located vacant land for low-cost housing development, the concomitant astronomical acquisition costs, coupled with limited state funding, mean that housing remains a huge challenge for the City.

Currently, the City makes no provision in terms of additional funding and space for the annual in-migration of 18 000 households from mainly the Eastern Cape to Cape Town. The majority of these households are poor and rely on the state to provide them with subsidised housing opportunities. Most of these families have to find living space in already poor and overcrowded suburbs and townships.

In order to address this situation, the City will have to build into its organisational structure some clear functional responsibilities for addressing poverty and urbanisation, together with promoting opportunities for the creation of low-skilled jobs.

The City's available budget allows it to provide approximately 8 000 housing opportunities per annum. (Housing opportunities are defined as access to a BNG house, gap (affordable) housing, a serviced site, social and rental housing, as well as claims settled by the Regional Land Claims Commissioner.)

At the current rate, the demand for housing obviously far outstrips what the City is able to supply, making a review of the City's current delivery models essential.

In order to meet and overcome most of these challenges, the City needs to promote more integrated settlement patterns in existing and new residential areas. People need to live closer to the amenities and services they require. It is essential that both new and existing living environments provide equitable and adequate recreational and community facilities, which are maintained according to the City's set standards.

Once these standards are adequately met across the city, standards for selected facilities can be raised to compare with international norms in the medium to longer term. The City is also developing a planning tool to inform the provision and clustering of these facilities.

In addition, the City needs to adopt a pragmatic approach that focuses on creating higher densities (multi-storey as well as a greater number of dwellings per hectare); a planned approached to land-banking, using the newly established Housing Development Agency (HDA) to unlock unused or underutilised state-owned land; petitioning National Government for a greater share of its DORA allocation to the City; and influencing planning legislation to fast-track housing delivery to the poor.

A CLOSER LOOK AT CAPE TOWN'S CURRENT INTEGRATED SETTLEMENT STATUS

The City regards integrated housing and settlement solutions as a high priority and aims to ensure the delivery of houses or residences to all citizens of Cape Town, as well as to provide good community facilities and services across the city. It is also acknowledged that a viable human settlement is a safe settlement, and the importance of creating a safe and secure environment for all the people of Cape Town is thus vitally important.

In the last year, the City delivered 9 576 houses and established an Anti-Land Invasion Unit to ensure that City-owned land set aside for housing development is not invaded or occupied illegally. Old Council rental accommodations occupied by 7 665 families are being upgraded and the five-year housing plan is being revised and rewritten.

THE HOUSING NEED

Of Cape Town's households living in backyards, overcrowded conditions and informal settlements, 87% have a monthly household income of R3 500 or less. A further 12% of households have a monthly household income of between R3 501 to R7 500, with 1% earning more than R7 700 per month. Given that the current expressed need is 400 000, a total of 348 000 households are wholly dependent on the state for housing, with the remaining 52 000 partially dependent on the state.

At a local level, the City has a constitutional and legislative responsibility to initiate, plan, promote and enable housing development that will result in the aforementioned households having access to adequate housing.

In order to comply with its legislative obligations, the City is currently granted a 72% share of the DORA allocation, which the Provincial Department of Human Settlements receives from its national counterpart. A breakdown of the City's DORA allocation for the current and ensuing two financial years appears in the following table:

Year	Amount
2009/10	R663,5 million
2010/11	R764,4 million
2011/12	R901,7 million

In addition to this grant, the City continues to supplement the development of housing from a range of its own funding resources, such as the External Finance Fund (EFF) and the Capital Replacement Reserve (CRR). The total funding is used to acquire, plan and develop the land and construct BNG houses for beneficiaries, using the range of housing programmes as prescribed in the National Housing Code policy document of the National Department of Human Settlements.

LAND

Assuming that future planning for low-cost housing development will continue on the basis of one family per plot and at an average density of 40 units per hectare, approximately 10 000 ha of suitable vacant land will need to be identified to address the current need of the 400 000 households.

The geology of Cape Town limits its natural spread, contributing to the high cost of land. Last year, it was not uncommon to pay up to R1 million per hectare for well-located, privately owned vacant land in some of the city's prime residential areas. Therefore, at current prices, an estimated R10 billion would be needed to acquire the aforementioned 10 000 ha of land.

However, for now, the focus is to acquire and package land parcels that would enable the City to spend its full annual allocation for housing development in the ensuing years. During the 2008/9 financial year, the City invested R154 million in the acquisition of 210 ha of land, which constituted the first phase of land-banking for its medium-term to longer-term housing developments.

A further R68 million has been allocated for land acquisition during the current 2009/10 financial year. Other initiatives include playing an active role in securing state-owned land, for which purpose the City will work closely with the HDA, which has a specific mandate to source public land for housing development.

COMMUNITY FACILITIES

The City's intention is to provide for community facilities on an equitable basis and maintain them according to uniform standards across the city. The City is developing a planning tool to inform the provision and clustering of these facilities – including parks, libraries, sports fields and community halls.

This tool will assist with the identification of areas with an imbalanced existing supply of, and demand for, facilities and assess if they are correctly and optimally located. It will also identify suitable locations for the provision of facilities to eradicate backlogs and accommodate future needs.

The maintenance of these facilities is assessed against the City's set minimum standards. Current resource and budget constraints mean that the provision and maintenance of these facilities have become increasingly dependent on partnerships and international donors, as well as having to explore external funding opportunities in order to ensure the ongoing development of facilities and amenities.

Also, increasing vandalism and security concerns at facilities are impacting negatively on the ability to adhere to standards and are placing additional strain on the budget.

Being an unfunded mandate, the City will pursue an agreement with the Province on the funding of library services to the citizens of Cape Town, as well as establish policy and spatial planning frameworks that will facilitate the development of integrated human settlements.

PROGRAMMES AND PROJECTS

The second draft of the Cape Town SDF, district-level SDPs and EMFs is being prepared and the final round of public consultation will take place in 2010/11.

Following this, these documents will be redrafted and submitted to the Province for approval in terms of Section 4(6) of LUPO (No. 15 of 1985).

A PLAN FOR BETTER HOUSING DELIVERY

It is estimated that around 400 000 families across Cape Town are in need of housing. This situation is exacerbated by the fact that the city's population is growing at around 18 000 families per year.

Cape Flats, District Six and Tafelsig – The City is delivering more housing opportunities, year after year

The City has compiled a five-year housing plan, aiming to meet the housing needs of Cape Town's citizens by, among other things, upgrading informal settlements, offering more rental accommodation, redeveloping hostels and building more formal housing.

Recently, the National Department of Human Settlements conducted research that shows that the City of Cape Town is actually leading the rest of the country in terms of service provision to informal settlements.

ADDING VALUE TO COMMUNITIES

During the 2008/9 financial year, work on a long-term facilities master plan progressed well. The aim of the plan is ultimately to have a city that offers all its citizens access to attractive, conveniently located facilities that contribute to a sense of community. By June 2009, five quality public spaces had been completed in Nyanga, Elsies River, Philippi, Gugulethu and Harare in Khayelitsha.

ESTABLISHING PUBLIC NEEDS

The need for housing is of paramount importance to many residents and accounted for 12% of total IDP comments received, while 32% of respondents in the CSS also believed it was the top priority.

Residents believed that, in all the steps involved in making housing available, the City was performing worse than in previous years, and the CSS therefore shows housing as the lowest-scoring range of services in the City. Yet, the City delivered 3 000 more housing opportunities than in 2007/8; 2 000 more than in 2006/7 and double those delivered in 2005/6.

Residents were also concerned with those eventually receiving housing and much debate went into trying to resolve this issue. A related issue among residents was accusations of favouritism, which were vigorously expressed at the MRS. Residents want to know whose names appear on the housing waiting lists and when their housing needs will be met.

RENTAL STOCK

Particularly at the MRS, residents occupying Council rental stock expressed a need for their units to be repaired. Complaints ranged from leaking ceilings, to the absence of taps and broken windows. Limited complaints in this regard on the C3 system lead one to assume that the poorer areas do not make use of the C3 system.

Also, residents were unhappy with the quality of work performed by private contractors hired by the City to conduct maintenance. One lady spoke of how a burst pipe had to be refixed thrice. This is an important issue that requires attention – perhaps via an inspection rate of 10% of work performed by contractors and an investigation into punitive measures for contractors whose work is consistently found to be of a poor standard.

TEMPORARY RELOCATION AREAS (TRAS)

Important issues for TRA residents included the concern that TRAs are located far away from sources of employment, which cause high associated costs that people cannot afford. There were also requests from people with no other accommodation to be relocated to TRAs.

INFORMAL SETTLEMENTS

Squatters can be found throughout the city, and residents were concerned with the issue of land earmarked for development that is being illegally occupied. To address this challenge, the City's Housing Directorate has created a new Anti-Land Invasion Unit to react to so-called 'land invasions' via tighter control over building standards in new developments. Residents called for an improvement in the standard of contractor work carried out in new developments, as a number of complaints were raised in this regard.

Libraries are perceived as a vital service and a means of youth upliftment by various sectors of the community

PARKS

Residents were satisfied with their access to parks. Maintenance was, however, highlighted as an issue requiring attention. Furthermore, residents raised concerns regarding safety, and parks as venues for anti-social behaviour. Generally, people wanted parks to be fenced off and lit. Given the large number of parks and the limited budget, this is not feasible in all instances.

VERGES/TREE TRIMMING

Area mowing and maintenance elicited much public comment. Whether these areas are parks or street verges, residents believe this is a very important service. Tree trimming also commands a high level of resident attention.

LIBRARIES

Libraries are perceived as a vital service – one on which the City scores very high. Libraries are also perceived to be a means of youth upliftment by various sectors of the community. Thus, there were a number of calls for new libraries to be developed. The Council for Scientific and Industrial Research (CSIR) has conducted an in-depth study to calculate and assess the need for various community facilities, including libraries. Unfortunately, the City will not be able to address all new library needs, as it does not receive funds from National Government for this purpose. Therefore, funding needs to come from Capetonians themselves.

CIVIC CENTRES

A number of valuable inputs were captured in the MRS. Residents spoke of the difficulty to book a hall (two-week notice period), and expressed concern that some applicants are turned away even though the hall is not in use. There was a request on behalf of non-governmental organisations (NGOs) to access halls at cheaper rates.

As a result of this feedback from Cape Town's residents, the City has committed to focus particularly on the following in 2010/11:

• Increasing housing opportunities

• Supporting the upgrade of informal settlements and the provision of integrated services and facilities

• Actively pursuing the City's accreditation by the Provincial Department of Human Settlements and thereafter actively implementing the City's five-year housing plan

• Clearing bushes in areas with high crime rates.

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

KEY CITY FOCUS AREA 5A: PROVIDE EQUITABLE COMMUNITY FACILITIES AND SERVICES ACROSS THE CITY

Objective 5i – Maintain community facilities that are open for community use at required standards

Community facilities and services are being developed towards a level at which they can be maintained and assessed according to set minimum standards. Once these standards are adequately met across the city, standards for selected facilities will be raised to compare with international norms in the medium to longer term.

The City is also developing the GIS planning tool to guide the provision and clustering of community facilities better. This tool will assist with the identification of areas with an imbalanced supply of and demand for facilities, 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.

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

• The investigation of alternative means to support facility and service improvement. The focus will be on exploring external funding possibilities through naming and advertising rights, sponsorships, grant funding and partnerships.

• Engaging with community-based stakeholders to establish mutually beneficial partnerships that will lead to the sharing of responsibilities with regard to the maintenance and security of facilities;

• Engaging with commercial partners and international donors for the development of community facilities and amenities, and making sure the ongoing services can be delivered; and

• Reaching agreement with the Province on the future mechanism for rendering library services to the citizens of Cape Town.

Within the spectrum of sporting facilities, the City manages 37 municipal swimming pools, of which three are indoor facilities. These three facilities, as well as the Sea Point swimming pool, are open all year round. An ongoing Learn to Swim programme will still be provided in partnership with the swimming clubs in local neighbourhoods, focusing mainly on primary school learners.

Measures and programmes

a) **Number of parks mowed and cleaned according to minimum standards**

Across Cape Town, City Parks maintains 3 058 public parks to ensure that communities can use them for outdoor recreation and other purposes at all times. Key components of the management of these facilities include cleaning and lawn mowing.

In order to ensure that parks are maintained in an equitable manner across the city, a uniform set of standards for all maintenance functions has been developed and implemented.

While the adoption and equitable, integrated implementation of such a common set of benchmarked maintenance standards remain a challenge, they will enable service delivery levels and community expectations to be managed proactively and consistently.

Furthermore, such maintenance standards will also provide guidelines for the procurement of external service providers and community contractors as a resource to ensure service delivery. The City has the opportunity to engage with stakeholders and develop partnerships using these maintenance standards as a benchmark for performance criteria.

Other ongoing challenges include budget constraints and escalating resource costs, as well as the increasing level of vandalism and anti-social behaviour in public parks, which in turn increase repair costs and has a negative impact on the City's ability to adhere to a set level of maintenance standards. This is exacerbated by natural conditions, such as water restrictions and changing climate conditions.

The planned interventions for 2010/11 include the implementation of the greening strategy, which has as a key deliverable the management of maintenance standards throughout the city. The action plan includes:

- reviewing current categories of parks and public open spaces to ensure that the maintenance plans are aligned with the different facility sizes, uses and functions;

- establishing productivity indices or measures for all maintenance activities and resources, to ensure that the outputs can be consistently measured;

- reviewing the current maintenance standards and guidelines, and including lessons learnt and insights gained from the past year's implementation, as well as considering national and international developments in terms of benchmarks;

- developing appropriate performance management metrics for each maintenance standard, as well as for the collective performance of the function, so as to ensure that the required outcomes in terms of set service delivery objectives are achieved;

- developing a capacity-building programme for external service providers to ensure that the industry can respond to the City's needs in an acceptable manner;

- conducting a security assessment and developing a related strategy to deal with the risks associated with safety and security in parks; and

- business improvement initiatives – relating to continuous process improvement in general, as well as more targeted projects.

The planned interventions for the 2011/12 financial year include:

- ongoing monitoring of performance with park maintenance against set standards;

- the development of a monitoring and record-keeping system relating to utilisation patterns and user profiles, so as to ensure that the City is responding to the needs of the community; and

City Parks maintains public parks to ensure that communities use them for outdoor recreation and other purposes at all times

- the development of a spatial view of all zoned public open spaces, aimed at accurately recording all spatial information for the planning and development of future facilities, adjusting maintenance and management plans where required.

b) Number of libraries open according to minimum set open hours

Three types of minimum opening-hour standards have been set for libraries:

- Citywide libraries – 63 hours per week

- Regional libraries – 45 hours per week

- Community libraries – 35 hours per week

As libraries need sufficient staff members to achieve these minimum opening hours; only some of the libraries are currently meeting the standard. The City's target for 2009/10 is to have 63 of its 104 municipal libraries complying with this prescript.

Library Services currently needs about 182 staff members in order to adhere to the minimum opening hours at all libraries. As libraries are an unfunded mandate, it is unlikely that there will be any additional City funding available to improve this situation.

The Province's conditional grant has provided the City with 93 contract workers for the past three years, which has somewhat improved the situation. However, their contracts expire in June 2010. The Province's conditional grant in 2010/11 will be used to pay for the new computerised library system and the remainder of the money will fund only 68 contract staff members.

Measures and programmes

The City will have to continue with its efforts to resolve the unfunded mandate, so that libraries can be properly funded. This is an ongoing national process. As part of this focus:

- A facilities plan for libraries will be finalised during this financial year. The main outcome will be to ensure a fair and equitable distribution of libraries throughout the city. This might necessitate a redistribution of resources, enabling more libraries to meet the minimum opening hours during 2010/11; and

- Every effort will be made to encourage the establishment of Friends of the Library organisations in more libraries. These organisations assist with volunteering and other contributions, to help libraries meet the minimum opening-hour requirement.

The planned new library system should make library processes more efficient, thus maximising staff productivity and potentially helping them to comply with minimum opening hours during 2010/11.

c) Number of formal fenced sports fields with complete grass cover

The provision and maintenance of local sports fields are among the core constitutional obligations of local government in the areas of sport and recreation. The City manages 177 formal sports field complexes, which contain approximately 513 individual sports fields. Overutilisation and extreme weather patterns, especially in winter, create a challenge in the provision of good playing surfaces for both winter and summer sports played on these grass fields.

Community centres are used by a cross section of local communities, including youth groups

Pitch maintenance with modern moving equipment

The City has managed to institutionalise the relationship with users of these facilities through the institutional framework, which has established Facility Management Committees (FMCs) to assist the City with the facilities' management. The institutional framework structures create a major opportunity to obtain user buy-in. FMCs have played an integral role in addressing some of the challenges regarding the lack or inequitable spread of resources, to ensure effective service delivery at City sports fields. Where a strong FMC exists, sports fields seem to be used according to threshold norms and minimum standards are easily achieved and adhered to on a sustainable basis.

Inputs invested in achieving the objectives and outcomes:

- Roving teams ensure that staff are available at the sports fields.

- The purchase of modern mowing equipment will contribute to productivity.

- The provision of nine synthetic soccer pitches at strategic locations will alleviate the pressure on grass fields, especially during winter, where these fields are overutilised.

- This is part of a phased approach eventually to have at least one full-sized synthetic pitch per district.

Measures and programmes

A functional group has been established to ensure that all sports fields are maintained at, or developed towards, world-class standards. The objectives of the group are to provide technical guidance specification; standardise practices, processes and systems; review best practices; develop operational policy and guidelines; determine minimum standards; identify training needs; determine all resource levels; evaluate the usage and functionality of facilities; play an advisory role to DMT; share knowledge; solve problems; assimilate research data; determine a framework in partnership with others; and engage with all stakeholders and role players.

The City will therefore undertake the following programmes and projects for the 2010/11 and 2011/12 financial years:

- The development of an annual maintenance plan per facility by 1 July 2010

- The implementation of code-specific seasons, with clear maintenance and rehabilitation window periods

- Controlled facility use, with advanced fixture submissions on a monthly basis

- The implementation of monitoring systems that will culminate in monthly reports

- Corrective actions where needed, and in an integrated manner, together with the following stakeholders:

    - Sports field coordinators

    - FMCs

    - Facility officers

- The construction of full-sized synthetic pitches in Atlantis, Lwandle, Hout Bay and Imizamo Yethu.

d) Number of open, safe and clean halls

The booking and use of the City's 202 halls are one of the most common interfaces between citizens and visitors on the one hand, and the City on the other. Community centres are used by a cross section of local communities, ranging from NGOs to ratepayers' associations, youth groups, religious groups as well as sport and recreation clubs. The cleanliness and general condition of these halls contribute directly to the community's perception of the City's service delivery.

Current challenges:

• Closure of facilities due to non-compliance with fire safety regulations

• Increase in vandalism

• Public liability due to non-compliance with fire safety regulations

• Halls do not meet requirements in relation to minimum staffing levels

• Ageing facilities and decades of neglected repairs and maintenance

• The use of the City's halls as interim shelter in times of disasters impacts negatively on regular users.

Programmes and projects

A functional group has been established to ensure that all halls are being maintained and developed against uniform minimum standards, with all formal, fenced sports complexes having grass playing fields and functional basic ablution facilities. The objective of the group is to provide technical guidance specification; standardise practices and processes/systems; review best practices; develop operational policy and guidelines; determine minimum standards; identify training needs; determine all resource levels; evaluate the usage and functionality of facilities; play an advisory role to DMT; share knowledge; solve problems; assimilate research data; determine a framework in partnership with others; and engage with all stakeholders and role players.

The City will undertake the following programmes and projects for the 2010/11 and 2011/12 financial years:

• Reallocating resources to ensure compliance to health and safety legislation

• Implementing electronic booking systems to improve accessibility to customers

• A review of minimum maintenance standards

• An annual maintenance plan and schedule per facility

• A review of safety requirements to create savings on general expenses

• The implementation of monitoring systems

• Monthly facility checks

• Annual safety audits

• The implementation of a customer survey

The City's repairs and maintenance turnaround strategy involves a 60/40 split between reactive and proactive repairs and maintenance. In terms of this approach, 40% of the annual repairs and maintenance operating budget will be used for proactive (long-term positive impact) maintenance projects, and 60% of the budget will be spent on reactive work. The objective is in five years to spend 80% of this budget on proactive and only 20% on reactive maintenance.

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KEY CITY FOCUS AREA 5B: DELIVER HOUSING OPPORTUNITIES IN ACCORDANCE WITH THE FIVE-YEAR HOUSING PLAN

Objective 5ii – Increase subsidised housing opportunities provided by the City

Accreditation

The City has submitted the necessary applications and supporting documentation for level 1- and level 2-accreditation by the Provincial Department of Human Settlements.

Being accredited means that the City will be able to prioritise projects, receive funding directly from the National Department of Human Settlements, have the delegated authority to implement national housing programmes and undertake the administration of subsidy approvals for beneficiaries.

This will greatly enhance the delivery of housing projects contained in the five-year housing plan. At the same time, it means embarking on a functional analysis process that will determine the staffing and resource requirements for the City as a fully accredited local authority.

Backyard dwellers

The proliferation of backyard dwellers is directly linked to the length of time many poor households have to wait before they are awarded a housing opportunity. The City aims to address the plight of the thousands of backyard families, whose needs have historically been overlooked. Many of the families live in appalling conditions and are being exploited by cavalier Council tenants and private landlords, some of whom have become dependent on rental income. The City is investigating means of providing second connections to its rental properties in order for backyard families to secure access to basic services in an equitable and fair manner.

The City's approved Housing Allocation Policy makes provision for backyarders who are on the housing database to be allocated housing opportunities. Given the fact that many backyarders will wait a very long time, the proposal is to provide second connections where they are currently living.

Setting of targets

Based on the funding that has been allocated by National Treasury, the City has set a target of delivering 8 400 housing opportunities for the 2009/10 financial year, which will increase to 8 800 in the 2011/12 financial year.

Housing opportunity targets 2009/10 to 2011/12

DELIVERY TYPE	2009/10	2010/11	2011/12
New BNG subsidy project-linked projects	4 100	4 200	4 500
Social housing	300	300	300
Hostels redevelopment	300	300	300
Upgrade of informal settlements and emergency housing	2 000	2 000	2 000
Land restitution claims	200	200	200
Gap (affordable) housing	500	500	500
Community residential unit (CRU) (major upgrade of rental stock)	1 000	1 000	1 000
TOTAL	8 400	8 500	8 800

Steenberg social housing scheme and N2 Gateway

Projects

The City is committed to a number of approved projects, and has identified more to achieve the above targets.

Projects under construction

No.	Project	Units	Area	Subcouncil	Ward
1	Bardale	5 947	Blue Downs	22	18
2	Brown's Farm Phase 6	678	Brown's Farm	13	34
3	Hostels redevelopment – Ilinge Labahlali (CRU)	326	Nyanga	14	37, 39
4	Kewtown infill development [People's Housing Process (PHP)]	236	Athlone	17	49
5	Kuyasa Village 1, Phase 2	2 399	Khayelitsha	10	95
6	Masiphumelele school site	380	Noordhoek	19	61
7	Melkbos	100	Melkbosstrand	1	23
8	Mfuleni flood relief PHP consolidation	4 461	Mfuleni	22	18
9	Mitchells Plain infill, Phase 1	1 345	Mitchells Plain	10, 12	82, 99
10	Morgan's Village 3	208	Mitchells Plain	12	75
11	Nonqubela, Phase 2	1 250	Khayelitsha	10, 22	93, 96
12	Nyanga upgrade project [(PLF and Upgrade of Informal Settlements Programme (UISP)]	2 070	Nyanga	14	37, 39
13	Philippi East, Phase 5	405	Philippi	12, 13	76, 35
14	Philippi Park (PHP)	1 100	Philippi	14	37
15	Silvertown, Khayelitsha	1 316	Khayelitsha	9	93
16	Site C: Survey and subdivision [(Provincial Housing Development Board (PHDB)]	6 250	Khayelitsha	23	87, 89
17	Steenberg social housing development	450	Steenberg	19	64
18	Wallacedene Phase 10A	1 617	Kraaifontein	2	6
19	Wallacedene Phase 10B	256	Kraaifontein	2	6
20	Wallacedene Phase 3	1 108	Kraaifontein	2	6
21	Wallacedene Phase 4	735	Kraaifontein	2	6
22	Wallacedene Phase 5	537	Kraaifontein	2	101
23	Wallacedene Phase 6	1 209	Kraaifontein	2	101
24	Wallacedene Phase 7	582	Kraaifontein	2	101
25	Wallacedene Phase 8	573	Kraaifontein	2	101
26	Wallacedene Phase 9	1 440	Kraaifontein	2	6
27	West Cape	121	Mitchells Plain	12	75

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Planned projects

No.	Project	Units	Area	Subcouncil	Ward
1	Atlantis, Extension 12	500	Atlantis	7	29
2	Belhar Pentech infill project	347	Belhar	23	12
3	Bokmakierie Athlone infill	170	Athlone	17	49
4	Delft, The Hague	1 400	Delft	23	13
5	Dido Valley	1 029	Simon's Town	19	61
6	Driftsands	2 500	Driftsands	22	18
7	Drommedaris social housing development	220	Brooklyn	1	4
8	Edward Street: Ottery sustainable development	100	Ottery	18	66
9	Eureka-Leonsdale CRU	375	Elsies River	4	25
10	Gugulethu infill project (Erf 8448/MauMau)	1 500	Gugulethu/Nyanga	14	38
11	Happy Valley, Phase 2	1 350	Eerste River	21	14
12	Heideveld, Duinefontein	700	Heideveld	11	44
13	Imizamo Yethu, Phase 2: New services CRU	1 100	Hout Bay	16	74
14	Joe Slovo Park infill project	90	Milnerton	1	4
15	Kleinvlei, Erf 901	66	Blackheath	21	17
16	Macassar	3 968	Macassar	8	15
17	Mannenberg infill: The Downs	700	Mannenberg	11	46
18	Masiphumelele, Phase 4	350	Noordhoek	19	70
19	Morkel's Cottages	700	Rusthof, Strand	8	86
20	Morningstar (CRU)	150	Durbanville	7	103
21	Ocean View (Mountain View)	500	Ocean View	19	61
22	Ocean View infill project	500	Ocean View	19	61
23	Pelican Park, Phase 1	3 000	Pelican Park	18	67
24	Phumlani	109	Lotus River	18	67
25	Rondevlei	225	Rondevlei	18	67
26	Scottsdene	683	Scottsdene	2	6
27	Sercor Park, Phase 2	119	Strand	8	100
28	Somerset West, 10 ha site	390	Somerset West	8	83
29	Temperence Town: Gordon's Bay	70	Gordon's Bay	8	100
30	Valhalla Park infill	500	Valhalla Park	5, 15	30, 31
31	Witsand, Phase 2	1 600	Atlantis	7	32

Programmes

National policy provides for a range of housing subsidy programmes that the City can utilise in the implementation of the above projects. All of these programmes are funded through the annual DORA allocation from the Provincial Department of Human Settlements.

Range of national housing subsidy programmes
Integrated Residential Development Programme (IRDP)

This programme's aim is to provide at least a 40 m² BNG house (a house built according to the BNG Policy, post-September 2004) to families on the City's waiting list who earn a combined income of no more than R3 500 per month, with the subsidy amount being provided by the National Department of Human Settlements.

Beneficiaries must be on the City's housing database and must meet the requirements as prescribed in the National Housing Code.

New housing projects involving local labour

Consolidation Subsidy Programme

This programme is aimed at:

- facilitating improvements to homes where people already own a serviced stand without a top structure; and

- accessing a subsidy for top structures only (currently R55 706).

PHP

This is for households that wish to maximise their housing subsidy by facilitating the building of their homes themselves. Beneficiaries can apply for subsidies via the project-linked instrument (where the subsidy is granted to qualifying beneficiaries to enable them to acquire a house as part of an approved project), the consolidation instrument (the subsidy is granted to owners of a serviced site for the construction of a house), or the institutional instrument (the subsidy that is available to institutions to enable them to create affordable housing stock on a deed of sale, rental or rent-to-buy option).

Beneficiaries must comply with prescribed policy criteria, and are exempted from contributing R2 479 towards the product cost.

Emergency Housing Programme

This is aimed at providing temporary assistance to victims of housing-related disasters (such as fire and flood damage), including the provision of TRAs. The programme also provides funding for minimum services and shelter.

UISP

The aim of this programme is to provide:

- basic services (water, standpipes and toilet facilities);

- permanent services; and

- houses to existing informal settlement areas, wherever possible (including *in situ* upgrades).

Participants are less restricted than beneficiaries who qualify for individual subsidies. The programme is not temporary in nature, instead focusing on permanent areas that need an upgrade.

Social Housing Programme

The Social Housing Programme is focused on higher-density, subsidised housing that is implemented, managed and owned by independent, accredited social housing institutions in designated restructuring zones (for rental purposes). Households earning between R3 000 and R7 000 per month qualify.

The City has an agreement with three partners: Communicare, Cape Town Community Housing Company (CTCHC) and Social Housing Development Company (SOHCO).

Institutional Housing Subsidy Programme

This mechanism targets housing institutions that provide tenure alternatives to immediate ownership (such as rental, with the option to purchase after a certain period).

New rental housing will be built and existing higher-density stock upgraded

CRUs

This programme facilitates the building of new rental stock (including hostels) and the upgrade of existing higher-density stock. It caters for families who prefer rental housing, and earn less than R3 500 per month. The City remains the owner of the rental units. This programme also includes the former Hostels Redevelopment Programme.

Gap (affordable) housing

This caters for families earning between R3 500 and R10 000 per month, to be implemented by private developers.

Objective 5iii – Implementation of structured programme for the upgrade of erven in informal settlements

Informal settlements master plan

The City has approved an informal settlements master plan framework (November 2007), which integrates informal settlements with the broader urban fabric to overcome spatial, social and economic exclusion. The central thrust of the plan is to provide essential services (i.e. water, sanitation, solid waste removal, electricity and, where necessary, stormwater management) to settlements within the approved framework.

Essentially, it is phased and structured, with the emphasis on *in situ* improvements. It involves the community extensively and provides for basic services, permanent services and top structures. The City aims to upgrade 25% of Cape Town's existing informal settlements by 2012.

The following implementation approaches will be followed according to the master plan:

- Line departments will roll out essential services to the required target levels in batches of 30 settlements every six months.

- Opportunities for other services (such as facilities and operating services) will be identified.

- Settlements requiring de-densification, reconfiguration or relocation to improve service delivery efforts will be identified.

- Settlements where *in situ* upgrade projects seem feasible, will be identified.

- Settlements that are not suitable for *in situ* upgrade projects, but require total relocation (i.e. located on a floodplain) will be identified.

- Land invasions will be managed.

- The master plan programme will be completed by December 2012.

The master plan will run concurrently with the revised informal settlement upgrade approach:

- A community-centred approach to service delivery will be adopted.

- A corporate services menu that is feasible in terms of implementation and operational criteria must be determined.

- Pilot sites for *in situ* implementation to test and evaluate the community-centred approach will be identified.

- Community service needs must be determined.

- Settlements will be upgraded.

- Approaches will be refined.

- Roll-out to other feasible settlements will be expanded.

A range of subsidy programmes exist to make affordable housing, with basic services, available to those who qualify financially

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Anti-Land Invasion Unit

The City's Anti-Land Invasion Unit has been established to protect the City's vacant, unoccupied land from illegal land invasion, and provides a 24/7 monitoring and protection service. Unfortunately, illegal land invasions by persons who disregard the City's policies and development plans have become a negative feature of urbanisation.

The City strongly believes that one of the measures to deal proactively with urbanisation is to protect land that has been identified for future housing development, from those who are perceived to be 'jumping the queue'. In this regard, the City would follow due legal process by obtaining the necessary court orders and the unit would provide assistance to the sheriff where necessary.

The unit also fulfils an important task of preventing reoccupation of land that is prone to flooding and from which families have been relocated in the past. This is to prevent repeated relocations and unnecessary expenditure.

Informal settlement management

In order to improve service delivery to communities who live in the 230 informal settlements in the city, the Housing Directorate has embarked on a strategy to have a permanent presence in some of the bigger settlements. Staff members are being stationed in permanent offices at these settlements to foster better relationships with communities and to address issues that directly impact on their lives in a consultative and equitable manner. Nineteen informal settlement management offices have already been established in accordance with the Housing Directorate's urbanisation strategy to create liveable areas.

TRAs

The pressure on the City is mounting to find short-term housing relief for poor families who find themselves in emergency situations. These emergencies include people living on land prone to flooding, whose homes have been destroyed by ravaging fires, and cases where the City has been cited as a respondent in private eviction cases and has been ordered by the court to provide alternative accommodation. This has led to the City establishing a TRA in Symphony Avenue in Delft, as well as investigating the legality of establishing more TRAs across the city.

The City is pressured to find housing relief for families in emergency situations like flooding

Spatial mapping of initiatives and projects per subcouncil area
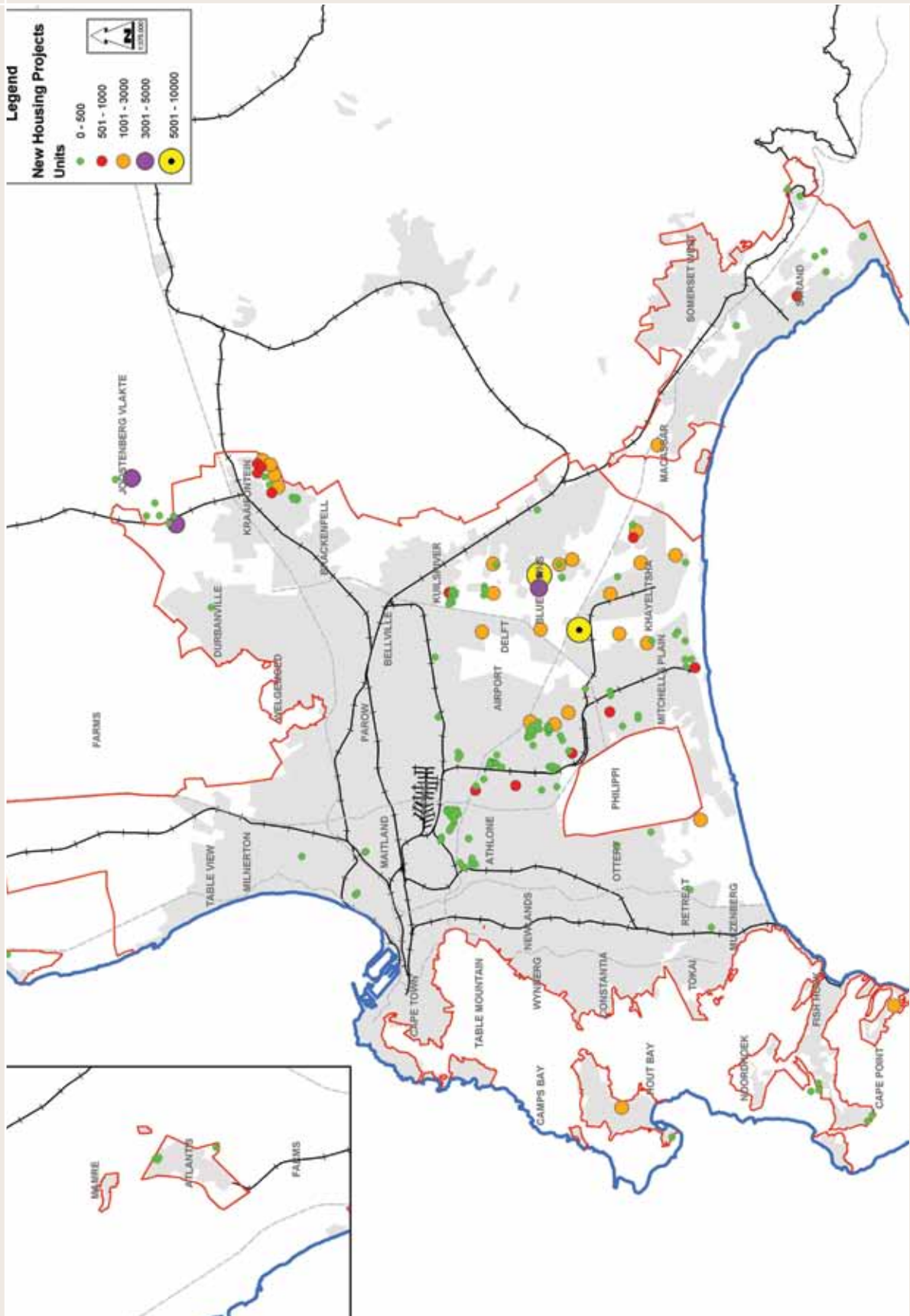
Strategic Focus **Area 6**

SAFETY AND SECURITY

One of the most important strategic challenges facing the City of Cape Town is fostering a safe and secure environment. The current levels of crime and disorder in South Africa, and particularly in Cape Town, impact negatively on residents' quality of life – as well as the economy in terms of the city's ability to attract tourists and investors. It also poses a potential risk to our hosting a successful 2010 FIFA World Cup™. Improved safety and security is crucial for shared and accelerated economic growth. If the City wants to win public and investor confidence, it needs to be proactive in its efforts to address crime and disorder.

A CLOSER LOOK AT CAPE TOWN'S CURRENT SAFETY AND SECURITY STATUS

The most recent official crime statistics, released in September 2009, represent a matter of serious concern, as they reveal a 0,3% overall increase in the crime rate after consistent decreases over the past four years. Of particular concern is the countrywide increase in serious crimes. The Institute for Security Studies (ISS) warns that the overall increases in house robberies, business robberies and carjackings will intensify anxiety within communities, as these are places people expect to be safe. In Cape Town, house robberies have increased by 12%, and business robberies by 51%, while carjackings have decreased by 34%.

Statistics also highlight significant increases in drug-related crime (19%) and driving under the influence of alcohol and drugs (16%) in Cape Town. (Statistics in these two categories are primarily generated with regard to law enforcement action taken, and may therefore indicate increased police action and not necessarily higher crime levels.) Alcohol and drug abuse continues to damage and destroy the lives of countless residents. Of particular concern is the explosive growth in the use of the highly popular and extremely addictive drug tik (methamphetamine), which continues to spread rapidly throughout all communities and is reaching pandemic proportions in Cape Town. The use of tik and the battle over market control are also believed to be fuelling gang-related violence – with Cape Town having recently experienced a disturbing upsurge in gang-related murders. The Safety and Security Directorate has accordingly stepped up its alcohol and drug enforcement operations with the establishment of a specialised unit and the launching of its highly successful Operation Razor, which targets illegal liquor outlets and drug houses throughout the city.

Safety and security continue to be of enormous concern to residents

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Also, indications are that human trafficking and prostitution, including child prostitution linked to organised crime, are on the rise as criminals prepare themselves for expected profit-taking during the 2010 FIFA World Cup™. The City's law enforcement departments have contributed significantly to safety planning surrounding the event by actively taking part in all relevant work streams and trial runs together with SAPS and other relevant parties. These departments continue to form part of the integrated task teams established to manage safety and security-related issues in the run-up to, during and after the 2010 FIFA World Cup™.

High levels of disorder in the city persist, with anti-social behaviour such as loitering, drinking and public drunkenness, aggressive begging and urinating being common occurrences. In addition, a culture of non-compliance on the City's roads continues to demand more traffic policing resources and innovative enforcement strategies. The City has accordingly focused on expanding its bylaw enforcement and traffic policing capability and has managed to appoint much needed additional staff. These efforts have resulted in significant success in areas such as illegal land invasion, metal theft, road safety and safety on beaches during the 2009/10 festive season. These initiatives also contribute to the prevention of capital flight from the CBD in conjunction with CTP and other relevant organisations.

The Civilian Oversight Committee continues to perform its oversight functions over the City's three law enforcement departments with distinction and is in fact setting the national benchmark as far as the functioning of such bodies is concerned.

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 inhibit development and growth and, in some cases, hard-won advances. The City is therefore gearing itself for an efficient emergency response, with its Emergency Services Department providing essential services through the Fire and Rescue and Disaster Risk Management divisions, as well as a public emergency communication centre.

The number of medical- and trauma-related calls received during 2009 for the City's Fire and Rescue Service has shown a marked increase from the previous year, while fire-related calls have shown a slight decrease over the last four years. The frequency of fires in informal settlements continues to fluctuate, and although there is no clear trend, the risk remains high. During the previous financial year, the City Emergency Services maintained a high level of responsiveness and attended to a monthly average of 3 700 incidents, of which 1 250 were fires. Early 2009, in particular, saw massive wildfires in the Helderberg basin and the Devil's Peak area. The Disaster Risk Management Centre (DRMC) maintained an optimum state of readiness during this period and undertook a comprehensive disaster risk assessment to inform future plans.

The value of an effective media communications strategy is acknowledged, and much progress has been made towards the improvement of the City's public image in terms of safety and security.

The main focus of the Safety and Security Directorate for the 2010/11 financial year will be ongoing training and development in pursuit of heightened efficiency. Operationally, Safety and Security will endeavour to address incidents of disorder and minor crimes effectively, as well as to maintain an optimum state of readiness for managing disasters and disaster-related risk. This will contribute to the reduction of current levels of crime and vulnerability and, therefore, the improvement of safety and security across the city.

ESTABLISHING PUBLIC NEEDS

The City's 2009 CSS revealed specific public needs with regard to safety and security that should be adequately addressed during the new financial year. These are the following:

Bylaw enforcement

The 2009 CSS established that residents are satisfied with bylaw enforcement. Feedback during the MRS however revealed that residents wanted something done about general lawlessness. Current trends in law enforcement indicate that those who commit minor crimes are likely to commit larger ones – hence the importance of stepping up enforcement against minor offenders.

Drugs

Almost a quarter of safety and security C3 notifications relate to drugs and there were many mentions of drugs in the MRS feedback sessions. Drug abuse clearly is an important issue, although complex and difficult to address. There is a sense of community frustration, as in many instances, community members know where the drugs are being sold.

Traffic enforcement

Many respondents indicated that they felt our roads are unsafe. Perceived threats included speeding in residential areas, dangerous intersections and traffic violations/reckless driving by minibus taxis.

Visible policing

There were many calls for improved visible policing, with specific reference to taxis and drugs.

Vagrants

From the C3 system as well as the MRS, vagrants and loitering appear to be important issues for most residents. These issues elicited double the amount of drug-related C3 notifications.

Problem areas

Problem areas include muggings, drugs, prostitution and environments around bottle stores and shebeens. The community is aware of and unhappy about these areas, but feel they are unable to do anything about them.

Emergency services call centre and disaster management

The majority of disaster management calls (approximately 60%) relate to fallen trees. Overall, though, residents are positive about the emergency call centre, the Disaster Risk Management division and their staff.

Fire

Residents have indicated that they are satisfied with Fire and Rescue's response to fire-related emergencies, and their general level of service delivery.

Based on this feedback, the City of Cape Town recognises that it needs to:

• strengthen visible law enforcement – especially traffic enforcement;

• strengthen bylaw enforcement;

• strengthen the implementation of the City's specialised units' plans;

• expand and develop the City's Specialised Substance Abuse Enforcement Unit; and

• develop and communicate a process for public reporting on, and City action against, houses and businesses where illegal activity is taking place.

Visible policing and continued emergency-related high performance levels will keep residents satisfied

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

KEY CITY FOCUS AREA 6A: FOSTER A SAFE AND SECURE ENVIRONMENT

Objective 6i – Increase Community Survey Score in the perception of anti-social behaviour and general disorder

Anti-social behaviour, such as public drinking and drunkenness, riotous behaviour, urinating in public, gambling, excessive noise, graffiti, drunken driving and abusive language, impacts negatively on residents' quality of life, contributing to growing fears of crime and creates an environment for lawlessness and crime to flourish. City initiatives aimed at addressing disorder are as follows:

Intensifying primary operational focus

Taking action against those committing minor crimes and bylaw offences will once again be a central theme throughout the City's law enforcement plan for the 2010/11 financial year. This annual plan sets out the objectives and priorities of the Metro Police, Traffic, Law Enforcement and Specialised Services departments. In addition, the plan will provide for a zero-tolerance approach towards traffic offences. It will also ensure that disorder is addressed head-on during the hosting of the 2010 FIFA World Cup™.

The Metro Police Department's annual police plan, which is a legislative requirement in terms of the SAPS Act, forms an integral part of the City's overarching law enforcement plan, and will therefore reflect the same operational focus.

Strengthening the City's law enforcement capacity

The City's Law Enforcement, Traffic and Metro Police departments are primarily responsible for addressing disorder in Cape Town. The human resources of these departments have, however, been severely depleted since the establishment of the Unicity, and this remains a major challenge for the Safety and Security Directorate. The importance of intervention at this level is recognised, and it is therefore the City's intention to expand and capacitate these departments as far as available resources permit. These departments will be strengthened by means of the following:

a) Training and development

The Safety and Security Directorate's Training Academy is operational, and the City will continue to equip this facility to fulfil all the training needs of the Metro Police, Traffic and Law Enforcement departments. Full accreditation for the Training Academy will also be pursued. The following matters will be attended to in respect of training and development:

- Continue to build relationships with international partners and introduce specialised training interventions

- Full implementation of Safety and Security's Wellness and Fitness Policy

- Building and improvement of training facilities

- Continuous capacity building of training staff

- Acquisition and maintenance of accreditation through prescribed Sectoral Education and Training Authorities (SETAs)

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The city is gearing itself for an efficient emergency response through provision of essential services and a public emergency communication centre

b) **Expansion of the externally funded law enforcement scheme**

The externally funded law enforcement scheme, which enables the private sector to secure the dedicated services of members of the City's enforcement departments for specific areas, was launched in December 2008. This venture resulted in 18 additional law enforcement members being deployed with outside funding and continues to receive interest from prospective sponsors. It is expected that the initiative will grow steadily during the new financial year. The following matters will be addressed in support of the sponsored law enforcement scheme during the 2010/11 financial year:

- The establishment of an adequate support structure for the initiative

- Exploring the feasibility of introducing the concept in the City's Traffic Services

- Ensuring that all officials deployed in terms of this initiative are trained in the principles of problem-orientated policing

- Continuous growth of the City's law enforcement capacity.

c) **Introduction of an information management system**

The Integrated Spatially Enabled Response Management System (ISERMS) technology project will enable Metro Police, Traffic Services, Bylaw Enforcement and Emergency Services to combine their resources and coordinate their activities more efficiently. It is essentially an information management system that will optimise personnel and resource management. 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. The new financial year will see the following:

- Full implementation of ISERMS in the Metro Police Department

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

d) **Additional strategies for the strengthening of the law enforcement departments**

Other initiatives that would contribute to capacity building within these departments are as follows:

- A review process of all City bylaws, recommendations on additions where applicable and commencement of drafting where needed

- A thorough review of operational strategies and study of international best practices

- Implementing Safety and Security's Reward and Incentives Policy and ensuring that achievements of staff members are properly acknowledged

- Setting high standards of discipline across the directorate

- Integration of the Metro Police and 107 call centres in an effort to improve service delivery and reduce overhead costs

- Review of the closed-circuit television (CCTV) master plan and implementation thereof.

Community-based safety initiatives

a) Neighbourhood-watch assistance project

The City's neighbourhood-watch assistance project, a Mayoral initiative, was launched in August 2008. Its main objective is strengthening the crime and disorder prevention capacity of local communities. The project also has the following strategic objectives:

- Ensuring that all members of targeted neighbourhood watches are trained in the principles of problem-orientated policing

- Ensuring self-sufficiency of the targeted neighbourhood watches

- Ensuring that select neighbourhood watches achieve agreed-upon goals.

During the 2010/11 financial year, at least six additional neighbourhood watches will benefit from this initiative.

b) Local safety officer project

The Dutch police concept of neighbourhood coordination provides the ideal implementation model for the philosophy of problem-orientated policing. It provides for a specific police official to be designated as the safety coordinator and problem solver in a particular area (neighbourhood). These officials are encouraged to identify problems that lead to crime and disorder, work closely with communities and other stakeholders to discover the root causes and, ultimately, to develop and implement solutions. Pilot programmes have been launched in Muizenberg, Nyanga and Gordon's Bay, with the deployment of three local safety officers in these areas. The initiative is conducted in cooperation with the regional police of Amsterdam – Amstelland, and the University of Cape Town. During the 2010/11 financial year, the Safety and Security Directorate will continue to refine this model and monitor progress.

Measuring performance

Performance on this objective will be measured as part of the City's annual CSS, which will measure the public perception on the prevalence of anti-social behaviour and general disorder in the city on a five-point symmetric scale. The target is a score of 3 or above.

Objective 6ii – Reduce accident rate

The high frequency of vehicle accidents on Cape Town's roads claims countless lives and places a heavy burden on available resources. Reducing the vehicle accident rate on the city's roads is therefore a key objective of the Traffic Services and Metro Police Department. The culture of non-compliance will be aggressively addressed, with a particular focus on identified high-frequency accident locations where the following actions will be taken:

- Resources will continue to be directed towards national road safety strategies, including the Arrive Alive campaign.

- Partner agencies will be extensively involved to ensure a coordinated approach towards road casualty reduction measures, such as education and enforcement. This will include pamphlet distribution to pedestrians at high-frequency accident locations.

- A 'no nonsense' approach will be adopted 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 limit enforcement will be expanded, especially in high-frequency accident locations and pedestrian risk areas. The assignment of speed cameras is based on the most problematic accident locations, and will contribute to overall accident reduction.

- There will be increased visibility through peak-hour patrols and regular roadblocks across the city to determine both driver and vehicle fitness.

- Continual assessment of the need for remarking road signs and tree trimming will take place.

- The successes of the Traffic Services' Ghost Squad will continue to be built upon, with this unit being developed to full capacity.

Measuring performance

The percentage decrease/increase in the accident rate at five identified high-frequency accident locations, as compared to the same period the previous year, will be measured quarterly. The five locations identified for this purpose are:

- R300, Stock Road and AZ Berman Drive;

- N7 and Potsdam Road;

- Kuils River Freeway North and Stellenbosch Arterial;

- Stellenbosch Arterial and Belhar Drive; and

- Prince George Drive, Wetton and Rosmead Avenue.

Objective 6iii – Increase in drug-related arrests

According to the United Nations Office on Drugs and Crime, the use of the drug tik (methamphetamine) has taken on epidemic proportions in Cape Town. The drug is highly addictive, relatively cheap and easily accessible. It is this combination of factors that has resulted in the explosive growth of tik use during recent years. The tik scourge has destroyed precious family ties, robbed people of their potential, and fuels criminality and gangsterism. In response to the threat posed by tik, other drugs and alcohol, the City adopted its Operational Alcohol and Drug Strategy: 2007 – 2010. This strategy aims to reduce the negative impacts and burden of alcohol and illicit drug use in the city and on its residents, businesses and visitors. It includes programmes aimed at prevention, treatment and enforcement. The Safety and Security Directorate is primarily responsible for ensuring that effective enforcement action is taken to target suspected drug dealers. This will be achieved through the following:

Special operations targeting drug dealers

The Metro Police Department will continue clamping down on suspected drug dealers through its special operations. The new financial year will see this department building on successes achieved with Operation Razor and Operation Choke, which netted good results in terms of combating drug-related crime. Operations will be intelligence-driven to ensure optimum results and integrated to ensure the participation of all relevant stakeholders.

Expansion and development of the specialised Substance Abuse Enforcement Unit

The Substance Abuse Enforcement Unit is a small but highly specialised unit established towards the end of 2008 to give effect to law enforcement objectives contained in the City's Drug and Alcohol Combating Strategy. So far, the unit is achieving excellent results and additional City investment in this initiative will no doubt yield significant returns. It is the intention to expand this unit significantly during the 2010/11 financial year. The Safety and Security Directorate is also in the process of establishing a narcotics detection dog capacity, which will greatly enhance the Metro Police's ability to clamp down on suspected drug dens. This capacity will be developed to full operational status.

Cooperation with other agencies

Effective cooperation with other law enforcement agencies is crucial in combating drug dealing, and Safety and Security will continue to strengthen its relationship with SAPS and relevant agencies in other countries.

Measuring performance

The percentage increase/decrease in the number of drug-related arrests (dealing in and possession of narcotics) carried out by the Metro Police Department, as compared to the same period the previous year, will be measured on a quarterly basis.

The Fire and Rescue service aims to respond to emergencies in 14 minutes   Pedestrian crossing for blind pedestrians

Objective 6iv – Reduce the response time to emergency fire calls

The Fire and Rescue Service responds to, deals with and manages a number of varying fire risk categories across the City on a daily basis. In order to minimise the damage to property and the environment, rapid response to incidents of fires and other trauma incidents is essential. The ever-expanding population and urban environment requires that minimum response times are maintained and improved upon in order to minimise the increasing threat to life and property, particularly in the informal sectors of the City.

Measuring performance

Performance will be measured quarterly by means of the percentage of fire and other emergency incidences responded to within 14 minutes. This is the industry standard for emergency response times.

Objective 6v – Reduce the impact of flooding

This objective has been strategically identified while the measurement to implement the objective is under development.

Objective 6vi – Reduction of disaster risk through maintaining optimum preparedness

This objective involves the preparation and execution of the City's disaster risk management plan, as well as the effective coordination and alignment of processes and regular reviews. The plan is a legislative requirement in terms of the Disaster Management Act, which also requires that the plan forms an integral part of the City's IDP. The DRMC aims to identify, prevent and reduce the occurrence of disasters and soften the impact of those that cannot be prevented. During major incidents and disasters, the DRMC performs a coordinating role, ensuring that multiple emergency and essential services work in an integrated and efficient manner. After major events, it also ensures that communities and victims are assisted in recovering from the particular crises.

This objective will be achieved by following a process of continuous reviewing of the 35 different disaster risk management contingency plans, which are all elements of the City's disaster risk management plan, to ensure that these are regularly updated and aligned with current requirements to be ready for immediate implementation should a particular situation arise. These include contingency plans on:

- nuclear power station emergencies;
- coastal oil spills;
- aircraft incidents;
- flooding and storms;
- sea surges/tsunamis/tidal waves; and
- epidemics/major infectious disease outbreaks, etc.

Measuring performance

Performance on this objective will be measured quarterly in terms of the percentage of plans that have been reviewed and are ready for immediate implementation.

Strategic Focus **Area 7**
HEALTH, SOCIAL AND COMMUNITY DEVELOPMENT

As a city, Cape Town is a reflection of the broader South African society, with sharp contrasts between, among others, the rich and poor, the skilled and unskilled, and the healthy and ill. It is also characterised by many vulnerable groups who find themselves on the margins of society, such as street people, youth, women, the disabled and those affected by extreme poverty.

When social and human development is poor, the social fabric of society begins to disintegrate. In large parts of Cape Town, this has resulted in a high incidence of drug and alcohol abuse, gang affiliation, and crime against people and property. Adding to these issues are the growing challenges posed by HIV/Aids, STIs and TB.

That said, in many instances, communities are taking proactive steps to improve their levels of functionality, and become self-sustaining – and these initiatives require the support of the City to ensure that the momentum of positive change is maintained and that the lessons learnt from their experiences can be used by other communities to transform themselves.

For many children in Cape Town, life is characterised by hunger and malnutrition, insecurity, trauma, instability, family breakdown and dislocation of communities. The early years are of vital importance in the development of the young child. During these years, the foundation is laid for the child's development and any deprivations at this stage have lasting negative effects. Recognition of the importance of these early years is vital to ECD.

Against this backdrop, investment in health, social and community development is a critical cornerstone in service delivery and the sustainable economic development of Cape Town. However, it is also true that such investment cannot be the responsibility of a single government or non-governmental entity. The maximum number of marginalised communities must benefit. The City will therefore continue to facilitate programmes for sustainable health, social and community development in partnership with other stakeholders.

A CLOSER LOOK AT CAPE TOWN'S CURRENT HEALTH AND SOCIAL DEVELOPMENT STATUS

An SLA with the Provincial Health Department ensures that the City will continue to deliver comprehensive PHC services across its eight health subdistricts.

Infant mortality

Cape Town's current infant mortality rate is 19,78 per 1 000 children under the age of 1 year. This figure has been decreasing gradually over the last six years and is now less than half the national rate. This encouraging trend is a good overall measure of the state of health in the city and is probably a result of increased education and awareness, as well as improved health care service delivery to expectant mothers and their infant children. To maintain a decrease in the infant mortality rate, the City faces a number of challenges going forward. These include the provision of adequate immunisation coverage, increasing clinic attendance among under-18 female clients and conducting health and hygiene interventions in informal settlements.

TB and HIV/Aids

Cape Town's antenatal HIV/Aids prevalence rate as well as the rate of increase of TB cases remain the lowest of all South African metros. However, the HIV/Aids prevalence rate for the city has increased, particularly within the poorer areas. Reducing the spread and impact of HIV/Aids/STIs and TB has become a priority for the City over the last five years.

A multi-sectoral strategy to contain, reduce and treat these diseases is in place and seeks to address the underlying causes of their continued spread. The programme includes facilitating multi-sectoral action teams within the eight health subdistricts to enable integrated local stakeholder participation and planning. The process is led by a coordinating committee from within the City, which aims to mainstream HIV/Aids/STIs and TB issues to improve efforts to combat these diseases. The Province and City will continue to work together to deliver a public ART programme in the course of 2010/11. Broader public awareness programmes for HIV/Aids/STIs will continue through the citywide Get Tested campaign, but changing sexual behaviour remains a challenge and targeted prevention projects will be implemented in high-risk areas. The youth and safer sex practices, including voluntary counselling and testing (VCT) and condom distribution, will continue to be a focus.

Substance abuse

With regard to substance abuse, the City's Draft Operational Alcohol and Drug Strategy: 2007 – 2010 aims to reduce drug-related crime, limit bad behaviour and accidents, improve access to treatment and information, enhance reporting mechanisms and increase intergovernmental cooperation.

Air and water quality

Cape Town's Air Quality Management Plan (AQMP) is aimed at helping Cape Town achieve and maintain the status as the African city with the cleanest air. A number of working groups currently inform this plan.

The quality of potable water supplied by the City's Water Services is continuously monitored and any problems identified are resolved so that the public can be assured of clean, healthy drinking water. The same quality controls are applied to water used for recreational purposes, such as vleis, rivers and coastal water, all of which are also monitored. Programmes are regularly implemented to improve and/or maintain high water quality, thereby ensuring public health.

Food control

All food premises are visited regularly by environmental health practitioners as part of the City's optimal hygiene control programme. All food premises require a certificate of acceptability (COA), which certifies compliance with the relevant hygiene and structural requirements. Food quality is monitored by routine testing of food products in the City's laboratory, while chemical analysis is performed at the state forensic chemistry laboratory.

Health surveillance of premises

Environmental Health regularly visits and inspects targeted premises, including accommodation establishments, hairdressers and barbers, tattoo and body-piercing shops, child care facilities, and restaurants and food outlets. Notices to rectify any problems or health nuisances are served on owners.

Waste management

The Solid Waste Department fulfils the function of waste management by collecting waste on a weekly basis throughout the city. Environmental Health monitors the quality of this service. Clean-up campaigns and community awareness programmes, particularly in informal settlements, are developed to assist the Solid Waste Department in improving waste management and reducing waste. The monitoring, management and disposal of medical waste is a key programme.

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Surveillance and prevention of communicable diseases

The Health Directorate 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.

Disposal of the dead

The City ensures the safe disposal of bodies (burial or cremation) and supervises the exhumation and reburial of bodies.

Health clinics

Cape Town currently has the highest number of accredited clinics in the country (22). Residents' perceptions of clinics have improved dramatically since 2008.

Sport and recreation

Cape Town's community-based sport and recreation programmes and facilities remain an integral part of the City's social fabric. Cape Town is competitively placed to host events such as the Pick n Pay/*Argus* cycle tour, the Volvo ocean yacht race and the Jive Big Walk, which collectively contribute to social cohesion and economic growth. Current resource and budgetary constraints mean that sport and recreation development programmes and events will increasingly be dependent on partnerships with communities, NGOs, the corporate sector, various tiers of government and other stakeholders.

Children and youth development

In terms of ECD, the City is still not adequately meeting the requirements of the National Children's Act, as there are an inadequate number of safe and conducive environments for children across the city. In order to improve the situation, child care and ECD facilities need to be assisted to comply with the Act, while partnerships with the Province and NGOs within the sector should be formed.

More fundamentally, ECD district plans need to be formulated, as well as action-based programmes and projects. Overall, the City remains committed to ECD and is working towards specific goals to increase the positive impact on children's lives. These aims are ambitious and require the generation of new sources of funds and other resources, as well as the establishment of partnerships, in the pursuit of making the plight of Cape Town's children a priority.

Establishing public needs

Public swimming pools
Various data sources indicate that swimming pools remain very popular and are well-utilised community facilities. Requests have been made by the public for the construction of more swimming pools.

Sports fields and recreation areas
Responses indicate that residents feel they have good access to sports and recreation facilities and perceive staff at these areas to be helpful. They do, however, feel that the facilities could be improved and better maintained. There were also calls for more facilities for the youth, for gangster rehabilitation and crime prevention. However, it may be necessary to assess whether an actual need for these exists before acting on these requests.

Facilities
Responses showed that residents were sometimes frustrated by the fact that City facilities, such as libraries and community centres, were closed during office hours.

Environmental health
59% of health queries on the City's C3 system relate to environmental health and bush clearing. It is believed that overgrown erven result in criminal activities and calls for clearing are often the result of safety and security concerns.

Mamre festival, an annual cultural event   Community-based sport and recreation programmes remain part of the city's social fabric

This valuable feedback from the residents of Cape Town has identified a number of key issues that the City needs to address in 2010/11. As such, the City will:

- continue to reduce the spread and impact of HIV/Aids/STIs and TB through a multi-sectoral programme;

- continue to ramp up programmes to reduce the negative impacts and burden of alcohol and illicit drug use in the city;

- complete community facilities research to inform a comprehensive community facilities plan based on community needs;

- establish a proactive education programme to address the challenges with regard to the provision of facilities in certain communities; and

- work in partnership with communities and other stakeholders to maintain parks.

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

KEY CITY FOCUS AREA 7A: FACILITATE THE DEVELOPMENT OF A HEALTHY AND SOCIALLY INCLUSIVE SOCIETY

Provide an effective ECD programme, which holistically addresses the needs of children

The needs of children are not being met in a number of suburbs across the city. The following is needed to improve the current situation:

- Assistance for child care facilities to become compliant and to strive towards achieving the minimum standards as stipulated in the national guidelines and regulations of the Children's Act

- A mechanism to guide and assist ECD centres throughout the metropolitan area

- Improving City processes related to the registration of ECD facilities, by initiating a conducive working environment

- The establishment of centres of excellence in partnership with the Province and NGOs in the ECD sector

- A development plan for ECD in each district

- Programmes and projects with clear deliverables.

In order to achieve its ECD goals, the City has identified the following four priority areas:

Increasing the impact and effectiveness of working with children

The City will invest in building the skills and capacity of staff to facilitate the provision of quality ECD services and continue to ensure that programmes prioritise the most vulnerable and marginalised children and communities through the integration of a rights-based approach. The development of effective monitoring and evaluation systems is a high priority.

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Making ECD a priority

As the City of Cape Town is convinced of the importance of ECD, it will invest in ECD facilities, programmes and services. This will be a priority area for the City in line with its desire to make Cape Town a truly child-friendly city.

Securing resources and ensuring cost effectiveness

In order to achieve its ECD aim, the City will work with the non-profit sector and communities to develop, fund and implement ECD programmes.

Enhancing innovation and learning

The City of Cape Town is committed to supporting its staff and communities to work creatively and share learning. To support this, the necessary systems will be developed to encourage, capture, institutionalise and share knowledge.

The realisation of these priorities will be achieved through viable partnerships between the City and:

- communities and service providers;

- the Province and National Government;

- non-profit and faith-based sectors; and

- the business sector through corporate social investment programmes.

Objective 7i – Educate parents, caregivers and ECD forums through targeted development support groups

Create public awareness about the plight of children and pieces of legislation to protect them

The protection and promotion of the rights of children is in line with Section 28 of the Constitution of the Republic of South Africa and the United Nations Convention on the Rights of the Child. The City will launch an awareness drive focused on children's rights and, in particular, the need for early detection of child abuse.

Educate parents and caregivers about issues that impact on children

Issues such as the importance of child wellness and nutrition, effective parenting, HIV/Aids and foetal alcohol syndrome need to be addressed in a holistic manner, as they impact on the lives of children, their families and the communities in which they live. The City makes specially designed programmes available to ECD forums to build awareness of the importance of these issues and the impact they have on children's quality of life. In the coming year, the City will reach 10 ECD forums through their awareness programmes.

Capacitate ECD forums, principals and ECD governing bodies to manage and run ECD centres and organisations effectively

Ten ECD forums will receive accredited and evidence-based capacity-building programmes, supported by mentoring, in the areas of report-writing and minuting skills, meeting procedures, budgets and financial management, strategic planning, stakeholder management and basic communication skills, networking, HR and labour relations.

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Promotion of sustainable communities and healthy lifestyles through community-based sport and recreation programmes

Community development programmes are held in many of the City's facilities, including its sports fields, community centres, multipurpose 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.

Objective 7ii – Reduce air pollution

The AQMP has been drawn up with a view to ensuring that clean air is achieved and maintained in the city over the next 10 to 20 years. Ultimately, the vision of the AQMP is to turn Cape Town into the African city with the cleanest air. In an effort to realise this vision, the plan seeks to reduce the adverse health effects of poor air quality on the citizens of Cape Town, especially during 'brown haze' episodes. Currently, the development and implementation of the plan are informed by the findings of the following five working groups:

• The air quality monitoring and standards working group

• The health working group

• The public awareness and education working group

• The Khayelitsha Air Pollution Strategy (KAPS) working group

• The transport planning and vehicle emissions working group.

The City has also reviewed its Air Quality Bylaw, and the revised draft is currently in the public domain for comment.

Provide effective PHC services in collaboration with the Province, focusing on maternal and child health care, and HIV/Aids/STIs and TB

Guided by a signed SLA, the City will continue to deliver clinic services in partnership with the Provincial Health Department at its 82 clinics, four CHCs, 24 satellite clinics and four mobile clinics. A comprehensive PHC 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 the treatment of sick children under the age of 13.

Objective 7iii – Reduce the infant mortality rate

In 2009, for the sixth year in succession, the City saw a drop in the infant mortality rate. This indicator is a good overall measure of the state of health in the city and the current infant mortality rate of 19,78 compares very favourably with the national rate of more than 50. This can be attributed to ongoing efforts to improve education and enhance health care service delivery, both for expectant mothers and their infant children.

Going forward, challenges for the City in terms of further reducing its infant mortality rate include:

• ensuring adequate immunisation coverage;

• increasing the number of under-18 female clients attending family planning clinics; and

• conducting health and hygiene interventions in informal settlements.

HIV/Aids/STIs and TB

Over the last five years, the City has had the foresight to prioritise the fight against HIV/Aids, STIs and TB, and address the underlying causes of their continued spread. Recognising that these epidemics jeopardise the City's key development priorities, the administration is implementing a concerted multi-sectoral strategy to contain, reduce and treat the diseases. The programme includes the following:

- Eight subdistrict multi-sectoral action teams (MSATs), which bring together all the local stakeholders in the fight against HIV/Aids and TB, including NGOs, CBOs, local business, faith-based organisations, local officials, councillors and subcouncil managers, to develop and drive a coordinated plan that addresses local needs and challenges.

- The City HIV/Aids and TB Coordinating Committee, chaired by the Mayoral Committee member for health, which coordinates the multi-sectoral response. The committee brings together, on a quarterly basis, representatives of political parties, relevant directorates and the subdistrict MSATs to encourage the mainstreaming of HIV/Aids and TB.

In conjunction with the Province, the City will continue to deliver an effective public ART programme, which will include an innovative Council-funded ART programme for City staff and their dependents (not covered by medical aid).

The citywide Get Tested campaign will continue in the coming year, with outreaches at shopping malls and other public places to encourage citizens to know their HIV status. Daily HIV testing is done free of charge at all City health facilities.

Objective 7iv – Slow the rate of increase of the city's TB incidence

In 2008/9, the rate of increase of TB was slowed from a target of 1 040 per 100 000, to an actual figure of 877. The City's TB new-smear positive cure rate has shown a steady improvement from 70% in 2005 to 78% in 2008. This means that the city's TB new-smear positive cure rate is now the best of any metropolitan area in the country.

Going forward, challenges include:

- ensuring improved TB management;

- determining how many TB clients are infected with HIV as well (used to monitor the inter-relationship between TB and HIV); and

- maintaining and improving the TB control programme.

Objective 7v – Slow the rate of increase of the city's antenatal HIV prevalence

Cape Town's antenatal HIV/Aids prevalence rate is still the lowest in South Africa. It has, however, increased over the past year, especially in the poorer sections of the city. Changing sexual behaviour remains difficult to achieve. Additional targeted prevention projects are to be implemented in high-risk areas, and will focus on educating and encouraging safer sex practices, particularly among the youth. Challenges in achieving this objective include:

- ensuring an ongoing and expanding VCT programme; and

- ensuring that there is an adequate supply and distribution of condoms.

Daily HIV testing is free at all City health facilities and free drug testing is available at eight clinics

Addressing substance abuse

The City's response to alcohol and drug abuse is outlined in its Draft Operational Alcohol and Drug Strategy: 2007 – 2010. This strategy aims to reduce the negative impacts and financial and social burdens of alcohol and illicit drug use in the city. It has five primary objectives:

- To reduce drug and alcohol-related crime and anti-social behaviour, and minimise accidents and injuries related to alcohol and other drugs (AOD)

- To improve access to a range of evidence-based treatment and prevention interventions, to minimise AOD harm among the citizens of Cape Town. As part of this objective:

    – a substance abuse coordinator was appointed on 1 July 2009;

    – the City opened an outpatient drug treatment unit at Tafelsig CHC in Mitchells Plain on 26 June 2008. Subsequently a second centre was opened in December 2008 at Table View clinic and a third at Delft South clinic in November 2009. A fourth centre is being planned for Khayelitsha; and

    – a number of clinic staff have been trained in brief intervention, and free drug testing is available at eight clinics in total.

- To improve access to information on AOD dangers for city communities and advise them on how they can respond. To this end:

    – The City and its partners are developing credible information and awareness materials and question-and-answer flyers, which are culturally appropriate and accessible via the City's website, through libraries, the media and public awareness meetings;

    – Narcotics Anonymous books are available in all City libraries; and

    – A toll-free 0800 helpline has been established, with dedicated and trained operators who are able to refer citizens to available resources. The call centre is the only toll-free, dedicated helpline in the country, and receives calls from all over South Africa.

    – Reporting on local interventions and their effectiveness will be improved.

- To cooperate with other spheres of government to enhance responses. This includes:

    – the establishment of the Cape Town Alcohol and Drug Action Committee, which held its inaugural meeting on 21 May 2009. This is the strategic operational committee that will ensure that the City's plans are carried out; and

    – regular updating of the databases of AOD services within the City of Cape Town.

Strategic Focus **Area 8**
GOOD GOVERNANCE AND REGULATORY REFORM

Governance is the set of structures, processes and policies used to direct, guide, administer and control an organisation in achieving its objectives. Key elements of good governance are honesty, integrity, openness, trust, performance orientation, responsibility and accountability, mutual respect and commitment.

The 2009 King Report on Governance for South Africa, and the King Code of Governance Principles 2009 – together referred to as King III – offer guidance on good governance principles and practices. They emphasise the importance of an inclusive approach to governance, as stakeholders' legitimate interests and expectations must be taken into account in decision making and strategy to achieve sustainability.

The philosophy of King III revolves around leadership, sustainability and corporate citizenship:

• Leadership is characterised by the ethical values of responsibility, accountability, fairness and transparency, and based on moral duties that are expressed in the concept of *ubuntu*. Responsible leaders direct organisational strategies and operations with a view to achieving sustainable economic, social and environmental performance.

• Sustainability requires that the organisation conducts its operations in a manner that meets existing needs, without compromising the ability of future generations to meet their needs. It means having regard to the impact that operations have on the economic life of the community in which it operates. Sustainability includes environmental, social and governance issues.

• Corporate citizenship implies an ethical relationship of responsibility between the organisation and the society in which it operates. As a responsible corporate citizen, the organisation should protect, enhance and invest in the well being of the economy, society and the natural environment.

The City recognises effective governance as a critical factor in achieving sustainable success, anticipating needs and goals, and assigning accountability. Therefore, the City is committed to upholding the highest standards of governance and ethical conduct.

The City follows good governance principles around leadership, sustainability and corporate citizenship

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In its role as Cape Town's primary governing body, the City of Cape Town provides oversight of the city's affairs and constantly strives to improve and build on its already strong governance practices. Hence, the City of Cape Town has adopted King III as the basis for good governance practices.

The City's processes, structures and policies that help ensure compliance with laws and regulations and provide clear lines of sight for decision making and accountability, include:

1. ethical leadership and corporate citizenship;

2. Council and councillors;

3. the Audit Committee;

4. the Internal Audit Division;

5. risk management;

6. information technology governance;

7. compliance with laws, regulations, rules, codes, policies and standards;

8. governing stakeholder relationships; and

9. integrated reporting and disclosure.

HR

An important component of the development of effective and efficient HR is the Organisational Development and Training (OD&T) plan, which seeks to enhance service delivery through efficient institutional arrangements. These will be established by means of the following three strategies:

• Development and implementation of institutional frameworks and business systems

• Implementation of human capital management systems and processes to enhance staff alignment with business needs, and improve staff morale and performance

• Implementation of efficiency gains interventions through business improvement initiatives.

FINANCIAL MANAGEMENT

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

• Ensuring a high level of financial management in order to contribute to an unqualified audit opinion

• Ensuring a high standard of financial management by reducing the amount of money owed to the City

• Maintaining an unqualified audit for the City by resolving audit findings as per follow-up audits performed

• Maintaining a good credit rating.

SPENDING BUDGETS TO MAXIMISE DELIVERY

The City of Cape Town's annual budget is made up of two parts: an operating budget and a capital budget. The capital budget is set aside for spending on infrastructure and services, such as roads, water, electricity, and the many other utilities and services that Cape Town needs in order to function, grow and offer opportunities to its residents. The budget is based on the income the City expects to derive from rates, service charges, and grants and subsidies. During the 2008/9 financial year, the City managed to spend 96,8% of its capital budget and 97,3% of its operating budget. The latter is set aside for salaries, operating costs, purchases and assistance for the poor, such as free water and sanitation.

GENERAL GOVERNANCE ISSUES

A closer look at Cape Town's governance and compliance status

The City of Cape Town aims to ensure that Cape Town is a healthy and socially inclusive society. Over the last year, the City received its sixth consecutive unqualified annual audit from the Auditor-General. The City's credit rating was maintained, meaning that the business world perceives Cape Town to be financially well managed. Of the City's capital and operating budget, 97% was spent, while 95% of revenue was collected as a percentage of the billed amount.

City's risk management priorities

Risks were identified in a range of internal operation areas and the City has a strategic risk register and various plans in place to manage financial, human capital, integrity, management and non-delivery risks across the City's various strategic focus areas.

Establishing public needs

The second annual City of Cape Town CSS among residents and businesses in Cape Town was conducted between November 2008 and February 2009. The survey showed that residents' perceptions of the City of Cape Town's performance have improved. According to 54% of residents, the overall performance of the City is good, very good or excellent. This is up from last year's score of 50%.

The responses from businesses in Cape Town have also shown improvement, with 77% of those surveyed saying that the overall performance of the City is good, very good or excellent. This is up from last year's 69%. In fulfilling its role as a public service provider, 75% of businesses rated the City as good, very good or excellent – an increase from 70% during the previous year.

Communication

Interaction with the City is an important issue for residents. Survey respondents highlighted the importance of public meetings, community newspapers as well as rates bills as means of communication.

A range of communication issues accounted for some 3% of all IDP comments received. Residents called for the launch of an SMS service, a single number for all City matters, a more effective and cost-effective call centre, more streamlined correspondence processes, more timeous notice of meetings and simplified rates accounts.

The graph on page 121 illustrates the channels along which information flows from the City to residents. The top row of bars represents the communication channels currently utilised. The numbers below that indicate residents' preferences in terms of communication channels. It is evident that, for the most part, residents' preferences mirror the current communication channels. However, the City uses public meetings as a communication channel less often than residents would like.

Communicating and awareness with the City – CSS 2009

Preferred channels of communication: 1 - 2 - 4 - 5 - 3

More than half generally find out about what the municipality is doing through reading a community newspaper, which is followed by about a quarter who find out through reading pamphlets or through word of mouth.

To a large extent the preference for the channel of communication closely mirrors that of the current media used to find out about municipal activity.

Current channels of communication

Channel	2008	2009
Reading a community newspaper	57	69▲
Reading pamphlets	27	39▲
Word of mouth	26	39▲
Listening to a radio station	21	29▲
Attending a meeting in your local area	19	21▲
Reading a newspaper other than a community newspaper	15	19▲
Visiting a municipal office	15	14
Reading City News	12	6▼
Reading a magazine	10	7▼
Calling a municipal call centre	9	7▼
The City of Cape Town's website	5	6
Visiting MPCCs	4	2
None of the above	7	4▼

Significant change from 2007/8   ▲▼   2008 ■   2009 ■

Source: CSS, 2009

As a result of residents' feedback, the City of Cape Town will pay particular attention to the following in 2010/11:

• Ensure the City's internal staff systems and processes are as efficient and effective as possible

• Support and expand business improvement and staff development to support enhanced customer service

• Continue to manage the City's finances prudently

• Communicate regularly and consistently via effective communication channels that are suited to respective audiences.

FOCUS AREAS AND OBJECTIVES The way forward in 2010/11

STRATEGIC FOCUS AREA 8A: ENSURE ENHANCED SERVICE DELIVERY WITH EFFICIENT INSTITUTIONAL ARRANGEMENTS

Objective 8i – Increase levels of employee morale

The OD&T plan provides the direction for implementing corporate Objective 8i by identifying and developing internal transformation and institutional strategies and programmes that will enable the City to achieve its strategic goals and objectives. The focus of the City's transformation plan is on changing the institutional arrangements, processes, managerial practices and culture – with the ultimate aim of improving service delivery. This will be achieved by focusing on the following areas:

• Improving service delivery standards by aligning staff delivery with business strategies, implementing business improvement initiatives and expanding the use of technology to improve customer access and improve business processes

• Shifting the organisation to a high-performance culture based on best-practice benchmarking through the alignment of people strategies with business strategies

• Measuring the improvement in service delivery and staff productivity against national and international standards

STRATEGIC FOCUS AREA 1
STRATEGIC FOCUS AREA 2
STRATEGIC FOCUS AREA 3
STRATEGIC FOCUS AREA 4
STRATEGIC FOCUS AREA 5
STRATEGIC FOCUS AREA 6
STRATEGIC FOCUS AREA 7
STRATEGIC FOCUS AREA 8

- Identifying and prioritising key projects that will have the greatest impact on service delivery

- Enhancing service delivery through the development and implementation of institutional frameworks and business systems, including alternative service delivery mechanisms.

Strategy 1: Development and implementation of institutional frameworks and business systems to support the City's development and service delivery strategies and objectives

The OD&T plan includes the following three programmes, through which this objective will be achieved:

- Operations Integration Model (OIM) framework – which will include the eight-district model, integrated service centres, customer relations management (CRM) roll-out, subcouncil participatory mechanisms and EMT subcommittees

- ICT programme – which will enable the OIM, improve the efficiency of the administration, improve services to citizens and business, and enable social and economic development

- Organisational Development and Design Framework – to enable the City continually to adapt to internal and external changes.

Through these programmes, the City aims to:

- implement the eight-district model, including the eight service centres and the related call centre;

- improve functionality of the corporate works management process;

- implement the ICT strategy;

- install its broadband fibre optic network;

- develop an integrated spatial information system;

- develop and implement the support services model, including delivery of standard operating procedures for all support functions; and

- transform the IDP into a strategic driver.

Strategy 2: Implementation of human capital management systems and processes to enhance staff alignment with business needs and improve staff morale and performance

The OD&T plan contains the following two programmes through which this objective will be pursued. These projects are guided by the current HR strategy for the City:

- The human capital management programme – which will deliver competency frameworks across all job families, as well as personal development plans (PDPs) for all employees through a skills audit. The competency frameworks and the PDPs will provide line managers with invaluable tools to manage their human resources. The frameworks contain the actual description of the job requirements, while the PDPs identify the gap between the individual employee and the job requirements, as well as a plan to close the gap.

- The e-HR programme – which will deliver an e-HR system for talent management, time management and occupational health and safety (OHS), as well as the development and implementation of HR business indicators. The e-HR programme will provide line managers with integrated electronic tools to manage all the individual employee information, as well as provide smooth processing of information and HR actions. It also offers the facility to track HR business processes, so as to easily identify bottlenecks and determine accountability.

Staff development should result in improved loyalty, productivity and therefore better service levels

HR strategy

The City's most valuable asset, if optimally utilised, motivated and developed, is its staff. Staff costs are also its single biggest budget item. The City's HR strategy is aimed at delivering 'the right people with the right skills at the right place and the right time'. It ensures that staff are correctly aligned with business needs, and this, in turn, improves service delivery within budget parameters. The City achieves this by:

- 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 core HR business processes that affect HR management;

- increasing investment in staff development; and

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

The main aim of the strategy is to achieve an improvement in the staff loyalty index, as measured every 24 months through the culture/climate survey, and an improvement in staff productivity, as measured by a range of productivity measures, including the percentage loss of skills and staff availability (absenteeism).

HR budget and staff numbers

Annually, the City will consider whether to reprioritise a percentage of the staffing budget to fund the growth of certain services, and shrink others. However, this must be based on proper benchmarking of each department, input on IDP priorities and departmental attrition. Directorates will base their proposals on their individual staffing strategies.

Strategy 3: Implementation of efficiency gains interventions through business improvement initiatives

This objective will be pursued through the following two components of the OD&T plan:

- A business improvement and quality management (QM) programme aimed at improving operational efficiency and organisational effectiveness

- An OPMS to institutionalise and formalise performance management at political, organisational and community level.

The desired outcomes of these programmes are:

- business improvement processes conducted for all core City business and other key functional areas impacting on customer satisfaction;

- a decrease in the cost and increase in the income of targeted services;

- organisation-wide individual performance management; and

- Citywide organisational performance management.

## Objective 8ii – Reduce time to resolve complaints

The City has adopted a process in terms of which all service requests received from councillors and citizens are to be recorded and actioned via the SAP-C3 notification process.

This single, integrated system is providing valuable management information, which will be used to gain a better understanding of service demand and the City's capacity to respond to such requests throughout Cape Town. The C3 notification process is therefore core to improving service delivery in Cape Town.

Almost 100 000 service requests are received every month through the various communication channels available to citizens, of which the call centre is the primary means of recording service requests.

The City's response to service requests is a key performance indicator of service delivery to citizens. In addition to ensuring that each request is resolved, the time taken to achieve resolution is now also being tracked in order to enhance service delivery.

Gross Geographic Product (GGP) 2005 – 2008
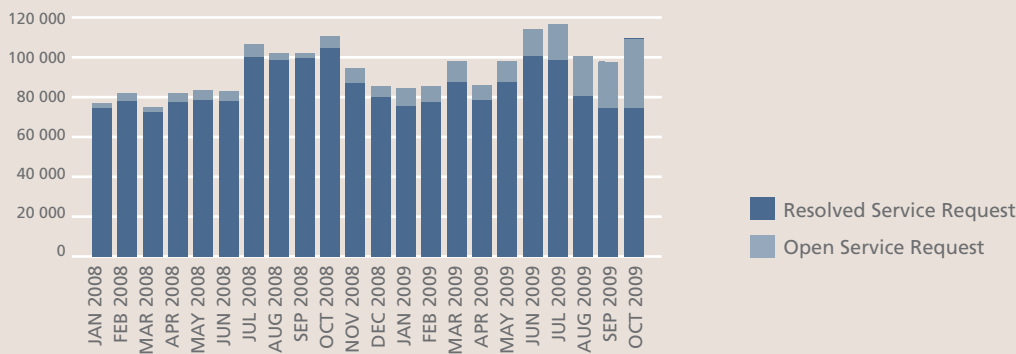
The graph above reflects the total number of service requests received by the City per month since January 2008, with the number of requests that has been resolved by November 2009, and those that still remain open, being reflected in orange and green respectively.

As the majority of these service requests relate to instances where municipal infrastructure has failed, the notification process is a key input into the City's infrastructure maintenance management system. Information on the frequency and location of failures allows maintenance engineers to implement remedial action in order to ensure that service levels and the condition of municipal infrastructure are sustained. The use of GIS plays a key part in providing a visualisation of service requests and infrastructure failure patterns.
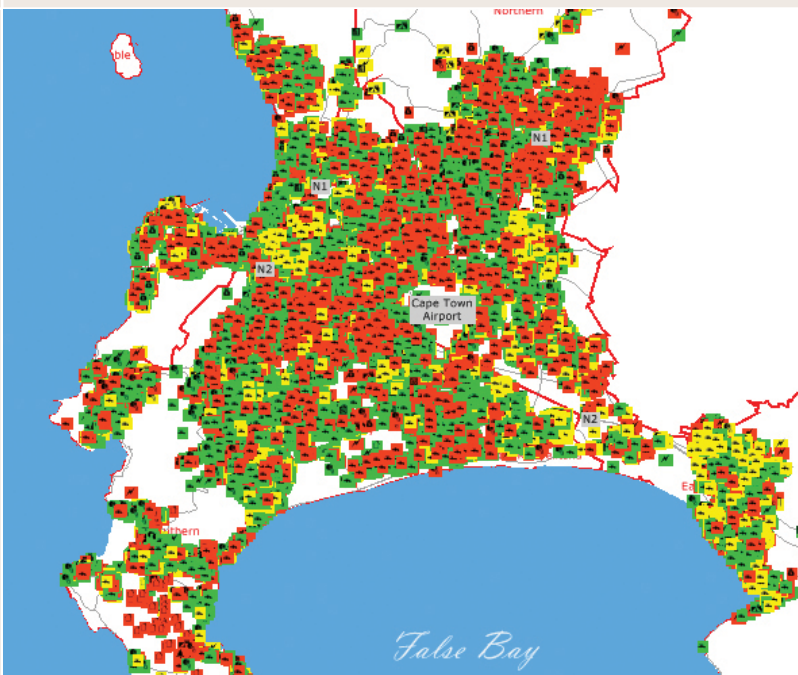
Spatial View

The above spatial view of service requests enables the City to determine the location and status of specific service requests. Different municipal services, such as water, electricity, billing, etc., are indicated by the associated icon, and the colour of the flag indicates whether the service request has been resolved (green), has not yet been attended to (red), or is in progress (yellow).

KEY CITY FOCUS AREA 8B: MANAGE KEY FINANCIAL AND GOVERNANCE AREAS, SUCH AS INCOME CONTROL, CASH FLOW, INDIGENT SUPPORT, ALTERNATIVE INCOME OPPORTUNITIES, AND ASSET AND RISK MANAGEMENT

Objective 8iii – Create new assets for public benefit

Water and sanitation

Existing water and sanitation infrastructure often experiences pressure during peak periods, while continued population growth necessitates the provision of new infrastructure. The City's financial constraints are compounded by the increased demand for new housing. Consequently, the City cannot maintain existing infrastructure while also providing the necessary bulk infrastructure for the connection of new developments. The existing infrastructure, particularly the sewer system, is deteriorating due to underprovision for essential maintenance and replacement of ageing infrastructure. This problem has existed for a number of years. Over the past year, a number of pipes have collapsed, are in urgent need of extensive repair and, in many instances, require complete replacement.

In peak periods, the bulk water system in the northern areas of the city experiences immense pressure. 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.

While the City's WDM system will reduce water consumption in view of the possible impacts of climate change, population growth and increasing consumption, many key bulk infrastructure upgrades and development projects cannot be prioritised due to budget limitations. This has potentially severe service implications for both potable water supply and wastewater treatment/sanitation services in the future. Currently, therefore, the City faces the following water and sanitation service challenges:

- Eradication of basic sanitation service 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 the WDM strategy and achieving targeted or improved reduction rates

- Meeting the wastewater effluent standards and reducing the impact of population growth on the water quality of rivers and water bodies, including greywater runoff quality in informal settlements

- Timeous provision of infrastructure to meet development growth needs, and maintenance of infrastructure to ensure continued operation

- Fulfilling increased financial requirements, financial sustainability of the service, cost recovery, debt management and affordability of the service

- High debt due to non-payment

- Establishing a new, more effective institutional arrangement, and increasing performance and efficiency.

Water source diversification programme

To reduce overexposure 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 the Table Mountain group aquifer, other groundwater schemes, desalination and the reuse of treated wastewater effluent.

Backlog reduction programmes

The unplanned growth of informal settlements is adding to the City's service delivery backlogs, while inadequate funds and HR are impeding its ability to meet growing service delivery needs. To reduce the growing dependency on currently available funds, key strategic objectives need to be identified to avoid future service interruptions and to ensure that the City meets minimum service requirements. In addition, special medium-term requirements as a result of the City's commitment to host the 2010 FIFA World Cup™ have further increased the pressure on funding.
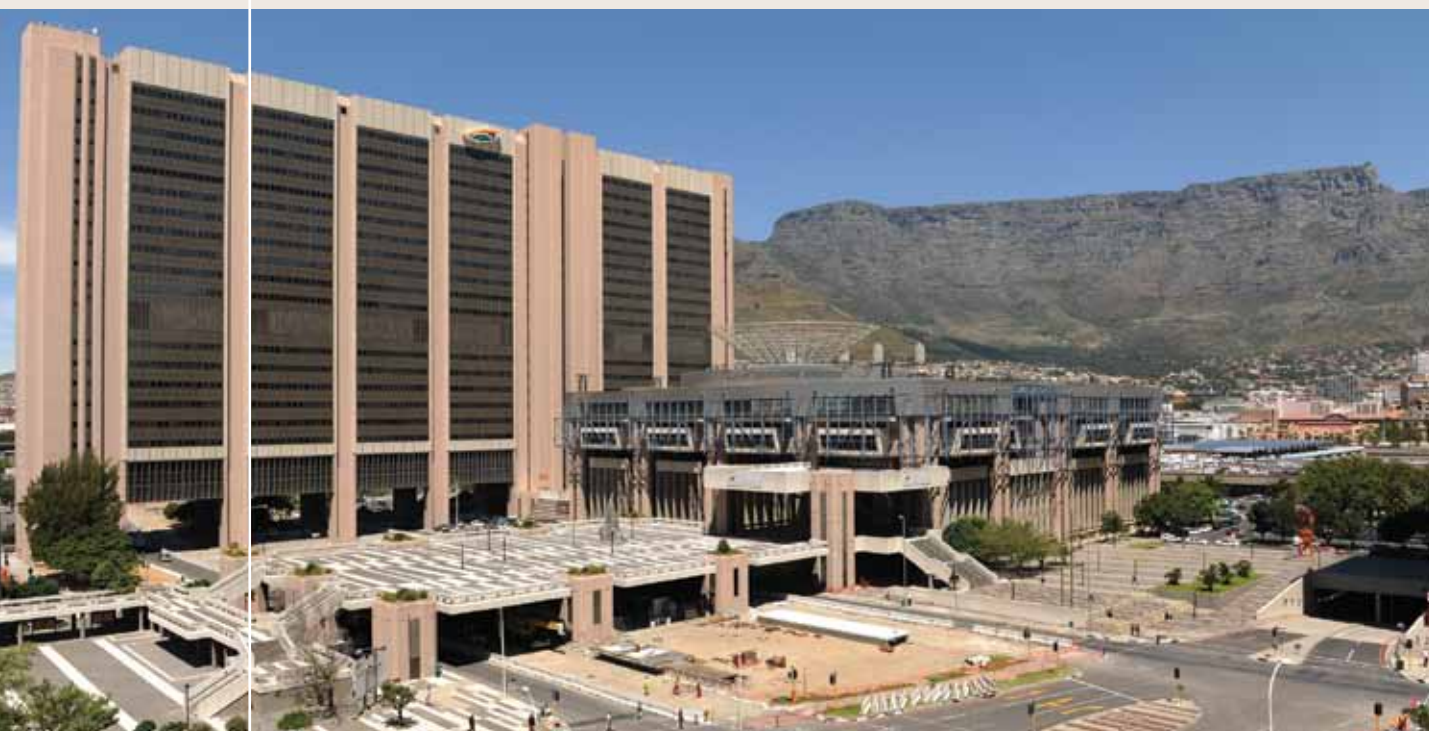
Objective 8iv – An unqualified audit

The City endeavours to maintain sound financial management controls to ensure good governance and an unqualified audit report. The key challenge in achieving this objective includes the City's onerous compliance requirements, with rigorous accounting and disclosure standards in an ever-changing environment. As a result, the City is required constantly to engage with the Accounting Standards Board and National Treasury regarding suggested changes to the accounting standards, as well as directives issued.

The City has allocated adequate training and bursary budget resources for staff to be trained and to attend relevant subject workshops to enable skills enrichment in this area. Forums and discussions are regularly held to exchange ideas on the interpretation of new issues and how best to implement them.

Measuring performance
The City will measure the achievement of a high standard of financial management by receiving an unqualified external audit report, and the process of internal audit assurance.

Objective 8v – Maintain the City's credit rating

The City of Cape Town endeavours to maintain its current long-term debt rating of Aa2.za (investment grade, high grade) and its short-term debt rating of P-1 (highest quality). The primary challenge facing the City in this regard is the effect of the recessionary environment on its debtor collection ratios, which are required to ensure a sustainable level of long-term borrowings to finance capital programmes.

To overcome this challenge, the City has introduced a multi-disciplinary debt management team, and allocated a sufficient budget for the installation of WMDs and prepaid electricity meters to stem the increase in debt levels. Investments are optimised by making use of external asset managers, and applying strict payment management systems.

Measuring performance
The City will measure its success in terms of the credit rating report issued by the external credit rating agency.

ESTABLISH EFFECTIVE COMMUNITY ENGAGEMENT CHANNELS

Objective 8vi – Improved customer satisfaction

The City has undertaken the following initiatives with a view to improving service delivery to residents:

CSS

In addition to providing services to the residents of Cape Town, the City is also involved in long-term planning for residential, commercial and industrial growth needs, while protecting the environmental, cultural and heritage elements that make Cape Town a unique and internationally recognised tourist attraction. As such, the City's long-term objectives include offering quality and affordable services to all who live in, transact in or visit Cape Town. It wants to be known for its efficiency, effectiveness and good governance.

To give effect to these objectives, the City must identify and confirm residents' needs, as well as measure and improve satisfaction levels. In order to evaluate the current level of services provided, to understand future needs of residents and businesses, and to inform the developmental planning agenda for Cape Town, the annual resident's perception/satisfaction survey has become a vital piece of strategic information.

The year under review saw the City of Cape Town, in conjunction with research agency TNS Research Surveys, complete the second annual survey of 2 009 residents and 500 businesses in Cape Town. The survey included an assessment of perceptions of, and satisfaction with:

- the City of Cape Town in general;

- basic services (water, sanitation, electricity, waste collection, roads and streetlights);

- community services (fire and ambulance services, clinics, parks, public toilets, halls, traffic licensing, social housing, etc.);

- soft services, especially support to business (zoning, plan approval, events, etc.);

- communication and customer relations (*CityNews*, website, pay offices, call centre, etc.); and

- public safety and bylaw enforcement.

While overall satisfaction with service delivery has risen since the last survey in 2007/8, the districts of Khayelitsha and Klipfontein showed declines in scores. Results show that the northern and Tygerberg suburbs are the most satisfied with the City's service delivery.

The provision of essential services remains a relative strength, particularly in the areas of refuse removal, water and sanitation services. The survey will be repeated in 2010 to assess any changes in service delivery perceptions.

Overall satisfaction with service delivery has risen in most areas

Water and sanitation customer perception survey

A water services customer perception survey was conducted in 2008/9 to measure satisfaction, assess areas of improvement, and to serve as an input to the International Organisation for Standardisation (ISO) 9001:2008 certification process. The survey revealed that 82% of businesses are satisfied with the overall performance of the City of Cape Town in providing water and sanitation services.

Of formal residential users, 77% are satisfied with the overall performance of the City of Cape Town in providing water and sanitation services. However, informal consumers are dissatisfied compared to business and formal consumers, with 61% expressing some degree of dissatisfaction with the provision of basic water and sanitation services. The Water Services strategic goal for customer satisfaction is 80%, which was exceeded for business users, but will require intervention to deliver the necessary improvements for residential, formal and informal customers in the coming year.

Water service level profile

The City currently supplies a total of 642 456 formally registered customers with a full level of service.

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
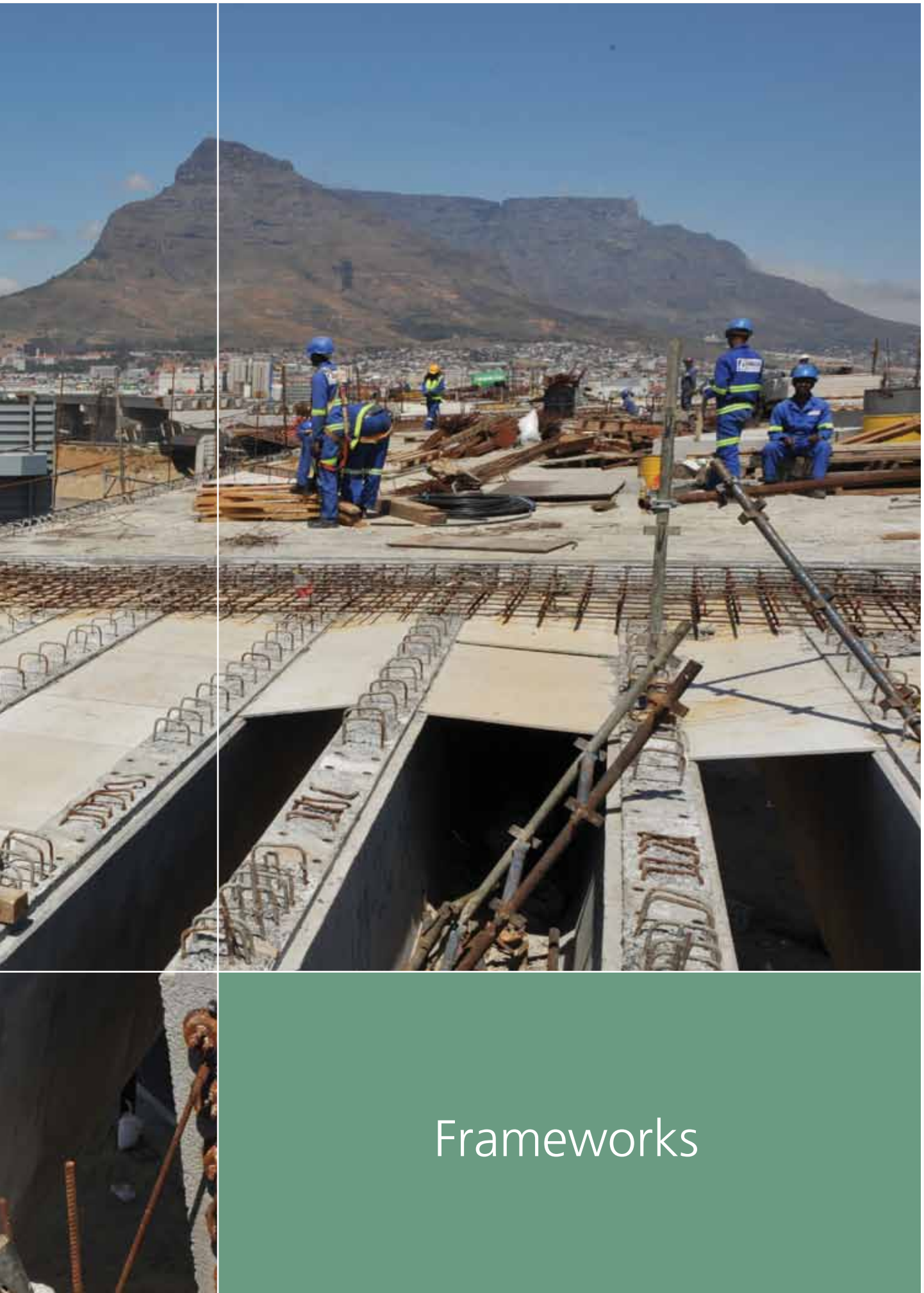
Frameworks

Governance Framework and Functioning

This section provides a framework of the institutional structures and governance through which the City implements its strategies with the appropriate resources.

THE GOVERNANCE STRUCTURE

The Governance Structure

COUNCIL

SPEAKER

SCHEDULE 1
DISCIPLINARY COMMITTEE

SECTION 79 COMMITTEES
- SPELUM
- SCOPA
- RULES
- HOMELESS AGENCY

SUBCOUNCILS

WARD FORUMS

SECTION 62
- PLANNING AND GENERAL APPEALS COMMITTEE

SECTION 79 PORTFOLIO COMMITTEES
- UTILITY SERVICES
- CORPORATE SERVICES AND HUMAN RESOURCES
- FINANCE
- SAFETY AND SECURITY
- COMMUNITY SERVICES
- HEALTH
- HOUSING
- ECOMOMIC DEVELOPMENT AND TOURISM
- SOCIAL DEVELOPMENT
- PLANNING AND ENVIRONMENT
- TRANSPORT, ROADS AND STORMWATER

EXECUTIVE MAYOR

EXECUTIVE MAYORAL COMMITTEE

SECTION 80 COMMITTEES
- BUDGET STEERING
- ENERGY
- 2010

AD HOC COMMITTEES WORKING GROUPS AND TASK TEAMS
- CITY DEVELOPMENT STRATEGY
- DELEGATIONS TASK TEAM
- INFORMAL SETTLEMENTS

SAPS ACT
- CIVILIAN OVERSIGHT COMMITTEE

Council

Executive Mayor

Executive Mayoral Committee

Section 80 committees

- Budget

- Energy

The functional area of the Energy Committee includes, but is not limited to, non-fossil fuel-generated energy sources, renewable energy and renewable fuels, climate change and global warming, and reduction in carbon emissions and pollution within the city. The committee is responsible for driving the effective integration of, and delivery on, all energy matters in the City.

SAPS Act

- Civilian Oversight Committee

Section 79 portfolio committees

The terms of reference of all Section 79 portfolio committees are policy formulation and implementation monitoring within their specific functional areas.

Portfolio committees are chaired by councillors, who are appointed by full Council:

- Utility Services

- Corporate Services and Human Resources

- Finance

- Safety and Security

- Community Services

- Health

- Housing

- Economic Development and Tourism

- Planning and Environment

- Transport, Roads and Stormwater

Section 79 committees

- SPELUM (Spatial Planning, Environment and Land Use Management Committee)

  The terms of reference of this committee relate to spatial planning, town planning, the environment and other related matters.

- SCOPA (Standing Committee on Public Accounts) is the mechanism through which Council exercises oversight over the expenditure of public money. As far as financial management is concerned, SCOPA enables Council to fulfil its constitutional obligation to scrutinise and oversee executive action, by holding the accounting officer and councillors accountable for their spending of ratepayers' money, and their stewardship over public assets in order to ensure regular, economical, efficient and effective local government spending.

  SCOPA conducts its affairs in a non-party political manner so as to maximise the effectiveness of its work. The committee ensures that the City's oversight report, as envisaged in section 129 of the MFMA, is prepared for adoption by Council, and investigates and advises Council in respect of unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32(2) of the MFMA.

- Rules

  The Rules Committee is concerned with the rules of procedure of Council and its committees

- Homeless Agency.

  The Homeless Agency Committee will be the political oversight body that ensures that both new and old issues dealing with street people (street children, adults and street youth) are adequately addressed, and that previous and future programmes undertaken by the City in this regard are properly implemented, and stay on track.

MFMA Section 166 committees

- Audit Committee

  Every municipality is obliged to establish an independent audit committee in terms of section 166 of the MFMA, as amended, to assist Council in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes, and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and prescribed accounting standards.

The Audit Committee does not have executive responsibility, and acts primarily in an oversight capacity. The Audit Committee does not perform any management functions or assume any management responsibilities. It provides a forum for discussing business risk and control issues, in order to develop relevant recommendations for consideration by the City Manager/Mayoral Committee/Council for its approval or final decision. The membership, resources, responsibilities and authorities (composition, functions and operation) of the Audit Committee to perform its role effectively, is stipulated in the Audit Committee terms of reference. The committee is constituted in terms of the requirements of sound corporate governance practices, and operates within that framework.

Schedule 1

- Disiciplinary Committee

  This committee needs to investigate and make a finding on any alleged breach of the code, and make appropriate recommendations to Council. Also, it is concerned with investigating and making findings on non-attendance of meetings, and imposing fines as determined by the standing rules and orders of Council.

Speaker

- Ward participatory mechanisms

  The system of delegations does not contain any information in this regard.

  Section 72 of the Municipal Structures Act, Act 117 of 1998, indicates that the object of a ward committee is to enhance participatory democracy in local government.

- Subcouncils

  A metropolitan subcouncil has such duties and powers as the metro council may delegate to it in terms of section 32 of the Municipal Structures Act, and may make recommendations to the metro council on any matter affecting its area of responsibility.

  A metropolitan subcouncil may advise the metro council on what duties and powers should be delegated to it.

  The terms of reference of subcouncils are as follows:

  (a) To make recommendations to Council on any matter affecting its area of jurisdiction

  (b) To exercise any power, duty or function delegated by Council

  (c) To exercise any power, duty or function conferred upon it in terms of the Subcouncil Bylaw.

MSA section 62

- Planning and General Appeals

Office of the Speaker

The Office of the Speaker's responsibilities range from coordination of all processes flowing from subcouncil delegations, disciplinary investigations in terms of the Code of Conduct of Councillors, and the Code of Conduct for Municipal Employees, rules of meetings of political structures, as well as the Planning and General Appeals Committee.

The City's political structures are linked as follows:

Mayoral Committee

The Mayoral Committee exercises the powers, functions and duties designated to it by the municipal council. These powers, functions and duties are performed and exercised by the Executive Mayor together with the members of the committee, who are as follows:

Cllr D Plato: Executive Mayor

Ald. I Neilson: Executive Deputy Mayor, and Finance

Ald. C Justus: Utility Services

Ald. M Niewoudt: Planning and Environment

Cllr G Pascoe: Social Services

Ald. F Purchase: Economic Development and Tourism

Cllr B Herron: Community Services

Cllr S Sims: Housing

Ald. JP Smith: Safety and Security

Cllr E Thompson: Transport, Roads and Stormwater

Ald. B Walker: Corporate Services and HR

Cllr D Ximbi: Health

Portfolio committees and chairpersons

Cllr J Burger: Utility Services

Ald. G Cavanagh: Community Services

Cllr C Jordaan: Social Development

Cllr P Hill: Economic Development and Tourism

Cllr I Iversen: Finance

Cllr B Lee: Transport, Roads and Stormwater

Cllr S Pringle: Corporate Services and HR

Ald. N Ross: Housing

Ald. JP Smith: Safety and Security

Cllr J Vos: Health

Ald. B Watkyns: Planning and Environment

Subcouncils and chairpersons

SUBCOUNCIL		CHAIRPERSON
1.	Blaauwberg	Cllr H Brenner
2.	Bergdal	Cllr G Twigg
3.	De Grendel	Cllr J Vos
4.	Tygerberg	Cllr F Kearns
5.	Central	Cllr T Thompson
6.	Bellville	Cllr B Cortje-Alcock
7.	Koeberg	Ald. C Ipser
8.	Helderberg	Cllr A Fourie
9.	Nxele Makana	Cllr P Kotyi
10.	Charlotte Maxeke	Cllr S Pringle
11.	Looksmart Solwandle Ngudle	Cllr S Rossouw
12.	Mitchells Plain	Cllr N Bent
13.	David Mthetho Ntlanganiso	Cllr M Matiwane
14.	Miranda Ngculu	Cllr S Vuba
15.	Pinelands	Ald. B Watkyns
16.	Good Hope	Cllr T Amira
17.	Athlone and district	Cllr C Clayton
18.	Rondevlei	Cllr G March
19.	South Peninsula	Cllr D Qually
20.	Protea	Ald. O Kinahan
21.	Oostenberg	Cllr W Brady
22.	Lizo Nkonki	Cllr E Sonnenberg
23.	Adelaide Tambo	Cllr T Trout

EMT

The 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:

Achmat Ebrahim	City Manager
Zulpha Abrams	Chief Audit Executive
David Beretti	Executive Director (ED): Corporate Services
Richard Bosman	ED: Safety and Security
Dr Ivan Bromfield	ED: Health
Mike Richardson	Chief Financial Officer
Mansoor Mohamed	ED: Economic, Social Development and Tourism
Dr Bulumko V Msengana	ED: Utility Services
Lokiwe Mtwazi	ED: Community Development
Mike Marsden	ED: Transport, Roads and Major Projects
Hans Smit	ED: Housing
Piet van Zyl	ED: Strategy and Planning

CITY MANAGER	OFFICE OF THE CITY MANAGER	
		EXECUTIVE SUPPORT
		FORENSICS
		GOVERNANCE & INTERFACE
		IDP AND ORGANISATIONAL PERFORMANCE MANAGEMENT
		OMBUDSMAN

EMT			
COMMUNITY SERVICES	HEALTH	SAFETY AND SECURITY	TRANSPORT, ROADS AND MAJOR PROJECTS
CORPORATE SERVICES	HOUSING	STRATEGY AND PLANNING	ECONOMIC, SOCIAL DEVELOPMENT AND TOURISM
FINANCE	INTERNAL AUDIT	UTILITY SERVICES	

The City of Cape Town's MTREF is reviewed annually to determine the most affordable level at which the City will be able to operate optimally and sustainably.

BUDGET STEERING COMMITTEE

The Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, Chapter 2 ('Budgets and budget-related matters of municipalities, Part 1: General provisions') provides the following guidelines and provisions:

(1) The mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.

(2) The steering committee must consist of at least the following persons:

    a) the councillor responsible for financial matters;

    b) the municipal manager;

    c) the chief financial officer;

    d) the senior managers responsible for at least the three largest votes in the municipality;

    e) the manager responsible for budgeting;

    f) the manager responsible for planning; and

    g) any technical experts on infrastructure.

In addition to the above members, the City of Cape Town has added a number of other political and administrative representatives from across the organisation to strengthen the link between the eight strategic focus areas and the objectives of the budget. The principles applied to the MTREF, and presented to the Budget Steering Committee, inform a number of financial scenarios in the short and medium term. These scenarios are based on revenue and expenditure parameters applied to the current three year financial plan, and are utilised to calculate the affordability and sustainability of the City's operating budget.

BACKGROUND AND CHALLENGES

The current MTREF model, which enables economic forecasts and informs the medium-term fiscal framework, was compiled under challenging economic conditions. This translates into lower projected revenue for 2010/11 due to lower collection ratios and investment interest, and higher projected expenditure figures as a result of salary increases above the Consumer Price Index (CPI), interest on external loans, and interest and depreciation costs due to the accelerated capital budget spend.

Also, this accelerated capital budget spend further drained the current domestic medium-term note (DMTN) proceeds.

Affordability is a primary concern when determining the multi-year level of EFF-funded expenditure. The EFF-funded capital budget was reprioritised, and the EFF-quanta were set at R1 billion for 2010/11 and the following two years.

The budgetary constraints outlined above meant that the City of Cape Town has had to apply a combination of cost-saving interventions and revenue increases above CPI to ensure an affordable, credible and sustainable

budget over the 2010/11 MTREF. In an effort to manage costs, general expenses were reprioritised, staff costs (vacancies) were reduced, and external grants were limited.

FINANCIAL MODELLING

The outcomes of the MTREF relate to the strategic focus areas of the draft IDP at the time, as well as core economic, financial and technical data obtained at local and national level. The 2010/11 MTREF modelling included the following assumptions, which were accepted by the steering committee:

• Inflation-linked revenue parameters – the extent that they affect and support Council's operational activities

• A 100% capital expenditure implementation

• Credible collection rates – based on collection achievements to date, and incorporating improved success anticipated on selected revenue items

• Higher than nationally projected inflation provisions – for repairs and maintenance to attain nationally benchmarked levels on this expenditure item, and ensure the preservation of the City's infrastructure.

What is the MTREF?

The MTREF is a framework within which the budget is prepared and compiled. It sets out the economic context and assumptions that inform the compilation of the City's budget for the next three years. It is reviewed on an annual basis to ensure that the budget is affordable and sustainable over at least the medium term.

CPI – INFLATION OUTLOOK

The CPI projection for the purpose of the MTREF is an average of CPI forecasts of various financial institutions and the Bureau of Economic Research (BER).

CPI projections used in the MTREF
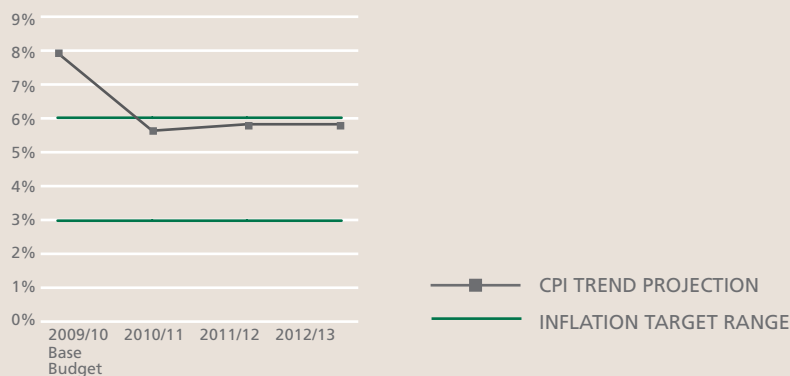
The CPI increase for the 2009/10 budget was set at 8%, which was 2% higher than the inflation target range. This was to compensate for the low CPI projection in the previous year. The CPI projection for the 2010 MTREF is 5,6% for 2010/11, and 5,8% for the following two years. Both of these figures fall within the boundaries of

National Government's inflation target range of 3 – 6%, but below National Treasury's forecasted CPI of 5,7%, 6,2% and 5,9% for 2010/11, 2011/12 and 2012/13 respectively.

EXPENDITURE FRAMEWORK

Salaries, wages and related staff costs

Salary increases for the next three years were modelled as follows:

|	Base budget 2009/10 %	2010/11 %	2011/12 %	2012/13 %
Salary increases	13,00	8,40	7,78	7,78
Add: Increments	2,00	2,00	2,00	2,00

The salary and wage collective agreement by the South African Local Government Bargaining Council (SALGBC) provided the general salary adjustment guidelines for the period 2009/10 to 2011/2012. In 2009/10, a salary increase of 13% was effected as per the regulation. The average salary increase over the MTREF was calculated using the methodology as prescribed in the regulation.

The salary increase for 2010/11 is based on the average CPI for the period 1 February 2009 to 31 January 2010. A formula of projected figures plus 1,5% was used for the months where CPI figures were not yet available. The average percentage increase for 2011/12 was calculated on the same basis, except that 2% has been added to the average projected CPI figures. In the absence of a formal agreement for 2012/13, the same methodology was applied.

Correlation between CPI and MTREF salary increases
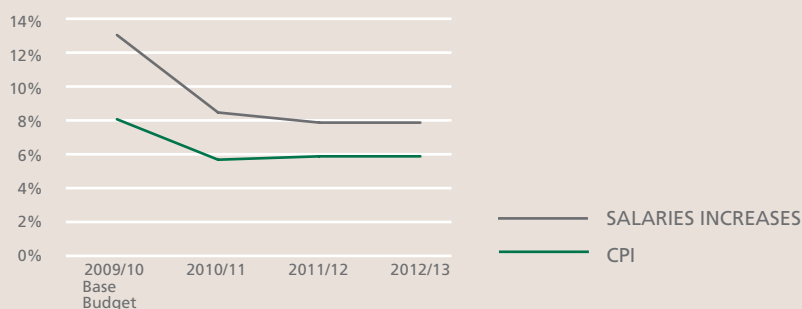
As can be seen from the above figure, projected salary increases over the next three years are consistently higher than projected CPI. The increase in the salary budget was a contributing factor to the cost pressures experienced on the operating budget. To alleviate part of the strain, the staff budget was reduced by R113 million in respect of vacancy cuts.

General expenses

Provision for general expenses was increased in relation to the projected CPI increases over the MTREF period. However, as part of the initiative to attain an affordable and sustainable budget, general expenses were reduced by R180 million. In addition, grants and subsidies to external bodies were reduced by R15 million.

The National Treasury Municipal Budget Circular 51 for the 2010/11 MTREF stated, among other things, that municipalities must 'secure the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance'. The City considers this an important budget requirement, and has consistently increased its investment in repairs and maintenance above CPI over the last three financial years. To address backlogs in repairs and maintenance, the funding for repairs and maintenance was calculated at CPI plus 3% over the 2010/11 MTREF period.

REVENUE FRAMEWORK

Service growth

The unstable economic climate limited the City's service growth. Therefore, a conservative 1% increase was projected for rates service growth in the 2010/11 financial year. Electricity service growth remained at 0% for the 2010/11 MTREF as a result of the implementation of energy-saving plans. Lower consumption has also led to water and sewerage services projecting a lower service growth of 0,5% for the 2010/11 financial year. Further growth of 2,9% in water and sewerage has been added due to changes in the sliding scales of tariffs, and the projected impact of revenue-raising interventions, including, among others, the cleaning of data, implementation of meter replacement programmes, and the elimination of faulty meters. Refuse service growth was modelled at 2% for the period, based on a combination of population and citywide user-base growth.

Revenue growth parameters: Rates and trading services

To ensure an effective, efficient and well-run city, higher tariff increases are inevitable. The individual tariff increase proposals will be considered against the backdrop of the overall 'package of tariffs' approach adopted in compiling and evaluating the affordability of the tariffs and charges that make up the total municipal account.

Revenue parameters projected for the 2010/11 MTREF period
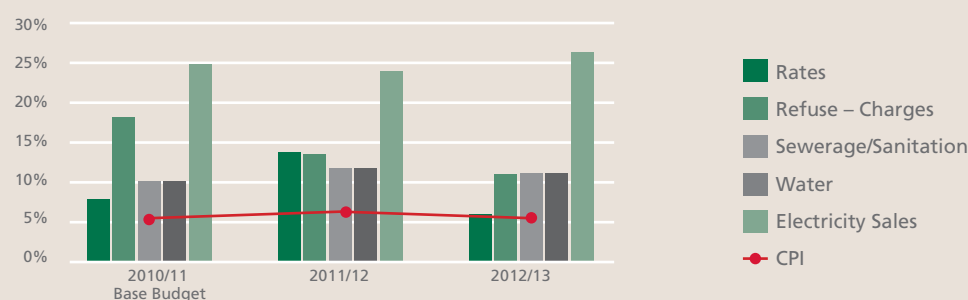
The current economic backdrop has impacted on the revenue parameter increases required to ensure an affordable, balanced and sustainable budget over the 2010/11 MTREF period. After considering various potential scenario outcomes, the following revenue parameter increases were factored into the MTREF model for 2010/11:

Rates

The rates revenue increase was modelled at 7,73%. This is above CPI, but is required in order to achieve an affordable, balanced rates budget, without impeding service delivery.

Electricity

The initial electricity revenue parameter was based on the draft Eskom multi-year price determination (MYPD), which proposed an annual 35% increase over the period 2010/11 to 2012/13. To ensure affordability to the City of Cape Town's customers, the City's parameter increase was set at 29% – 6% lower than Eskom's proposed increase. As a consequence, the utility will not be able to fund all infrastructure needs in 2010/11, and a number of projects will therefore be postponed to future years.

Subsequent to the approval of the MTREF parameters by the Mayoral Committee, Electricity Services' revenue estimations were amended based on NERSA's statement on Eskom's proposed tariff increases, i.e. 24,8%, 25,1% and 25,9% for the respective coming financial years. The City subsequently amended its revenue parameter to 24,6% for 2010/11.

Refuse removal

This revenue parameter increase was modelled at 18%. The increase takes into account the impact of the higher disposal tariff, and the need to continue offering adequate service delivery.

Water and sanitation

The revenue parameter adjustment for both water and sanitation was modelled at 10% for 2010/11. While this revenue parameter increase is higher than CPI, it affords the Water and Sanitation Department only limited scope to implement new initiatives.

It is estimated that the increases above revenue parameters will generate the following revenue:

Revenue category	Base budget 2009/10 R'000	Proposed organic growth parameters	Proposed revenue parameter increases	2010/11 Budgeted revenue R'000
Rates	4 189 836	1,00%	7,73%	4 558 847
Refuse	531 257	2,00%	18,00%	639 421
Electricity	5 615 676	0,00%	24,6%	6 997 133
Water	1 476 675	0,50%	10%	1 648 843
Sanitation	806 308	0,50%	10%	905 344

Collection rate

In accordance with relevant legislation and national directives, the City's projected revenue recovery rates are based on realistic and sustainable trends. These revenue collection ratios are outlined in the table below:

Service	Base budget 2009/10 %	2010/11 %	2011/12 %	2012/13 %
Property rates	97,85	95,00	95,00	95,00
Electricity	95,95	95,00	95,00	95,00
Water	89,68	89,50	90,00	90,50
Sewerage	88,24	90,50	90,50	90,50
Refuse	90,72	92,00	92,00	92,00
Housing	46,82	42,00	44,60	47,00

The total collection rate for 2010/11 is projected at an average of 92,4% (excluding housing, which has an average collection rate of 42%). This figure is based on a combination of actual collection rates achieved to date, and the estimated outcomes for the current financial period. The collection ratio for property rates and electricity

declined by 2,85% and 1% respectively over the past financial year, which can be attributed to the inability of consumers to pay municipal accounts as a result of the economic downturn. This meant that the City's provision for non-recovery (i.e. provision for bad debts) had to increase, which contributed to the strain on the City's budget. Special provision is made to cater for the effect of a programme for the poor.

General fuel levy

The sharing of the general fuel levy was introduced in metros from the 2009/10 financial year via the Taxation Laws Amendment Act. The act proposes that 23% of the revenue raised from the general fuel levy be allocated to metros.

The 2010/11 financial year will be the second year of phasing in the sharing of the general fuel levy by metropolitan municipalities, where allocations will be based on a 50% share of the 2009/10 RSC levy replacement grant, and 50% of its share of overall fuel sales in metros, based on the latest available information from the South African Petroleum Industry Association (SAPIA). For the remaining MTREF period, 2011/12, the allocation will be based on a 25% share of the 2009/10 RSC levy replacement grant, and 75% of its share of overall fuel sales in metros, based on the latest available information.

The 2012/13 financial year will see the sharing of the general fuel levy being based solely on total fuel sales within the jurisdiction of a metro, based on the latest available fuel sales information.

The respective fuel levy amount allocation per metro is published annually via a notice in the Government Gazette.

In the absence of the gazetted provision (latest fuel sales not yet available at the time of preparing the City's budget drafts), provision for the MTREF period was made based on the indicative letter from National Treasury in March 2009:

2010/11 – R1,517 billion

2011/12 – R1,619 billion

2012/13 – R1,760 billion (forecast based on average year-on-year growth)

National grants

The Constitution provides that each sphere of government is entitled to an equitable share of revenue raised nationally, to enable it to provide basic services and perform the functions allocated to it. The equitable division of revenue takes into account the functions assigned to each sphere of government, and its capacity to pay for these functions through its own receipts and revenues.

The local government equitable share allocations supplement municipal revenue for the provision of the necessary basic level of services to each poor household within a municipality's jurisdiction. The equitable share per municipality is calculated as follows:

$$\text{Grant} = BS + D + I - R \pm C$$

where

BS is the basic services component;

D is the development component;

I is the institutional support component;

R is the revenue-raising capacity correction; and

C is a correcting and stabilising factor.

The application of the above equation to the City of Cape Town is currently being assessed to ensure that the allocation of equitable share to the City is fair and correct. The equitable share allocations are published in the annual DORA. The following indicative allocations, as published in the 2010/11 Division of Revenue Bill, were modelled:

2010/11 – R862 million

2011/12 – R998 million

2012/13 – R1,115 billion (forecast based on year-on-year average growth)

Interest rates

The interest rate projection over the 2010/11 MTREF period placed further pressure on the City's budget. The graph below shows the trend for the projected interest rates over the MTREF period, compared to CPI.

Projected interest rates compared to CPI
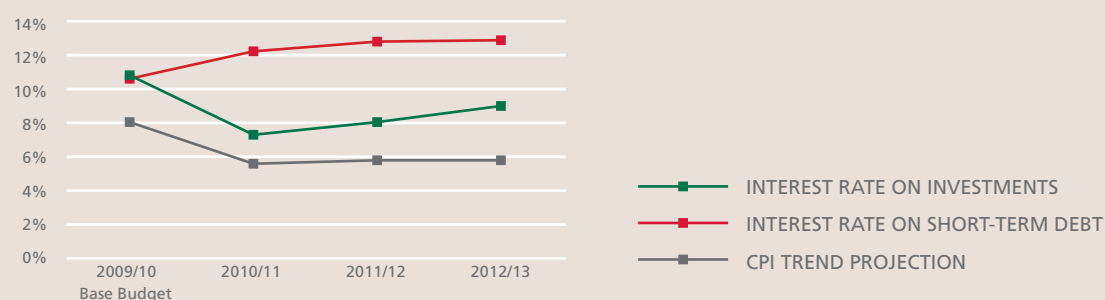
It is evident that CPI over the MTREF period is below the interest rate, especially in respect of interest on short-term debt. The interest rate on short-term borrowing grew from 10,5% to 12,08% over the last year, increasing interest expenditure by 1,58%. It is projected to increase by an average of 0,32% over the MTREF period, as it is assumed that the average prime rate will stabilise over the same period. On the other hand, interest on investment has declined by 3,43% since last year, reducing interest income from 10,7% to 7,27%. This is expected to increase by an average of 0,32% over the MTREF period.

Depreciation

Depreciation on new capital expenditure is calculated at a varying rate over a period of nine to 20 years, depending on the nature of the asset. Actual depreciation was modelled on existing assets. An annual capital expenditure implementation rate of 100% was factored into the MTREF model.

Capital expenditure (EFF component)

An acceleration in the 2009/10 capital budget spending, especially in light of construction on Cape Town Stadium and other 2010 FIFA World Cup™ infrastructure, resulted in increased depreciation and interest costs on the City's 2009/10 operating budget. This accelerated capital investment rate further impacted on the projected cash flow levels.

The City's medium-term borrowing programme was based on the MTREF-adopted capital investment programme over the medium term. The rapid rate of asset implementation achieved over the past two financial years necessitated a review of the current (three-year) programme. One of the options pursued to ensure financial

sustainability over the short to medium term was to rephase EFF-funded capital expenditure, to reduce the cash flow requirements from internal (EFF-funded) resources, thereby bringing internal charges over the MTREF period to within sustainable and affordable levels.

The City's DMTN programme envisaged a R7-billion bond issue over a five-year period. The first issue occurred in June 2008 (R1 billion), at which time the City's 2009/10 three-year capital budget (EFF spend) amounted to R7 billion. When the second issue took place in June 2009 (R1,2 billion), the cash flow requirements outstripped the DMTN programme, and the current capital budget had to be curtailed.

The 2010/11 budget process will therefore give preference to projects that have been rephased from the 2009/10 financial year. The draft 2010/11 three-year capital budget is based on the cash availability in accordance with the DMTN programme.

Capital investment: Consequential operating impact

No provision was made for additional or consequential operational costs flowing from the City's capital investment programme. It is assumed that these will be catered for via efficiency gains, and the prioritisation of existing operational resources.

Major parameters

The following table summarises the major parameters applied to the MTREF modelling, which should inform the detailed compilation of the City's budgets for the next three years:

	2010/2011 %	2011/2012 %	2012/2013 %
CPI	5,60	5,80	5,80
Collection rates:			
Rates	95,00	95,00	95,00
Electricity	95,00	95,00	95,00
Water	89,50	90,00	90,50
Sanitation	90,50	90,50	90,50
Refuse removal	92,00	92,00	92,00
Refuse disposal	92,00	92,00	92,00
Housing	42,00	44,60	47,00
Revenue parameters (excluding organic growth):			
Rates	7,73	13,65	5,80
Electricity	24,60	23,80	26,10
Water	10,00	11,58	10,96
Sanitation	10,00	11,58	10,96
Refuse removal	18,00	13,30	10,80
Refuse disposal	38,50	19,80	10,50
Revenue parameters (including organic growth):			
Rates	8,73	14,65	6,80
Electricity	24,60	23,80	26,10
Water	13,40	12,48	12,16
Sanitation	13,40	12,48	12,16
Refuse removal	20,00	15,30	12,80
Refuse disposal	40,50	21,80	12,50
Expenditure parameters:			
Salary increase			
Salary increase [South African Local Government Association (SALGA) agreement]	8,40	7,78	7,78
Increment provision	2,00	2,00	2,00
General expenses	5,60	5,80	5,80
Repairs and maintenance	8,60	8,80	8,80
Interest rates			
Interest paid	12,08	12,64	12,72
Interest on investment	7,27	8,00	8,93
Other:			
Capital (EFF-component) expenditure	R1 billion	R1 billion	R1 billion
Equitable share allocation	R862 million	R998 million	R1,115 billion
Fuel levy	R1,517 billion	R1,619 billion	R1,760 billion

City of Cape Town's Corporate Scorecard Review and Scorecard Indicator Definitions

ANNEXURE A

City of Cape Town's 2010/11 Top 4 Corporate Performance Scorecard		Proposed Baseline 2009/2010	Target 2010/2011
Improved customer satisfaction	Community satisfaction (Score 1 – 5)	3	3
Increase levels of employee morale	% 'truly loyal' employees as measured by the employee culture/climate survey	31%	34%
Reduce time to resolve complaints	% improvement in time to finalise complaints	12% reduction (22 days)	12%
An unqualified audit	View of Auditor-General	Unqualified audit	Unqualified audit

CITY OF CAPE TOWN – 3-YEAR 2010/2011 CORPORATE SCORECARD REVIEW

Strategic focus area	Legotla Top 20 objective	Indicator	Target 2009/2010 (Proposed Baseline)	Target 2010/11*	Target 2011/12	Target 2012/13
	1A. Create an enabling environment for the economy to grow and become globally competitive					
1. Shared economic growth and development	Increase number of direct job opportunities	**1A.1** Number of direct jobs	11 700	11 500	12 000	12 600
	Increase direct investment into the local economy	**1A.2** Rand value of investment	R1,6bn	R1bn	R1,5bn	R1,8bn
	Increase percentage of visitors to Cape Town	**1A.3** % increase in foreign visitors	2%	2%	2,5%	2,5%
	Increase number of Expanded Public Works Programme (EPWP) job opportunities	**1A.4** Number of EPWP job opportunities created	18 000	16 000	18 000	18 000
	Improve approval time for Land Use and Planning applications	**1A.5** % of Land Use applications finalised within statutory timeframes	80%	80%	85%	86%
	Improve approval time for Building Plan applications	**1A.6** % of Building plans finalised within statutory timeframes	96%	70%	97%	98%

CITY OF CAPE TOWN – 3-YEAR 2010/2011 CORPORATE SCORECARD REVIEW

2. Sustainable urban infrastructure and services

Strategic focus area	Legotla Top 20 objective	Indicator	Target 2009/2010 (Proposed Baseline)	Target 2010/11*	Target 2011/12	Target 2012/13
2A. Provide universal access to basic services						
	Increase access to sanitation	**2A.1** % of formal households with access to sanitation	–	100%	100%	100%
		2A.2 % of informal settlement households with access to sanitation	80,5%	In progress	In progress	In progress
	Increase access to water	**2A.3** % of formal households with access to water	–	100%	100%	100%
		2A.4 % of informal settlement households with access to water	100%	In progress	In progress	In progress
	Increase access to electricity	**2A.5** % of formal households with access to electricity	–	100%	100%	100%
		2A.6 % of informal settlement households with access to electricity	62,43%	In progress	In progress	In progress
	Increase access to basic refuse collection services	**2A.7** % of formal households with access to solid waste	99%	100%	100%	100%
		2A.8 % of informal households receiving area cleaning and refuse collection service	99%	In progress	In progress	In progress
2B. Conserve natural resources						
	Reduce water demand	**2B.1** % reduction in unconstrained water demand	27%	27%	27%	27%
	Minimse waste	**2B.2** % of waste diverted from landfill sites	–	9,95%	10,95%	11,95%
2C. Effectively manage the City's infrastructure and resources						
	Improve maintenance of City infrastructure	**2C.1** Amount spent on repairs and maintenance	R1bn	R1,2bn	R1,3bn	R1,3bn
		2C.2 Reduce the number of electricity outages	<1,3	<1,3	<1,3	<1,3
		2C.3 % unaccounted for water	18,8%	22,5%	20%	18%
	Sustainable water supply	**2C.4** Percentage drinking water compliance to SANS 241	96%	96%	96%	96%
		2C.5 % of projects completed	In progress			

CITY OF CAPE TOWN – 3-YEAR 2010/2011 CORPORATE SCORECARD REVIEW

Strategic focus area	Legotla Top 20 objective	Indicator	Target 2009/2010 (Proposed Baseline)	Target 2010/11*	Target 2011/12	Target 2012/13
3A. Develop, adopt and implement a comprehensive response to Cape Town's energy and climate change challenges						
3. Energy efficiency for a sustainable future	Reduce energy consumption	3A.1 % reduction in use of electricity	Maintain reduction of 10% in energy consumption below projected energy consumption 10 885 Gwh	3,3%	3,3%	3,3%
4A. Improve public transport system and services (for e.g. the implementation of phase 1A of the integrated rapid transit programme)						
4. Public transport systems	Increase length of dedicated public transport lanes along selected corridors	4A.1 Length of dedicated public transport lanes provided in kilometres	15 km (on baseline of 53 km)	15 km	Business plan to be developed	Business plan to be developed
	Increase percentage of commuters using public transport	4A.2 % commuters using public transport to total number of commuters in the CBD	To be verified	2% on baseline	1% on baseline	1% on baseline
	Review unregulated and substandard taxi service through industry engagement	4A.3 Implement and enforce appropriate legislation	New	New Public Transport bylaw adopted	To be developed	To be developed
			New	Implementation plan to enforce bylaw in place	To be developed	To be developed
		4A.4 Engage operators and form Operating Companies to run IRT	New	Form two Operating Companies for Phase 1a of IRT	To be developed for next phases	To be developed for next phases

CITY OF CAPE TOWN – 3-YEAR 2010/2011 CORPORATE SCORECARD REVIEW

Strategic focus area	Legotla Top 20 objective	Indicator	Target 2009/2010 (Proposed Baseline)	Target 2010/11*	Target 2011/12	Target 2012/13
	5A. Provide equitable community facilities and services across the City					
5. Integrated human settlements	Maintain community facilities open for community use at required standard	**5A.1** Number of community parks maintained according to selected service standards	3 058	3 133	3 133	3 133
		5A.2 Number of libraries open according to minimum planned open hours, including ad hoc unforeseen closing hours	63	49	49	49
		5A.3 Number of fenced formal sport fields compliant with the defined level grass cover standard	360	450	480	500
		5A.4 Number of halls maintained to specified standard	121	198	198	198
	5B. Deliver housing opportunities in accordance with the five-year housing plan (reviewed annually)					
	Increase subsidised housing opportunities provided by the City	**5B.1** Number of housing opportunities per year	8 400	8 400	8 800	9 000
	Implementation of structured programme for the upgrade of erven in informal settlements	**5B.2** Number of erven upgraded per year	1 000 Incrementally serviced erven	1 000	1 400	1 500
	6A. Foster a safe and secure environment					
6. Safety and security	Increase Community Survey Score in the perception of anti-social behaviour and general disorder	**6A.1** Survey score on five-point symmetric scale	Achieving ≥3	≥3	≥3	≥3
	Reduce the occurrence of vehicle accidents	**6A.2** % reduction in accident rate at high frequency locations	5% reduction 216 accidents	5% (206 accidents)	5%	5%
	Increase drug-related arrests	**6A.3** % increase in arrests in drug-related crimes	10% increase i.e. 760 arrests	10% (836)	10% (920)	10% (1 012)
	Improve response time of the Fire and Rescue Service	**6A.4** % response times for fire and other emergency incidents within 14 minutes from call receipt up to arrival	73%	80%	82%	84%
	Reduce the impact of flooding	**6A.5** Number of informal households relocated from flood-prone areas	In progress			

FOREWORD

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STRATEGIC FOCUS AREAS

FRAMEWORKS

CITY OF CAPE TOWN – 3-YEAR 2010/2011 CORPORATE SCORECARD REVIEW

Strategic focus area	Legotla Top 20 objective	Indicator	Target 2009/2010 (Proposed Baseline)	Target 2010/11*	Target 2011/12	Target 2012/13
7. Health, social and community development	**7A. Facilitate the development of a healthy and socially inclusive society**					
	Educate parents, caregivers and ECD forums through targeted development support groups	**7A.1** Number of targeted development programmes	New to CSC	20	20	20
	Reduce air pollution	**7A.2** Number of days when air pollution exceeds WHO guidelines	137	135	133	133
	Reduction of the infant mortality rate	**7A.3** Number of infant deaths per 1 000 live births	19,5	19,2	19	19
	Slow the rate of increase of the City's TB incidence	**7A.4** Number of TB cases per 100 000 of Cape Town population	1 090	1 120	1 140	1 140
	Slow the rate of increase of the City's antenatal HIV prevalence	**7A.5** The City's antenatal HIV prevalence	19,3%	19,6%	19,8%	19,8%
8. Good governance and regulatory reform	**8A. Ensure enhanced service delivery with efficient institutional arrangements**					
	Increase levels of employee morale	**8A.1** % 'truly loyal' employees as measured by the employee culture/climate survey	31%	34%	37%	41%
	Reduce time to resolve complaints	**8A.2** % improvement in time to finalise complaints	12% reduction (22 days)	12%	10%	10%
	8B. Manage key financial and governance areas such as income control, cash flow, indigent support, alternative income opportunities, asset and risk management					
	Create new assets for public benefit	**8B.1** % spend of capital budget	95%	95%	95%	95%
	An unqualified audit	**8B.2** View of Auditor-General	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit
	Maintain the City's credit rating	**8B.3** View of independent rating agency	P-1 (short term) Aa2.za (long term)	High investment rating	High investment rating	High investment rating
	8C. Establish effective community engagement channels					
	Improved customer satisfaction	**8C.1** Community satisfaction (Score 1 – 5)	3	3	3.1	3.2

* Updated targets, based on actual achievement at 30 June 2010, will be available at www.capetown.gov.za/idp after September 2010.

2010/2011 CORPORATE SCORECARD INDICATOR DEFINITIONS

Indicator	Indicator definition
1A.1 Number of direct jobs	This indicator measures the number of direct jobs created or sustained as a result of the interventions by Wesgro and SPVs. A permanent full-time job created as a result of direct investment facilitated by sector bodies including City Departmental projects such as LED and business support, informal trading etc. Formula: Contribution of direct job opportunities created by Wesgro and SPVs Currently, the job creation figures in the tourism sector are based on either the World Tourism Organisation standard of 12 international tourists create one job or the City of Cape Town standard of 19 international tourists create one job. This indicator is currently based on reasonable estimates as the process for measurement is still being concluded to ensure auditability.
1A.2 Rand value of investment	This indicator reflects total committed investments and expansions, which relates to Rand value of direct investments. Committed investments are classified as those projects where the investor has already incurred substantial expenditure towards the implementation of the investment project in the Western Cape. Refers to any fixed direct investment or provision of capital (including working capital) made by industry companies as a result of facilitation by the Sector Bodies (SPVs). NB – Various sector bodies agree to jobs and investment targets in the MOUs signed with the City annually. The global investment target is then a total of the individual SPV targets. Hence we have control over the type of investment that comes into the city. SPVs and Wesgro submit investor declarations which ensures verifiability of the source information relating to jobs and investments. Formula: Contribution of Rand amounts by Wesgro and SPV's This indicator is currently based on reasonable estimates as the process for measurement is still being concluded to ensure auditability.
1A.3 % increase in foreign visitors	This indicator measures the number of visitors to Cape Town through information obtained from Airports Company South Africa (ACSA), i.e. arrivals at Cape Town International Airport, SATOURISM, hotel and bed-and-breakfast establishments in Cape Town as well as tourist attraction facilities. This is managed via the service level agreement with the destination marketing organisation. **INDICATOR STANDARD/NORM/BENCHMARK** Barometer was introduced in 2007 and will be the baseline; performance evaluation that was done in June 2007 by external consultants will form the baseline.
1A.4 Number of EPWP jobs	The indicator measures the number of job opportunities created through the Expanded Public Works Programme (EPWP). 1. An EPWP job opportunity: • Job opportunity refers to paid work created for an individual on an EPWP job. The same person can be employed on different projects and each period of employment will be counted. • This involves short-term and ongoing work opportunities with an average duration of 100 days. • The EPWP specifically targets the creation of employment for the poor unemployed people who are unskilled or poorly skilled. Through this employment opportunity, the programme provides basic income for these people on a temporary basis. 2. Characteristics of EPWP projects and how they differ from a normal job: • They are highly labour intensive: a large percentage of the overall project's cost is paid out in wages to the target group. • They employ large numbers of EPWP target groups. • The EPWP target group is paid wages between R50 and R100 per day. • The EPWP target groups are employed under the working conditions of the Special Public Works Programme (SPWP). All EPWP compliant projects must have or display the elements of employment, and EPWP projects should either be labour intensive or labour enhanced (activity based).

2010/2011 CORPORATE SCORECARD INDICATOR DEFINITIONS

Indicator	Indicator definition
1A.5 % of Land Use applications finalised within statutory timeframes	Number of applications finalised within statutory timeframes (30 – 60 days) expressed as percentage to number of applications received. **INDICATOR STANDARD/NORM/BENCHMARK** 75%
1A.6 % of Building plans finalised within statutory timeframes	Number of applications finalised within statutory timeframes (30 – 60 days) expressed as percentage to number of applications received. **INDICATOR STANDARD/NORM/BENCHMARK** 96%
2A.1 % of formal households with access to sanitation	Percentage of formal households with access to basic levels of sanitation: (NKPI) = Total formal household properties serviced/Total household properties in City % of formal households in the City = (total single residential properties serviced in City + total domestic cluster properties serviced in City) / (total single residential properties in City + total domestic cluster properties in City). Although domestic cluster properties generally house more than one household, the consumer service connection account per property is a proxy for the relative proportion of households, appearing in both numerator and denominator and hence yielding a relative proportion. Formula: (SDF+SDC)/(TDF+TDC) Formula component SDF = Total domestic full properties serviced in City, obtained from the number of domestic full sanitation accounts in the City, drawn from SAP report. These properties generally have one main residence plus the possibility of one or more backyard dwellers living in structures, which are considered to be serviced from the one service connection to the property. SDC = Total domestic cluster properties serviced in City, obtained from the number of domestic cluster sanitation accounts in the City, drawn from SAP report. These properties generally have flats or cluster houses on them, the number depending on the size of the property and the design of the structures. TDF = Total domestic full properties in the City, obtained from SAP or the Land Information database (refer ISIS) of all registered properties of this zoning. TDC = Total domestic cluster properties in the City, obtained from SAP or the Land Information database (refer ISIS) of all registered properties of general residential zoning. Although there are a few other types of residential properties such as firemen's housing on Council land, these are too few to warrant inclusion in the indicator as it will make no material difference.
2A.2 % of informal settlement households with access to sanitation	This indicator reflects the % of informal settlement households that have access to sanitation, measured by comparing the currently-provided number of sanitation service points (toilets) with the targeted number that will eradicate the backlog in sanitation in informal settlements. Percentage of informal settlement households with access to basic levels of sanitation = total informal settlement sanitation service points / total planned informal settlement sanitation service points Formula: C/T Formula component C = Total informal settlement sanitation service points T = Total planned informal settlement sanitation service points that will eradicate the backlog in the City, currently planned to occur by 2013/14 and based on the current toilet:household ratio that depends on the type of toilet used in any particular installation, currently standing at an average of 1:3.7. This is a step up in the ratio used until the 2009/10 0 financial year of 1:5, which was the City's own minimum standard, used through a lack of a national one. • Now that record-keeping of installation has improved and the Department is able to track toilet types against installation location, it has started using the more precise type-specific servicing ratio to make sure overstressing of some types in some settlements does not occur, thereby not compelling more households to use a toilet than it can comfortably service.

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Indicator	Indicator definition
2A.3 % of formal households with access to water	Percentage of formal households with access to basic levels of water (NKPI) = total formal household properties serviced/ total household properties in City
	% of formal households in the City = (total single residential properties serviced in City + total domestic cluster properties serviced in City) / (total single residential properties in City + total domestic cluster properties in City). Although domestic cluster properties generally house more than one household, the consumer service connection account per property is a proxy for the relative proportion of households, appearing in both numerator and denominator and hence yielding a relative proportion.
	Formula: (SDF+SDC)/(TDF+TDC)
	Formula component
	SDF = Total domestic full properties serviced in City, obtained from the number of domestic full water accounts in the City, drawn from SAP report.
	These properties generally have one main residence plus the possibility of one or more backyard dwellers living in structures, which are considered to be serviced from the one service connection to the property.
	SDC = Total domestic cluster properties serviced in City, obtained from the number of domestic cluster water accounts in the City, drawn from SAP report.
	These properties generally have flats or cluster houses on them, the number depending on the size of the property and the design of the structures.
	TDF = Total domestic full properties in the City, obtained from SAP or the Land Information database (refer ISIS) of all registered properties of this zoning.
	TDC = Total domestic cluster properties in the City, obtained from SAP or the Land Information database (refer ISIS) of all registered properties of General Residential Zoning.
	Although there are a few other types of residential properties such as firemen's housing on Council land, these are too few to warrant inclusion in the indicator as it will make no material difference.
2A.4 % of informal settlement households with access to water	This indicator reflects the % of informal settlement households that have access to water, measured by comparing the currently-provided number of water service points (taps) with the required number that eradicates the backlog in water in informal settlements. Due to the fact that there is no backlog remaining, the 100% ratio having been reached already in 2006/07, the target is set the same as the current number of taps.
	Percentage of informal settlement households with access to basic levels of water = total informal settlement water service points / total planned informal settlement water service points
	Formula: C/T
	Formula component
	C = Total informal settlement water service points (taps not standpipes)
	T = Total planned informal settlement water service points that will eradicate the backlog in the City, currently equal to C. The current number of points far exceeds the City's minimum standard of 25 households/tap within 200 m of the home, which ratio was the City's own minimum standard, used through a lack of a national one.
	The indicator target being equal to the currently provided taps does not mean that the City will not provide any new taps in the future. It has to provide for influx of more households into existing areas and the fact that settlements are sometimes relocated into TRAs when housing becomes available.
2A.5 % of formal households with access to electricity	This indicator refers to household access. The figures are based on City-wide households in the Cape Town supply area receiving access to electricity.
2A.6 % of informal settlement households with access to electricity	This indicator reflects the % of households with access to electricity in informal settlements in the Cape Town supply area. Total subsidised connections/estimated households in informal settlemnts. Basic service delivery refers to informal and low cost households receiving access to electricity connections (including subsidised connections).

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Indicator	Indicator definition
2A.7 % of formal households with access to solid waste	This indicator reflects the % of formal households with access to a basic refuse removal service (once weekly door-to-door containerised refuse removal).
	• The City delivers a weekly kerb-side refuse removal service to all formal properties within its administrative boundaries. Containers are provided to property owners who are responsible for placing the container on the property's front kerb on the day of refuse removal. Tenants living at the back of formal properties (e.g. backyard dwellers) have access to the service through their landlord.
	• The refuse removal service is a guaranteed service planned according to a weekly scheduled programme. Reactive removals take place in cases where complaints were lodged.
	• The containers are assets of the City of Cape Town and stay on the property until services to the property are discontinued.
	• During change in property ownership, the container stays on the property, while the container and service details are transferred from the previous owner to the new owner.
	• Property owners have the option of single or multiple containers and, in high density areas, the option of multiple service frequencies.
	• In new developments, containers are issued as soon as the owner's details are registered on the financial system.
	• In cases of stolen/damaged containers the City's service level agreement allows for 7 days in which a container must be replaced. During this period the City removes black bags.
2A.8 % of informal households receiving area cleaning and refuse collection service	This indicator reflects the % of informal dwellings with access to basic integrated area cleaning and refuse removal services (once weekly door-to-door bagged refuse removal).
	• The cleaning and collection of domestic refuse in informal settlements is done through community-based contracts. Three-year contracts are awarded to a legitimate main contractor through the procurement tender process.
	• The main contractor appoints a local labourer for ± 400 dwellings. For every six labourers, one supervisor is appointed. The local labourers are changed annually to give employment opportunities to more residents in the community. Each dwelling is provided with sufficient black bags. Full bags are collected on a weekly door-to-door basis and are taken to a container at a centralised collection point where after waste is transported to a landfill site for disposal.
	• Labourers are also responsible for street sweeping, litter picking and illegal dumping removal within and up to a 100 m around their assigned area of responsibility. To ensure that the required cleaning and collections services are efficient, the areas are measured and judged according to predetermined standards of cleanliness. If an area does not comply with the minimum standards of cleanliness, penalties are payable for non-achievement.
	• In cases where new informal dwellings sprout outside any of the known informal settlements, law-enforcement will arrange for the relocation of these dwellings if located in an unauthorised area. If these dwellings are authorised to stay where they are, Solid Waste will arrange for a temporary placement of a skip.

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Indicator	Indicator definition
2B.1 % reduction in unconstrained water demand	This indicator reflects the water saved as the % reduction in treated potable water volume, below what the consumption might have been if no Water Demand Management and Conservation Measures had been implemented. It compares the Actual Demand (measured as the Bulk Water Treated Volume) to a historically-predicted Unconstrained Water Demand Curve (UWD). It is a 12-month moving average value.
	Water saving percentage = (UWD demand – Actual Demand)/UWD demand where all figures are 12-month moving averages
	(U-A)/U
	Formula component – A
	Component name – Actual Demand, 12-month moving average
	Component definition – • The average of the most recent 12 months of Bulk Water Treated volumes, from the Bulk Water Spreadsheet recording this data
	Formula component – B
	Component name – Unconstrained Water Demand (UWD), 12-month moving average
	Component definition – • Historic curve definition based on a theoretical extrapolation of what the demand would have been after 2001, had unconstrained usage been allowed to continue without Water Conservation/Water Demand Management (WC/WDM) interventions. This curve was defined with annual values but due to the need to measure the indicator on a quarterly basis, a monthly frequency distribution was developed, derived from the annual value from the UWD curve but spread over 12 months, based on a characteristic historic total demand monthly distribution over 30 years. These values are defined in the calculation spreadsheet and in the following tables.
2B.2 % of waste diverted from landfill sites	Previous baseline of 15,5% based on volumetric calculation. New targets based on definition below.
	This indicator reflects the % of waste reduced, through the City's own initiatives, by diverting recyclables from the waste stream in relation to the mass of waste disposed at council disposal facilities.
2C.1 Amount spent on repairs and maintenance	This indicator measures the amount of the operating budget spent on repairs and maintenance.
	SAP report.
2C.2 Reduce the number of electricity outages	The indicator reflects the number of interruptions that a customer in the City of Cape Town electricity supply area would typically experience in the year (excluding major events), measured against the MV network and in terms of NERSA standard NRS 048-06.
	SAIFI =
	Total number of customer interruptions per annum
	Total number of customers served
	Note that major events such as load shedding by Eskom are excluded in the SAIFI indicator as it would distort the Electricity Services performance and it would make it less useful when comparing performance over a number of years
	Formula description: SAIFI = A/B
	Formula component – A
	Component name – Total number of customer interruptions per annum
	Component definition – Estimated by taking the sum of all the installed capacities of supply losses
	Formula component – B
	Component name – Total number of customers served
	Component definition – Estimated by using total Installed MV/LV (medium voltage to low voltage transformer capacity for LV customers plus MV installed capacity for MV customers).

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Indicator	Indicator definition
2C.3 % unaccounted for water	The percentage of the total volume of water not billed for, as the difference between the total volume treated for the city and the total volume sold on to end consumers, divided by the total volume treated. It is calculated on a 12-month rolling basis in order to smooth out monthly variations and more clearly show the trend. The growth in total volume treated is estimated forward with the same assumption as used for the water saving indicator (reduction below unconstrained water demand).
2C.4 Percentage drinking water compliance	This indicator is currently based on reasonable estimates as the process for measurement is still being concluded to ensure auditability.
2C.5 % of projects completed	This indicator is currently still work in progress. It will relate to the Northern Area Waste Augmentation system projects on which R1,5bn will be spent over the next three years.
3A.1 % reduction in use of electricity	This indicator is currently based on reasonable estimates as the process for measurement is still being concluded to ensure auditability.
4A.1 Length of dedicated public transport lanes provided in kilometres	This indicator refers to the length of dedicated public transport lanes measured in kilometres along selected transport corridors. The selected corridors refer to corridors in the metropolitan area and includes national roads, provincial roads and municipal roads given that these all form part of a single metropolitan road network falling under the jurisdiction of the City in its role as the authority for Transport Planning in the City. Actual target achieved was 2,7 km for 2009/2010. The projected 15 km targetted to be achieved during the 2010/11 financial year is related to the revised IRT Business Plan and conforms to the principles of funding approved by Council in October 2009. The target cannot be exceeded given the funding allocated by National Government for the financial year.
4A.2 % commuters using public transport to total number of commuters in the CBD	This indicator applies to the modal split between public and private transport and shows the increase in the market shares of public transport users over time. Percentage of commuters using public transport A) Calculate the total number of passenger trips made on board the various modes of public transport into and out of the Cape Town CBD. B) Calculate the total number of passenger trips (both public and private transport) made into and out of the Cape Town CBD. C) The total number of public transport passenger trips relative to the overall number of passenger trips made into and out of the Cape Town CBD. The market share of public transport is expressed as a percentage. Formula: (A/B) * 100 = C Formula component Component name Component definition A Commuters using public transport: This component is defined as the total number of public transport passenger trips (rail- and road-based) made on a typical weekday to and from the Cape Town CBD. B Total number of commuters: This component is defined as the total number of passenger trips (both public and private transport) counted in and into and out of the Cape Town CBD. C % of commuters using public transport: The component is defined as the modal split between public and private transport. The market share of public transport is expressed as a percentage of the overall passenger trips into and out of the CBD. Note: One passenger can make more than one passenger trip. A passenger travelling from Mitchells Plain to Camps Bay will be counted as inbound on the N2 and as outbound on Somerset Road.

2010/2011 CORPORATE SCORECARD INDICATOR DEFINITIONS

Indicator	Indicator definition
4A.3 Implement and enforce appropriate legislation	New Public Transport bylaw adopted
	Definition to be developed
	Implementation plan to enforce bylaw in place
	One of the IRT's objectives is to transform the taxi industry by incorporating existing taxi operators into the IRT operating companies, thus standardising, regulating and improving the level of service to commuters. This is a process requiring extensive engagement and negotiations.
4A.4 Engage operators and form Operating Companies to run (manage) IRT	There are two Operating Companies presently called Company A and Company B with whom negotiations are under way to form the operating companies that will run (manage) Phase 1a under contract with the City. These negotiations are being undertaken within the provisions of the NLTA and subject to the approval of the City's Procurement Policy.
5A.1 Number of community parks maintained according to selected service standards	Selected service standards refers to:
	Mowing: A minimum of nine cuts per year, at the discretion of the Managers planning to accommodate seasonal requirements, to a length of less than 50 mm after mowing.
	Cleaning: Litter picking twice per week to remove paper, plastic and glass.
	The work will be signed off by the Superintendent.
	The total number of community parks is 3 133.
	Formula description: Number of community parks maintained according to selected service standards.
5A.2 Number of libraries open according to minimum planned open hours, including ad hoc unforeseen closing hours	**Planned open hours**
	The number of libraries that meet the planned minimum open hour standards
	Library open hours minimum standards per category:
	Community libraries (74 libraries): 35 hours/per week;
	Regional libraries (22 libraries): 45 hours/per week;
	City-wide libraries (2 libraries): 63 hours/per week.
	Total number of libraries = 98
	Open hours targets are met in the following instances:
	1. Library open for the full scheduled open hours (service hours) on the particular day, Monday – Saturday.
	2. Library intermittently closed for less than a scheduled working day.
	3. Closure for any period due to the migration to a new automated library management system.
	Points 2 and 3 are denied as ad hoc unforeseen closing hours.
	Open hours targets are not met when closed for one or more scheduled days.
	Formula description: The total number of libraries meeting minimum planned open hours recorded for the quarter.
5A.3 Number of fenced formal sport fields compliant with the defined level grass cover standard	The grass cover standard for each sport field is met when the visible sand patches on the field amounts to no more than one square meter. This will be determined by a visual inspection of the sport field conducted on a monthly basis, which is recorded and signed off by the relevant manager.
	Total number of sports fields = 567
	Formula description: Number of formal sport fields meeting the standard over the quarterly period reviewed
5A.4 Number of halls maintained to specified standard	Specified standards covers three areas namely, the hall section, the kitchen and the ablution facility.
	These areas are assessed and rated by the Facility Officer/ Senior/ Principal on a monthly basis and signed off.
	The assessment is done in terms of cleanliness and the extent to which repairs and maintenance work is required. An overall rating of at least 80% is needed for a facility to qualify as meeting the standard.
	Total number of halls = 198
	Formula description: Number of halls meeting the specified standard for the quarterly period reviewed out of the total number of halls maintained.

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Indicator	Indicator definition
5B.1 Number of housing opportunities per year	The indicator will measure the number of housing opportunities* created that include; A) Subsidy Housing (BNG), B) Incremental Housing, C) Land Restitution, D) Social and Rental Housing E) Gap Housing *Definition of a housing opportunity: A housing opportunity reflects access to and delivery of one of the following housing programmes with a defined product and therefore consists of: (a) Subsidy Housing (BNG), which provides a minimum 40 m² house; (b) Incremental Housing, which provides access to a serviced site with or without tenure option; (c) Land Restitution Claims, approved by Council or court decisions; (d) Social and Rental Housing (Social Institutional and Community Residential Units) , by providing new rental stock, as well as the upgrading and redevelopment of existing rental units; (e) Gap Housing, catering for people earning between R3 501 and R10 000. Formula: A + B + C + D + E = total A Subsidy Housing (BNG) Provide a minimum 40 m² house to families on the waiting list, earning between R0 and R3 500 per month, with subsidy amount as provided by the National Housing Department. B Incremental Housing • Provide only a serviced site (roads, water, sewer and electricity), or; • Provide only essential services (shared basic services) with the potential of upgrading, or; • Provide emergency housing (24 m² temporary structure). C Land Restitution Resolved land claims as determined by Council or court decisions. D Social and Rental Housing • Provide higher density social rental stock to people earning between R3 501 and R7 000, or: • Provide higher density rental stock to people on the waiting list earning between R0 and R3 500, or; • Upgrading of existing rental units, or; • Redevelopment of existing rental unit. E Gap Housing Cater for families earning between R3 501 and R10 000 per month.
5B.2 Number erven upgraded per year	The indicator will be measured by the number of households provided with shelter, municipal services or secure tenure in terms of the Upgrading of Informal Settlements Programme (UISP) and the Emergency Housing Programme (EHP). Attached the position (description) document regarding UISP and EHP. These are: National Housing Programmes that allow provision of shelter, municipal services and secure tenure. The standards applied for EHP and UISP comprise the provision of gravel or tarred roads, water and waterborne sanitation. These standards are higher than those applied for essential services, which are Council funded. The output (total) for this indicator is included in the total for indicator 5B.1. Formula: A + B = C A Upgrade of Informal Settlements (UISP): The incremental upgrading of informal settlements after the provision of municipal services working towards security of tenure (Land, EIA and Zoning requirements must be met first). B Emergency Housing Programme (EHP): Emergency provision of shelter to residents, who are victims of disasters (may be the first step of the UISP).

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Indicator	Indicator definition
6A.1 Survey score on five-point symmetric scale	This indicator measures community perception in respect of the prevailing levels of general disorder in the City. 'Anti-social behaviour and Disorder' are concepts frequently used in the law enforcement environment to describe the prevailing sense of lawlessness in a particular area and refers to minor crimes, bylaw offences, nuisances and traffic offences, which impacts directly on the quality of life of residents. The City's Community Satisfaction Survey measures public perception around a number of these issues i.e. • Visible presence of traffic enforcement • Action taken against illegal land invasions • Action taken against illegal dumping • Acting on complaints relating to noise and other disturbances • Bylaws being enforced. Formula: A Formula component Total score in respect of the section in the survey that relates to anti-social behaviour and general disorder. Questionnaires completed by residents as part of the City's Community Survey, which inter alia measures public perception around the following: • Traffic enforcement • Illegal land invasion • Illegal dumping • Noise and disturbances • General enforcement of the City's bylaws.
6A.2 % reduction in accident rate at high frequency locations	This indicator measures the increase/decrease of vehicle accidents in five identified high accident frequency locations. These locations are: • R300, Stock Road and AZ Berman Drive • N7 and Potsdam Road • Kuils River Freeway North and Stellenbosch Arterial • Stellenbosch Arterial and Belhar Drive • Prince George Drive, Wetton and Rosmead Avenue Formula: ((B-A)/A)*100 Formula component – A Component name – Accidents recorded at the five identified high risk accident locations as reflected in the road accident report of 2005. Component definition – Represents the sum of the accidents at the five locations for 2005. The Road Accident Report represents an accurate account of the occurrence of accidents. It is based on the accident data base kept by the City's Transport and Roads Department. Formula component – B Component name – Accidents recorded at the five identified high risk accident locations in the current financial year. Component definition – Represents the sum of the accidents at the five locations for the current financial year. Action schedule in respect of High Accident Frequency Locations reflects all accidents that occurred at the five identified locations. Action schedules are compiled on a daily basis. In addition, statistics are obtained from the relevant SAPS stations where all accidents have to be reported.

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Indicator	Indicator definition
6A.3 % increase in arrests in drug-related crimes	This indicator measures the increase/decrease in the arrests effected by the Metro Police in respect of drug-related crime. The indicator refers to arrests for both 'possession of drugs' and 'dealing in drugs' with the understanding that: 'Possession' in relation to drugs refers to instances where any drug was found in the immediate vicinity of a suspect. 'Dealing' in relation to drugs refers to performing any act in connection with the transhipment, importation, cultivation, collection, manufacture, supply, prescription, administration, sale, transmission or exportation of the drug. $((A+B\ 200910) - (A+B\ 200809)/(A+B\ 200809))*100$ Formula component – A Component name – Sum of the arrest reports in respect of arrests for possession of drugs Component definition – arrest reports in respect of all types of illegal drugs found in the possession of: • Person/s • Vehicles • premises (residential and business) • Arrest reports are completed on a daily basis Formula component – B Component name – Sum of arrest reports in respect of arrests for dealing in drugs Component definition – Arrest reports in respect of cases where dealing in all types of illegal drugs is suspected. It mainly relates to the execution of search warrants and the conducting of trap operations. Arrest reports are completed on a daily basis.
6A.4 % response times for fire and other emergency incidents within 14 minutes from call receipt up to arrival	This indicator measures the response times for fire and other emergency incidents within 14 minutes from call receipt up to arrival. The response time is based on the industry norm or standard by which the response times to different types of call-outs depends on the risk profile of the area in which the incident occurs. This standard is found in SANS 090; it used to be the old SABS 090 community protection against fire. The aim with this indicator is to ensure that we meet the industry norm or standard set for the specific category or type of incident. The indicator measures the efficiency of Fire and Rescue Services.
6A.5 Number of informal households relocated from flood-prone areas	This indicator is still a work in progress. A clear definition and targets will be developed.
7A.1 Number of targeted development programmes	The indicator implies facilitation of provision of developmental programmes that impact positively on the social fabric of communities. The programmes will focus on training and skills development of low income groups, sectors and communities. INDICATOR STANDARD/NORM/BENCHMARK In compliance with the Local White Government Paper, i.e. Maximising Social Development and Economic Growth a minimum of six programmes will ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities.

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Indicator	Indicator definition
7A.2 Number of days when air pollution exceeds WHO guidelines	Any day when any one of the criteria pollutants at any one of up to a maximum of 13 air quality monitoring stations in the City exceeds WHO guidelines. Layman description: The number of days where one of the identified air pollution particles is above the levels set by the World Health Organisation. Formula: A Formula component – A Component name – Any day when any one of the criteria pollutants at any one of up to a maximum of 13 air quality monitoring stations in the City exceeds WHO guidelines (days) Component definition – Pollutants measured: • SO_2, NO_2, CO, PM-10, O_3, H_2S, VOC
7A.3 Number infant deaths per 1 000 live births	Number of deaths <1 year per 1 000 live births for that year Layman description: This measures the number of deaths of children under the age of one year out of every 1 000 live children born in the same year. Formula: A/Bx1 000 Formula component – A Component name – Number of deaths <1 year (number) Component definition – This measures the number of deaths of children under the age of one year Formula component – B Component name – Number of live births for that year (number) Component definition – This measures the number of live births in the same year
7A.4 Number of TB cases per 100 000 of Cape Town Population	Total number of new TB cases per 100 000 people (used to measure the change in the number of TB cases on a year-to-year basis). Layman description: This measures the number of new TB cases among the citizens of the City. It is calculated to give the number of new TB cases for every 100 000 citizens in a given year. Formula: A/Bx100 000 Formula component – A Component name – Total number of new TB Cases (number) Component definition – This includes all cases of TB diagnosed Formula component – B Component name – Total population (number) Component definition – Based on the National Census and Projections
7A.5 The City's antenatal HIV prevalence	Prevalence in HIV-tested antenatal women (excluding known HIV positive women (used to measure the change in antenatal HIV prevalence over time). Layman description: This measures the number of newly HIV-tested pregnant women, who are HIV positive. It is calculated to give the number of HIV +ve pregnant women in every 100 pregnant women in the community. This indicator excludes the already known HIV positive women. Formula: A/Bx100 Formula component – A Component name – Number of antenatal women, who tested positive for HIV (number) Component definition – Number of newly HIV-tested women attending public health services Formula component – B Component name – Total number of antenatal women tested (number) Component definition – Total number of women attending public health services who have an HIV test

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Indicator	Indicator definition
8A.1 % 'truly loyal' employees as measured by the employee culture/climate survey	This indicator reflects the percentage of staff determined to be truly loyal to the City of Cape Town. They are 'employees who are truly motivated and will go above and beyond the call of duty to delight your customers'. – Ipsos-Markinor The unit of measure is the percentage as determined in a staff satisfaction survey. The frequency of measurement is two yearly. Formula: The formula is the proprietary copyright of the independent service provider, Ipsos-Markinor. It is based on the responses to the survey that they have undertaken.
8A.2 % improvement in time to finalise complaints	12% reduction by end-June, in time taken to close C3 notifications (measured against the baseline of % at previous end-June) The four-month rolling average of 'days to close' of C3 notifications within the preceding four-month period will be used to measure performance. Formula: (Average days to close at 30 June 2011 – Average days to close at 30 June 2010)/Average days to close at 30 June 2010 * 100 Data source is SAP BI – presently building a business objects report This indicator can be calculated monthly and displayed as a trend. (The previous indicator: Percentage of C3 notification process implemented including geo-coding and correspondence functionality.) INDICATOR STANDARD/NORM/BENCHMARK The four-month moving average of 'days to close' for C3 notifications as at 30 June 2010 will be used as the baseline for this measure. 2011/2012 Eight-month moving average 'days to close' for all notification types as at 30 June 2012/2013 12-month moving average 'days to close' for all notification types as at 30 June
8B.1 % spend of capital budget	% reflecting actual spend / planned spend – SAP Report
8B.2 View of Auditor-General	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. INDICATOR STANDARD/NORM/BENCHMARK Benchmark – 2007 Unqualified audit report for City
8B.3 View of independent rating agency	A report which reflects creditworthiness of an institution to repay long-term and short-term liabilities. INDICATOR STANDARD/NORM/BENCHMARK Benchmark – 2007 A1 + (short term) AA- (long term)
8C.1 Community satisfaction (Score 1 – 5)	To provide a statistically valid, scientifically defensible database of citizen and business perceptions 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. INDICATOR STANDARD/NORM/BENCHMARK New – only other comparative would be City of Johannesburg 60% – 70% (or 3 – 3.5 on Likert scale)

NATIONAL KEY PERFORMANCE INDICATORS 2010/2011

(a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal	Measured on the Corporate Scorecard
(b) The percentage of households earning less than R1 100 per month with access to free basic services	Measured on the Corporate Scorecard
(c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	Measured on the Corporate Scorecard
(d) The number of jobs created through a municipality's local economic development initiatives, including capital projects	System is being developed to measure this indicator. Currently being reported as estimates at Directorate level in the City
(e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Measured on the Directorate Scorecard
(f) The percentage of a municipality's budget actually spent on implementing its workplace skills plan	Indicator measured at Directorate level
g) Financial ratios	Measured on the Corporate Scorecard and at Directorate level

List of Statutory Plans Annexed to the IDP

STATUTORY PLANS	
IDP and Budget time-schedule for 2009/10	Annexure A
Spatial Development Framework for the City	Annexure B
Integrated Metropolitan Environmental Policy (IMEP)	Annexure C
State of the Environment Report	Annexure D
Informal Settlement Master Plan – Management Summary	Annexure E
Economic Development Strategy – Executive Summary	Annexure F
Part 1: Context and Framework Part 2: Implementation Plan	
Organisational Development and Transformation Plan	Annexure G
Integrated Transport Plan 2006 – 2011	Annexure H
Solid Waste Management Plan – 2010 review (Incorporated Integrated Waste Management Plan)	Annexure I
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