

City of Cape Town Draft Annual Report 2012/13





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MR ACHMAT EBRAHIM — CITY MANAGER

30 August 2013

Auditor-General of South Africa
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ATTENTION: Mr Leon Janse van Rensburg

Dear Sir

SUBMISSION OF THE 2012/13 DRAFT ANNUAL REPORT INCLUDING THE DRAFT PERFORMANCE REPORTS IN RESPECT OF THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITY

In terms of the Auditor-General requirements as stipulated in the Auditor-General engagement letter, the City is required to submit the draft 2012/13 annual report, including the draft performance reports by 30 August 2013.

In this regard a copy of the abovementioned document is hereby submitted to you as required.

Yours sincerely

Achmat Ebrahim *30-08-2013*
City Manager, City of Cape Town



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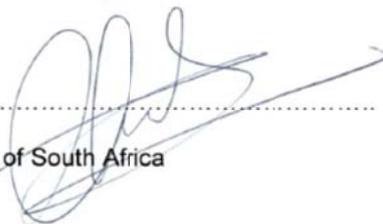
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COPY OF THE 2012/13 DRAFT ANNUAL REPORT INCLUDING THE DRAFT PERFORMANCE REPORTS IN RESPECT OF THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITY.

Print name: LEON JANSE VAN RENSBURG

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ATTENTION: Mr Leon Janse van Rensburg

City of Cape Town Annual Report 2012/13

Draft 2 for AG's Review - 29082013

The City of Cape Town's Vision and Mission

The vision and mission of the City of Cape Town is threefold:

- To be an opportunity city that creates an enabling environment for economic growth and job creation and to provide help to those who need it most
- To deliver quality services to all residents
- To serve the citizens of Cape Town as a well-governed and corruption-free administration

In striving to achieve this vision, the City's mission is to:

- contribute actively to the development of its environmental, human and social capital;
- offer high-quality services to all who live in, do business in, or visit Cape Town as tourists; and
- be known for its efficient, effective and caring government.

Spearheading this resolve is a focus on infrastructure investment and maintenance to provide a sustainable drive for economic growth and development, greater economic freedom, and increased opportunities for investment and job creation.

To achieve its vision, the City of Cape Town is building on the strategic focus areas it has identified as the cornerstones of a successful and thriving city, and which form the foundation of its five-year Integrated Development Plan. These are:

THE OPPORTUNITY CITY

Pillar 1: Ensure that Cape Town continues to grow as an opportunity city

THE SAFE CITY

Pillar 2: Make Cape Town an increasingly safe city

THE CARING CITY

Pillar 3: Make Cape Town even more of a caring city

THE INCLUSIVE CITY

Pillar 4: Ensure that Cape Town is an inclusive city

THE WELL-RUN CITY

Pillar 5: Make sure Cape Town continues to be a well-run city

These five focus areas inform all the City's plans and policies

ABOUT THIS ANNUAL REPORT

This 2013 Annual Report offers stakeholders and interested parties a comprehensive overview of the operations, activities, and performance of the City of Cape Town for the 2012/13 financial year. As such, the content of this Annual Report is aligned with the strategic focus areas and underlying objectives of the City's Five-Year Integrated Development Plan and is also informed by a number of other plans and documents produced by the various City Directorates and business areas, including:

- The Five-Year Integrated Development Plan (2013 review)

- The Integrated Human Settlements Five-Year Strategic Plan July 2012 – June 2017 (2013/14 review)
- The Integrated Transport Plan 2013
- The Traffic Accident Report 2013
- The Budget 2012/2013 – 2014/2015
- **The Annual Report 2012/2013**

Each of these publications offers comprehensive information and data covering the components of the City's five strategic pillars that are relevant to its readers or to the stakeholders of the Directorate that produced it.

While this means that each publication can be read independently of the others, to gain a comprehensive understanding of the City's planning, performance and budgeting structures, the suite of books should preferably be considered in its entirety.

Introduction

This 2012/13 annual report is the second in which the City has consciously attempted formally to align its reporting more closely with its integrated operational and strategic approach. To this end, this report attempts not only to provide information on the City's financial performance, but also to outline its achievements and challenges around all its identified material sustainability issues.

This reporting approach is in keeping with the City's commitment to adhering to the requirements and recommendations of the King III report, which sets out international best practices for the governance of private and public organisations, including a recommendation that these organisations undertake integrated reporting. However, the City acknowledges that the principles of formal integrated reporting are relatively new to the administration, and, as such, this form of reporting will continue to be refined and enhanced in future annual reports.

In order to achieve the desired level of integrated reporting, the following material sustainability issues are covered in this 2012/13 annual report:

- Efforts to mitigate carbon emissions and help address climate change
- Efficient water supply, use and management
- Efficient energy supply, use and management
- Effective waste management
- Economic sustainability through financial prudence
- Effective and transparent governance and risk management
- Achievement of environmental sustainability and biodiversity objectives
- Sustainable land use and development
- Customer communication and satisfaction measurement
- Sustainable procurement
- Infrastructure maintenance and development
- Transformation, diversity and talent management

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Service map

Latest version to be inserted at design

2012/13 highlights

To be designed as a visual/infographic

92,9% of capital budget spent – a record R5,78 billion

Operating expenditure of R23,90 billion (Operating revenue: R27.36 billion)

Cape Town Single Zoning Scheme promulgated

80,7% of building plan applications approved within statutory timeframes (Target: 80%)

3 113 329 passenger journeys undertaken on MyCiTi public transport (Target: 2 450 000)

954 external training opportunities created, including in-service training, learnerships, graduate internships and bursaries (Target: 625)

314 apprentices hired by the City (Target: 230)

84% of emergencies responded to within 14 minutes

35 556 EPWP job opportunities created (Target: 35 000)

8 055 sanitation service points provided (Target: 3 000)

99.3% compliance with drinking water standards (Target: 98%)

10th consecutive unqualified audit obtained

P-1.za and Aa2.za external credit ratings retained

MESSAGE FROM THE EXECUTIVE MAYOR

South Africa is confronted with numerous challenges. These include an increasing demand for service delivery in the face of urbanising populations, which have high levels of unemployment and poverty. The solutions we once thought would effectively delivery social change and service delivery have not always been up to the task.

Changing times must be met with ideas of change. And we must all have the courage to initiate a new era if that is what it will take to answer the big questions that have been left hanging in the air in recent times.

While the lives of the majority of the population have improved in the past 19 years, such improvement has not gone as far as it could have. This is confirmed by the findings of Census 2011. Where rural areas have collapsed and people are desperate for jobs, only the 'city' offers hope; and in our region, the City of Cape Town can play a part in making that hope real for as many people as possible.

The 2012/13 financial year marked this administration's second year in office. It saw the City accelerate its efforts in implementing the five over-arching strategic focus areas (SFAs) of the Integrated Development Plan (IDP), namely the opportunity city, the safe city, the caring city, the inclusive city and the well-run city.

These SFAs have been developed into a clear programme of action, which has seen the City deliver on a range of initiatives, all aimed at improving the lived reality of all residents of Cape Town. We worked hard to further ensure that these IDP SFAs, and their related objectives, are aligned to the strategic intent of the Western Cape Government and the National Development Plan.

While significant challenges still confront our city, primarily as a result of rapid urbanization, I am confident that we are making progress in delivering on the objectives of the IDP.

Cape Town has received its **10th** consecutive unqualified audit, has received the highest external credit rating possible for a municipality and has ensured that overall we remain in a strong financial position, in an otherwise difficult economic environment. This fiscal prudence has helped ensure that the City spent almost 93% of its capital budget in the 2012/13 financial year. The R5,78 billion spent on capital projects is the highest rate of expenditure on such projects in the country. In line with our stated committed to infrastructure-led growth, the City prioritised expenditure on repairs and maintenance, with a record R2,7 billion being allocated to this purpose. This is the reason why we continue to have excellent water, electricity and road networks, amongst others.

I am particularly proud of the fact that the City, through its focus on redress, continues to prioritise the needs of the poor and the vulnerable, with 64% of the budget having been allocated to indigent relief in the form of free basic services and rates rebates as well as via direct service delivery to the poor. To provide further relief to vulnerable citizens, the City placed great emphasis on the Expanded Public Works Programme, with more than 35 000 work opportunities having been created in the last financial year for those most in need of assistance.

Our further redress initiatives, such as the provision of basic services to backyarders, an inclusive street and public places renaming process, lane closures in Mitchells Plain, and the accelerated investment in service delivery in informal settlements are all evidence of our commitment to dealing with the inequities of the past.

We have also made significant progress in a number of areas that will fundamentally change the nature of the City in the future, especially the spatial legacy of apartheid. In this regard we have

moved closer to the realisation of our vision of an integrated public transport system for the City of Cape Town with the launch of Transport for Cape Town. This will manage all public-transport operators in the city with common standards for infrastructure, ticketing, facilities, operations and enforcement. In terms of the rollout of the Integrated Rapid Transport services, we have made steady progress in building more MyCiTi bus stops to accommodate the introduction of additional routes in and around the City, and we are well on track to extend the link for the express service to Khayelitsha and Mitchells Plain by the end of 2013.

We have continued to make the investments in critical infrastructure that are necessary for economic growth. This includes our investment into a broadband infrastructure which has been allocated R222 million for the next three years. In rolling out this network the City aims to reduce telecommunication costs and improve high-speed data communication to municipal facilities, thereby improving service delivery. The City also remains intent on utilising any spare capacity on this network to attract service providers to offer broadband services to communities that have previously been under serviced.

We have aligned our policies and programmes with the National Development Plan (NDP) as part of our broader plans to position Cape Town as the city of the future. We also adopted cutting-edge economic growth and social development strategies that are structured to complement one another and reposition the City's thinking to provide a 'whole of the organisation' approach to economic and social development.

In so doing the City is poised to introduce a range of both 'hard' and 'soft' incentives that will help attract investment and drive economic growth, development and inclusion. This, in turn, will help to ensure that we start to reduce poverty in the city.

One of the more exciting developments that took place during the last year was the launch of *Cape Town Honours Nelson Mandela 2013*, as part of the City's broader plans to honour Madiba's legacy throughout 2013. As part of this, the multimedia Nelson Mandela Legacy Exhibition that is on display in the Civic Centre until March 2014 has generated a great deal of public interest.

The City has also been working hard to leverage its tenure as World Design Capital 2014 by embarking on a range of initiatives that will harness the power of design to transform the face of Cape Town. We received thousands of proposals for World Design Projects and the selected projects will form a key part of the World Design 2014 legacy project.

As part of our stated objective of positioning Cape Town as the events capital of the continent, the City hosted a range of successful sporting and cultural events over the past financial year, including the Cape Town International Jazz Festival, the Pick n Pay/Cape Argus Cycle Tour, Cape Town Fashion Week, the Two Oceans Marathon, the Cape Town Carnival and a number of high profile, international music concerts.

All of these accomplishments are the result of the combined efforts of all City officials, many of who go the extra mile to ensure that this City meets the service delivery needs of its residents. I would like to thank the City Manager and the administration for all their efforts in this regard. Having become the best-run metro in the country, according to a number of indicators, we now set our sights on competing with other mid-sized cities internationally, especially in positioning the City of Cape Town as a metro-leader in the developing world. I am confident that, as we go into the future, we will make this great city even greater.

Alderman Patricia de Lille
Executive Mayor

STATEMENT BY THE CITY MANAGER

In order to achieve its vision for the Cape Town and all its people, the City of Cape Town operates according to a clearly defined and carefully created strategy. We have spent extensive time and resources on developing, refining and converting this strategy into action so that it can form the solid foundation on which the City can work for all the people, businesses, and communities of Cape Town.

The City of Cape Town has been lauded for its administrative and governance standards. This will not cause the City to rest on its laurels but will continue strive to achieve international benchmarks for governance excellence in order for the City to compete with other cities the world over.

Of course, to be effective, these five pillars have to be more than just a strategic framework around which the City's plans are made. They must also be the basis on which we act, spurring us to action so that our ambitious vision becomes a tangible reality for the benefit of every stakeholder and citizen of Cape Town.

One of the most important aspects of an excellent administration, is to be able to convert the strategies of Council into implementable plans and then to ensure that those plans are implemented. As an action-oriented administration, we at the City of Cape Town know that the people of this great city don't want words, they want action. They don't want plans, they want results. And they don't want promises, they want, and deserve, delivery. And, as you will clearly see from the content of this 2012/13 Annual Report, the City of Cape Town has been able to deliver on its promises and has transformed these strategies into real actions that drive actual city growth and development.

The results show that the City has been able to spend 92.9% of its capital budget during the 2012/13 financial year. This has resulted in contributing towards the provision of economic infrastructure that not only provided for economic growth and development but also contributed towards the enhancement and upliftment of the living conditions of individuals and communities, the practical creation of jobs, either directly or indirectly through promoting, encouraging and enabling investment into the city.

In order to provide excellent services to the people of the City, the administration has to be motivated, resourced and focussed. In this regard, the City has managed to make vast strides in improving access to services for all the people in the City. Roads are well maintained and uninterrupted water, waste and electricity services are provided. In the past year, we had to contend with service protests, especially in respect of sanitation services. Vast strides have been made in addressing public concerns but a lot must still be done to give all the people in the City access to quality, water-based sanitation facilities.

Importantly, having a home and being able to access services are not all people need in order to make them feel like they truly belong. Which is why it is so important that we concentrate on also making Cape Town an inclusive city. This means creating a true sense of belonging for all people, so that every person knows they have a real stake in the future of the city. We all need to know that we are valued as people, our opinions, culture and heritage matter, and our input is heard and acted upon in order to create a sense of real belonging and value for everyone.

Of course, the achievement of our objectives is not possible if there is any doubt as to the commitment, credibility, honesty and transparency of the City itself. Only by being a well-run administration can we ensure that we are delivering the services and opportunities that Cape Town's people and businesses need to create the futures they deserve.

We strive to create an environment where every person knows that their wellbeing is a top priority and they can get the help and services they need to be able to live the life they desire and deserve. Translating this vision to action requires a focus on making sure every Capetonian, regardless of their income, has the opportunity to put a roof over their head and enjoys affordable and easy access to health services, community facilities and recreation opportunities.

This is not a strategy contained in separate compartments or silos. It is one that requires an absolute commitment to collaboration, partnership and close working relationships. And I am happy to say that the past year has been characterised by such cooperation and mutual commitment from all the City's stakeholders.

If you are reading this report, you are one of these stakeholders, and I would like to take this opportunity to thank you for your interest, support and commitment to contributing to the many successes achieved by the City of Cape Town over the past financial year. As an administration, we know that we will never realise our vision for Cape Town on our own – and we are immensely grateful to every staff member, service provider, business partner, and citizen that shares our vision of a great future for all. My heartfelt thanks also goes out to all our valued regional, provincial and national partners, the Premier of the Western Cape and Executive Mayor, Patricia de Lille, whose vision, passion and selflessness are an inspiration to so many.

Achmat Ebrahim
City Manager

CHAPTER 1

Overview of the City of Cape Town

Cape Town is the oldest city in South Africa with the second-biggest population of all the country's cities. It is also the legislative capital of South Africa and the administrative and economic hub of the Western Cape. Thanks to its extensive heritage and world-renowned attractions, Cape Town is one of the most visited tourist destinations on the entire African continent – a fact that has helped the city develop into a vital economic hub and key driver of African and South African economic growth and development.

The steady and stellar growth of Cape Town's population poses many challenges to its effective management. This trend is not expected to change and, by 2030, the city's population is projected to reach approximately 4,2 million, which will most certainly add to the challenges its administration faces.

To ensure that it is able to meet and overcome these challenges, the City of Cape Town has a clear vision to create a more inclusive society by working towards greater economic freedom for all people of the city. This requires an increase in opportunities through the creation of an economically enabling environment in which investment can be optimised and jobs can be created. To achieve this vision, the City is committed to building on the five pillars it has identified as the cornerstones of a successful and thriving city. These are:

1. An opportunity city;
2. A safe city;
3. A caring city;
4. An inclusive city; and
5. A well-run city.

These five pillars serve to translate the City's electoral mandate into its organisational structures, and to focus its service delivery.

Achieving the City's vision through an integrated approach

To ensure that all residents of, and visitors to, Cape Town experience the best services, facilities and opportunities, the City takes a highly integrated approach to realising its vision. This is clearly set out, in the form of a number of focus areas, priorities and objectives, in its Five-Year Integrated Development Plan (IDP). This plan represents the City's strategic guideline that informs all planning, management, development and service delivery actions. It is structured according to the same five pillars or strategic focus areas as outlined earlier, and each of these is cascaded into measureable objectives, programmes and deliverables. This 2012/13 annual report is closely aligned with these objectives and programmes as set out in the City's 2012/13 review of its 5-year IDP. It offers an overview of the City's achievements and challenges in terms of meeting its strategic IDP objectives.

Understanding the backdrop

The State of Cape Town Report 2012 provides information on, and analysis of, the current opportunities and challenges facing Cape Town, while also highlighting issues that need to be kept track of and attended to as the City moves forward, into the future. The report covers five themes: people, the natural environment, the economy, urban growth and form, as well as urban governance. A detailed fact sheet, including salient points and information from the full 2012 State of Cape Town Report is included as Appendix H to this Annual Report.

An overview of Cape Town's demographics

According to Census 2011, the population of Cape Town constituted 3 740 026 people, made up of 1 068 572 household units. Cape Town's total population grew by almost 30% between 2001 and 2011 (see Table 1), and 46% from 1996 – 2011. The total number of households in Cape Town grew from 777 389 in 2001 to 1 068 572 in 2011, an increase of 38% over the 10 year period. Thus, the number of households grew faster than the population growth rate.

A substantial proportion of the new households are located in informal shelter, either in informal settlements or backyard dwellings. There has been a substantial increase of Cape Town households living in backyards, constituting a 244% growth from 1996 to 2011. The increase in backyard dwellings suggests a need for more low-income housing.

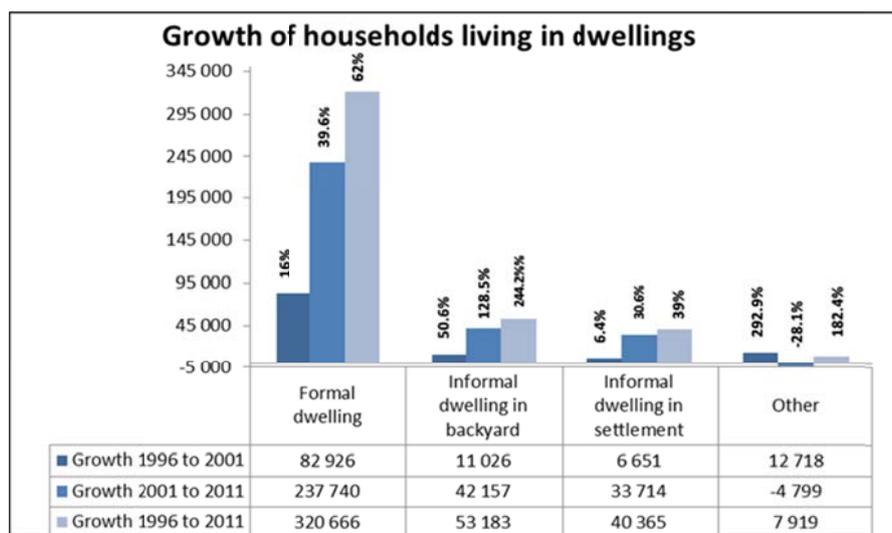


Figure A1 - Cape Town Households living in dwellings – growth (number of households), 2011
Source: SDI&GIS using Census 2011 data

Health - HIV/Aids and Tuberculosis (TB) are the key health challenges facing Cape Town residents. While, the HIV prevalence in Cape Town is stabilising, it is still at a high level. The 2010 Antenatal Survey showed an HIV prevalence of 19.1% in Cape Town. TB incidence often coincides with HIV/Aids prevalence. The TB incidence in Cape Town remained fairly stable though high - at below 900 every year between 2003 and 2009. In 2012, 27,481 TB cases were reported in Cape Town, with an incidence rate of 705 per 100 000 of the city's population.

Education - The relatively high rate of adult illiteracy is a major contributor to the still unacceptably high levels of unemployment nationally and in Cape Town. According to the Statistics South Africa General Household Survey (GHS) 2011, approximately 50% of the total population in Cape Town 20 years and older has less than 12 years of schooling. Around 7% has less than Grade 7 education and is therefore considered functionally illiterate; and a further 1.2% has never attended an educational institution.

Income poverty and food insecurity - As in the rest of South Africa, poor households and residents in Cape Town predominantly struggle with unemployment and lack of income. In 2011, indigent households in Cape Town - those who applied and met the City of Cape Town criteria - made up 21% of the total number of households in the city. According to the GHS 2011, 35.7 % of Cape Town households reported a monthly income of up to R3500 (the poverty line used by the City of Cape Town). A growing proportion of the total number of households in Cape Town (largely from the Black African, Coloured and Asian population groups) reported a dependence on social grants. This suggests that income poverty is increasing and deepening and, were it not for social grants, more households and residents would be in dire circumstances.

Crime - Cape Town's overall crime levels in 2011/2012 are around twice the national average – a Cape Town overall crime rate of 8202 against a national rate of 4225 per 100,000 people – and constitute one of the city's strategic challenges. Drug crimes and murder are amongst the most frequently occurring serious crimes in Cape Town, and have a higher incidence in Cape Town than the other major metros. The exceptionally high prevalence of violent and especially drug crimes in Cape Town constitute a major challenge that in the long term impacts on the resilience of communities.

Cape Town's main challenges and opportunities

The following brief summary of the City's main challenges and opportunities, while by no means exhaustive, offers a high level view of the context within which the City of Cape Town's efforts to achieve its vision occur. A more detailed explanation of these challenges and opportunities is offered in each annual review of the City's IDP.

- **Global conditions** - Where there is investment in the developing world, it tends to be directed to developing economies that have built competitive advantages, either through economies of scale in particular industries or through conditions deliberately fostered to aid business rather than restrict it. Developing-world investors look for similarly favourable investment climates, and are motivated by the logic of financial success rather than social imperatives.
- **National economic conditions** – While the City is responsible for economic development in the region, it does not have control over many key levers that affect the economy. It also has no authority over national division of revenue, labour legislation, state-owned enterprises (SOEs) such as key access points within Cape Town.
- **Demographic and social challenges** – Cape Town's population is projected to grow to 4,2 million by 2030. This growth exacerbates the range of challenges it faces, along with the rest of South Africa, not least of which are unemployment, poverty, crime, drug use, HIV/Aids and tuberculosis.
- **Preserving natural wealth** - The environmental challenges that the City of Cape Town faces include the need for climate change adaptation and mitigation, conservation of unique biodiversity, natural landscapes, and ecosystem goods and services, and the need to deal with increasing resource scarcity. Cape Town is vulnerable both to the environmental effects of climate change (like rising sea levels and changes in rainfall patterns) and the impacts of resource depletion (such as water scarcity and the depletion of oil reserves). One of the many social challenges associated with climate change and resource depletion is the potential rise in fuel, energy, water and food prices that may threaten social and economic stability and advancement. Cape Town is home to no fewer than six endemic vegetation types, which means that these types can only be conserved within the boundaries of Cape Town as they occur nowhere else in the world. Currently, approximately 40% of the City's biodiversity network is under formal conservation management. Water quality in the city is another key environmental and social issue, especially in relation to maintaining the quality of the city's coastal waters, rivers, and vleis.
- **Waste generation** - Increased recycling by the city's population, along with improvements in solid waste disposal, has the potential to decrease the demand for landfill usage. However, only a small percentage of Cape Town residents currently recycle their waste, and there is enormous scope for improving recycling practices.
- **Urban growth and form** - In terms of population, Cape Town is significantly smaller than most of the world's major cities. However, it faces similar developmental challenges and will require a major focus on physical and economic infrastructure as well as human capital development. The poorest households live on the outskirts of the city, putting them furthest away from potential employment opportunities and making them least able to afford the costs of urban sprawl. Most often, poorer residents have to commute longer distances and times, using public transport modes that are currently not optimally integrated. Recently, the city has been developing at an average rate of 1 232 hectares per year.

Cape Town’s geography with its long coastline and mountains, the airport location and other hazardous, noise-generating activities limit the amount of land available for development, and make it essential that any such development is effective and efficient. That said, the average population density for the city is low, at 39 persons per hectare. One of the city’s challenges is to transform its spatial and social legacy into a more integrated and compact city, with mixed-use zoning areas that bring residents closer to work and offer opportunities to break down the social barriers.

As part of its commitment to evidence-based planning, the City has begun tracking over seventy business areas across Cape Town and systematically assessing the current performance and long-term growth potential of each area. This groundbreaking research initiative – a first for South Africa – harnesses a broad range of City and open source data to identify local barriers to investment and opportunities for growth. Not only will this credible and up-to-date information help guide the spatial targeting of City interventions, but will also be shared with the business community via a web-based information platform to be launched next year.

Cape Town Spatial Development Framework - A plan for the future

Spatial planning is about anticipating long-term change (and the pressures and opportunities that emerge from it) and articulating a logical and flexible development path for a more sustainable and equitable future. The Cape Town Spatial Development Framework and associated District Plans achieve that by establishing guidelines about how and where Cape Town should grow in the future. These spatial plans guide new investment, give effect to the principles and priorities of the city’s development strategies, and identify priority areas for strategic intervention.

Approved by Council in terms of section 34 of the Municipal Systems Act (No 32 of 2000) and by the MEC for Local Government and Environmental Affairs in terms of section 4(6) of the Land Use Planning Ordinance (No 15 of 1985), the Cape Town Spatial Development Framework (CTSDF) (together with the Provincial Spatial Development Framework) is the spatial planning document with the highest legal status applicable to the municipal area of Cape Town. It focuses on a number of key areas of the city’s development, particularly managing growth and land use changes in the city, and ensuring that urban growth happens in a sustainable, integrated and equitable manner. As such, the CTSDf:

- Aligns the city’s spatial development goals, strategies and policies with those of the national and provincial spheres of government;
- Indicates the areas best suited to urban development, the areas that should be protected, and the areas where development may occur if it is sensitively managed;
- Indicates the desired phasing of urban development;
- Guides changes in land-use rights;
- Helps spatially guide, coordinate, prioritise and align public investment infrastructure and social facilities in the City’s 5 year Integrated Development Plan.

The CTSDf is fundamental to the City’s achievement of its sustainability objectives and is underpinned by a clearly defined set of strategies and substrategies as outlined in the table below:

CTSDf strategy	Substrategies
Plan for employment, and improve access to economic opportunities	<ul style="list-style-type: none"> • Promote inclusive, shared economic growth and development • Address spatial economic imbalances • Establish an integrated, citywide public transport system that supports the accessibility grid • Integrate land use, economic and transport planning • Support the rationalisation, upgrade and/or development

	of economic gateways, and appropriately manage land use around them
Manage sustainable urban growth, and create a balance between urban development and environmental protection	<ul style="list-style-type: none"> • Facilitate urban development • Support incremental development processes • Encourage a more compact form of urban development • Appropriately protect the citizens of Cape Town from hazardous areas/activities • Appropriately manage urban development impacts on natural resources, critical biodiversity areas and natural corridors • Make efficient use of non-renewable resources • Protect and enhance the city's rural environment
Build an inclusive, integrated, vibrant city	<ul style="list-style-type: none"> • Transform the apartheid city • Proactively support publicly led land reform and new housing delivery • Encourage integrated settlement patterns • Enhance the unique sense of space and the quality of the built form of Cape Town • Enhance the value of heritage resources and scenic routes • Promote accessible, citywide destination places

Table A1: Cape Town Spatial Development Framework strategies and substrategies

In 2012 the South African Planning Institute awarded their National Planning Award in the Municipal category to the Cape Town Spatial Development Framework in recognition of its high quality, innovation and progressive nature. Details of the CTSDF can be found at www.capetown.gov.za/en/SDF.

In 2012/13 the City approved eight integrated district spatial development plans, including environmental management frameworks, a first for South Africa. These environmental management frameworks were also concurrently approved by the national Department of Environmental Affairs and the provincial Department of Environmental Affairs & Development Planning. This will make a significant contribution towards guiding the necessity and level of environmental impact assessment procedures required.

A Strategy for Economic Growth

Local government is mandated by the Constitution of the Republic of South Africa to promote social and economic development. The City of Cape Town's vision aligns closely with this mandate as do all its strategic focus areas – particularly building an opportunity city. On 22 May 2013, after an extensive public participation process, the Council approved the City's Economic Growth Strategy (EGS), which has as its primary objective growing the economy of Cape Town and creating jobs.

The EGS aligns with the City's Social Development Strategy and represents the response of the City to the most fundamental challenges of unemployment, poverty and sustainable economic in the coming years. The EGS marks a departure from previous approaches to economic development in that it involves a "whole organisation" approach rather than delegating responsibility to a single department or directorate. As a result, it positions Cape Town within broader global, national and regional economic trends and outlines how the City should respond to economic challenges and opportunities.

Work is now underway to develop a comprehensive implementation and monitoring plan for the EGS.

CHAPTER 2

Governance, Compliance and Risk Management

MANAGEMENT AND GOVERNANCE FRAMEWORKS

This section provides an overview of the framework of the institutional management and governance structures through which the City implements its strategies using the appropriate resources.

The governance structure

The model below depicts the political governance arrangements following the local government elections held on 18 May 2011. They were established in terms of the relevant sections of the Municipal Systems Act (MSA).

CK has queried this diagram. To be investigated.



Figure 5.1: City of Cape Town's governance structure

Council

Following the local government elections, a new 221-member Council was elected. Voters in each of Cape Town's 111 electoral wards directly elected one member of Council by a simple majority of votes. The other 110 councillors were nominated to Council by a system of proportional representation (party list) from the 'lists' of the respective parties. At the inaugural meeting, Council elected its Executive Mayor, Executive Deputy Mayor and Speaker. Council also appointed its Chief Whip, whose primary purpose is to ensure party discipline.

Mayoral Committee

The Mayoral Committee (Mayco) is appointed by the Executive Mayor. Mayco exercises the powers, functions and duties delegated by the Executive Mayor and designated to it by Council. These powers, functions and duties are performed and exercised by the Executive Mayor, Alderman Patricia de Lille, together with her Mayco members, who are as follows:

- Ald I Neilson, Executive Deputy Mayor, and Finance
- Cllr S Sims, Utility Services
- Ald B Walker, Community Services
- Cllr G Bloor, Economic, Environmental and Spatial Planning
- Cllr G Pascoe, Tourism, Events and Marketing
- Cllr S Little, Social Development and Early Childhood Development

- Cllr T Gqada, Human Settlements
- Cllr E Sonnenberg, Utility Services
- Ald JP Smith Safety and Security
- Cllr B Herron, Transport, Roads and Stormwater
- Ald D Qually, Corporate Services
- Cllr L Gazi-James, Health

Clusters and committees

Section 79 portfolio committees

The terms of reference of all section 79 portfolio committees include the formulation of policy and the monitoring of its implementation within their specific functional areas. Portfolio committees are chaired by councillors, who are appointed by full Council. Council established 11 section 79 portfolio committees arranged in the following clusters that function within the City's management clusters, namely the Economics Cluster and Social Cluster:

Economic growth, development and infrastructure cluster

- Transport, Roads and Stormwater
- Utility Services
- Economic, Environmental and Spatial Planning
- Tourism, Events and Marketing

Community cluster

- Human Settlements
- Health
- Social Development and Early Childhood Development
- Community Services
- Safety and Security

Corporate cluster

- Finance
- Corporate

The portfolio committee chairpersons are as follows:

- Cllr R Moses, Tourism, Events and Marketing
- Cllr T Thompson, Transport, Roads and Stormwater
- Cllr D America, Corporate Services
- Cllr J Slabbert, Human Settlements
- Cllr C Brynard, Safety and Security
- Cllr S August, Utility Services
- Cllr A van der Rheede, Community Services
- Cllr C Clayton, Health
- Cllr J van der Merwe, Finance
- Cllr X Limberg, Economic, Environmental and Spatial Planning
- Cllr R Arendse, Social Development and Early Childhood Development

Other section 79 committees

Spatial Planning, Environment and Land Use Management Committee – Chairperson Cllr C Kannenberg

The terms of reference of this committee relate to spatial planning, town planning, the environment and other related matters.

Municipal Public Accounts Committee (MPAC) – Chairperson Cllr S Mxolose

This is the mechanism through which Council exercises oversight over the expenditure of public money. As far as financial management is concerned, MPAC enables Council to fulfil its constitutional obligation to scrutinise and oversee the executive action. It does this by holding the accounting officer and councillors accountable for their spending of ratepayers' money and their stewardship of public assets to ensure regular, economical, efficient and effective local government spending.

MPAC 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. It also investigates and advises Council in respect of unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32(2) of the Act.

Rules Committee – Chairperson Ald D Smit (Speaker)

The Rules Committee is concerned with the rules of procedure of Council and its committees.

Homeless Agency Committee – Chairperson Cllr T Uys

The Homeless Agency Committee is the political oversight body that ensures that issues dealing with homeless 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.

Energy and Climate Change Committee – Chairperson Cllr Kempthorne

The Energy and Climate Change Committee is tasked with the integration and delivery of all energy matters in the City.

Section 80 committee

Naming Committee – Chairperson Cllr B Herron

This committee considers and makes recommendations to Council on matters pertaining to the naming of streets, buildings, etc.

Municipal Systems Act section 62

Planning and General Appeals Committee – Chairperson Ald D Smit (Speaker)

This committee considers appeals against decisions taken in terms of delegated or sub-delegated authority by political structures, political office-bearers or councillors.

Schedule 1 committee

Disciplinary Committee – Chairperson Ald A Serritslev (Chief Whip)

This committee is tasked with investigating any alleged breach of the code of conduct for councillors, and making appropriate recommendations to Council. It also investigates non-attendance of meetings, and imposes fines as determined by the rules of order of Council.

Municipal Finance Management Act section 166

Audit Committee

Every municipality is obliged to establish an independent audit committee in terms of section 166 of the MFMA, as amended.

The Audit Committee advises the municipal council, political office bearers, accounting officer and management staff on matters relating to:

- systems of internal control (including internal financial control) and audit reports;
- internal audit;
- risk management;
- information technology;
- forensic investigations;
- accounting policies;
- adequacy, reliability and accuracy of financial reporting and information;
- performance management;
- governance;
- compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation;
- performance evaluation; and
- any other issues referred to it by the municipality.

The committee is further required to review the annual financial statements (and the Auditor General's audit report) in order to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with applicable legislation. Such review also enables the committee to respond to Council on any issues raised by the Auditor General in the audit report.

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, Mayco and Council for their approval or final decision.

The membership, resources, responsibilities and authorities (composition, functions and operation) required by the Audit Committee to perform its role effectively are stipulated in the Audit Committee terms of reference, which is approved by Council. The committee is constituted in terms of the requirements of sound corporate governance practices, and operates within that framework.

South African Police Service Act (Act 68 of 1995)

Civilian Oversight Committee

In terms of section 64J of the South African Police Service Act of 1995, Council has appointed the Civilian Oversight Committee to ensure civilian oversight of the municipal police service.

Speaker

Office of the Speaker

The Office of the Speaker's responsibilities include coordination of all processes flowing from subcouncil delegations, disciplinary investigations in terms of the code of conduct for 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 Speaker also has an oversight function in respect of Council, its committees, subcouncils and ward committees.

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. It may make recommendations to the metro council on any matter affecting its area of responsibility. A metropolitan subcouncil may advise the

metro council on the duties and powers that should be delegated to it. Subcouncils' terms of reference 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

Subcouncils and chairpersons

- Subcouncil 1 Cllr H Brenner
- Subcouncil 2 Cllr G Twigg
- Subcouncil 3 Ald J Vos
- Subcouncil 4 Ald C Justus
- Subcouncil 5 Cllr R Rau
- Subcouncil 6 Cllr W Jaftha
- Subcouncil 7 Cllr G Fourie
- Subcouncil 8 Cllr S Pringle
- Subcouncil 9 Cllr J Thuynsma
- Subcouncil 10 Cllr P Mngxunyeni
- Subcouncil 11 Cllr S Little
- Subcouncil 12 Cllr E Andrews
- Subcouncil 13 Cllr R Bazier
- Subcouncil 14 Cllr N Landingwe
- Subcouncil 15 Ald B Watkyns
- Subcouncil 16 Cllr T Amira
- Subcouncil 17 Cllr G March
- Subcouncil 18 Cllr M Oliver
- Subcouncil 19 Ald F Purchase
- Subcouncil 20 Cllr I Iversen
- Subcouncil 21 Cllr S Vuba
- Subcouncil 22 Cllr J Heuvel
- Subcouncil 23 Cllr N Bent
- Subcouncil 24 Cllr X Sotashe

Executive Management Team (EMT)

The EMT leads the City's drive to achieve its strategic objectives, as outlined in the Integrated Development Plan each year.

Macro-organisational design: City Manager and executive directors

On 28 September 2011, Council aligned the City of Cape Town senior administrative structure with the newly elected political structure. The structure is set out below:





Figure 5.2: City of Cape Town's Executive Management Team structure

Executive Management Team

Achmat Ebrahim	City Manager
Mike Marsden	Deputy City Manager
Adv. Tshidi Mayimele-Hashatse	Executive Director (ED): Corporate Services
Seth Maqethuka	ED: Human Settlements
Richard Bosman	ED: Safety and Security
Dr. Zandile Mahlangu-Mathibela	ED: City Health
Kevin Jacoby	ED: Finance
Gisela Kaiser	ED: Utility Services
Lokiwe Mtwazi	ED: Community Services
Melissa Whitehead	Commissioner: Transport for Cape Town
Anton Groenewald	ED: Tourism, Events and Marketing
Dr Ivan Bromfield	ED: Social Development and Early Childhood Development
Japie Hugo	ED: Economic, Environmental and Spatial Planning
Gerhard Ras	ED: Compliance and Auxiliary Services

Good governance as a sustainable foundation

Truly effective governance goes beyond legislative compliance. It embraces local and international best practice, and strives to strengthen the professional standards and ethics within the organisation. The City is one of the first municipal entities to have taken several important measures to ensure such governance, including:

- the formation of the Municipal Public Account Committee (MPAC);
- the institution of an anti-corruption hotline;
- the formal adoption of the King Code of Governance Principles for South Africa, 2009 ('King III'); and
- the development of a combined assurance framework.

The King recommendations are considered to be one of the best codes of governance worldwide, and King III has broadened the scope of governance into one where the core philosophy revolves around leadership, sustainability and ethical corporate citizenship.

COMPLIANCE AND AUXILIARY SERVICES (CAS)

Internal Audit

Internal Audit is an independent department reporting administratively to the Executive Director: Compliance and Auxiliary Services and functionally to the City's independent Audit Committee as delegated by Council. The department is a significant contributor to governance within the organisation, thus promoting the City's commitment to being 'a well-run city'. Its function is a

requirement of the Municipal Finance Management Act (Act 56 of 2003) and is largely directed by the international standards for the professional practise of internal auditing of the Institute of Internal Auditors (IIA).

Internal Audit is mandated, through its charter, to provide independent, objective assurance and consulting/advisory services, geared towards adding value and improving the City's operations. It helps the organisation to accomplish its objectives through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal Audit's plans, which are aligned with the City's strategy and most pertinent risks, are supported by senior management and approved by the independent Audit Committee. Internal Audit communicates audit results to the various levels of management, including executive directors and the City Manager, as well as to other assurance providers and the Audit Committee.

Key outcomes and achievements by Internal Audit during the period under review included:

- **Execution of the annual internal audit plan** – In terms of the MFMA and IIA standards, the department developed and executed its risk-based internal audit plans. Internal Audit reconsiders its audit plans on a quarterly basis to ensure that audit projects undertaken are aligned with the most pertinent risks. Internal Audit completed 93% of planned audit projects.
- **Annual assessment of the City's internal controls** - Internal Audit provided assurance regarding the adequacy and effectiveness of controls in business processes, as well as in specialised areas such as information technology, governance, performance, sustainability, compliance and risk management.
- **Quality assurance improvement programme** – The department maintained its quality assurance and improvement programme to ensure the quality of audit products and services. The programme is designed to enable an evaluation of the Department's conformance with the IIA's international standards and code of ethics, as well as Internal Audit's approved charter and methodology. The internal annual quality review indicated that the department generally conforms to the IIA's Definition of Internal Auditing, International Standards for the Professional Practice of Internal Auditing and Code of Ethics. The review further indicated that the department effectively carries out its roles and responsibilities as set out in its charter. An external quality review will be performed during the 2013/14 financial year, in line with the requirements of the IIA.
- **Contributions to corporate governance** – The department contributed to strengthening other governance mechanisms within the City by providing technical support to the Municipal Public Accounts Committee (MPAC) and providing quality reports, which the Audit Committee used to exercise its oversight responsibility effectively in terms of its charter.

Key initiatives and projects

During the year under review, the Internal Audit team implemented various audit techniques to enhance the value added to the organisation. These included:

- **Client Account Management** - The use of Internal Audit Client Account Managers is intended to build and maintain relationships between the Department and its clients, with specific focus on client expectations, support, satisfaction and perceptions. Internal Audit developed terms of reference for its Client Account Managers, which include key roles and responsibilities, as well as the type, level and frequency of interaction required to build and maintain client relations. The Internal Audit Client Account Manager process was

implemented, with one-on-one sessions held with individual Executive Directors, as well as sessions with their senior management teams.

- **Control Self-Assessment** – Control Self-Assessment (CSA) is a process whereby an organisation's management and staff evaluate their own risks and controls. It can be applied to projects, processes, business units and functions, or basically any area of an organisation. Assessments are facilitated by Internal Audit through a series of meetings, questionnaires and/or workshops. Internal Audit continued to roll out CSA projects to empower line management to participate in a structured manner in identifying risk exposures of selected activities, assessing the control processes that mitigate or manage those risks, as well as identifying and developing action plans to reduce risks to acceptable levels.
- **Continuous Auditing** - Continuous Auditing (CA) is defined as the collection of audit evidence and indicators, by an auditor, on IT systems, processes, transactions and controls on a frequent or continuous basis, throughout a period. Organisations that deploy CA can leverage technology to more efficiently analyse risk data on a frequent basis. This approach helps the detection of anomalies, outliers, inconsistencies and other factors to more efficiently focus audit resources.

The ERP-SAP system is widely used in the City of Cape Town with many automated controls in place. Internal Audit envisages continuous audit as an ideal audit methodology to review/monitor such controls within SAP on a continuous basis.

In addition to control monitoring, data analysis reviews can also be scheduled through the CA tools. These reviews allow a regular examination of processed data in order to identify data anomalies that may point to manual based control breakdowns.

In 2012/2013 this initiative has been rolled out in numerous SAP processes, including Human Resources Leave, Procure to Pay, Manual Journals, Inventory, Revenue Master Data and Basis. Implementation has yielded promising initial benefits, such as improved turnaround time of audits, 100% sampling of records and improved control environment for areas under review.

- **Consulting (Advisory) Services** - Internal Audit developed a consulting services framework, strategy and methodology, aimed at increasing the range of value-added services it provides to its stakeholders, while maintaining its independence in relation to assurance services. Consulting Services comprise a wide range of activities based on management's needs. These services can be tailored to resolve specific issues that senior management has identified as requiring attention, and can be advisory, educational, and/or facilitative in nature.

Risk Management

The Integrated Risk Management (IRM) Department has adopted as its primary focus an approach to ensure the consistent alignment and management of key risks related to the City's core strategic objectives. IRM strives to provide reasonable assurance that the key risks and contributing factors to these key risks are mapped to current controls as well as actions to be taken to mitigate risks in a cost beneficial manner.

The City had 103 risk registers in the 2012/13 financial year, including the Corporate Risk Register. This Corporate Risk Register is submitted to RiskCo, the Audit Committee and Strat Mayco for oversight purposes. Due to the rapidly changing environment in which the City operates, initiatives are continually researched and implemented to further embed risk management in the City's

processes. These include improving training, enhancing performance measurements, and monitoring compliance with the IRM policy and framework. IRM further continues to endeavour to assist in enhancing service delivery through the optimal utilisation of scarce resources.

All targets set for the IRM Department have been achieved in the year under review, and ongoing re-engineering of the department, as well as continuous research, is undertaken to ensure that it is aligned with best practice.

Forensic Services

The City's Forensic Department is charged with:

- providing a reactive forensic service in respect of issues relating to significant fraud, corruption, maladministration and negligence on the part of any City employee (this does not include managers directly accountable to the City Manager), or agent, contractor, supplier or service provider to the City Of Cape Town; and
- Driving, developing and/or ensuring the implementation of proactive anti-fraud/corruption policies and prevention measures on a City-wide basis. The department is also required to monitor and review these policies or prevention measures, and to develop and implement and/or ensure the implementation of appropriate awareness, information and/or education programmes on a City-wide basis in relation to any of the above.

During the year under review, the Forensic Services Department implemented additional proactive awareness initiatives by reporting statistical information relating to forensic investigations to internal governance structures such as the Executive Mayor, Audit Committee, Risk Committee (when requested), Executive Management Team (EMT) and the EMT Governance Sub Committee.

PUBLIC PARTICIPATION

As part of its commitment to building a well-run city, the City of Cape Town proactively seeks feedback and input from the citizens of Cape Town. The City uses an array of communication channels, from newspapers to radio, public meetings, the web and social media, to disseminate information about its vision, services, IDP and other plans to residents of Cape Town. Feedback is invited, encouraged and facilitated and residents are given every possible opportunity to suggest the actions they feel will be most effective in making Cape Town a well-run, safe, caring, inclusive and opportunity city.

To ensure its effectiveness, this ongoing public participation process is highly structured. However, it underlines Council's belief that a modern, fast-moving city, competing nationally and internationally, must have a heart. The people of Cape Town are that heart, and they reveal it when they interact with the City – whether to participate, advocate, criticise, celebrate or communicate.

While government can create an enabling and well-functioning environment, it is ultimately up to people, including investors, innovators, skilled craftsmen, labourers, caregivers, law enforcers and teachers, to provide the products, services and skills for the economy to grow and provide jobs.

This is why the City of Cape Town does not plan *for* people; it plans *with* them. And this collaborative approach to ensuring a better future for all is epitomised in its commitment to constantly engaging with all the people of the city.

Public engagement on planning

The IDP public engagement process occurs at a subcouncil level, and there are 24 subcouncils comprising 111 wards across the city. The public participation process comprises mayoral

meetings, subcouncil meetings, meetings with strategic partners, as well as meetings with City internal staff. Members of the public are engaged in public places such as shopping malls, clinics, libraries, schools and cash offices and are invited to attend all public meetings. City resources such as the *CityNews* publication, and the City database are also used to reach residents and invite them to provide input.

Community Satisfaction Survey

A primary vehicle used for gathering this feedback is the annual Community Satisfaction Survey. The information that the survey provides is invaluable as it assists the City to identify the needs of Cape Town’s people, communities and businesses and then put in place the necessary plans to work towards meeting those needs.

The sixth annual perception survey (2012/13) was conducted by a contracted independent service provider and used statistically valid and reliable samples to ensure a representative sample of residents and businesses across the City. The survey took place in October and November 2012 and comprised 3 000 face-to-face interviews with residents of Cape Town and 701 telephonic interviews with businesses in the city. It also included six focus groups with residents and small businesses to probe and investigate issues in more depth.

The results for 2012/13 confirmed the positive and upward performance trends and perceptions that have been evident in recent years. Overall, residents’ perception scores of the performance of the City of Cape Town have increased significantly over the six years since the survey was first implemented in 2008, with residents generally saying that services have improved across many of the City’s service delivery areas.

The average rating for the overall performance of the City by residents has increased from 2.6 (out of a possible 5) in 2008/9 to 2.9 in 2012/13.

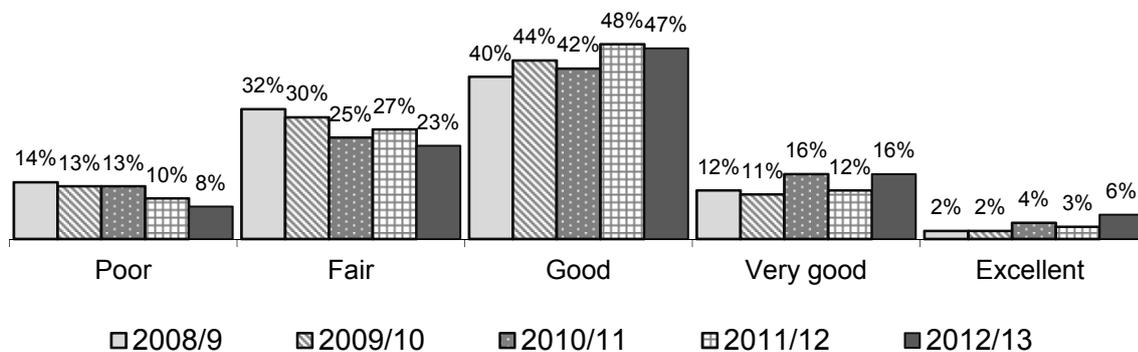
The business perception survey results for the 2012/13 financial year indicate that the City of Cape Town continues to improve service delivery to Cape Town’s business community. The average rating for the overall performance of the City by business has increased from 3.0 in 2008/9 to 3.4 in 2012/13.

Summary of Community Satisfaction Survey results

Residents Survey

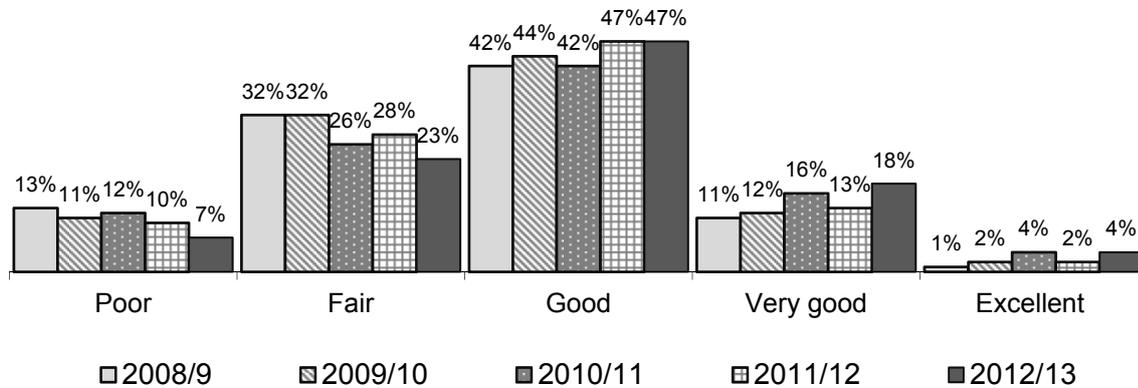
Overall perceptions of City performance (2012/13)

69% of residents said that, overall, the City of Cape Town’s performance was good, very good or excellent. This is up from 63% in 2011/12, 62% in 2010/11, 57% in 2009/10 and 54% in 2008/9).



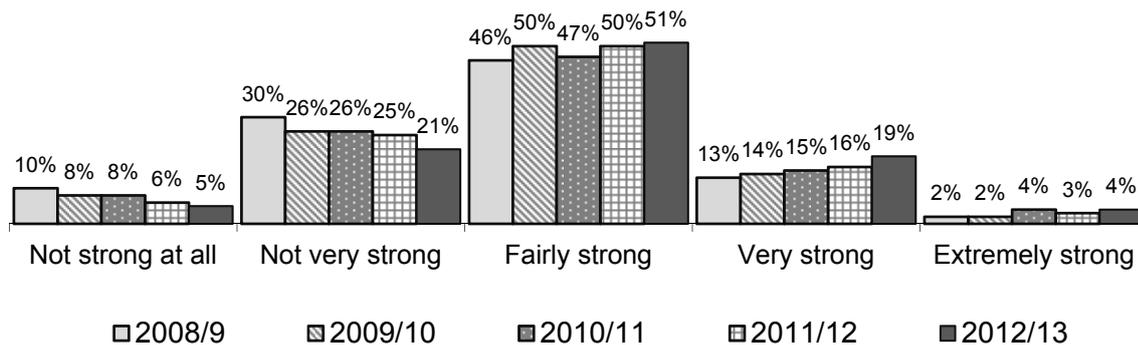
The City as a service provider

69% of residents rate the City of Cape Town as good, very good or excellent in fulfilling its role as a public service provider. This is up from 62% in 2011/12 and 2010/11, 58% in 2009/10 and 54% in 2008/9.



Trust in the City

74% of residents rate their level of trust in the City of Cape Town as fairly strong, very strong or extremely strong. This is up from 69% in 2011/12, 66% in 2010/11, 2009/10 and 61% in 2008/9.



Areas of strength that have emerged from the 2012/13 residents' survey is:

- The provision of essential services - particularly refuse collection, water provision and sewerage and sanitation - remain an area of relative strength for the City, both for residents and businesses.
- Library services continue to be one of the highest rated services by residents, however, there was a small decline satisfaction ratings from the previous year.
- The score for visible presence of traffic enforcement on roads has improved year-on-year.
- Environment and conservation scores continue to show significant improvement since 2008/9. Overall, nature reserve scores have shown a good improvement, as have scores on issues relating to preserving Cape Town's heritage sites and heritage resources and providing facilities for recycling waste material.
- Overall, fire and emergency services scores have improved significantly since 2008/9, and this trend continued in the past year. Responses show that good provision of fire and emergency services is very important to residents.
- The overall health score by residents has continued to improve since 2008/9, with all the attributes increasing significantly in the last year.

- Public transport scores have shown significant improvement by residents since 2008/9. Satisfaction scores around the provision of safe, affordable, reliable and punctual public transport increased significantly in the 2012/13 survey.

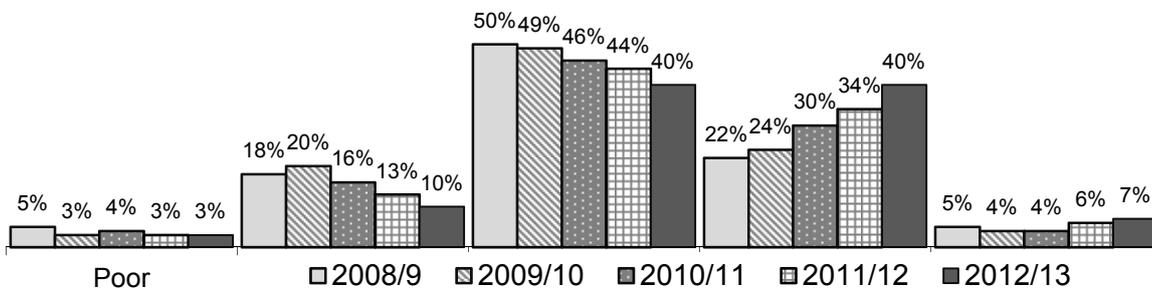
Areas still needing improvement:

Overall, the main priorities for residents of Cape Town remain that the City needs to focus on job creation, crime prevention fighting corruption and housing.

Business Survey

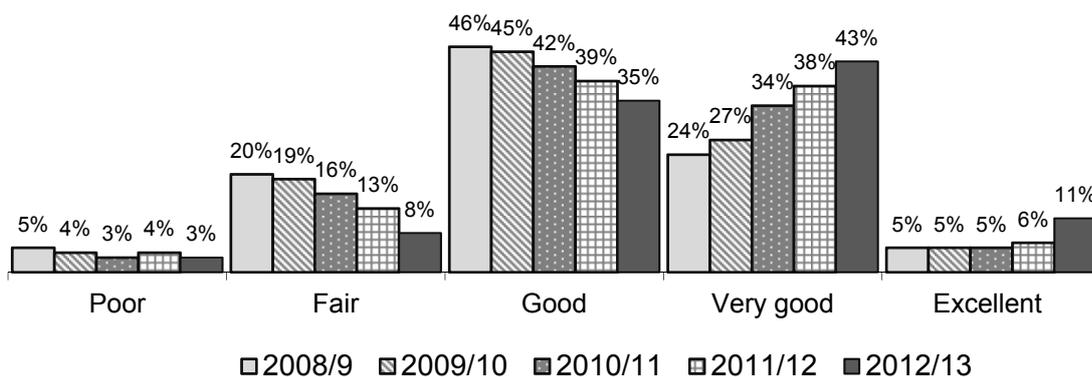
Overall perceptions of City performance (2012/13)

87% of businesses said that, overall, the City of Cape Town's performance has been good, very good or excellent. This is an increase from 84% in 2011/12, 80% in 2010/11, and 77% in both 2009/10 and 2008/9).



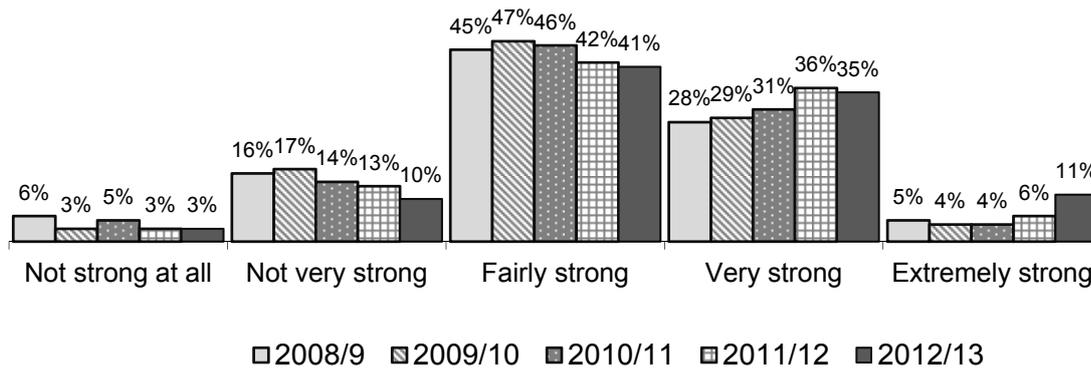
The City as a service provider

89% of businesses rate the performance of the City of Cape Town in fulfilling its role as a provider of municipal services as good, very good or excellent. This is up from 83% in 2011/12, 81% in 2010/11, 77% in 2009/10 and 75% in 2008/9).



Trust in the City

87% of businesses rated their level of trust in the City of Cape Town as fairly strong, very strong or extremely strong. This is up from 84% in 2011/12, 81% in 2010/11, 80% in 2009/10 and 78% in 2008/9).



Areas of strength identified in the 2012/3 business survey:

- The City is perceived by businesses in Cape Town as doing particularly well when it comes to providing essential services such as water, refuse collection, sanitation, roads and lighting. Scores on this measure generally remained the same as those of the 2011/12 survey and have increased significantly since 2008/9.
- Ensuring that the roads around businesses are regularly maintained, and that potholes are fixed, remains a business priority. Scores have improved since 2008/9.
- Emergency and fire and rescue services were added to the business survey for the first time in 2012/13 and received the highest satisfaction scores in the entire survey.
- The City continues to be rated well by businesses with regard to billings and payments and regular refuse removal.
- Law enforcement has improved since 2008/9, and there has also been a significant improvement in perceptions regarding the safety of the environment in which businesses operate, as well as measures to address corruption in the City.
- Perceptions of visible policing have improved since 2011/12, as has control of illegal street trading.
- Since 2008/0, there has been a significant improvement in most of the scores by businesses in terms their interaction with the City.

Areas still needing improvement:

Safety and security remains a top-of-mind concern for businesses in Cape Town. Other concerns relate to affordable electricity and water tariffs.

The 2012/13 survey results are encouraging as both residents and businesses in Cape Town rate the City's services and performance of the City highly and satisfaction levels are constantly improving.

The City will use these survey results to inform and refine the planning and implementation of municipal services across the metro in line with the objectives and programmes of the IDP. The City will also use the survey results to ensure constant enhancement of service delivery standards.

CHAPTER 3
2012/13 Performance Review

STRATEGIC FOCUS AREA 1

The Opportunity City

A key mission of the City of Cape Town is to create an environment in which investment can grow and jobs can be created. This involves a multi-pronged strategy that includes attracting investment, encouraging enterprise development, raising the city's appeal as a creative and educational centre, maximising the value of its geographic location, and investing significantly into infrastructure, utilities and services.

The City has also recently concluded its Economic Growth Strategy, which will help departments prioritise economic choices for the medium- to long term. This will help the City use the services it delivers as a key driver of economic growth while leveraging existing competitive advantages and maximising Cape Town's growth potential, thereby facilitating economic growth and job-creation.

SFA 1 Key objectives and programmes

In order to position the City of Cape Town as an opportunity city, six key objectives – each with its own underpinning programmes – were identified in the 2011/12 review of the City's IDP:

Objective	Programme
1.1: Create an enabling environment to attract investment that generates economic growth and job creation	1.1(a): Western Cape Economic Development Partnership (EDP) programme
	1.1(b): Events programme
	1.1(c): Identification and promotion of catalytic sectors, such as oil and gas
	1.1(d): Small-business centre programme (Activa)
	1.1(e): Planning and regulation programme
	1.1(f): Development of a 'green' economy
	1.1(g): City Development Strategy implementation
1.2: Provide and maintain economic and social infrastructure to ensure infrastructure-led growth and development	1.2(a): Fibre-optic network programme
	1.2(b): Maintenance of infrastructure
	1.2(c): Investment in infrastructure
	1.2(d): Expanded Public Works Programme (EPWP)
1.3: Promote a sustainable environment through the efficient utilisation of resources	1.3(a): Sustainable utilisation of scarce resources, such as water and energy
	1.3(b): Water conservation and water demand management strategy
1.4: Ensure mobility through the implementation of an effective public transport system	1.4(a): Public transport programme
	1.4(b): Rail service improvement and upgrade programme
	1.4(c): Bus rapid transit (BRT) programme
	1.4(d): Travel demand management programme
	1.4(e): Intelligent transport systems programme
	1.4(f): Institutional reform programme
1.5: Leverage the City's assets to drive economic growth and	1.5(a): City strategic assets investigation

sustainable development	
1.6: Maximise the use of available funding and programmes for training and skills development	1.6 (a): SETA and EPWP funding used to train apprentices and create other external training opportunities. Training apprentices for vacant posts in the administration and the city

Table 1.1: IDP objectives and programmes for SFA 1

This review of SFA 1 offers an overview of the City's performance against these objectives and its progress in terms of the implementation of the associated programmes. Due to the fact that the various City directorates work collaboratively, there is significant overlap of deliverables in terms of these objectives and programmes. As a result, the performance information for some of these objectives may be contained in other SFA review sections of this report.

SFA 1: Main Opportunity City achievements in 2012/13

- City spent 92.9% (R5.78bn) of its largest capital budget in history
- Finalised 80,7% of building plans within statutory timeframes
- Record R2.6 billion invested into repairs and maintenance
- Created 35 556 EPWP job opportunities

OBJECTIVE 1.1: CREATE AN ENABLING ENVIRONMENT TO ATTRACT INVESTMENT THAT GENERATES ECONOMIC GROWTH AND JOB CREATION

Investing to attract investment

For the financial year 2012/2013, the City of Cape Town spent a record R5.78 billion or 92.9% of its R6.22 billion capital budget. This reinvestment into Cape Town and its people demonstrates why the City remains a leading South African municipality in terms of service provision and financial management.

This capital expenditure, which is R1.54 billion more than the previous financial year, makes a real and fundamental difference to people's lives by delivering houses, roads, clinics and basic infrastructure to ensure that the lights are on and the water is running for all the city's residents.

Amongst the highlights of the City's capital spend are a range of substantive investments in critical areas, most specifically as they relate to building an opportunity city and improving the lived reality of all citizens. Such investments include R1.37 billion on IRT operations and R1.23 billion on electricity provision as well as significant investments in broadband infrastructure and the provision of housing. Major capital projects include:

DIRECTORATE	PROJECT	SPEND IN RANDS
CITY HEALTH	New health facility in Eerste River	1 681 703
CITY HEALTH	Luvuyo Clinic extensions for ARV services	2 775 196
COMMUNITY SERVICES	Imizamo Yethu sports complex	2 689 698
COMMUNITY SERVICES	Masibambane Hall additions and alterations	2 658 468
CORPORATE SERVICES	Broadband project	72 159 404
HUMAN SETTLEMENTS	Happy Valley Phase 2	33 460 000
HUMAN SETTLEMENTS	Ocean View	5 883 246
HUMAN SETTLEMENTS	Kanonkop Atlantis (Ext. 12) Phase 1	9 837 199
HUMAN SETTLEMENTS	Heideveld Duinefontein	11 376 363
HUMAN SETTLEMENTS	Scottsdene – new CRU	6 600 000

HUMAN SETTLEMENTS	Pelican Park	20 893 342
HUMAN SETTLEMENTS	Scottsdene Housing Project	7 543 900
SAFETY & SECURITY	New Melkbosstrand Fire Station	4 764 814
SAFETY & SECURITY	New and replacement emergency response vehicles	20 829 4098
TRANSPORT, ROADS & STORMWATER	IRT Phase 1	590 000 000
TRANSPORT, ROADS & STORMWATER	Mitchell's Plain CBD Transport Interchange	11 000 000
TRANSPORT, ROADS & STORMWATER	Lentegeur Station Transport Interchange	15 000 000
UTILITY SERVICES	Electrification for backyard residences, informal settlements and low-cost housing	?
UTILITY SERVICES	Upgrade of Bellville Wastewater Treatment Works	115 595 897
UTILITY SERVICES	Sewer Network – replacement and upgrade	43 951 173
UTILITY SERVICES	Water Network – replacement and upgrade	70 752 502
UTILITY SERVICES	Development of Disposal Facilities	?
UTILITY SERVICES	Waste Management Plant and Vehicle Replacement	?

Table 1.2: Major City capital projects for 2012/13

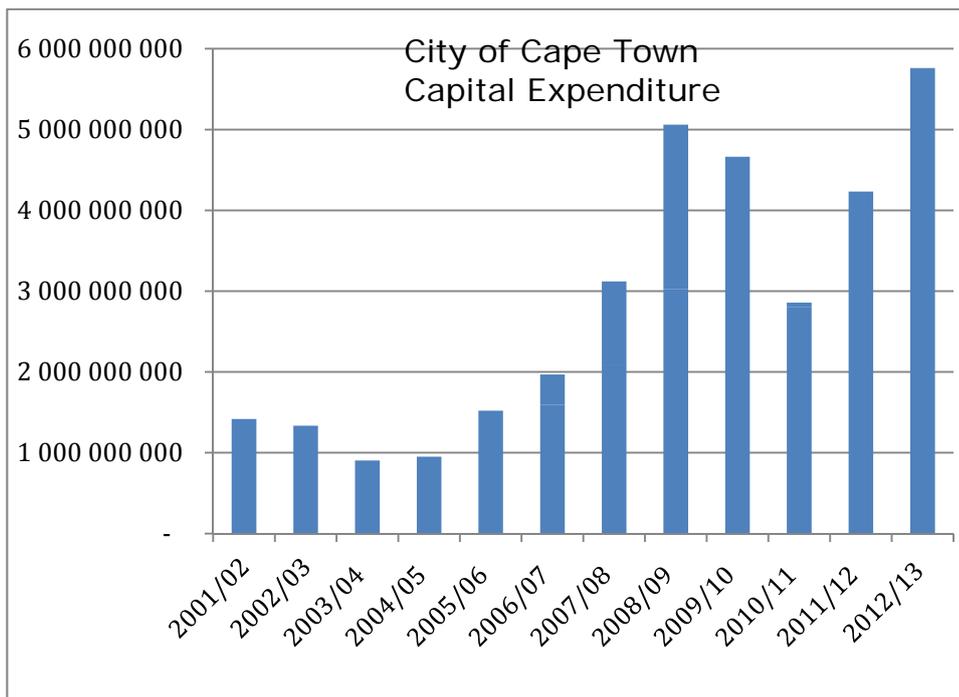


Figure 1.1: City of Cape Town annual capital expenditure

The capital spend, coupled with our financial responsibility, as demonstrated by our 8th unqualified audit the previous year and the highest credit rating available to local government, shows that this government has the ability to spend to improve the lives of all residents of this city.

New Cape Town zoning scheme set to enable economic development

As part of the City's efforts to build an opportunity city in which investments will grow so that jobs can be created, a new Cape Town Zoning Scheme (CTZS) was implemented in March 2013 after having been approved by the Minister of Local Government, Environmental Affairs and

Development Planning for the Western Cape. This will serve to streamline the process of economic development in the city.

The new scheme effectively allows for the repeal of the 27 different and disparate legacy zoning schemes that were inherited by the City of Cape Town in 2000 and that were previously used to regulate land across the city. The CTZS also involved the adoption of a new Cape Town zoning map, which forms part of the scheme and records the development rights attached to all land in the city.

As part of the roll out, the city's approximately 800 000 properties have been allocated an appropriate zone in terms of the new scheme and the City engaged extensively with industry stakeholders including the professional bodies representing planners, architects and other built environment professionals, to ensure that any concerns are addressed.

The single zoning scheme is an essential component in the City's strategic focus to become an Opportunity City, which is one of the five pillars of the current Integrated Development Plan. In conjunction with the City's new Spatial Development Framework and District Spatial Plans, the new zoning scheme now makes up one of the vital cornerstones of Cape Town's rationalised, policy-driven Land Use Management System. It serves as a mechanism to implement the spatial vision outlined in the SDF and allows the City to respond appropriately and effectively to the challenges and needs of its citizens in an innovative and sustainable way.

Apart from setting out uniform standards and simplified and equitable rules for land use and development across the city, the CTZS is the first full-scale scheme replacement for the whole metro that does away with all the outdated, inadequate and loophole-ridden scheme regulations of the past and, most importantly, fully repeals the schemes that were part of the Black Communities Development Act – effectively ridding the City of the last remnants of this old Apartheid-era legislation.

In addition, the rationalised and more modern regulations will help the City's drive to cut red tape, shorten regulatory processes and reduce the cost of compliance and the administrative burden. The CTZS includes a user-friendly planning web portal that serves as a central resource and contact point for all planning information, queries and interaction.

The development of the CTZS included several rounds of extensive public participation processes and hearings. Valuable inputs from all stakeholders were regularly received and helped to shape the scheme for the benefit of all.

The City has also launched an innovative planning website. This affords residents access to all information and engagement processes relating to planning, building development and urban design. The new website (planning.capetown.gov.za) offers quick and easy access to useful planning information on the City's land use management system and zoning scheme. It also contains information on the City's long-term spatial plans at citywide, district and local area level and exciting urban projects and initiatives (including upgrading of public spaces and site redevelopments).

The website is part of the City's ongoing efforts to enhance the quality and availability of information to a broad spectrum of users, including residents, investors, professionals and students, and make planning regulations and processes as easy to understand and accessible as possible.

For more detail on the new CTZS, visit [XXXXXXXX](#)

Improving access to economic opportunities

The substrategies and land use policies that are being used to plan for employment and improve access to economic opportunities are shown in Table 4.1.1. For more details on these substrategies and policies, visit www.capetown.gov.za/SDF.

SUBSTRATEGY	POLICY NO.	POLICY STATEMENT
Promote inclusive, shared economic growth and development	P1	Maintain and enhance the features of Cape Town that attract investors, visitors and skilled labour
	P2	Support investors through improved information, cross-sectoral planning and removal of red tape
	P3	Introduce land use policies and mechanisms that will support the development of small business (both informal and formal)
	P4	Encourage area specialisation and the development of a diverse, mutually supportive system of economic areas
	P5	Encourage the use of available economic incentives
	P6	Promote regional economic planning
Address spatial economic imbalances	P7	Unlock employment-generating opportunities within the Metro Southeast and Atlantis
	P8	Support private-sector development initiatives in locations that are easily accessible from the Metro Southeast
	P9	Improve public transport links between the Metro Southeast and the main economic nodes of the city
Establish an integrated, city-wide public transport system that supports the accessibility grid	P10	Create a hierarchy of integrated public transport services related to the accessibility grid
	P11	Ensure that new urban development is supported by appropriate public transport infrastructure and services
	P12	Lobby for the introduction and/or expansion of passenger rail services
	P13	Include walking and cycling as essential components of land use planning
	P14	Introduce parking policies to encourage use of the most context-specific and appropriate modal travel choice
Integrate land use, economic and transport planning	P15	Reinforce and enhance metropolitan development corridors
	P16	Encourage medium to higher-density forms of urban development to locate on or adjacent to activity routes, development routes and activity streets
Support the rationalisation, upgrade and/or development of economic gateways, and manage land uses around them appropriately	P17	Support the development of an integrated system of airports and appropriate surrounding land uses
	P18	Create and manage a functional interface between ports/harbours and their surrounding areas

Table 1.3: Opportunity development substrategies and land use policies

Creating opportunities for development

The City is committed to encouraging and enabling the development of Cape Town's built environment. During the period under review, many of the City's development application processes were checked and streamlined. During the 2012/13 financial year, 80,7% of building development applications placed with the City were finalised within the agreed timeframes (against a target of 80%).

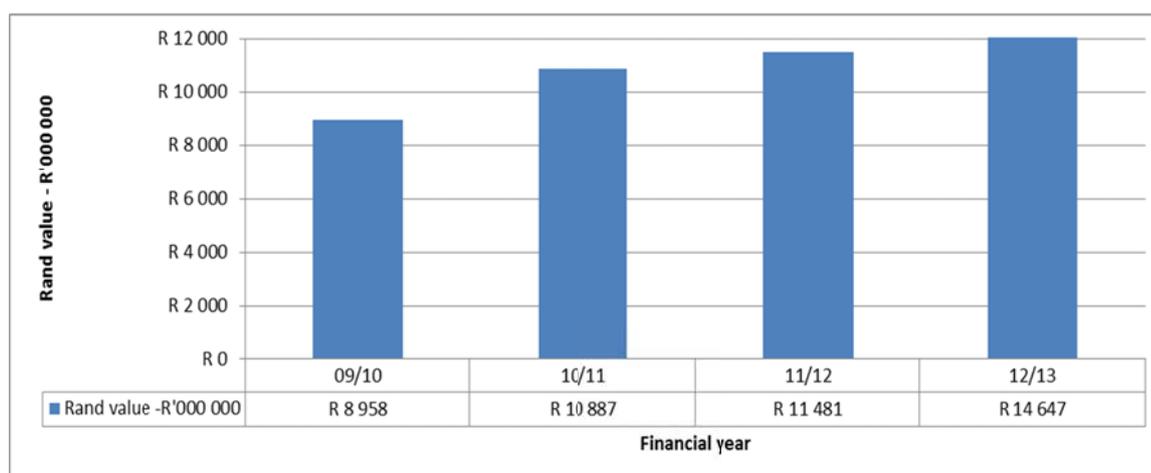


Figure 1.2: Rand value of building plans approved by the City of Cape Town

The City is in the process of developing a new electronic development management system aimed at improving efficiency within all its departments.

Enabling enterprise and skills development

Entrepreneurship events and programmes contributed to an enabling entrepreneurship environment by providing access to information and support while developing capacity. The City promoted and supported an enterprise development and entrepreneurship culture in Cape Town by directly funding or being actively involved in the following projects and programmes:

- Under the banner of **Open Government for Business Innovation**, Cape Town, together with the World Design Capital team, is working to better support its entrepreneurship ecosystem by using technology solutions that provide an entry point for entrepreneurs and residents to engage with the administration.
- A **Red Tape Reduction Programme**, in partnership with the PGWC, focuses on addressing selected red tape complaints generated via the Red Tape to Red Carpet call centre. As part of the strategy of creating an environment conducive to business, regulatory impact assessments will be conducted on priority policies that impact on entrepreneurship.
- Two six-month **youth skills development** programmes, run by the Raymond Ackerman Academy of Entrepreneurial Development, for 60 young Capetonians. The programme has an 81% success rate in terms of graduates going on to start their own business, find employment or continue their studies.
- The annual **Telkom Cape Town Entrepreneurship Week** (CTEW), aligned with Global Entrepreneurship Week, held on the 9th and 10th of November 2012 at the Cape Peninsula University of Technology (CPUT) campus was attended by 645 delegates. Eighty satellite events linked to CTEW were held across Cape Town and attended by an estimated 2 400 people.
- The Small Enterprise Development Agency's (SEDA) **Sustainable Renewable Energy Business Incubator** (SAREBI) was launched in March 2013. SAREBI will play a critical role in positioning Atlantis as a Green Hub and is working with a number of partners including Eskom, UWC, FET colleges, Green Cape, DTI, and WCG to achieve this.

Promoting economic development and investment

The City seeks to strengthen the competitiveness and attractiveness of priority sectors through programmes that promote inclusive growth, investment and trade. These programmes are undertaken in partnership with Wesgro and several sector bodies including:

- **Business Process Enabling South Africa** – The City supported training interventions for 650 agents and supervisors. BPeSA Western Cape was active in sector promotion, facilitating investment in Cape Town by big name brands such as Amazon, British Gas, Teleperformance and WNS to the tune of R281 million. This investment resulted in the creation of 1172 direct jobs. BPeSA was also instrumental in the development and launch of the 2012/13 Key Indicator Report for the BPO sector.
- **Cape Craft and Design Institute** – In addition to training 971 crafters, market support was provided to increase the market share for products made in the Western Cape through industry events, assisting 1410 SMMEs through export support and matchmaking opportunities.
- **Cape Information Technology Initiative** – Various training interventions were supported in collaboration with key stakeholders that reached 81 people and 76 businesses. Eighty-five industry events were attended by 2 210 people. CITI also collaborated with the WCG, Wesgro and the CCT to publish and launch the “Cape Town: Digital Gateway to Africa” brochure.
- **Cape Town Fashion Council** – The CTFC's main focus is on trade development through the Design Indaba expo. In 2013 participating designers generated sales revenue of R514

000 over the four-day period of the expo. Other supported interventions include assistance to 177 SMMEs, skills training of 338 people and 14 industry events.

- **Clotex** – Focused on enterprise development through the training of 159 people, and the provision of information and networking support to 48 SMMEs in the sector.
- **South African Oil and Gas Alliance** – In addition to skills development programmes that saw 82 people trained and placed in workplace training, assistance was provided to 37 local companies to help them participate in the international markets. Five promotional trips and trade exhibitions were facilitated as well as 10 industry workshops.
- **Wesgro** – Support of Wesgro’s investment promotion programme was aimed at attracting direct investment and the expansion of existing investment projects. In total Wesgro facilitated investment worth R1.7 billion creating 1 525 jobs. Nineteen inward and 10 outward trade missions were organised, and 469 companies provided with export support.
- **Urban Agriculture** - The City was also involved in the implementation of an urban agriculture support programme that provides strategic assistance in the form of operational inputs, infrastructure, mentoring, training and advice, and access to land in collaboration with internal and external stakeholders to 65 community groups/projects

Job Readiness Programme launched in Khayelitsha

The African Entrepreneurial Company (AEDC) in partnership with the City of Cape Town, through its Cape Town Activa initiative, launched an initiative that will see a series of workshops offered to job seekers that provides them with tools they need to raise their prospects of finding employment. The Job Readiness Programme forms part of the City’s efforts towards building an opportunity city in which investments grow and jobs can be created. It aligns with one of the City’s Economic Development objectives to facilitate and co-ordinate employment support to job seekers to actively contribute to cutting the unemployment rate in Cape Town through collaborating and working with support organisations who deliver these services, such as AEDC.

Development and management of local areas

The City provided support for the establishment of a Furniture and Woodworking Manufacturing Incubation Centre for emerging businesses in a dormant facility in Nyanga. This facility is located within an IGC priority node and can incubate up to 12 businesses.

Business Retention and Expansion studies were also done in Blackheath and Retreat with a focus on enhancing the local business-enabling environment. Specific area-based support in the Cape Town CBD and Phillipi was delivered through the Cape Town Partnership and the Phillipi East Development Initiative respectively.

In addition to unemployment empowerment programmes that gave 1284 beneficiaries access to digital literacy and driver’s licence training programmes, the unit was involved in the establishment of 24 community initiated job creation projects, and facilitating community access to assets for the development of livelihood options in areas such as urban agriculture, recycling and craft.

Supporting the informal economy

To support Cape Town’s significant informal economy, the City runs programmes to facilitate productive open spaces for the benefit of emerging entrepreneurs. These also seek to maximise the use of public infrastructure for the purpose of sustainable economic production. Through these programmes, trading bays and/or markets have been made available to informal traders; emerging entrepreneurs now have access to affordable trading premises, and a substantial number of permanent and temporary job opportunities have been created.

In addition to providing access to trading infrastructure and premises to approximately 3 000 emerging entrepreneurs, the City hosted an Informal Trading Summit in March 2013. One of the

outcomes of the Summit was the review of the Informal Trading Policy and Bylaw. An online e-permitting system has also been rolled out to roughly 95% of informal traders throughout the City. In addition, a network of vibrant night markets, such as the Cape Town Summer Market, have been initiated as part of the strategy of promoting community based micro-enterprises.

Tourism and sustainability

Cape Town remains a preferred destination for South African and international tourists and investors, as well as a competitive choice for global and local business and leisure tourism events. The positive economic spin-off and the creation of jobs that the tourism industry brings to the city is in keeping with this administration's efforts toward building an opportunity city.

Although Cape Town's natural environment and resources are cornerstones of future economic wealth, the City recognises that sustainable development rather than a 'business-as-usual' approach is needed to continue to attract both tourists and investors. Positioning Cape Town as a global 'green city' is likely to promote tourism growth and responsible tourism developments even further, as well as make it an attractive foreign investment destination.

To set the foundation on which this can be achieved, the City has launched a new research study to measure the value of the local tourism industry. During the City's 2009 survey, Cape Town's tourism industry was worth R17,3 billion, which was a 6% increase from R16,3 billion the previous year. To update these figures, the City will conduct a three-year study starting in May this year. The aims of the study are:

- To create a baseline for monitoring the economic value of tourism in the City of Cape Town;
- To develop a report to elicit comment and inputs and to discuss the value of the research in terms of the study's focus, selected indicators and monitoring value.

The study will use national data and tourism surveys to estimate how much visitors spend while in Cape Town. It will also survey city-based tourism businesses for information on their turnover and employment figures. This is critical in estimating the industry's economic value. With increased tourism comes economic growth, which is why the City focuses intently on encouraging tourism as a means of building an opportunity city, in which an economically enabled environment makes the space for jobs to be created. While Cape Town traditionally enjoys strong tourism numbers during summer, the focus is now on growing the city's events calendar and tourism numbers during winter. To this end, several new festivals are being planned for Cape Town, entrenching the city's positioning as a year-round destination.

New Tourism Development Areas to attract more visitors to Cape Town

The City's Tourism Spatial Framework includes a number of identified Tourism Development Areas (TDAs) across Cape Town, each with its own distinctive character and appeal in terms of the types of tourism resources and products found there and the unique tourism experiences it offers. The specific TDAs identified include:

- Blaauwberg
- Cape Flats
- Khayelitsha-Mitchells Plain
- Northern suburbs
- Southern suburbs
- Tygerberg
- Table Bay
- Helderberg

Once the public participation process has been completed for the Tourism Development

Framework, specific tourism development opportunities for each of these areas will be developed and presented.

Events Programme

Cape Town has a strong track record as an events destination and has hosted major global events. The City has developed a strong global brand and will utilise this strength to develop as an events destination of choice and to further build Cape Town's brand identity. This branding is critical for business perceptions about the City as an investment destination.

During the 2012/2013 financial year, the department set up various systems and processes to gear the City towards further increasing and enhancing its events hosting capabilities:

- **Events Policy** - A new Events Policy was approved by Council in May 2013. The new policy sets out how the department will operate and is critical in terms of achieving the objective of becoming a premium events city.
- **Special Events Committee** - Council approved the establishment of the Special Events Committee on 26 March 2013. The purpose of the Committee is to consider and recommend ad-hoc events that Council wishes to support.
- **Approved Annual Events (Schedule 22)** - Schedule 22 was approved by Council in May 2013, as part of the budget process. The approval of Schedule 22 affords the Tourism, Events and Marketing (TEAM) directorate the ability to plan for annual events. The budget supporting Schedule 22 is drawn from all the departments within TEAM

Events Calendar

The City presented and/or hosted 334 events in the 2013/2013 financial year. Highlights included the hosting of a record number of concerts at Cape Town stadium including Linkin Park, Lady Gaga, Metallica Justin Bieber and Bon Jovi. New events included the Ajax CT vs Manchester United soccer event, Mercedes Benz Cape Town Fashion Week and the Annual Mandela Lecture event.

The City continued to support annual events such as the Cape Argus Pick and Pay Cycle tour, the Two Oceans Marathon, the ABSA Cape Epic, the Discovery Big Walk, the Cape Town Carnival and the Design Indaba amongst others. A number of international sporting events were also hosted, such as the International Ice Hockey Federation's World Championships, the African Fencing Championships, the New Years Day Cricket Test and the national football team (Bafana Bafana).

In addition, special City-organised events were arranged, such as the switch-on of the Festive Season Lights, the Minstrel Road Marches, the Commemoration of Human Rights Day and the Mandela Legacy Exhibition.

Event Permits

The Events Permitting Department received a total of 1363 applications for Events permits during the 2012/13 financial year while the Film Permitting Department received a total of 24 641 bookings for Film Permits.

OBJECTIVE 1.2: PROVIDE AND MAINTAIN ECONOMIC AND SOCIAL INFRASTRUCTURE TO ENSURE INFRASTRUCTURE-LED ECONOMIC GROWTH AND DEVELOPMENT.

Keeping the city well connected

A key achievement of the City's fibre optic installation programme over the past year was the extension of the metropolitan fibre optic network to the south and eastern parts of the metropolitan area. The City now has a fibre optic network in excess of 350km stretching from Atlantis in the north to Plumstead in the south and as far east as Khayelitsha. Twelve switching rooms were constructed, of which eight are live and the remainder are being populated with switching equipment to render a telecommunication service during the coming financial year.

Through this infrastructure, 87 City sites now have network connectivity at 1 gigabyte per second (GBps) through which voice and data services are being provided. This technology investment saved the City R25 million in telecommunications costs in the 2012/13 financial year and has also enhanced service levels by making it possible to access other municipal services that were previously only available from a few larger centres.

In addition to connecting these City sites, 23 Government of the Western Cape Sites have also been connected to this network. The map in figure 1.3 shows the extent of the City's Metropolitan Fibre Optic Network as at the end of the 2012/13 financial year.

The City will be exploring new ways to enhance this network with the private sector by using innovative scenario planning, thereby helping position Cape Town as the most economically competitive area for data provision in the region.

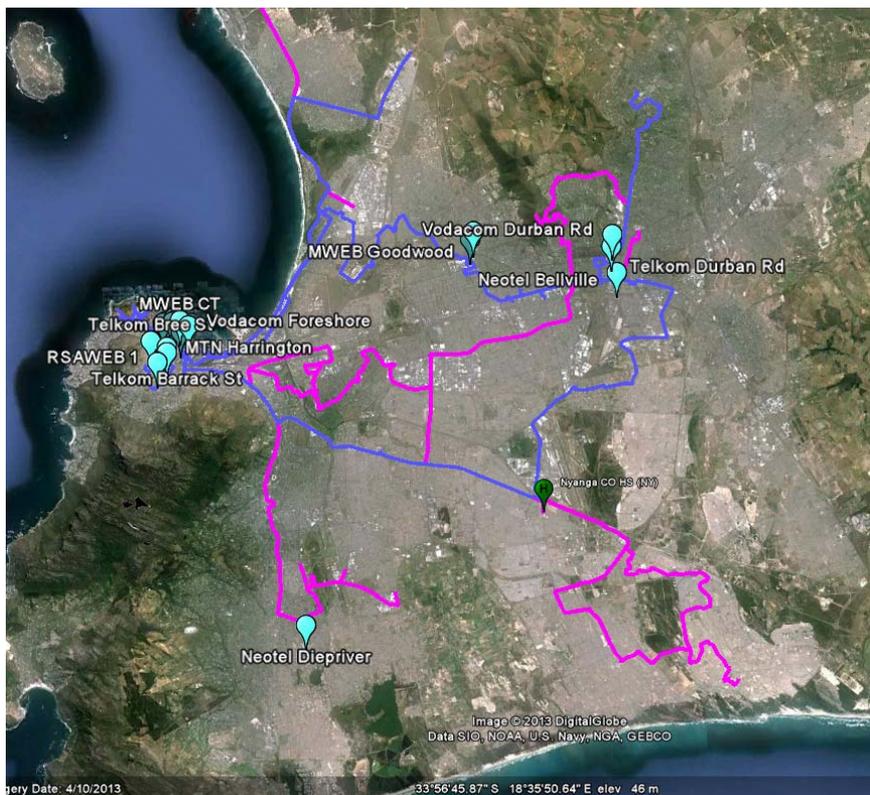


Figure 1.3: City's Fibre Optic Network

Expanded Public Works Programme (EPWP)

As a result of the City's performance on capital expenditure, the number of job opportunities on the Expanded Public Works Programme has increased significantly. This has resulted in the creation of 35 556 work opportunities for those most in need of work - more than any other city in South Africa. In addition to creating work opportunities and helping to directly combat poverty, the success of our EPWP programme has resulted in a direct improvement in the rollout of services.

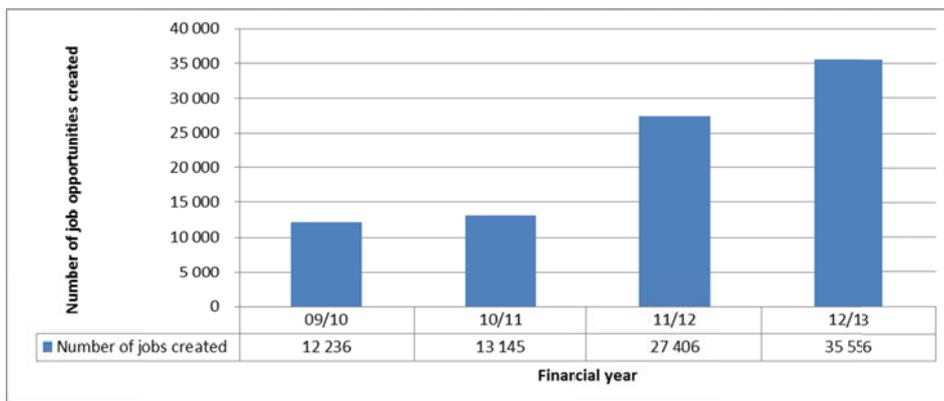


Figure 1.4: Job opportunities created through the Expanded Public Works Programme

On 25 May 2013, the City approved (for implementation) a policy on the Expanded Public Works Programme. The policy deals with the internal administrative requirements for implementing the EPWP, and regulates the contributions and obligations of the various City departments and its stakeholders – all of whom contribute to making a success of the EPWP.

Infrastructure investment for sustainable development

Infrastructure investment remains an important emphasis for the City. This includes determining investment and growth trends to ensure that adequate infrastructure is provided in areas of high growth. The City continues to act as catalyst by investing in suitable economic and social infrastructure to support and further stimulate economic development.

The City's objective is to develop and implement a life-cycle management system for infrastructure assets. The infrastructure asset management programme (IAMP) is a corporate project that is aligned with the National Department of Cooperative Governance and National Treasury's requirements to establish, implement 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. The first projects for certain assets that are used to provide services in the City's Water and Sanitation, Electricity, Solid Waste Management, and Transport, Roads and Stormwater departments already delivered results.

The operation and maintenance of this enormous network greatly affects the efficiency of transport of people and goods into and within the city. The demand for streets and associated services for social housing places huge pressure on the capital and operating budgets of the City's Roads and Stormwater Department. The condition of the road and street network is fair to good, but the required annual maintenance spend to limit its deterioration exceeds the annual budget by a factor of four. This is identified in the annual output from the pavement management system, which shows a rapidly deteriorating network. The annual operating and staff budget allocation needs to be greatly increased to reverse this trend. The associated bridges and other road elements are displaying similar deteriorating trends.

While the City continues to focus on providing valuable utility and infrastructure services to many greenfield developments, the urgent need for maintenance and upgrades of existing infrastructure services remains – particularly in older urban areas. Figure 4.2.1 shows the infrastructure risk areas identified across the city.

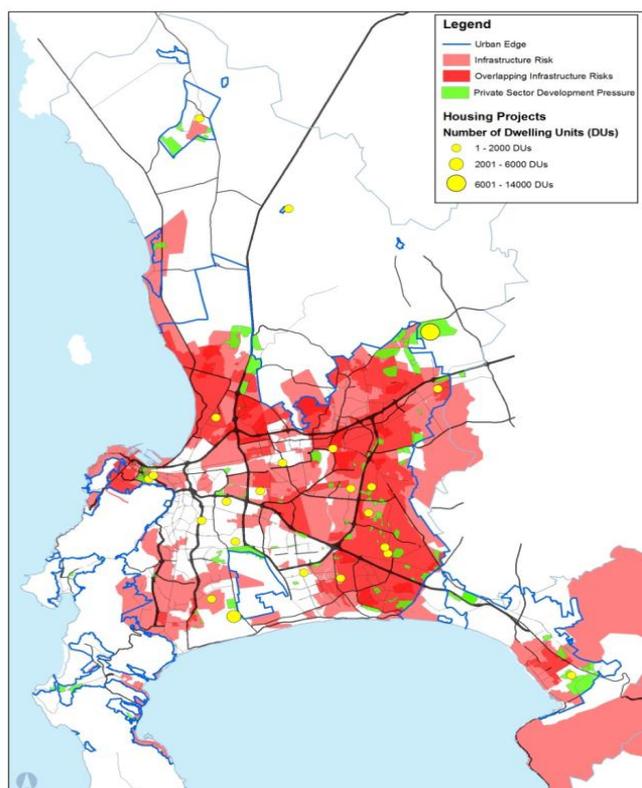


Figure 1.5: Major infrastructure risks within development areas (to be updated?)

In response to these challenges, and opportunities, the City's 2013/14 capital expenditure budget is focused extensively on infrastructure development, such as utility services, transport, roads and stormwater. The allocation of just over R4,086 billion represents 75,04% of the total budgetary allocation for the 2013/14 financial year.

Description	Budget 2012/13 (R000)	%	Budget 2013/14 (R000)	%	Budget 2014/15 (R000)	%
Community services	R 206 235	3.27%	R 201 964	4.04%	R 190 584	4.05%
Corporate services	R 254 150	4.03%	R 222 045	4.44%	R 206 061	4.38%
Economic environment and spatial planning	R 52 522	0.83%	R 43 927	0.88%	R 49 927	1.06%
Finance	R 48 975	0.78%	R 6 061	0.12%	R 5 358	0.11%
City health	R 28 568	0.45%	R 23 966	0.48%	R 14 166	0.30%
Human settlements	R 656 337	10.41%	R 674 480	13.49%	R 461 427	9.80%
City manager	R 224	0.004%	R 222	0.004%	R 222	0.005%
Deputy city manager	R 29 419	0.47%	R 47 978	0.96%	R 37 317	0.79%
Safety and security	R 57 179	0.91%	R 15 127	0.30%	R 15 127	0.32%
Social and early childhood development	R 14 277	0.23%	R 10 960	0.22%	R 11 010	0.23%
Transport, roads and stormwater	R 2 593 751	41.15%	R 1 407 754	28.15%	R 1 490 831	31.65%
Utility services	R 2 268 705	35.99%	R 2 345 729	46.91%	R 2 227 492	47.30%
Tourism, events and marketing	R 92 588	1.47%	R 300	0.01%	R 250	0.01%
Total capital expenditure	R 6 302 930	100%	R 5 000 513	100%	R 4 709 772	100%

Table 1.4: City of Cape Town's 2012/13 medium-term capital budget per directorate (to be updated)

National Treasury, in its MFMA circulars, has indicated that a minimum of 40% of the total capital budget should be for renewal as opposed to new infrastructure. In the 2013/14 budget the renewal of existing assets equates to R2, 227 billion, or 41,1% of the total 2013/14 capital budget, while new assets represent R3 291 billion, or 55,5%. It is important to note that asset renewal represents the upgrade or replacement of existing City-owned assets, while new assets will result in an increase in the asset base of the City.

	2010/11 Audited outcome	2011/12 Audited outcome	2012/13 Audited outcome	2013/14 Budget	2014/15 Budget	2015/16 Budget
Infrastructure - Road transport	684 103	869 459	1 118 132	1 072 132	1 265 742	1 180 656
Infrastructure - Electricity	599 930	744 638	874 594	1 022 636	952 496	1 161 897
Infrastructure - Water	139 738	179 304	284 080	355 776	474 308	651 048
Infrastructure - Sanitation	222 337	361 449	367 963	512 365	568 895	683 758
Infrastructure - Other	237 530	281 818	365 708	344 533	247 037	260 200
Total	1 910 254	2 457 071	3 062 849	3 408 974	3 606 178	3 963 959

Table 1.5: Capital spend on City infrastructure

Prioritising repairs and maintenance

One of the key areas of expenditure that differentiates the City of Cape Town from other South African municipalities is that this Metro prioritises repairs and maintenance. This equates to a visible difference in Cape Town in terms of, primarily, roads and utilities infrastructure. In this regard, we spent a record R2.6 billion for the 2012/2013 financial year.

Description	2010/11 Audited outcome R'000	2011/12 Audited outcome R'000	2012/13 Audited outcome R'000	2013/14 Budget R'000	2014/15 Budget R'000	2015/16 Budget R'000
Employee related costs	406 268	446 891	945 862	1 165 808	1 266 075	1 377 490
Other materials	200 892	180 350	243 415	263 900	286 690	311 816
Contracted services	995 374	1 088 586	1 304 997	1 360 489	1 488 123	1 608 206
Other expenditure	106 746	167 226	131 738	140 087	152 566	165 513
Total	1 709 280	1 883 053	2 626 012	2 930 284	3 193 454	3 463 025

Table 1.6: Operational repairs and maintenance by expenditure item

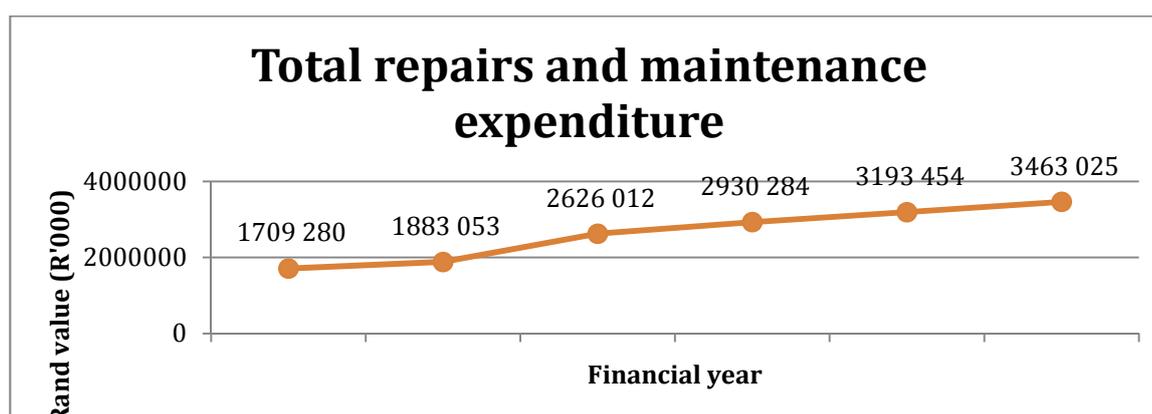


Figure 1.6: Total repairs and maintenance expenditure by year (to be updated with 2013 actual)

In line with the approach in recent financial years, 2013/14 appropriations again provide for significant and above-CPI (consumer price index) increases to this cost component. The contracted services expenditure component now includes provision for repairs and maintenance expenditure. Expenditure levels of R3,2 billion (2013/14) to R3,5 billion (2015/16) are projected.

ELECTRICITY SERVICES

The City of Cape Town is the electricity service authority for the entire Cape metropolitan region, and its service providers are the City of Cape Town's Electricity Services Department, Eskom and AECl (although the AECl electricity distribution licence is being transferred to the City).

The Cape Town electricity supply area is divided into three distribution or service areas, each of which is serviced by four districts, as shown in figure 4.2.3. Each district is responsible for the maintenance and safe operation of the electricity services network as well as new customer connections in its area.



Figure 1.7: Service areas and districts in the Cape Town electricity supply area

While forecasts point to a likelihood of energy consumption in Cape Town growing at a constant 3% per annum in the coming years, analysis of recent figures shows a gradual slowing of consumption growth. However, a growing city demands more energy. Electricity service availability and access backlogs – particularly in informal settlements – remain a significant challenge. These are being addressed by the Electricity Services Department and Eskom's electrification programmes.

Electricity Service highlights for 2012/13

Some of the City's delivery highlights in terms of electricity for the year under review included:

- Close to R1 billion of investment into network infrastructure.
- The operationalization of Enterprise Asset Management to drive the planned maintenance of network infrastructure.
- The completion of new Bloemhof building and construction of a new training facility.
- A large budget allocation for electrification (mostly in Eskom areas) and the provision of street lighting in areas that require it.
- A well maintained quality of electricity supply throughout the year.

A plan to address the challenges

The Electricity Distribution Industry (EDI) as a whole faces a number of immediate and medium term challenges, including:

- Increasing tariffs and the impact on customers' ability to pay;
- Electricity bulk supply constraints, resulting in a lower reserve margin and the possibility of load shedding;

- A dire need for investment into infrastructure both in terms of new demand and maintenance and refurbishment;
- A continued skills shortage in the sector; and
- Various challenges associated with carbon emissions, climate change, renewable energy and new technologies

Against this backdrop, some of the major delivery challenges for the City of Cape Town remain:

- Risks to the continuity of supply to meet customers' needs;
- Increases in theft and vandalism that impact on costs and supply; and
- Increases in tariffs above the Consumer Price Index, which impact negatively on customers' ability to pay.

The City's Electricity Services Business Plan seeks to sustainably address these challenges and has been prepared in alignment with the framework of the National Electricity Regulator of South Africa, which was established in terms of the Electricity Regulation Act 4 of 2006, as well as the framework set out in the Electricity Regulation Amendment Act 28 of 2007.

Electricity infrastructure and investment

The City recognises that continued investment is required to ensure that quality, adequacy and reliability of supply are achieved and maintained. As the city develops, infrastructure must be available to support development initiatives and policies, such as land use densification. A strong focus is also needed on the refurbishment and replacement of existing assets to achieve a balanced, cost-effective approach to the long-term viability of the infrastructure.

A breakdown of the City's capital and operating budget spend on electricity services is provided below:

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Infrastructure: Growth	376 069	337 194	280 403	356 760	333 044	411 438	455 776
Infrastructure: Refurbishment	152 757	297 708	339 729	411 737	362 733	393 959	307 190
Electrification	63 922	119 043	213 401	197 375	204 444	295 500	277 500
Facilities: Vehicles, Equipment	141 977	172 183	401 477	515 231	272 975	239 675	263 929
TOTAL	734 725	926 128	1 235 011	1 481 103	1 173 196	1 340 572	1 304 394

Table 1.7: City of Cape Town capital budget: Electricity services

	Actual	Actual	Actual	Budget	Budget	Budget
	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
	R	R	R	R	R	R
Total Operating Revenue	-7531 964	-8 807 457	-9 726 254	-10 588 713	-11 582 567	-12 630 765
Staff Cost	558 736	622 056	674 602	821 546	910 489	1 019 574
Bulk Services	4 326 840	5 385 001	6 097 897	6 545 300	7 102 986	7 706 740
Contracted Services	113 584	99 703	96 225	117 705	124 297	131 506
Other	1 131 688	1 427 823	1 419 351	1 492 804	1 681 472	1 850 874
Total Primary Cost	6 130 812	7 534 583	8 288 069	8 977 356	9 819 244	10 708 694
Secondary Cost	879 804	1 066 859	1 048 005	1 137 209	1 248 398	1 361 833
Total Primary and Secondary Cost	7 010 615	8 601 442	9 336 074	10 114 564	11 067 642	12 070 527

Table 1.8: City of Cape Town operating budget: Electricity services

A focus on customer service

The City’s call centre optimisation project has established a single telephone number (the Electricity Technical Operations Centre), to which all electricity fault and power outage complaints are now directed. The Department has published its minimum standards and reporting lines for quality service, the specifications of which cover a number of services, including customer-driven complaints, enquiries, requests, quotations and forums. The standard response times and satisfaction indices for counter services, telephonic replies and written replies are stipulated in these documents.

WATER AND WASTEWATER SERVICES

The Western Cape Water Supply System (WCWSS), comprising raw water storage and conveyance infrastructure, supplies water to Cape Town, surrounding towns, urban areas and agriculture. The various components of the WCWSS are owned and operated by the City of Cape Town, the Department of Water Affairs (DWA) and Eskom, and is planned and operated in an integrated manner.

The major raw water supply schemes of the WCWSS are the Riviersonderend, Voëlvlei and Berg River schemes (owned and operated by the DWA) and the Wemmershoek and Steenbras schemes (owned and operated by the City of Cape Town). The total storage capacity of the six major dams is 898 300 million kℓ and the annual yield of the WCWSS is 596 Million kℓ.

The City’s water supply infrastructure includes 11 dams, 12 water supply treatment works and a water supply reticulation network of approximately 10 805 km. The City also has 108 water pump stations, 138 water reservoirs and 21 depots. The wastewater infrastructure consists of 27 wastewater treatment facilities, a 9 000 km sewer reticulation network, 377 sewer pump stations and 21 depots.

The City of Cape Town is allocated 398 million kℓ per annum from the WCWSS. This means that the City obtains 73% of its total water allocation from DWA-owned sources, with the balance coming from City-owned sources.

During the 2012/13 financial year, the City produced 320 921 722 kℓ of potable water.

The entire water supply and treatment process for Cape Town can be illustrated as follows:

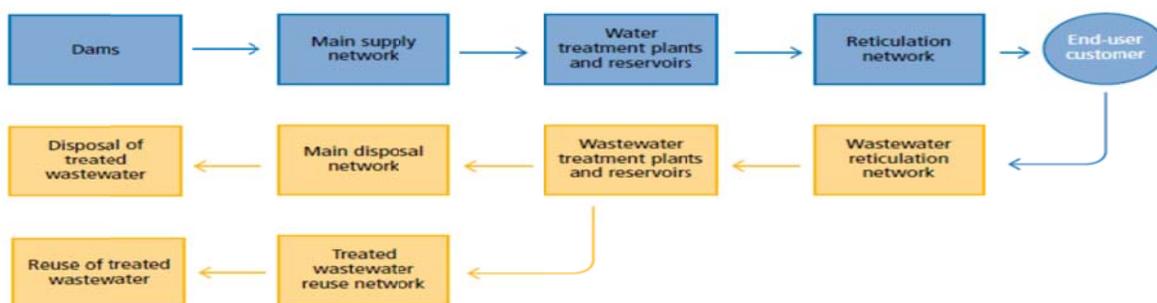


Figure 1.8: City of Cape Town’s water supply and reticulation process

A breakdown of the City’s capital budget spend on water services is provided below:

	Actual			Budget	
x 1000	2010/11	2011/12	2012/13	2013/14	2014/15
Hydraulic networks	203 335	288 981	282 550	577 149	551 438
Hydraulic pump stations	9 157	13 045	13 045	53 774	11 825
Dams, reservoirs & tanks	6 621	10 627	9 142	66 260	174 271
Treatment Works	121 505	223 193	222 941	164 740	280 670
Support infrastructure	50 132	69 311	75 994	119 742	131 927
Total	390 751	605 157	603 671	981 664	1 150 131

Table 1.9: City's capital spend on water services

A plan for a sustainable water future

The Water Services Development Plan (WSDP) is a guiding document that is updated annually. Every Water Services Authority (WSA) has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development. Sections 12 and 13 of the Water Services Act (Act No 108 of 1997) place a duty on WSAs to prepare and maintain a WSDP.

In terms of this plan, some of the City's key medium- and long-term strategic objectives are:

- To achieve 95% waste water effluent quality
- To reduce unaccounted for water to 16% in the next five years
- To provide basic or emergency sanitation services to all residents of the city
- To provide basic water to all residents in the city
- To achieve 90% customer satisfaction levels in all its services
- To minimise river systems pollution by reducing sewage overflows by 20%
- To improve revenue collection to 96%

Table 1.10: The City's budgeted capital requirements for future water services

	2014/15	2015/16	2016/17	2017/18	2018/19
	R'000	R'000	R'000	R'000	R'000
Bulk Water	182 771	228 812	561 930	649 850	549 635
Reticulation	385 213	407 604	332 250	257 500	244 001
Waste Water Treatment	281 170	401 900	212 210	292 035	336 035
WDM & Strategy	54 000	54 000	-	-	45 000
EAM	34 677	34 286	7 000	8 000	51 186
Other	212 300	320 191	21 000	-	15 010
Total	1 150 131	1 446 793	1 134 390	1 207 385	1 240 867
BY INVESTMENT CATEGORY					
New Infrastructure	625 596	762 055	903 680	1 050 035	928 575
Replacement Infrastructure	338 608	493 252	205 610	153 250	205 895
New Plant	26 300	27 600	-	-	51 500
Water Demand	54 000	54 000	-	-	45 000
Other	105 627	109 886	25 100	4 100	9 897
Total	1 150 131	1 446 793	1 134 390	1 207 385	1 240 867

Water and sanitation infrastructure asset management

Medium and long-term planning for water and sanitation infrastructure is critical to ensure that the provision of new infrastructure will support City growth and development in order to provide these essential services where they will be required. The integrated infrastructure master plan, as completed during 2010, is updated annually and is used to guide and inform the capital budget requirements.

The established City growth areas continue to require capital investment in infrastructure, while densification is a future spatial strategy being provided for in the design of long-term capacity upgrades. The City is in the planning stages of its large bulk water augmentation scheme (BWAS). When implemented, this will increase the potable-water treatment, bulk storage and bulk conveyance capacity of the City's water supply system, increasing the overall capacity as well as boosting supply to development areas.

Increased investment is being channelled towards the eradication of maintenance backlogs, such as the replacement of failing pipelines and the upgrade of treatment and pumping plant. The City is committed to developing, implementing and maintaining tools and business processes that promote a smooth, seamless and responsive experience for the consumer.

Infrastructure replacement is most economically based on the performance of individual pipe sections, so as to achieve an accurately focused replacement programme. Pressure management has been introduced in large segments of the reticulation system. The primary focus of this intervention is to reduce water consumption, but also to prolong the immediate serviceability of the affected network.

Sewerage reticulation network

Sewage and wastewater generated from the City's 3,7 million inhabitants (approximately 613 894 erven sewer connections) are collected and pumped to the City's 22 wastewater treatment works (WWTWs), three marine outfalls and two oxidation ponds. This system continues to face the challenges of ageing infrastructure, the deterioration of assets, potential wastage, and resultant health and environmental hazards.

Attempts to address these challenges have included the use of targeted closed-circuit television (CCTV) inspections to enhance proactive sewer maintenance. The challenge is to achieve a comprehensive sewer network condition assessment for such a large network. The City is developing and implementing an asset management plan, and is working to increase the skilled and experienced maintenance staff complement as well as to improve the condition monitoring of equipment.

Bulk water infrastructure investment

There are 22 WWTWs and 2 oxidation ponds in Cape Town, many of which need to be upgraded to meet the DWA's requirements. A number of the works, including Borchers Quarry and Kraaifontein, are operating above their hydraulic and load design capacity. A considerable number of other works, such as Athlone, Bellville, Gordon's Bay, Potsdam and Zandvliet, are fast approaching their design capacity.

The timing of the development of the required bulk water infrastructure is dependent on the growth in water demand and the effectiveness of the water demand management (WDM) strategy.

Construction starts on new Bellville North water reservoir

On 25 January 2013, the City of Cape Town began construction of the new Bellville North service reservoir. The reservoir, which will be constructed at a cost of approximately R8,5 million, is situated to the north of Van Riebeeckshof on land acquired from the Altydgedacht farm. It forms part of the City's water supply infrastructure programme and follows on from the first phase of the master plan for the Bellville North Water Scheme, which was completed in 2008. The first phase saw the construction of a water pump station in the vicinity of Racecourse Reservoir in Durbanville and a rising main with a feeder pipe to and from the proposed reservoir. The new reservoir will have a storage capacity of five megalitres (i.e. five million litres) and will be coupled to the rising main and feeder pipes that were completed during the first phase. It will provide an alternate water supply to the Bellville North service area and will also serve as an emergency water supply in the event of pipe bursts or repairs, in order to minimise the impact on consumers.

Bulk wastewater infrastructure investment

There are 27 WWTWs in Cape Town, all of which need to be upgraded to meet the DWA's requirements. A number of the works, including Borchers Quarry and Kraaifontein, are operating above their hydraulic and load design capacity. A considerable number of other works, such as Athlone, Bellville, Gordon's Bay, Potsdam and Zandvliet, are fast approaching their design capacity.

The City has undertaken an accelerated programme to improve the replacement of water distribution network mains, especially in areas with a high incidence of pipe bursts. An extensive IAMP is also being implemented, which will ensure that:

- an asset register that complies with generally recognised accounting practice (GRAP) is developed and maintained;
- assets are maintained proactively rather than reactively;
- the total asset lifecycle is managed to maximise the lifespan and optimise the lifecycle costs of those assets;
- maintenance work is effectively coordinated; and
- operating downtime is significantly reduced.

However, maintaining infrastructure is not enough to ensure efficient water supply. A breakdown of the City's operating budget for water services is provided below:

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Water and Waste Water						
Staff Cost	781 141	874 460	974 634	1 142 168	1 235 131	1 341 240
Bulk Services	293 325	320 262	293 295	353 581	393 631	449 988
Chemicals	89 138	95 823	110 401	143 032	151 042	159 803
Contracted Services	358 474	411 289	546 829	527 032	588 152	670 134
Other	1 094 995	1 024 058	1 154 271	1 067 630	1 321 191	1 434 935
Total Primary Cost	2 617 073	2 725 893	3 079 430	3 233 443	3 689 147	4 056 100
Secondary Cost	1 858 579	1 999 811	2 268 448	2 472 916	2 634 793	2 820 452
Total Primary and secondary cost	4 475 652	4 725 704	5 347 878	5 706 359	6 323 940	6 876 552
Repairs and Maintenance	356 283	449 129	879 632	791 235	859 281	934 901
Repairs and Maintenance (Primary)	207 116	271 695	368 255	310 570	337 279	366 959
Repairs and Maintenance (Secondary)	149 167	177 434	511 377	480 665	522 002	567 941

Table 1.11: City's operating budget for water and wastewater services

Ensuring water quality

During the 2012/13 financial year, the entire water supply system, including the City-owned catchments, dams, water supply treatment plants, the bulk conveyance system and the whole distribution system, was once again assessed by DWA for its Blue Drop performance ratings.

The City again excelled in the DWA's Blue Drop awards programme. The City's score for the period under review was an impressive 98.14% and it also received the Platinum Award for the 4 successive years of excellent Blue Drop performance.

According to the latest Green Drop report by DWA, the average Green Drop score – which is a measure of the City’s wastewater treatment works (WWTWs) facilities – was 86.8%. Eleven of the WWTWs scored higher than 90%, including Gordon’s Bay, Klipheuwel, Llandudno, Macassar, Melkbosstrand, Wesfleur, Wildevoëlvele and Zandvliet WWTWs – thereby qualifying for Green Drop status. Athlone and Cape Flats WWTWs, however, struggled with compliance and therefore lost their Green Drop status.)

To address its ongoing wastewater challenges, the City continued with the following initiatives in the 2012/13 financial year:

- Recruitment of appropriate staff
- Post-retirement contracts, where possible
- Training of existing staff in an effort to minimise the shortage of trained, experienced resources
- Formulation of comprehensive, long-term master plans
- Allocating financial resources to expand and maintain existing assets
- Construction of new wastewater treatment facilities
- Improvement of business processes

WASTE MANAGEMENT SERVICES

The City of Cape Town subscribes to the waste management hierarchy of the National Waste Management Strategy (NWMS) as a way of minimising waste sent to landfills. This waste management hierarchy can be visually depicted as follows:

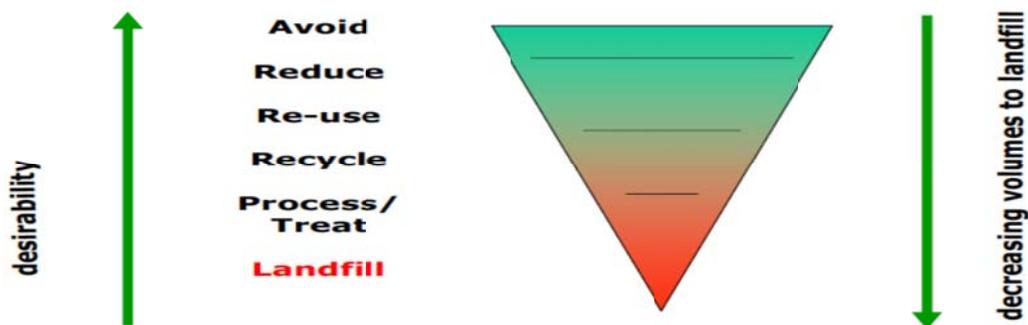


Figure 1.9: The City’s waste management hierarchy

The increase in waste as a result of population growth is projected to be approximately 2% to 3% per year. The City’s integrated waste management (IWM) plan consists of operating and support strategies to manage and minimise waste, ensure sustainable and affordable services, and comply with the NWMS, as per the National Environmental Management Waste Act (Act 59 of 2008).

Key projects and initiatives that formed part of the plan for 2012/13 included:

- rehabilitating old landfill sites such as Atlantis and Waterkloof historic landfills;
- upgrading and replacing the Solid Waste Management fleet in line with the seven-year vehicle replacement plan to improve equipment condition, reliability and availability;
- Completion of two mini-materials recovery facilities (MRFs);
- Completion of a comprehensive Municipal Systems Act section 78(3) assessment of alternate service delivery mechanisms;
- Implementation of the Kraaifontein integrated waste management facility consisting of a material recovery facility, refuse transfer station (RTS), composting facility and public drop-off section. (Construction of a second IWM facility will commence during 2013/14);
- Commissioning of the transfer station and drop-off facility at the Kraaifontein IWM facility;

The contract for both the operation of the MRF as well as separate collection of dry recyclables within the Kraaifontein area ends in June 2014. A new contract will commence from 2014 to 2017.

Solid waste value chain

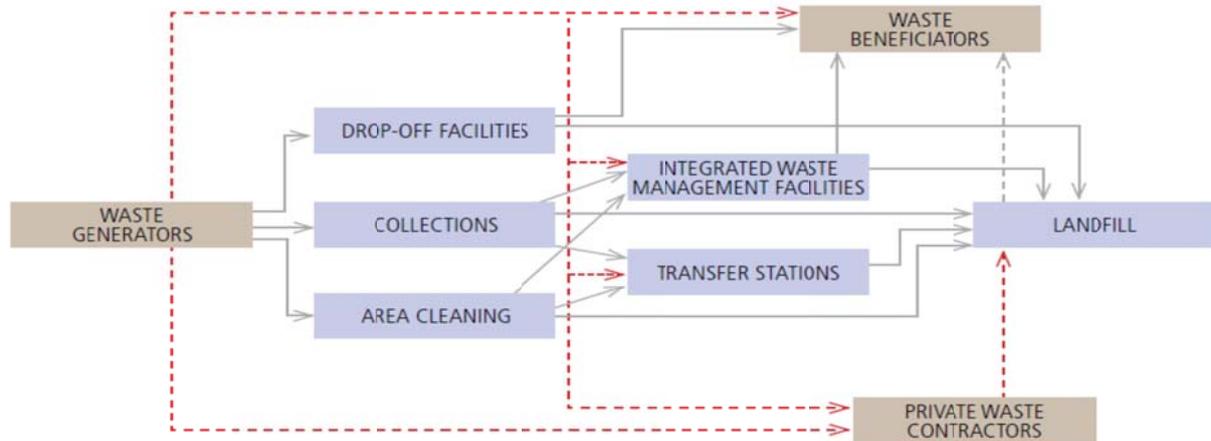


Figure 1.10: The City's solid waste value chain

The following table provides a breakdown of the City's operating budget and spend on solid waste management in recent years:

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	R'000	R'000	R'000	R'000	R'000	R'000
Staff Cost	450 515	501 390	565 966	613 788	671 900	723 105
Contracted Services	473 885	375 478	431 016	427 648	446 288	502 521
Other	388 112	645 633	595 681	657 708	658 866	707 713
Total Primary Cost	1 312 512	1 522 501	1 592 663	1 699 144	1 777 054	1 933 339
Secondary Cost	391 094	375 478	473 853	508 164	532 036	568 730
Total Primary and secondary cost	1 703 606	1 897 979	2 066 516	2 207 308	2 309 090	2 502 069
Repairs and Maintenance	79 926	83 510	96 197	107 476	116 719	126 986

Table 1.12: Solid waste management operating budget

Solid waste infrastructure asset management

The rehabilitation of the City's disused, full landfills and dumps continued in 2013 - as required by the Municipal Finance Management Act (MFMA) and operating permit conditions. The City also continued to focus on replacing ageing waste collection vehicles with the aim of ensuring long-term service delivery improvements.

A breakdown of the City's capital budget spend on solid waste management services is provided below:

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	R'000	R'000	R'000	R'000	R'000	R'000
Disposal sites	164 079	75 082	84 995	194 900	138 300	144 200
Vehicles & Plant	27 532	152 418	101 250	63 500	59 000	59 000
Other	6 763	3 153	20 327	36 337	61 005	35 344

TOTAL	198 374	230 653	206 572	294 737	258 305	238 544
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Table 1.13: Solid waste services capital budget

Addressing city landfill airspace constraints

There is limited airspace available at the City’s three operating landfills. Following an extensive technical process and a subsequent scoping and environmental impact assessment (EIA) process on two shortlisted sites, a record of decision was issued during 2007 in favour of a site south of Atlantis. The regional landfill will be able to receive waste by 2017.

The City remains committed to achieving ongoing landfill airspace savings through a variety of waste-to-landfill diversion mechanisms, including the composting of garden greens, the reuse of builder’s rubble, diverting glass, paper, cardboard, certain plastics and metal cans from landfills to recycling facilities, and a number of pilot separation-at-source projects (through the Think Twice initiative).

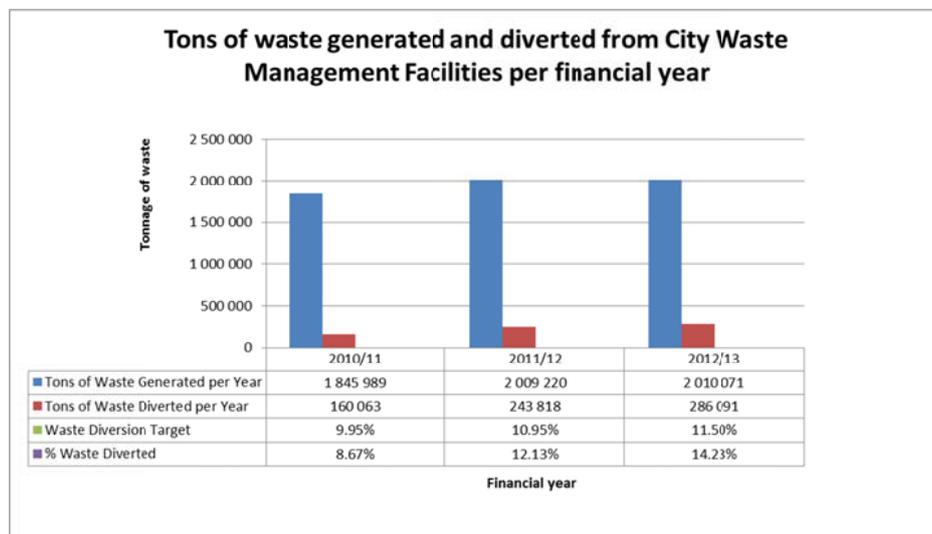


Figure 1.11: Amount of waste diverted from City of Cape Town waste management facilities

Note: Figures refer to waste minimised through City initiatives and waste disposed at City disposal facilities. As of July 2010, there has been a change from volumetric measuring to mass measuring. This change was implemented to achieve an improved representation of actual waste diverted.

OBJECTIVE 1.3: PROMOTE A SUSTAINABLE ENVIRONMENT THROUGH THE EFFICIENT UTILISATION OF RESOURCES

The City is committed to conserving Cape Town’s unique biodiversity and promoting natural areas as community spaces. To achieve this, a biodiversity network (fine scale conservation plan) has been put in place. The City is also committed to investigating alternative methods of energy generation, for example solar, wind and gas power.

Inland and coastal water quality improvement is another key priority area, which is aimed at delivering improved living conditions, healthy rivers and coastal waters, and increased resource sustainability.

The City continues to work tirelessly to reduce overall water demand and prevent water losses as

a result of leaks and burst pipes. A key focus is on promoting efficient methods of water utilisation by end users, such as rainwater harvesting, boreholes, greywater use and retrofitting.

The City of Cape Town recognises the need to be proactive in adapting to climate change, and has developed its Climate Adaptation Plan of Action (CAPA) to integrate such climate change adaptation measures with all of its relevant service delivery and planning functions.

Recognised for sustainability excellence

The City of Cape Town received a number of environmental awards in 2012/13, including:

- First runner-up in the 2012 Greenest Metro Competition;
- SANEA (South African National Energy Association) Energy Project Award;
- Residential Category Award in the 2012 Eskom eta Awards; and
- The Department of Environmental Affairs award for the best EPWP project in the Western Cape for the Silwerstroom to Hout Bay Working for the Coast Project.

Protecting Cape Town's coastline

The first draft of the City's Integrated Coastal Management Policy was completed during the year under review and will shortly be available for public comment and engagement. This draft policy defines a vision for coastal management in Cape Town with the intent to promote strategic, consistent and informed decision making with regards to the coast.

A study to model the sediment dynamics of False Bay in the vicinity of Glencairn beach was also completed, and provides recommendations and options for remedial action regarding the Glencairn railway line, which is currently threatened by the dynamic coastal processes, including erosion, that naturally take place in the coastal environment.

Ensuring and protecting biodiversity

During 2012/13, the City built on the many successes it has already achieved in terms of environmental sustainability and biodiversity management and protection. Many of these initiatives also served to create much needed permanent or temporary employment for Capetonians. Particular successes included:

- The creation of a significant number of job opportunities as part of ERMD's ongoing biodiversity management and invasive alien species management work. Approximately 100 000 person days of temporary employment were created - the equivalent of over 400 full time jobs. Since the start of the Mayor's Special Project (Integrated Catchment Management in memory of Kader Asmal) and the Skills Development Programme at False Bay Nature Reserve, six individuals have been permanently appointed.
- The ongoing Kader Asmal project, as well as other Expanded Public Works Programme (EPWP) projects, has had a significant positive impact on ecosystem functioning, biodiversity and ecological infrastructure across the city. Achievements include the clearing of aquatic weeds in the Black River and subsequent return of flamingos and other birds to the river. Other projects include the Early Detection and Rapid Response programme that addresses emerging weeds, the NRW programme for invasive species control, and a National Department of Environmental Affairs funded EPWP project for alien clearing and infrastructure development.
- A R25 million EPWP project, funded by the National Department of Tourism, commenced in July 2012 to upgrade recreational facilities on the Eastern Shore of Zeekoevlei, part of the False Bay Nature Reserve. The project will be completed in 2014 and will provide new braai and picnic areas, ablution facilities, road and parking areas and a walking/cycle path along the vlei edge.

- The ongoing Baboon Management Programme continues to be highly successful. In 2012/13, the service provider was able to keep baboons out of affected urban areas for over 95% of the time.
- The restoration of Skilpadsvlei, Kommetjie, resulted in the first successful breeding event of the endangered western leopard toad since the historic wetland area was drained and filled in during the 1940s. The rehabilitation project aimed to re-establish the breeding site for the western leopard toad and improve the natural open space for public enjoyment, as well as the ecological functioning of the system.
- The successful conclusion of the purchase of Klein Dassenberg - one of the original Core Botanical Sites which was previously known as the Fynbos Corridor. This important biodiversity land will be used as a land bank to potentially facilitate the development of land in the urban edge and industrial areas of Atlantis. This arrangement will be a boost to development facilitation in this area.

Promoting environmental compliance

The City's environmental compliance and enforcement strategy continued to achieve notable successes in terms of both compliance and enforcement. Tracking data show that City applications for Environmental Authorisation have reduced in both number and duration, due to better planning and project management, thereby reducing the risk of delays to capital projects for service delivery and housing.

Enforcement activities have continued against a number of cases of illegal infilling of wetlands and have resulted in the rehabilitation of disturbed areas, including the restoration of wetlands and floodplains in Mfuleni and Hout Bay. Three ERMD staff members have been designated as Environmental Management Inspectors ('Green Scorpions') and assist in city-wide environmental enforcement.

A new Marine Environmental Law Enforcement Unit was established in 2012, as part the Environmental Law Enforcement Task Team – a partnership of a number of national, provincial and local government departments. This has facilitated an integrated approach, throughout the City, for addressing marine and coastal law enforcement issues and the implementation of regular joint operations and law enforcement cooperation.

Encouraging energy efficiency

The City Solar Water Heater Endorsement Programme was approved by Council to be implemented from August 2013. The programme will facilitate the rollout of high-pressure solar water heaters by removing barriers identified in terms of capital outlay and perceptions of service and of product quality.

Managing the City's own energy impacts

During the year under review, a smart metering programme, the lighting retrofit of 18 buildings and the complete energy efficiency retrofit of four City buildings was completed under performance guaranteed contracts. All traffic light retrofits across the City were completed in 2012. Energy efficiency projects under the EEDSM programme are currently saving the City R18 million per annum and reducing the City's carbon emissions by 16 million tons every year. Additionally, the first Energy Management training programme for facilities management and City parks staff was initiated. This programme is aimed at developing building managers' capacity to effectively manage energy consumption of City buildings.

Assisting residents and businesses to save electricity

Residential electricity consumption accounts for 43% and commercial consumption for 40% of total electricity consumed in Cape Town. Efficient electricity use has become increasingly important in view of rising electricity tariffs and South Africa's very real supply shortages.

Through its marketing campaign with the slogan “Electricity is expensive. Saving is simple”, the City has devised a practical checklist and developed an information-filled website aimed at encouraging households to join the City in accepting shared responsibility for saving electricity. During the year under review, a three-year tender was awarded for the continued roll-out of this highly successful electricity savings campaign, which encourages the reduction of electricity consumption across the city, and provides households and businesses with energy saving information and advice.

The City Solar Water Heater Endorsement Programme was approved by Council to be implemented from August 2013. This programme will facilitate the rollout of high-pressure solar water heaters by removing barriers identified in terms of capital outlay and perceptions of service and of product quality.

Commercial building owners and operators are encouraged to join the highly successful Energy Efficiency Forum at www.capetown.gov.za/EnergyEfficiencyForum. 2012 saw the introduction of an Awards programme.

Reducing water demand and wastage

A key priority for the City of Cape Town is the funding of water demand strategies (WDSs) to enable planned programmes to be implemented in order to reduce the demand for, and wastage of, water across Cape Town. The main programmes and projects in this regard are:

- the water leaks repair programme;
- the pressure management programme;
- the roll-out of water management devices;
- the treated-effluent reuse programme;
- continued education and awareness; and
- promote rainwater harvesting.

As the City does not dispose of raw, untreated wastewater, compliance with standards poses some challenges. For the 2012/13 financial year, the majority of wastewater projects were aimed at increasing treatment capacity, improving processes and raising levels of effluent quality.

To improve sanitation access and serve the influx of people in informal settlements, the City is continuing with the implementation of its service provision programme, which includes the ongoing replacement of piping on water networks and sewerage networks at an average cost of R1 million per kilometre of piping.

City's new water saving website helps Capetonians to 'Keep Saving Water'

In January 2011, the City of Cape Town launched a new, dedicated website aimed at taking its 'Keep Saving Water' campaign to the next level. Filled with useful advice and practical tips, the website includes:

Water saving tips

- *Information on alternative water resources*
- *A borehole registration procedure*
- *Educational resources*
- *An interactive water audit for download*
- *Posters, pamphlets and videos*

It was specifically designed as a stand-alone site, at <http://www.capetown.gov.za/en/KeepSavingWater/Pages/DoYourWaterAudit.aspx> for ease of reference and access, but also has a link to the City's Water and Sanitation Department's main website. Visitors to the website can become Water Ambassadors in their communities by adopting the Water Ambassador Pledge, which is available for download in English, Afrikaans and Xhosa.

The Keep Saving Water campaign, launched by Executive Mayor Alderman Patricia de Lille in 2011, aims to encourage water savings across the city in order to reach the City's operational target of 27% savings per year during this period. The campaign has three key objectives:

- *Create awareness about the need for continuous 27% overall water savings*
- *Create an understanding of the consequences of ignoring the need to save water*
- *Foster acceptance of the water savings imperative, which translates into action*

Water reuse

At present, about 70% of all the water used in Cape Town is channelled into the city's sewer networks as wastewater. This wastewater is then treated and either reused (currently estimated

to be about 10% of total wastewater) or discharged into the sea as treated effluent (currently 90% of total wastewater). The treated effluent that ultimately ends up in the sea is often disposed of through rivers and wetlands, which can have significant environmental impacts.

Treated effluent is a valuable resource, and needs to be integrated with the overall process of reconciling water supply and demand. Currently, the 22 wastewater treatment works (i.e. excluding the three sea outfalls and the two oxidation points/ponds) in the City of Cape Town discharge approximately 16 728 Ml/month (as at end-June 2013) into rivers and directly into the sea. This represents a huge wastage of water resources, and requires that urgent attention be given to the development of effective reuse strategies. A detailed feasibility study is planned, which will deliver a comparative assessment of water reuse against other potential water resource development options.

Conserving the city's water

During the 2012/13 financial year, the City increased its percentage of accounted-for water to 84.1%. The success once again demonstrates the effectiveness of the City's water balance and loss reduction strategy, and shows that this initiative is having a positive impact on water conservation across the city. Effective water demand management is a core requirement for the sustainability of water supply to the city. In the last five years, a number of successful water demand management (WDM) projects have been implemented, with a particular focus on reducing non-revenue demand. In addition, the consumer contracts for treated-effluent reuse were rationalised to generate additional income

OBJECTIVE 1.4: ENSURE MOBILITY THROUGH THE IMPLEMENTATION OF AN EFFECTIVE PUBLIC TRANSPORT SYSTEM

Maintaining Cape Town's road infrastructure

For any city to operate effectively and efficiently an adequately funded and resourced, well-developed, and well-maintained road and street network is essential. The Cape Town network comprises 9 819 km of roads and streets, as well as approximately 1 850 bridges and other ancillary elements, such as subways, retaining walls, guardrails, footways, cycle ways, signs and sign gantries.

The operation and maintenance of this enormous network greatly affects the efficiency of transport of people and goods into and within the city. At the same time, demand for streets and associated services for social housing places huge pressure on the capital and operating budgets of the City's Roads and Stormwater Department.

The City will be upgrading and expanding Cape Town's public transport interchanges over the next five years to accommodate the growth in demand for access and mobility. A total of 25 high-commuter-traffic interchanges have been identified to receive special focus as part of the project, which is anticipated to cost around R321 million. This improvement programme forms part of the City's mobility strategy, which supports the development of a balanced transport system. It focuses on all elements of the transport system, including rail, bus, taxi, cycling, pedestrians, parking management, freight and traffic management information and data. This will be undertaken under the banner of Transport for Cape Town, so as to ensure synergy and a collaborative approach

In line with the City's IDP, the following major road upgrades and maintenance projects have been started and/or completed In 2012/13:

Project	Status
Table bay Boulevard	Completed
Main Road reconstruction - Muizenberg to Clovelly (phase 2)	Almost completed
Dassenberg Drive, Atlantis	Completed
Francie van Zijl Drive, Parow	Completed
Old Faure Road/Spine Road	Completed
Van Riebeeck Road, Eerste River	Completed
Glencairn Expressway	Completed
Swartklip Road	Completed
Mission Grounds, Sir Lowry's Pass Village	First phase construction completed. Some designs for next phase complete.
Concrete roads, Heideveld	Project advertised for tenders.

Table 1.14: Major road upgrades and repairs in 2012/13

From a structural aspect the following maintenance work has been, or will soon be, carried out:-

- M3, Rhodes Drive – repair of damage caused by theft and vandalism. Balustrades on bridges have been replaced with concrete.
- Wooden bridge, Milnerton lagoon - work in progress to develop a brief for the appointment of specialist heritage consultants
- Foreshore freeway bearings - all work completed except for bearings on Western Boulevard portion
- Strand Street footbridge – repairs completed
- Timber bridges general - pedestrian bridge in Strand repaired
- Duncan Road in harbour - detailed Stormwater culvert inspection and report completed. Detailed design completed for repairs to be done.
- Glencairn Retaining wall phase 2 - tender advertised and report going to Bid Adjudication Committee in 2013/14

Making transport accessibility a reality for all

A hierarchical, multidirectional accessibility grid for Cape Town will form the foundation for the routing and service design of an integrated public transport network (IPTN). The City is in the process of reviewing its Integrated Transport Plan and its IPTN so as to cover service delivery standards, including the road and rail network, and ensure the roll-out of sustainable, integrated public transport for all in Cape Town. The intention is ultimately to ensure that more than 85% of the city's population is within a kilometre of a high-quality public transport system.

The IPTN will inform a hierarchy of public transport services relating to the accessibility grid, including the following:

- **A rail service** that provides high-performance, high-volume and safe public transport, which will be the preferred mode for long-distance commuters
- **A road-based trunk service** provided by articulated and standard buses on dedicated and semi-dedicated right-of-way infrastructure
- **A community (feeder and distribution) service** at 4km to 8 km intervals, provided by standard buses and smaller vehicles and which feeds into the main bus and rail services
- **Pedestrian and cycle lanes** along public transport routes and around public transport stops, stations and interchanges to facilitate safe and convenient access to public transport services.

Policy Development and Statutory Planning

In line with the National Land Transport Act of 2009, the past financial year saw the City:

- Initiate the review of the statutory Comprehensive Integrated Transport Plan process that includes the Integrated Public Transport Network and the Operating Licensing Strategy;
- Begin the development of a Universal Access Framework, to set the base for a Draft Universal Access Policy for the City; and
- Refine the Parking Policy Framework, to set the base for a draft Parking Policy for the City.

Helping Capetonians to travel SMART

During the year under review, the City of Cape Town launched its innovative Travel SMART programme aimed at encouraging Capetonians to choose more sustainable transport options. A primary focus of the programme is on convincing commuters to leave their cars – often single-occupancy vehicles (SOVs) – at home, particularly when travelling to and from work.

Currently in its pilot phase, the programme, which is funded by the United Nations Development Programme, has partnered with six other large employers in the CBD with a shared goal of creating awareness among staff and encouraging a shift to public transport, lift clubbing (car-pooling), active mobility and non-motorised commuting, such as walking or cycling.

In addition to discouraging SOV use, the Travel SMART programme is aimed at reducing vehicle emissions, lowering travel costs for commuters, and easing congestion on the city's roads. The programme has been selected as one of the flagship projects for Province's "110% Green" campaign, which was recently launched on World Environment Day.

Good progress made with Non-Motorised Transport (NMT) implementation

In 2009, the City of Cape Town embarked on a city-wide NMT Programme to develop a comprehensive NMT network plan for the whole of Cape Town. The objectives of the programme (initiated in 2009) are to expand the City's NMT infrastructure and encourage cycling and walking and all other forms of active mobility as modes of travel for commuting and recreational purposes. The creation of safer pedestrian and cycling environments also features among the City's aims.

For the purposes of the programme, the City was divided into four regions (Central, North, South and East). Multi-disciplinary consulting teams were appointed for each of the regions, first to develop a conceptual NMT network plan per region and then to commence detailed design, tender documentation and contract management.

The conceptual NMT network planning was informed by pedestrian and bicycle user groups, nodes and trip generators (schools, clinics, shopping centres etc.), public transport networks and interchanges, accident statistics, hazardous locations and existing local NMT networks.

To date, the following NMT projects have been completed:

- Nantes Park in Athlone
- Merrydale Road in Mitchells Plain
- Concert Boulevard in Retreat
- De Waal/Victoria Roads including Dick Burton (NMT movement from Grassy Park to Plumstead employment areas)
- Freedom Way in Phoenix, Milnerton Completed
- Langa along Bhunga, Sandile, Jungle Walk and Washington roads towards public transport facilities
- Delft main phase I, 2 and 3
- NY1 and NY3 in Gugulethu

The following NMT projects are currently under construction:

- Military Road in Retreat and Vrygrond
- Atlantis (the broader suburb)
- Rondebosch common
- Bonteheuwel station and CBD
- Weltevreden Parkway in Mitchells Plain
- Kraaifontein, Scottsdene/Wallacedene along Old Paarl Road

The following NMT projects are in the design stage or have completed designs:

- Range Road in Blackheath towards the rail station
- Forest Drive in Eerste River
- Strand Street, Cape Town: from Russel Street to Adderly
- Aden Road in Athlone
- Bonteheuwel Avenue and major roads
- Bishop Lavis/Valhalla Park major roads

The following "park and ride" facilities were completed in the financial year under review:

- Claremont Rail Station
- Diep River Rail Station
- Heathfield Rail Station
- Kenilworth Rail Station
- Steenberg Rail Station

Further expansion and work was also completed at the Lenteguur Public Transport Interchange and the Mitchells Plain Public Transport Interchange

Usage of NMT modes is continually monitored and evaluated, particularly for maintenance purposes. Surveys have been undertaken at 72 points distributed across the city. The data captured reflects the number of pedestrians, schoolchildren, cyclists, wheelchairs and people with prams utilizing the facilities, as well as infrastructural maintenance matters.

Creating jobs through transport development

NMT projects are well suited to job creation via the Expanded Public Works Programme (EPWP) principles. For this reason, local communities and emerging contractors are incorporated wherever possible at construction stages. The EPWP principles have been applied to implement NMT projects since July 2011, with 251 jobs being created. Employees participate in accredited training and can therefore use their certificates when job seeking.

Meeting rising demand for MyCiTi services

From the start of MyCiTi services, to end-June 2013 an estimated 7 252 112 passengers have travelled on MyCiTi service, as set out in the table below. This, despite the fact that passenger numbers dipped considerably in May 2013 as a result of the lengthy national strike by trade unions in the bus sector.

Categories of service	From 2010 (start of service), including 2012/13	2012/13 financial year
Standard MyCiTi services	6 527 520	3 217 042
Airport	305 246	107 298
Events	408 241	80 701
World Cup interim services (excl event services)	11 105	
	7 252 112	3 405 041

Table 1.15: Passenger usage of MyCiTi services

Surpassing five million passenger trips was a significant milestone and indicates that the residents of the Cape Town have embraced the City's vision of Transport for Cape Town. The MyCiti project is a key component of efforts to overhaul public transport in the city and redress the negative impacts of apartheid era spatial planning that relegated many residents to the margins of Cape Town.

In the 2012/13 financial year, the MyCiTi commenced the services within the Cape Town Inner City, along the R27 towards Table View and within the Table View community. Early in the new financial year, this will be extended to Du Noon, Atlantis, Mamre, Melkbosstrand, Montague Gardens, Joe Slovo, Century City and other areas within the Phase 1A geography.

In December 2013, the City is also planning to launch an express service between Khayelitsha and Mitchells Plain and central Cape Town. The express service is planned to start in December 2013, and will continue until the Passenger Rail Agency of South Africa (PRASA) finishes its planned modernisation of the Khayelitsha-to-CBD service. At that stage, the express service will be re-evaluated. The aim of the new services is to complement the City's rail service and to meet the needs of commuters on high-demand corridors. By March 2014, the City will also complete its Integrated Public Transport Network (IPTN) Plan for the entire metropolitan area covering Rail, BRT, other roads based public transport improvements and Non-Motorised Transport (NMT). This plan will be included in the proposed rollout for the City's IPTN 2013-18.

In line with this ongoing expansion, the following vehicles were added to the MyCiTi service during the year under review:

- 66 Scania 12m and 18m high floor trunk buses, meeting the remaining trunk vehicle requirements for Phase 1: Final evaluation and adjudication award of tender, July 2013;
- 221 Optaire 9m buses, supplied by Busmark 2000 – 21 supplied in 2012/13, 190 supplied in 2013/14 and 10 to be delivered in 2013/14;
- 40 Volvo 12m and 18m low floor buses for the N2 Express Service – delivery of the initial 20 buses is expected to commence in October or November 2013

Meeting the special needs of passengers

MyCiTi is leading the way internationally on universal transport access, which includes access for the disabled, the elderly, young children, passengers with large suitcases, surfboards or prams, pregnant women, and women travelling alone at night. Universal access features on the MyCiTi service include:

- tactile paving to help the blind locate the stations and platforms;
- induction loops at ticket kiosks for the hearing impaired;
- closed-circuit television cameras monitored by a control centre; and
- tactile signage and maps.

The City is also making boarding bridges available to afford passengers level access on all permanent routes. To ensure that these principles are followed through for all public transport facilities, services and operations, the universal access policy and bylaws are being developed and refined to account for lessons learnt during the current operations.

STORMWATER SYSTEMS

During the 2012/13 period, the City continued to make good progress implementing its Inland and Coastal Water Quality Strategy including implementation and monitoring of the various pilot projects as well as the forging of inter-departmental partnerships. A service provider was appointed to assist with managing the outcomes of the programme. The process has seen some positive results as evidenced by, for example, the appearance of flamingos in the Salt River Catchment after many years.

Stormwater infrastructure

The City's stormwater infrastructure network requires large capital inputs to deal with existing inadequacies. Upgrades to existing infrastructure and the provision of new infrastructure are planned to help reduce flood risk, particularly in vulnerable communities, as well as to enable new development.

To this end, a number of initiatives were undertaken during the period under review, including:

- Implementation of formal flood risk reduction and mitigation programmes focusing on vulnerable communities, including:
 - completion of Phase 1E of flood alleviation measures in the Lourens River corridor at the end of April 2013; and
 - general minor stormwater projects identified throughout the city as necessary to deal with localised flooding.
- Continuation of the City's successful Winter Readiness Programme to reduce the risk of flooding for affected communities by ensuring effective maintenance of stormwater infrastructure. In addition to the Winter Readiness Programme, the Roads and Stormwater Department has created temporary employment opportunities for the unemployed people through the implementation of labour intensive projects under the auspices of the Expanded Public Works Programme (EPWP). This has resulted in a major improvement in the functionality of the Stormwater Systems across the City.
- Implementation of infrastructure upgrades and provision of new infrastructure to enable new development, including:
 - preparation of a River Corridor Plan as well as stormwater master planning (still underway) to enable upgrades to Sir Lowry's Pass River as well as continued provision of new bulk stormwater for Tableview North to support the strong development thrusts taking place in these areas;
 - completion of a section of canal from Parklands Main Road to North of Sandown Road as part of the provision of new bulk stormwater for Tableview North; and,
 - construction of the final section of the Lotus Canal widening, which had reached 60% completion by June 2013. This project will enable ongoing development in the

vicinity of Cape Town International Airport, while managing any resultant potential flood risks in Gugulethu, Nyanga and other communities further downstream.

- Finalisation of Phase 2 (Eastern Catchments) of the metro-wide stormwater master planning (as part of the asset management plan formulation) to identify and prioritise capital funding requirements.
- Formulation of terms of reference for a consultant appointment for a project to develop skills and capacity building around sustainable urban drainage systems, and prepare a programme for monitoring, operation and maintenance to ensure the on-going successful implementation of the Management of Urban Stormwater Impacts Policy adopted by Council in 2009.

OBJECTIVE 1.5: LEVERAGE THE CITY'S ASSETS TO DRIVE ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT

City land made available to promote economic growth

In May 2013 the City of Cape Town released selected City-owned properties for sale to the open market as part of its commitment to building an opportunity city in which the economy grows and jobs are created, particularly in areas that were previously deprived of development.

The properties comprised six vacant erven in Atlantis zoned for industrial purposes, three vacant erven, zoned for business development in the areas of Strandfontein, Mitchells Plain (Tafelsig) and Macassar, and eight vacant erven zoned for Single Residential purposes in Constantia, Kensington, Lansdowne, Mitchells Plain, Surrey Estate and Heathfield. These areas were specifically selected in accordance with the City's IDP objective to utilise, where available, under-utilised municipal property to leverage growth and sustainable development in poorer communities.

Ensuring effective asset management

The City is working towards the development of an immovable property asset management framework incorporating international best practice, including managing and performance-measuring portfolios of immovable property assets over the full life cycle (planning, acquisition, holding/utilisation and disposal), reporting on performance, and aligning immovable-property objectives with the strategic focus areas of the IDP.

OBJECTIVE 1.6: MAXIMISE THE USE OF AVAILABLE FUNDING AND PROGRAMMES FOR TRAINING AND SKILLS DEVELOPMENT

Maximise the use of available funding and programmes for training and skills development

The City set out to increase existing external training opportunities for unemployed youth. The targets, which were set at the start of the year, were significantly exceeded through both the allocation of additional funding in the mid-year review and through the dedication of line departments to take on the responsibilities of transferring skills to youngsters. This programme will continue to be expanded through additional City and SETA funding.

Year on year, opportunities provided through the Apprenticeship Programme increased by 65% from 190 to 314, and the number of learnership external bursaries increased by 14% from 145 to 166. The in-service training and graduate internship programme increased by 11% from 710 to 788. In addition the City received the Excellence Award from CPUT in the category Institutional for Work Integrated Learning and Appreciation. It was recognized for more than 10 years of support.

City's internship programmes delivering positive results

On Friday 1 March 2013, 42 new interns started work within the City of Cape Town's Departments of Environmental Resource Management; Planning and Building Development Management; Urban Design and Spatial Planning; Economic Development; Strategic Development Information and GIS; and the World Design Capital 2014 Programme.

These interns were placed as part of the City's ongoing Internship Programme, which is now in its eighth year. They work in various areas of the City, including biodiversity management; coastal and heritage resource management; environmental compliance; nature conservation; environmental communications and education; urban design; landscape architecture; sustainable livelihoods; sustainable transport planning; planning and building development; and quality public spaces, knowledge management and GIS.

The programme has proven immensely effective in producing exceptional young professionals. In some instances, interns have contributed to the development and implementation of strategic programmes and projects in the City during their one-year stay. Since its inception, more than 40 interns have been employed by the City after their internships, while several have been employed by the Western Cape Government, various National Government Departments, private companies and non-governmental organisations.

Each intern is placed with a specific City employee who manages and mentors them for a 12-month period. Although highly qualified in a specific environmental field, the intern is usually fresh out of university and often lacks practical workplace skills and experience – which their internship with City of Cape Town affords them in abundance.

In December 2012, the City also successfully completed another year of its nature conservation diploma in-work integrated learning programme. Over the last 10 years, City students have achieved extremely good results and many of them are now formally employed in the Environmental Resource Management Department.

Developing Call Centre talent

In June 2013, the City welcomed 13 new unemployed job seekers into its Corporate Contact Centre Learnership Programme. When it was advertised in June 2012, the programme received 59 000 applications, demonstrating the urgent need for more such learnerships to be made available via both the public and private sector. The training programme commenced in June 2013 and will run for 18 months during which time the learners will receive formal contact centre support training, ongoing mentorship, and extensive practical call centre skills. They will receive a monthly stipend from the City to assist them with transport and food costs whilst on the programme.

After their formal training, the learners will spend time taking calls in an 'Incubator Team' under the close supervision of a trainer. Once they have achieved the necessary level of expertise, they will be mainstreamed into the City's Contact Centre and work side-by-side with permanent Call Centre agents, responding to calls from the residents and businesses of Cape Town.

This learnership programme is as part of the City's strategy to build a pipeline of promotion and support hard-working and capable people to climb the career ladder on the basis of potential, initiative and value.

City awards 79 external bursaries to students

As part of its continued commitment to developing South Africa's talent pool, the City awarded 79 new external bursaries for the 2013 academic year. This brings to 166 the total number of external bursars supported and funded by the City of Cape Town – all of whom will join the City as employees on successful completion of their studies.

The City' external bursary programme is one of the key projects underpinning it's strategic focus on building an Opportunity City by supporting skills development. Bursaries are awarded in 21 fields of study, mainly in engineering and the built environment, which are areas where the City has identified critical skills shortages. The 2013 bursars were chosen from 2 084 applicants.

STRATEGIC FOCUS AREA 2

The safe city

For the City of Cape Town, creating a safe city involves far more than merely responding to crime. Safety extends beyond a law enforcement function, but rather includes positive action across the full spectrum of development challenges facing residents of Cape Town. A key strategy for the City, therefore, is to partner with communities in its efforts around social crime prevention, disaster response and management, and ongoing urban regeneration.

SFA 2 key objectives and programmes

In order to position the City of Cape Town as a safe city, five key objectives - each with its own underpinning programmes - were identified in the 2012/13 review of the City's IDP

OBJECTIVE	PROGRAMME
2.1: Expand staff and capital resources in policing departments and emergency services to provide improved services to all, especially the most vulnerable communities	2.1(a): Increase in operational staff complement
2.2: Resource departments in pursuit of optimum operational functionality	
2.3: Enhance intelligence-driven policing with improved information-gathering capacity and functional specialisation	2.3(a): Improved efficiency through information and technology-driven policing
	2.3(b): Intelligent crime prevention
2.4: Improve efficiency of policing and emergency staff through effective training	2.4(a): Training and human resources development
2.5: Improve safety and security through partnerships	2.5(a): Strengthen community capacity to prevent crime and disorder
	2.5(b): Strengthen community capacity to respond to emergency situations

Table 2.1: 2012/13 IDP objectives and programmes for SFA2

This review of SFA2 offers an overview of the City's performance against these objectives and its progress in terms of the implementation of the associated programmes. Due to the fact that the various City directorates work collaboratively, there may be significant overlap of deliverables in terms of these objectives and programmes. As a result, the performance information for some of these objectives may be contained in other SFA review sections of this report.

Key Safe City achievements in 2012/13

- Reduced number of accidents at Cape Town's five highest accident frequency intersections.

- 84% of fire incidents responded to within 14 minutes from initial call.
- Melkbos Fire Station completed and now fully operational.
- 99.99% of Fire and Rescue Services capital budget spent.

Policing overview

The City has three policing departments in the form of Metro Police, Traffic Services, and Law Enforcement and Specialised Services. The objectives and priorities of these departments are set out in the City's overarching Law Enforcement Plan, which includes the Metro Police's legally required Annual Police Plan. The main objective of this plan is to ensure the integrated delivery of efficient policing services.

During the period under review, 112 492 citations were issued for bylaw offences across the city. Significant results were also achieved in the combating of illegal land invasions, with 100% of reported cases being successfully managed. This effectively means that land invasions were prevented in Cape Town over the 12-month reporting period.

Emergency services overview

City Emergency Services comprise the 107 Emergency Call Centre, the Fire and Rescue Service and the Disaster Risk Management Centre. In the year under review, the Fire and Rescue Service dealt with 32 916 incidents, of which 19 201 were medical or trauma incidents (which do not fall within the ambit of the service's core functions). There were no major mountain or vegetation fires, however, there were a number of informal settlement fires. Fortunately, the extent of the devastation caused by these was minimal due, in large part, to the positive impact that is being seen from the fire prevention educational programme put in place by the Fire Life Safety Division.

Traffic services overview

In the year under review, 161 358 traffic fines were issued and 2 603 arrests were made for driving while intoxicated (DWI).

OBJECTIVE 2.1: EXPAND STAFF AND CAPITAL RESOURCES IN POLICING DEPARTMENTS AND EMERGENCY SERVICES TO PROVIDE IMPROVED SERVICES TO ALL, ESPECIALLY THE MOST VULNERABLE COMMUNITIES

Creating jobs while keeping people safe

At the end of 2012, the Fire and Rescue Service prepared for the traditionally risky festive season period by employing 120 seasonal fire fighters whose primary mandate was to keep any vegetation fires under control. The work of this dedicated team of fire fighters ensured that there were no major bush or veld fire incidents during the past financial year. In addition, the utilisation of the Expanded Public Works Programme (EPWP) employees to inspect and clean fire hydrants, man the fire station watch-rooms and carry out maintenance tasks around the stations has freed up trained fire fighters to concentrate on fire-fighting operations, particularly in the City's informal settlements where fires can have a rapid and devastating impact.

Ensuring safety on public transport interchanges

Launched at the end of 2012, the Public Transport Interchange Unit comprises 33 law enforcement officers who are stationed at various major public transport interchanges with a particular focus on Joe Gqabi, Bellville and the Cape Town Station deck. The unit's activities supplement the security provided by various private security companies, the Metro Police and the South African Police Services.

Externally funded member programme

As part of the City's externally-funded member programme, concerned private sector organisations, city improvement districts, and other agencies are able to offer financial support to the City's policing department in order to have dedicated law enforcement services provided in agreed patrol areas. Over the past financial year, support for this initiative continued to grow and there are now 175 additional, privately-sponsored law enforcement officials deployed in specific areas of the city.

Establishment of an Auxiliary Law Enforcement Service

An Auxiliary Law Enforcement Service was established that would see the deployment of volunteer Law Enforcement Officers. A total of 116 people have been trained of which 39 volunteers were recruited from active Neighbourhood Watches and will serve to strengthen community patrol initiatives in their areas of residence as they are now fully trained Law Enforcement Officers with peace officer status. A further 77 Auxiliary Law Enforcement officers from Northlink and False Bay Colleges have been trained and 34 were actively deployed during the year under review.

Boosting the disaster management team

An active and fully trained Disaster Management Volunteer Corps is an effective way of building the City's resilience and ability to respond to disasters or emergency incidents as these personnel are able to provide valuable assistance to the City's emergency services.

During the past financial year, the City proactively recruited and trained new Disaster Management Volunteers from various communities across Cape Town. This has seen the City's Disaster Management Volunteer numbers swelling to a total of 406 members. Eleven Volunteer Corps units have now been established in:

- Atlantis
- Athlone
- Belhar
- Fish Hoek
- Khayelitsha
- Macassar
- Melkbosstrand
- Melton Rose
- Milnerton
- Plumstead
- Strand

Active recruitment and training has also taken place in Nyanga, Langa and Mitchell's Plain, and units will be established in these areas as soon suitable premises are acquired.

OBJECTIVE 2.2: RESOURCE DEPARTMENTS IN PURSUIT OF OPTIMUM OPERATIONAL FUNCTIONALITY

Investing in the safety of all citizens

Over the past number of years, the City of Cape Town has successfully transformed its Fire and Emergency Rescue Services from an under-resourced unit to a professional team that serves all the residents of Cape Town. Since 2006, five new fire stations have been opened, ensuring that emergency services are located closer to high-risk fire areas so that response times are good. The City has invested approximately R300 million on resourcing its Fire and Rescue Services with vehicles and equipment, and the staff complement of these essential services has been increased by at least 25%. Extensive investments have also been made into training, the most recent of which was the completion of a fully accredited training college in Epping. As a direct result of these initiatives and investments, the fire mortality rate in Cape Town's informal settlements has declined from 7.9 per 100 000 residents to 4.3 per 100 000 residents in five years.

A focus on service excellence

The City's Traffic Services Department is continually looking at new ways of improving services for motorists using any of its 18 driving licence testing stations (DLTCs). These include placing new centres closer to the residents, improving existing facilities and introducing customer service innovations to address public concerns. During the period under review, 91 418 driver tests were conducted at the City's various DLTCs.

In July 2012, Eastridge Driving Licence Centre became the first DLTC to offer electronic learner driver's classes.

OBJECTIVE 2.3: ENHANCE INFORMATION-DRIVEN POLICING WITH IMPROVED INFORMATION GATHERING CAPACITY AND FUNCTIONAL SPECIALISATION

The City's Vice Squad continues to play a vital role in combating human trafficking. The City's Vice Squad focused on brothel inspections this financial year and succeeded in positive inspections of 169 premises. This Unit is also responsible for policing sex solicitation in Cape Town, and issued a total of 1179 spot fines to prostitutes in this regard.

The Metals Theft Unit also enjoyed significant success through ensuring they conduct unannounced inspections at both scrap yards and 'bucket shops' (*informal scrap yards ran illegally from a residential premises*); here the Unit achieved 838 scrap yard visits and 492 bucket shop visits respectively.

The Problem Building Unit, which was launched in November 2010, and has yielded a number of successes, including the following:

- 924 problem buildings were investigated, of which 139 complaints were finalised
- 715 problem buildings are under investigation
- 34 buildings were boarded up by owners in compliance with the instructions of the Department

At the time of producing this report, a further 312 properties were under investigation. The capacity of the unit will be increased in the coming financial year to enable it to build on the success it has achieved thus far.

The Metals Theft Unit also enjoyed significant success in the 2013 financial year, closing down the operations of 22 illegal scrap dealers.

Cracking down on gangs

The pilot phase of the City's Gang Unit deployment in Hanover Park and Lavender Hill continued to deliver positive results in terms of monitoring and controlling gang-related activities in these high-gang-activity areas. During the period year under review, 1 527 arrests were made for drug-related crimes, particularly possession and dealing.

Combatting drug and alcohol abuse

The key focus areas and objectives of the City's comprehensive drug and alcohol abuse strategy include enhancing law enforcement, providing more treatment facilities, improving awareness, and ensuring better inter-governmental coordination.

During the year under review, the Metro Police Department continued to clamp down on Cape Town's illegal drug and alcohol trade and numerous intelligence-led operations led to the disruption of many dealing activities and 1 675 arrests for drug-related crimes.

Also during the 2013 financial year, the City's Law Enforcement and Specialised Services Department's Liquor Control Unit continued to step up its action against illegal liquor trading. The Unit conducted 939 inspections of suspected illegal liquor trading premises, and closed down 105 shebeens and ensuring that these remain closed. During the 2012/2013 financial year, a total of 8 204 bottles of alcohol were confiscated and 705 fines issued for contravening the City's Liquor Bylaw.

In the 2013 financial year, the City completed the draft specifications for a newly-established Substance Abuse Unit, which will include training and skills transfer aimed at enabling Unit members to perform as Trauma Coordinators.

Promoting road use compliance

The City's Traffic Services Department has an Operations Section, which undertakes specialised and general enforcement activities, provides road safety education at schools, and manages traffic at all events that affects Cape Town's roads.

The City continues to target accident hot spots for ongoing monitoring. An example of the effectiveness of this approach is the White Road level crossing in Retreat, which now has a camera monitoring system that has resulted in a number of prosecutions of motorists who have failed to come to a complete halt at the stop signs. This concept has been extended to the Buttskop railway level crossing in Kuilsriver.

The City follows a strong partnership-based approach to traffic services, and has renewed its contracts with Outsurance, which will be funding a mobile traffic service, and Century City Property Owners' Association, which is the first private body to agree to pay for the services of a dedicated, qualified traffic officer. The City has provided funding for additional operational personnel who will take up duty in the new financial year.

In the year under review, Traffic Services also successfully introduced a 'ghost squad' team that concentrates solely on patrolling the city's highways. In November 2012, the City also launched a mobile traffic centre that travels the metro and can be used at major events, special operations, roadblocks and especially drunk driving interventions. The 26-wheel vehicle was donated to the City and converted into a traffic centre that is fully accessible to the physically handicapped. Its state-of-the-art onboard equipment can link directly to the National Traffic Information System (eNATIS), allowing staff to process warrants on-site.

OBJECTIVE 2.4: IMPROVE EFFICIENCY OF POLICING AND EMERGENCY STAFF THROUGH EFFECTIVE TRAINING

Training for sustainable excellence

Between July 2012 and June 2013, the City facilitated the basic training of 47 learners in its specialist Traffic and Metro Policing courses. A total of 1 279 staff members across the Safety and Security Directorate have now received this valuable in-service training since the courses were first implemented in 2011.

The Cape Town Metropolitan Police Department (CTMPD) was the first Policing Agency in the Province to offer its force members fitness and wellness training from nationally qualified Physical Training Instructors. In addition to ensuring the physical wellbeing of these important security providers, the programme ensures that the City's police are in the optimum physical condition required to effectively execute their duties.

In the year under review, the City's continued commitment to ongoing equestrian training delivered tangible results when the Cape Town Equestrian Unit became the first Policing Equestrian Unit in South Africa to be SANEF qualified by meeting all Occupational Health and Safety Requirements.

Select members of the Metro Police force have also intensive received VIP protection training, qualifying them as National Close Quarter Protectors. Cape Town Metro Police is one of the first local municipality policing agencies to achieve these unit standards, effectively putting these specialist protectors ahead of those of many other protection agencies and equipping them to work tactically with any international agency at international events.

Training fire fighters for maximum effectiveness

The City's Fire and Rescue Training Academy is now able to register trainee credits towards South African qualifications. In February 2013, it became the first training academy of its kind in the country to place fire fighters who had completed their learner programmes onto the SA Qualifications Authority (SAQA) learner database. In addition, the fire training facility at Epping obtained full accreditation status, and is now registered to provide educational and awareness fire training.

OBJECTIVE 2.5: IMPROVE SAFETY AND SECURITY THROUGH PARTNERSHIPS

Enabling effective neighbourhood watches

The City's Neighbourhood Watch Assistance Programme continues to prove effective in helping to strengthen the capacity of local communities to prevent crime and disorder in their own neighbourhoods. Since the programmes inception in 2008, a total of 2 669 neighbourhood watch members have been trained in the principles of problem-orientated crime prevention. Many participating neighbourhood watches have also been issued with additional patrol equipment and other products to enhance their effectiveness.

CCTV sponsorship

In 2011, the University of Cape Town (UCT) and the South African Breweries pledged R1 million each for the installation of CCTV cameras in the Claremont, Mowbray, Rosebank and Rondebosch areas, with the proviso that the City of Cape Town would match their investment. This was agreed and the rollout of these cameras commenced in the same year. In the 2012/13 financial period, 25 more cameras were installed and activated (13 in Mowbray and Newlands & 12 in Claremont). Images from these cameras are monitored and recorded at the CCTV Control Room at the TMC in Goodwood with responses, where necessary, provided by the SAPS, Metro Police, Traffic Services and Law Enforcement.

School Resource Officer Project (SRO)

In line with an agreement with the Western Cape Department of Education, School Resource Officers were deployed to six pilot schools in September 2012. The officers underwent world-class training from NASRO (National School Resource Organisation; USA) while the programme management received expert supervisory skills training in schools-based law enforcement management. From January 2013, this training was augmented with specialised skills transfers in project management, conflict resolution, computer training, communication skills, presentation skills and other ad hoc training.

While no statistics are yet available in terms of the impact of these SRO's anecdotal feedback points to them being highly effective in quelling the incidence of violence and crime in the schools where they have been operating. One report even refers to the actions of an SRO saving the life of a learner who was stabbed at school. Absenteeism has also decreased at most of the participating schools as a result of learners feeling safer in their learning environments.

Building relationships with troubled youth

As part of the City of Cape Town's efforts to build a Safe and Caring City for all its residents, it officially opened the Metro Police Department's Youth Academy at the Rotary Camp in Glencairn on 25 May 2013. The Youth Academy aims to reach out to youth at risk and build healthy relationships between these young people and the Metro Police. The ultimate goal is to ensure that this generation of Capetonians can have a more positive perception and better understanding of the role of the police in society. The weekend youth camps also give these young people exposure to a basic understanding of some of the laws of the country and the City's By-laws, so that they have the knowledge needed to be law-abiding members of society who understand their rights as well as their role as responsible citizens.

During the three weekend youth camps offered since the Youth Academy opened, 180 young people from six city schools were exposed to life skills development sessions and various fun activities, which included a ride-along in a Metro Police patrol vehicle.

Cross directorate cooperation helps reduce fire risks

The City is currently implementing a range of engineering solutions that will have the effect of further minimising the risk of extensive fire damage in informal settlements. One key initiative is the re-blocking of informal settlements. This involves the grouping and reformatting of structures in the settlements to optimise space enhance security, and improve fire-prevention and service delivery access. The City is also engaging with various suppliers of innovative fire-prevention solutions, from retardant paints and safer shack designs, to less risky lighting units. The viability of providing fire extinguishers to communities is also currently being tested.

Involving communities in ensuring their own safety

The City has engaged with a number of at-risk communities around increasing awareness of fire risk and educating them on the correct ways to combat fire incidents. As part of this campaign, the City also employed the services of the Jungle Theatre Company to educate various communities with an interactive and hands on learning experience. Key messages such as how to minimize fire risk through prevention methods, and how to enact emergency procedures effectively were conveyed in a production called, 'The Spirit of Fire'.

This awareness drive is complemented by the City's commitment to enforcing fire safety regulations for the protection of all citizens. While this can be challenging, as it often involves the closure of illegal businesses, the City attempts to engage with communities so that they fully understand the reasons for such actions.

Excellent performance by Fire and Rescue Services

During the 2013 financial year, a Cape Town Fire and Rescue Service team competed in the National SAESI 2013 Challenge in Johannesburg and the results achieved demonstrated the consequences of the City's ongoing commitment to excellence in emergency services. Amongst many other top five results, the team achieved first place in the Combat Individual and Team Challenge, Incident Commander High Angle, Best Rigger High Angle, Incident Commander Medical, and Team Challenge Medical – Intermediate Life Support categories.

Committed to responding quicker and communicating better

Emergency response times are an important component of the commitment to being a caring city. As such, the response target has been set at no more than 14 minutes from call receipt to arrival on the scene of at least 75% of emergencies. In the year under review, the City's emergency response services exceeded this target by responding to 84.15% of emergency calls within 14 minutes or less.

During the 2012/13 period, the City's Public Emergency Communication Centre answered a total of 572 445 calls, 94.16% of which were answered within 20 seconds.

Constantly monitoring disaster risk management effectiveness

During the year under review, the City completed the following four major emergency exercises to test the effectiveness of its various Disaster Management Plans:

- The Lourens River Emergency Exercise to test the Flooding and Storms Disaster Management Plan.
- The Koeberg Nuclear Emergency Regulatory Exercise to test the Koeberg Nuclear Emergency Plan.
- The High Rise Building Emergency Exercise using the Civic Centre, Cape Town, to test the Structural Fire Plan.
- The Maritime Exercise to test the Shipping Incident Disaster Management Plan.

Numerous internal and external agencies participated in these exercises, as well as provincial and national departments. These tests are an integral part of the City's commitment to continually improving the emergency preparedness levels of the various agencies, departments and institutions when responding to emergency situations. They are also an important requirement for the City to continue to serve as a disaster resilient role-model city – a status conferred on it by the United Nations International Strategy for Disaster Reduction (UN:ISDR).

STRATEGIC FOCUS AREA 3

The caring city

The City of Cape Town is committed to becoming more caring and to building a metro in which all people feel at home, have access to the services they need, and where those who need help know they will receive it. Building such a caring city is therefore an investment in social and environmental resources ranging from human settlements, including informal settlements, to social services, community facilities and others.

SFA 3 key objectives and programmes

In order to position the City of Cape Town as a caring city, eight key objectives - each with its own underpinning programmes - have been identified as follows:

OBJECTIVE	PROGRAMME
3.1: Provide access to social services for those who need it	3.1(a): Number of targeted development programmes
3.2: Ensure innovative human settlements for increased access to those who need them	3.2(a): Innovative housing programme
	3.2(b): Use property and land to leverage social issues
	3.2(c): Partner with Province in education and school sites
	3.2(d): Integrated human settlements programme
	3.2(e): Densification programme
3.3: Assess the possible sale or transfer of rental stock to identified beneficiaries, using established criteria	3.3(a): Rental stock upgrade programme
	3.3(b): Rental stock disposal programme
3.4: Provide for the needs of informal settlements and backyard residences through improved services	3.4(a): Anti-poverty programme
	3.4(b): Service delivery programme in informal settlements
	3.4(c): Backyarder service programme
	3.4(d): Energy services programme
3.5: Provide effective environmental health services	3.5(a): Environmental health-care programme
3.6: Provide effective air quality management and pollution (including noise) control programmes	3.6(a): Measuring the number of days when air pollution exceeds World Health Organisation guidelines
3.7: Provide effective primary health-care services	3.7(a): Primary health-care programme
	3.7(b): Perception survey score on the provision of primary health-care services
3.8: Provide substance abuse outpatient treatment and rehabilitation services	3.8(a): Primary health-care programme: Number of substance abuse outpatients provided with alternative constructive behaviour

Table 3.1: 2012/13 IDP objectives and programmes for SFA3

This review of SFA3 offers an overview of the City's performance against these objectives and its progress in terms of the implementation of the associated programmes. Due to the fact that the various City directorates work collaboratively, there may be significant overlap of deliverables in terms of these objectives and programmes. As a result, the performance information for some of these objectives may be contained in other SFA review sections of this report.

Key Caring City achievements in 2012/13

- 2 080 EPWP jobs created (excluding 666 City Health work opportunities)
- 93,6% of Urban Settlement Development Grant spent
- Implemented 55 social development programmes using ward allocation funding
- Limited the number of days when air pollution exceeds RSA Ambient Air Quality Standards to less than 25 days
- Surpassed the cure rate of 83% set for new smear positive tuberculosis
- 28 Recreation hubs established
- 869 Community initiatives held at parks
- 314 Reading programs held at libraries

OBJECTIVE 3.1: PROVIDE ACCESS TO SOCIAL SERVICES FOR THOSE WHO NEED IT

Providing social services to those who need them

Like many other cities in South Africa, Cape Town faces the challenge of high rates of poverty, unemployment, inequality and other social ills such as substance abuse, gangsterism and crime. The South African Constitution mandates local governments to “promote social and economic development.” In this context, social development is the overall enhancement of the quality of life of all people, especially those who are poor or marginalized.

Against this backdrop, the City, primarily through its Social Development and Early Childhood Development (SDECD) Directorate, provides social services and early childhood development to those who need it. The SDECD's core purpose, therefore, is to create opportunities and an enabling environment for communities to meet their developmental needs in order for them to become resilient and self-reliant, thereby enabling them to participate in the global economy.

Enhancing the City's social development offering

As part of its ongoing efforts to remain relevant and effective, the City's Social Development and Early Childhood Development Directorate undertook a Business Improvement Process in the year under review. This included a comprehensive review and redevelopment of its policies in alignment with the Social Development Strategy of the City, the definition of the directorate's full basket of services, and the revision of service delivery and budget implementation plans, aligned with this newly defined basket of services. In addition, the following policies were reviewed or developed in the year under review:

- Street People Policy (reviewed)
- Early Childhood Development Policy (reviewed)
- Youth Development Policy (reviewed)
- Vulnerable Groups Policy (new)
- Prevention and Early intervention of Alcohol and other Drug use Policy (new)
- Food Gardens Policy in support of Poverty Alleviation and Reduction (new)

The Directorate also concluded its renewal of a multi-year Implementation Protocol Agreement, which formalises its ongoing partnership with the Department of Social Development at the Provincial Government of the Western Cape.

Performance and progress in the 2012/13 financial year

During the 2012/13 financial year, the directorate delivered a number of achievements across its various social development programmes and focus areas, including:

Early childhood development (ECD)

- One ECD Centre was constructed, one was refurbished and the first phase of a third centre was completed (in Leonsdale, Ocean View and Strandfontein respectively) to provide ECD facilities that are fully compliant with National ECD guidelines, norms and standards.
- 300 ECD practitioners were trained in the National ECD norms standards required to manage ECD Centres and facilities.
- 103 ECD Centres were assisted in their efforts to comply with health, safety and zoning requirements.
- 10 ECD forums were supported in their efforts to capacitate their surrounding communities to participate in the early childhood development of their young community members.

Street People

- 116 joint operations were conducted, in partnership with City Law Enforcement/ Displaced People's Unit (DPU), to offer social services to people who have migrated onto the city's streets.
- 817 people were provided with social services and support to prevent them from having to migrate onto the streets.
- Four "Give Responsibly" campaigns were implemented to promote responsible giving to mitigate the migration of people at risk onto the streets.
- 14 Local Networks of Care were established and supported to capacitate communities with the necessary skills to support community members at risk from migrating onto the streets.

Substance Abuse

- 69 people were trained in aspects of Foetal Alcohol Syndrome and Foetal Alcohol Syndrome Disorder.
- 16 Alcohol and Substance abuse prevention projects were implemented to prevent and minimise the harmful effects of alcohol and substance abuse.
- Two "Be Smart, Don't Start" campaigns were run to prevent and minimise the harmful effects of alcohol and substance abuse.
- An evidence-based Alcohol and Substance Abuse project was implemented to support and strengthen families.
- Two Substance Abuse Prevention pilot projects were implemented at MOD Centres to help prevent alcohol and substance abuse.

Vulnerable groups

- A total of 24 projects were implemented to provide support to the elderly, people with disabilities, and women and girls at risk.

Youth Development

- 992 young people were trained in life skills in order to afford them access to economic opportunities.

Poverty Alleviation and Reduction

- 32 poverty reduction projects were implemented in an effort to further reduce and alleviate poverty in indigent and poor communities.

In support of the directorate's basket of services, various other programmes are also developed and implemented to help individuals, families and communities meet their developmental needs to

become resilient and self-reliant. The main thrust of these programmes is to address the scale and impact of social ills by ensuring that vulnerable communities and groups have access to skills training that improve their ability to contribute in improving and enhancing their quality of life. The programmes promote equity and inclusion of vulnerable groups as well as implementing initiatives and interventions to counter social dysfunction. During the year under review, five Ward Committees were trained and made functional as part of the Mayoral Urban Regeneration Programme. In addition, 55 social development programmes were implemented using ward allocation funding.

Developing communities through sport, recreation and library programmes and partnerships

Community Development Programmes are offered at many of the City's facilities, such as its sports fields, community recreation centres, multipurpose centres, parks and libraries. Developmental activities range from reading programmes, storytelling sessions, school holiday programmes, library orientation sessions, HIV/Aids displays, formal book discussions, arts & crafts, to initiatives for peer leadership, sport and recreation, and capacity building.

The programmes often involve collaboration and partnerships with churches, community organisations, non-governmental organisations (NGOs), the corporate sector, different tiers of government and other stakeholders. During the year under review, these partnerships included:

- 17 community garden partnerships - 12 more than the target for the year under review. In addition to these, the City Parks department recently entered into a partnership agreement with Nedbank for the development of parks and landscaping in residential developments in Rugby, Wetton and Ottery. A partnership with PetroSA also resulted in the development of Father Curran Park in Gugulethu
- 36 Sport and Recreation developmental partnerships - promoting the development of sport and recreation within the city. One of the highlights of these partnerships was the running and walking partnership where community activity is encouraged without the need for extensive facilities. For the 2013/14 financial year 30 partnerships are planned

<Case study>

A 'Caring City' looks after all its people

In line with its commitment to be a caring and inclusive city, the City of Cape Town, Province and several non-governmental organisations are working hard to help street people reintegrate into society. The City opened its second street people's assessment centre in May. The Strand Assessment Centre in Mansfield Road, Unit 18c, Gordon's Bay Industria, is a partnership project with Oasis. It makes provision for street people to have access to various social services assistance.

It operates 24/7 and is supported by field workers, who actively engage with people living on the streets with the aim of assisting them to leave the streets. The centre will serve the communities of Helderberg – Strand, Macassar, Somerset West, Gordon's Bay, Sir Lowry's Pass, Lwandle and Nomzamo. The other assessment centre is in Franklin Street, Woodstock.

The City has donated close on **R2,5 million** to **12** non-governmental organisations (NGOs) that assist street people. The money will be managed in terms of the Municipal Finance Management Act, and the City will put measures in place to ensure that the money is used in terms of the memorandum of agreement signed between the City and the NGOs. The aim of the City's Street People Strategy is to develop an integrated and holistic means of effectively reducing the number of people living on the streets, and to ensure that street people are given the necessary help in

order to find employment and accommodation. The City enables, coordinates and implements this strategy in partnership with Province, the NGO sector and civil society.

Recreation hubs enhance Cape Town communities

A recreation study conducted across the Cape metropole showed that only 24,6% of adult residents in Cape Town participate in physical activities in their spare time. However the same study showed that almost 90% of Capetonians feel that sport and recreation is important for communities in Cape Town. According to the findings, most Capetonians are more interested in recreational programmes, such as health and fitness, arts, crafts and games, than they are in formal sporting codes such as soccer and cricket.

In response to this recognised need for greater outdoor recreation access for all Capetonians, the City has focused on developing community recreation hubs that are geared towards making a mix of activities accessible to a wide range of people so as to get them mentally and physically active. In April 2013, the City officially opened another such recreation hub in the form of the Parkwood Community Centre. Activities at the new Parkwood Community Centre include freeplay, wellness, life skills, after-school activities, structured sporting activities and programmes for seniors and youth.

This brings the total number of recreation hubs now available across Cape Town to 28.

Lembede Park offers Khayelitsha residents more recreational opportunities (Press release 25 June 2013)

In June 2013, the City officially opened Lembede Park to a highly appreciative local community. The park, which is located in Mandela Park in Khayelitsha is a good example of how innovative design can help transform small neighbourhood spaces into appealing public recreation and relaxation areas. Lembede Park has been designed to offer a space where people of all ages from the surrounding communities can enjoy recreational time outdoors. The park includes a picnic section with soft landscaping and plenty of trees as well as a play area with rubberised matting to allow children a safe place to play. Even the paving installed in the park offers recreation opportunities as it has been set out in patterns that allow for traditional games like hopscotch.

Capetonians flex their muscles at outdoor gyms

As part of its efforts to build a Caring and Inclusive City, the City of Cape Town is making every effort to create spaces where all people can pursue active and healthy lifestyles and enjoy the outdoors, while fostering a greater sense of community. In May 2013, the City took another step forward in realizing this vision with the opening of Cape Town's first outdoor gym in Rocklands, Mitchells Plain. The outdoor gym was the result of a collaboration between the City (which donated the land) and the National Department of Sports and Recreation (which provided the outdoor gym equipment). The site was carefully selected to maximize access to surrounding communities and is being fenced off to ensure the safety of those using the facilities while also preventing vandalism and theft of the gym equipment. Depending on the response by local communities, the outdoor gym concept may be extended to other areas across Cape Town.

Innovative leisure facilities urge residents to come out and play

The City's Sport, Recreation and Amenities Department provides accessible recreational facilities and encourages residents to embrace an active lifestyle. Two innovations will make it easier for Capetonians to come out and play – the use of artificial turf for many City playing fields and the construction of spray parks, an alternative to swimming pools. Artificial grass is cheaper and easier to maintain than a natural grass field. Natural grass can only be used for around eight hours per week, whereas an artificial pitch can be used all day, seven days a week. Full-sized artificial turfs have been completed in Hout Bay (Hangberg and Imizamo Yethu), Lwandle Site C, Manenberg,

Blue Downs and Nomzamo, and five-a-side pitches in Portlands, Langa, Witsand, Ocean View, Grassy Park, Crossroads, Lwandle, Bishop Lavis and Uitsig. Artificial fields will also be installed in Nyanga, Gugulethu, Westridge, Langa and Scottsdene. Communities without municipal swimming pools will be provided with spray parks – playgrounds that have a variety of sprays and fountains. Unlike swimming pools, there is no risk of drowning, so they offer safer recreation opportunities. The City is currently building spray parks in Valhalla Park, Dunoon, Ocean View, Scottsville, Khayelitsha and Nyanga, with more to follow.

New Mobile Library brings reading home for all

Cape Town again joined in the celebrations around South African Library Week, which ran from 16 to 23 March 2013. In addition to various programmes offered at libraries across the metropole, the city marked this important event with the launch of a new Mobile Library Bus, which will help to make reading material accessible to more communities.

In February 2013, the Sea Point Library won the Provincial Department of Cultural Affairs and Sports award for best Children’s Library. In addition, Theresa Denton from Rocklands Library won the Library and Information Association of South Africa (LIASA) Librarian of the Year 2012 award. This is a national event that takes place on an annual basis.

OBJECTIVE 3.2: ENSURE INCREASED ACCESS TO INNOVATIVE HUMAN SETTLEMENTS FOR THOSE WHO NEED THEM

During the 2012/13 financial year, the City of Cape Town spent a total of 93,6% of its Urban Settlements Development Grant (for all Directorates) and delivered a total of 6 394 sites, 4 353 top structures and 1 727 other (upgrade of rental stock, land restitution and re-blocking) housing opportunities.

CATEGORIES		SITES	TOP STRUCTURES	OTHER
A	SUBSIDY	3 594	951	0
B	INCREMENTAL (UISP)	2 648	508	0
C	UPGRADING OF CITY RENTAL STOCK	0	0	1 034
D	PHP	0	2 509	0
E	LAND RESTITUTION	0	0	1
F	SOCIAL & RENT TO BUY	0	314	0
G	GAP	152	71	0
H	RE-BLOCKING	0	0	692
TOTALS		6 394	4 353	1 727

Table 3.2: Breakdown of housing opportunities in 2012/13 financial year

An integral part of the delivery of housing opportunities is the allocation of these opportunities to the rightful beneficiaries and paramount to this allocation of housing opportunities is a sound policy that governs how the City ensures it is done in a correct and fair manner.

During the period under review, the City reviewed its Housing Allocation Policy to ensure that all audit recommendations, new legislation, and the new oversight role of the Human Settlements Portfolio Committee, are included.

Re-blocking ensures safety of informal settlement residents

The city embarked on a process of re-blocking in informal settlements. This process effectively involves reconfiguration of the settlement to create firebreaks and allow better access by service and emergency vehicles. The City continues to work with CORC and ISN within the partnership arrangement signed on the 19th of April 2012. To date, re-blocking has almost been completed in Sheffield Road and Mshini Wam and planning is underway for more informal settlements.

In order to facilitate the smooth running of the re-blocking process in the future, the City is in the process of developing a policy, including public participation, that it hopes will be finalised by the end of 2013. The policy will clarify the roles of the various role-players in the implementation of the re-blocking policy process.

Improving our systems to enhance delivery

The upgrade of the Housing Database system took place during the year under review. This upgrade included aligning the system to the reviewed Housing Allocations Policy as well as a clean-up of the database information through comparison with that of the Housing Subsidy System at the National department of Human Settlements in Pretoria. This exercise resulted in about 103 000 records being moved from the 'waiting' status, resulting in 276 920 applicants recorded as waiting for a housing opportunity as at 29 April 2013. During the year 125 530 updates to records were captured.

An overview of the City's integrated Human settlements achievements across the various housing categories for 2012/13 is included below:

A. Subsidy Housing

The City initiated two major housing developments to meet its focus on addressing settlement inefficiencies through the development of integrated human settlements that will contribute towards a more compact settlement form and provided a range of housing and socio-economic opportunities. The larger developments, such as Pelican Park Phase 1 and Scottsdene, will be inclusive of subsidy, rental, affordable and open market (bonded) housing units. Both projects are under construction and progressing well.

Densification of existing infill developments remains a high priority. In Delft, existing vacant residential erven (1 000) were re-designed to create 2 407 new opportunities for families on the waiting list. The internal services are currently under construction and the building of houses will commence soon. In Happy Valley, subsidy and PHP housing opportunities are provided and the units are provided with solar powered geysers.

In addition more Top Structures were delivered under the PHP category, details of which are contained in section D below.

B. Incremental Housing

A number of Emergency Housing Projects and interventions were successfully completed at:

- The OR Tambo Temporary Relocation Area (TRA)
- The Barney Molokwana Section in Khayelitsha
- Masonwabe TRA (sites and top structures) in Gugulethu

- Shukushukuma TRA in Mfuleni.
- Du Noon TRA
- Enkanini informal settlement in Khayelitsha
- Mshini Wam

In addition, the ongoing need for accommodation in Blikkiesdorp is being met as and when vacancies arise. Families are accommodated on an emergency needs basis in terms of the national policy guidelines. In addition, new sites with incremental top structures have been developed and families have been accommodated in these.

A number of projects are also still underway as follows:

- Sir Lowry's Pass Village IDA (sites and top structures) – will provide 177 opportunities for flood affected households.
- Wolwerivier IDA (sites and top structures) - 500 opportunities will be provided.
- Busasa (Mfuleni) IDA (sites and top structures) - to house approximately 1 000 households.
- Kosovo (Gugulethu) - re-blocking for 80 households.
- Fisantekraal TRA - for approximately 285 families who have to be relocated.
- Masiphumelele TRA - for approximately 180 families who have to be relocated.
- Provision of interim services in the Hangberg informal settlement.
- Wash areas in the Nomzamo and Lwandle informal areas in Helderberg.

C. Upgrading of City Rental Stock

This entails major upgrades to City-owned rental stock, including the refurbishment of interiors and exteriors as well as the surrounding areas of the property. The first phase of the major maintenance upgrade is set to be completed in 2015. Upgrades to 7 of the 11 identified areas have been completed. All units upgraded in areas of Scottsville, Kewtown, Scottsdale, Woodlands, Connaught, Uitsig and The Range have now been re-occupied by tenants. Upgrades are underway in Ottery, Manenberg, Hanover Park and Heideveld, but work stoppages remain a challenge as a result of gang activity, violence and intimidation.

The City's rental stock upgrade has garnered a number of awards, including:

- The South African Institute of Civil Engineering (SAICE) Award for the Most Outstanding Achievement in the Community-Based Projects Category in 2012.
- Winner in the Institute of Municipal Engineering of Southern Africa / Consulting Engineers South Africa (IMESA/CESA) Excellence awards in the Community Upliftment Category in 2012.
- Nominated Govan Mbeki Best Rental Stock Project & CESA Engineering Excellence Awards in 2012.
- SAHF Housing Project of the year & IMESA Best Project Award 2011.

D. Peoples Housing Process (PHP)

This process involves beneficiaries in building their own homes by maximising their housing subsidy and establishing community support organisations. Currently, the City is involved in offering certain skills to all PHP projects, including financial management, technical advisory support and project monitoring. Going forward, the City will also involve itself in the social aspects of the project, especially during project initiation and implementation phase to address community dynamics. The majority of housing opportunities in this category are provided in Site C in Khayelitsha.

E. Land Restitution

During the 2012/13 financial year, the City made good progress in settling Land Restitution Claims in its area of jurisdiction. The City of Cape Town is the only municipality in South Africa that has a

dedicated Restitution Office. The City has successfully settled many of the 6 000 land restitution claims lodged in its area of jurisdiction.

F. Social Housing

During the 2012/13 financial year, the City of Cape Town made excellent progress in implementing its Social Housing Programme. The Social Housing Regulatory Authority (SHRA) recognized the City as having the “Best Performing Social Housing Steering Committee” in 2012/13 - proof of the remarkable work being done in terms of social housing. In addition, the City of Cape Town has also been invited to visit various Garden Route municipalities to share its experience and guide them in the implementation of their Social Housing Programmes.

The City of Cape Town has recently taken over the responsibility of the approval and implementation of Social Housing from the Provincial Government. This also illustrates the confidence that the Social Housing role players have of the City of Cape Town regarding the Social Housing programme. During the 2012/13 financial year, the City of Cape Town implemented the Bothasig Social Housing Project and the Steenberg Phase two Social Housing Project.

G. Gap Housing

Gap housing is the term used to define the section of the housing market where no housing is being supplied – thereby creating a ‘gap’ in the housing market. This gap has been identified as those earning between R 3 500 per month and R 15 000 month. The demand for this market is large however blacklisting in this income group is prevalent and is a restricting factor. The importance of this market is that it allows people in BNG houses to escalate to a higher level by purchasing in this market therefore starting the process of initiating stability in the BNG market. Gap housing also broadens the rates base of the City. Well-located parcels of Municipal land have been made available for Gap housing for development and ownership passes directly to the purchasers. The sale of serviced plots to qualifying participants is another variation on the Gap housing initiative.

H. Re-blocking

The city continues to work with CORC and ISN within the partnership arrangement signed on the 19th of April 2012. To-date Sheffield Road and Mshini Wam settlements have been re-blocked to almost practical completion stages. Planning for more settlements are underway.

A Human Settlements plan for the future

The Integrated Human Settlements Five-Year Strategic Plan for the period 2012/13 to 2016/17 (as aligned with the current administration’s term of office) has been reviewed for 2013/14 financial year. It defines the current housing reality in Cape Town and focuses on various short- and medium-term objectives to improve existing living environments while also creating new ones.

The 2013/2014 housing delivery targets set out in the plan are summarised below:

Project Description / Category	Sites (USDG)	Top Structures (HSDG)	Other CRU Upgrades (HSDG) & Shared Services (USDG)
Rental Units Upgrade “CRU”			1 341

New Rental Units/Hostels "CRU"	2	200	
Institutional & Social Housing	268	268	
BNG (including PHPs & UISP) & GAP Projects	3 037	3 902	
Informal Settlements & Backyarders	238		3 300
IDAs & EHP Projects	765	421	
Gap Sales	90		
Estimated Totals	4 400	4 791	4 641

Table 3.3: Integrated Human Settlements targets for 2013/14

Land acquisition essential to achievement of housing plans

The City's Human Settlements Directorate continues to focus on investigating opportunities for the reservation and/or acquisition of state- and privately-owned land for future housing development. This is essential in order to address the city's housing backlog while dealing with the pressures of urbanisation. Apart from the obvious challenge of a finite amount of land being available, large portions of land in Cape Town are low lying and prone to seasonal flooding. This means that the City has to invest significantly into major bulk services prior to such land being suitable for human settlement. Despite these challenges, during the past financial year, the City procured a number of land parcels, which have now been earmarked for future human settlement development and use as part of in situ upgrading projects.

City pursues final level of municipal housing accreditation

During the 2012/13 financial year, the City focused its efforts on complying with the mandate it has through its level 1 and 2 accreditation. This was in preparation for obtaining the final level of accreditation, which is the 'assignment' of the function to administer National Housing Programmes.

The Project Review Committee had a productive term with 22 meetings being held in the period under review. More than 260 resolutions were generated by the branch: National Housing Programmes and approximately 230 agreements were concluded. The City reached another milestone in that it gained access to the Housing Subsidy System (HSS) through a VPNC link to the Provincial Department's database. Even though the City has not been granted full functionality of the HSS as yet, the section responsible for the processing of subsidy applications managed to register more than 2 090 subsidy forms from the time of gaining access to the system until the end of the relevant fiscal year.

The Human Settlements Directorate submitted a Readiness Report to Council indicating its state of readiness for Assignment as well as the benefits of Assignment to the City. Significant progress was also made in the drafting of the Executive Assignment Agreement in conjunction with the Provincial Department of Human Settlements.

City makes progress on its urban renewal programme

During the year under review, the City forged ahead with its work on the urban renewal programmes in both Khayelitsha and Mitchells Plain.

Khayelitsha Projects include:

- Upgrading of the Khayelitsha Training Centre Phase 2
- Upgrading of the Lookout Hill Tourism Facility
- Upgrading of the Monwabisi Resort Chalets and Camping site
- Upgrading of the Vuyani Meat Market Facility
- Khayelitsha CBD Housing Phase 1 – Bulk Infrastructure Project
- Khayelitsha Human Settlements and Basic Services' Summit Project
- Food Security and Nutrition Programme
- Youth Safety Intervention Programme

Mitchells Plain Projects include:

- Lentegour CBD Upgrade
- Upgrading Of Blue Waters Chalets
- Watergate Housing Development
- Community Visible Policing
- Capacitation of Civil Society Leadership in Khayelitsha and Mitchell's Plain
- Capacitation Of Community Police Forums (CPFs) in the nodes

OBJECTIVE 3.3: ASSESS THE POSSIBLE SALE OR TRANSFER OF RENTAL STOCK TO IDENTIFIED BENEFICIARIES, USING ESTABLISHED CRITERIA

Rental stock disposal programme

The City operates this programme as part of its efforts to afford current tenants of City-owned rental properties (classified as saleable) the opportunity to purchase their rental units and become owners. Efforts remain ongoing and have been intensified to create more awareness.

Title Deeds

The city currently deals with various matters relating to the issue of title deeds. Some are current and others are historical in nature. A process is underway to transfer serviced sites allocated to families before 1994 in the areas of Khayelitsha, Nyanga, Browns Farm, lower Cross Roads and Philippi. This process faces various challenges, however, such as family disputes and occupancy status changes.

A number of historical projects are also underway. These involve the correction of situations in which no transfer of title has been affected in recent years due to various legal complications or processes. A study was undertaken to identify specific historic problems, and the City is now in the process of addressing each problem area. To this end, nine pilot study areas have been identified.

OBJECTIVE 3.4: PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS AND BACKYARD RESIDENCES THROUGH IMPROVED SERVICES

In Cape Town, the greatest impact of urbanisation is evident in the backyards of established communities and informal settlements where families have settled due to circumstances beyond their control. As part of its commitment to ease this situation the city has established a cross-departmental Urbanisation Work Group with the primary goal of ensuring an integrated, coordinated and collaborative approach when dealing with the city's many urbanisation challenges.

Backyarder Service Programme

The backyarder service programme, aims to provide an enclosed toilet with a tap and wash trough as well as a bin per backyard. In addition an electricity supply, which can service up to three

backyard structures, will be installed per backyard. This programme is aimed at improving the living conditions of families living in these backyards.

Of the pilot areas that had been identified, Factreton has been completed and Hanover Park is now well underway with approximately 1 000 dirt bins issued, the electricity backbone installed, and the commencement of individual connections as well as water and sanitation installations.

Improving Informal Settlements

An Informal Settlements Development Matrix has been developed with the aim of enhancing the planning process by listing all informal settlements in the city and identifying which settlements require alternate land for de-densification or relocation.

In addition, the city has begun a process of granting incremental security of tenure. This will be initiated through a systematic GIS Land Management Tool, which allows community registers to be spatially depicted and verified. Further phases would relate to issuing of "rights to occupy" certificates, etc. which will eventually lead to ownership and/or rental where permitted.

The National Upgrading Support Programme of the National Department of Human Settlements has committed R1.5m for the planning of 25 informal settlements by Development Action Group, an NGO operating in Cape Town. Planning work is underway to survey, profile, engage affected communities and identify possible land parcels for possible upgrading. The outcome of this exercise will be the development of action plans that will reflect their aspirations for the future of their settlements. Once action plans are completed the city will package projects for pipeline planning for future upgrading.

The city continues to identify opportunities to raise the level of basic services provision in informal settlements. Planning has commenced for 10 UISP projects and the number of taps and toilets provided by the City to residents of informal settlements increased by 456 and 7 865 respectively.

Housing kits help city residents through emergency situations

When incidents such as flooding and fires partly and/or totally destroy informal structures occupied by households in informal settlements and backyards, the City provides relief measures to assist the affected households. One such measure is the provision of housing kits that can be used to construct temporary shelters. The three types of housing kits are:

- Flood kits - when informal residential structures are partially destroyed.
- Fire/relocation kits - when informal residential structures have to be dismantled and repositioned.
- Emergency housing kits - when informal residential structures are totally destroyed. These were enhanced during the 2013 financial year and now offer improved security to families making use of them.

During the year under review the city issued residents with a total of 5 603 flood kits, 3 808 fire/relocation kits and 708 enhanced emergency housing kits.

Anti-land Invasion

The Anti-land Invasion Unit (ALIU) maintained its 100% success rate in preventing any illegal land invasion on City of Cape Town property. In addition, 4 856 illegal structures were removed by a contractor, 276 illegal structures were removed by staff of the ALIU. 30 illegal containers were also removed from City of Cape Town land.

The success of the ALIU of preventing illegal invasions of land ensures that where the City of Cape Town plans a development that the intended beneficiaries are given their rightful position to a housing opportunity relative to others who jump the waiting list by invading land illegally.

OBJECTIVE 3.5: PROVIDE EFFECTIVE ENVIRONMENTAL HEALTH SERVICES

Caring for citizens in informal settlements

The City has a stated objective of ensuring that an environmental health practitioner visits every informal settlement in Cape Town at least once every week. This translates into a total of 14 160 such visits. During 2012/13, this target was significantly exceeded, with 16 098 visits undertaken

OBJECTIVE 3.6: PROVIDE EFFECTIVE AIR QUALITY MANAGEMENT AND POLLUTION (INCLUDING NOISE) CONTROL PROGRAMMES

Improving air quality

During the 2012/13 financial year, the number of days when air pollution exceeded RSA Ambient Air Quality Standards was four. This is better than the stated target for the period of less than 25 days, and points to the growing success of the City's Air Quality Management Plan (AQMP). The aim of this plan is to achieve and maintain clean air in the city over the next 10 to 20 years, and turn Cape Town into the African city with the cleanest air. The plan is designed 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 five working groups dealing with:

- air quality monitoring and standards;
- health;
- public awareness and education;
- the Khayelitsha Air Pollution Strategy (KAPS); and
- transport planning and vehicle emissions.

OBJECTIVE 3.7: PROVIDE EFFECTIVE PRIMARY HEALTH-CARE SERVICES

Improving quality of life for all Capetonians

In partnership with Province's Health Department, the City Health Directorate currently operates according to a service-level agreement, which guides the delivery of health services at 82 clinics, 5 community health centres (CHCs), 22 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.

The City is faced with a number of challenges, the most pressing of which are:

- a high medical and health-care staff turnover, and the resulting pressures on remaining care workers;
- an increasing burden of disease (BOD) and steadily rising patient numbers, with no comparable increase in staff or budget;
- rising costs of medicine and laboratory tests, much of which far outstrips inflation; and
- general issues of security for City staff and clients.

Keeping TB under control

The tuberculosis (TB) rate of increase per 100 000 residents continued to slow over the past year, reaching a figure of approximately 644, which is significantly better than the target of 850 for the year. The cure rate for new smear-positive TB for the first and second quarter of 2012 was 85,1% and 84,2% respectively. The significance of this achievement is highlighted when viewed against

the 67% achieved in 2004. The City's cure rate for new smear-positive TB was once again the best of all metropolitan areas in the country.

Continuing the fight against HIV/Aids

The City's efforts to address, prevent and treat HIV are encapsulated in a key strategic programme of the City Health Directorate, delivered in partnership with Province. Currently, City Health offers antiretroviral therapy (ART) at 27 sites throughout Cape Town.

The citywide "Get Tested" campaign is ongoing, with numerous outreaches having taken place during the reporting period at shopping malls and other public places to encourage citizens to determine their HIV status. Daily HIV testing was also offered free of charge at all City health facilities. As a result the percentage of adults over 15 years of age tested for HIV in 2012/13 was 21.5%, exceeding the target of 20.0%. In addition the ongoing Prevention of Mother to Child Transmission of HIV (PMTCT) efforts saw the transmission rate for the fourth quarter of 2012/13 at 1.4%, which was far better than the target of 3.0%.

Hanover Park Clinic achieves exceptional TB cure rate results

City Health uses the World Health Organisation's Directly Observed Treatment Short Course (DOTS) method at its 93 clinics, and the City's eight health sub-districts boast the best rate of curing TB in South Africa. The City's TB team, including the DOTS volunteers, went the extra mile to ensure that TB clients took their treatment daily, either at the point nearest their home or at the clinic. As a direct result, the Hanover Park Clinic recorded a 98% TB cure rate - exceeding even the millennium development and World Health Organisation goals. Hanover Park Clinic was also named as the overall winner in the category for the Best Clinic in Klipfontein Sub-District for the 2010/11 financial year. The award was given following rigorous assessment against set criteria and Hanover Park Clinic came out tops. The clinic is accredited by the Council for Health Service Accreditation of Southern Africa (COHSASA) for providing and maintaining quality health services.

OBJECTIVE 3.8: PROVIDE SUBSTANCE ABUSE OUTPATIENT TREATMENT AND REHABILITATION SERVICES

Combating substance abuse

The abuse of alcohol and other drugs is not only harmful to the users of these substances, but also negatively affects the well-being of families, communities and the broader society. In October 2011, the City developed its Alcohol and Other Drug Harm Minimisation and Mitigation Strategy: 2011–2014, which details the strategic plan to minimise and mitigate the harm of alcohol and other drug (AOD) use, including tobacco.

During the period under review, the outpatient substance abuse treatment centres at Tafelsig, Table View, Delft South and Town 2 clinics continued to do excellent work among sufferers of substance abuse from surrounding communities. Together, these centres assisted 1 362 new clients during the year under review.

In order to ensure the quality of the service offered in line with the Matrix® model, the Matrix® Institute of USA assessed two of our facilities. The first site to be certified was Tafelsig site in April 2010 and July 2013 and the second was Delft South in March 2012. They have being certified by the Matrix Institute for 3 years as Programmes of Excellence, the only programs in Africa to achieve this.

STRATEGIC FOCUS AREA 4

The inclusive city

Building a shared community across different cultural, social and economic groups is a key priority for the City of Cape Town. Key to this is ensuring that all residents feel acknowledged, heard and valued, and that the varied cultural backgrounds and practices of all Capetonians are respected and celebrated.

SFA 4 key objectives and programmes

In order to position the Cape Town as an inclusive city, two key objectives - each with its own underpinning programmes - have been identified as follows:

OBJECTIVE	PROGRAMME
4.1: Ensure responsiveness by creating an environment where citizens can be communicated with, and be responded to	4.1(a): Managing service delivery through the service management programme (C3 notification responsiveness)
	4.1(b): Building strategic partnerships
4.2: Provide facilities that make citizens feel at home	4.2(a): Community amenities programme (provide and maintain)
	4.2(b): Heritage programme

Table 4.1: 2012/13 IDP objectives and programmes for SFA4

This review of SFA4 offers an overview of the City's performance against these objectives and its progress in terms of the implementation of the associated programmes. Due to the fact that the various City directorates work collaboratively, there may be significant overlap of deliverables in terms of these objectives and programmes. As a result, the performance information for some of these objectives may be contained in other SFA review sections of this report.

Main Inclusive City achievements in 2012/13

- 96.98% adherence to citywide service standards – external notifications
- Maintained 3 209 community parks, 38 cemeteries and 11 district parks according to service standards
- Maintained 174 operational halls to specified standards
- Maintained 436 sport fields to defined level grass cover standard
- 92 libraries open according to minimum planned open hours

OBJECTIVE 4.1: ENSURE RESPONSIVENESS BY CREATING AN ENVIRONMENT WHERE CITIZENS CAN BE COMMUNICATED WITH, AND BE RESPONDED TO.

Responding to the service needs of all citizens

The City's Corporate Call Centre answered a total of 1 059 378 calls for the period 1 July 2012 to 30 June 2013. The calls were answered in the customer's preferred language (English, Afrikaans or Xhosa) and were recorded. The majority of calls related to accounts and service enquiries and requests, as well as motor vehicle registration and traffic fines.

The Customer Relations Department continued to install FreeCall lines in municipal buildings, such as housing offices, libraries and community centres located in outlying areas and disadvantaged communities. New FreeCall lines have been launched in areas such as Sir Lowry's Pass Village, Hangberg and Mitchells Plain. By 30 June 2013, a total of 74 FreeCall lines had been installed with the aim of improving access to service delivery through the City's call centre. Residents can

use the free-call lines to report faults, register complaints and make enquiries at no personal cost. The number of calls made from the FreeCall lines has increased by 249% during this period.

In addition, the Customer Relations Department embarked on another call centre support learnership for unemployed work seekers in co-operation with an external service provider. Altogether, 30 learners have received call centre knowledge and practical working experience within the municipal working environment.

An independent service provider conducted a customer satisfaction survey among users of the City's call centre in 2013. The call centre achieved a score of 4+ out of 5 on the Likert scale. The residents indicated that they experienced consistently excellent customer service from the call centre.

The Customer Relations Department has made a concerted effort to improve its correspondence and quality assurance systems and processes during this period, in order to further improve customer satisfaction levels.

OBJECTIVE 4.2: PROVIDE FACILITIES THAT MAKE CITIZENS FEEL AT HOME

The City continues to explore and maximise external funding and partnership opportunities to plan, implement and manage new community facilities in an integrated and multifunctional manner. This includes the provision, maintenance and servicing of public libraries, city parks, cemeteries and cremation facilities, and sport and recreation amenities.

Smart Cape computer facilities change lives (press release 27 Mar 2013)

Smart Cape is an initiative of the City of Cape Town that aims to provide all residents with access to basic information and communication technologies, free of charge.

Initiated on the understanding that computers are no longer a luxury, but a necessity in terms of enabling all people to access and take advantage of opportunities, Smart Cape forms part of the City's model for cost-effective, public access to computers, open source software and Internet facilities. Since its inception in June 2002, Smart Cape has become something of a Cape Town institution, with more than 270 000 registered users at 102 library facilities across the city.

Maintenance and upgrade programme keeps city facilities in top condition

During the year under review, the City continued to prioritise the maintenance and upgrading of its community facilities for the benefit of all Capetonians. Specific upgrades included:

Sport and recreation facilities:

- Du Noon Sportsfield, Masibambane Hall, Imizamo Yethu Sport Centre, and Retreat Swimming pool
- Synthetic pitches laid at Westridge, Nyanga, Scottsdene, Gugulethu, and Langa

The City plans to upgrade 7 Sport and Recreation community facilities, which are Steenberg, Heideveld, Cross Roads and Kewtown synthetic pitches, Blue Waters resort, Monwabisi coastal node and the spectator stand at Lwandle, within the next financial year.

Parks & cemetery facilities:

- Community Parks: Nantes in Athlone, Magik Forest in Durbanville, Surrin Street Park in Hanover Park, Elizabeth Park in Bellville, Southdene Park in Westbank, Baba Street in

Mfuleni, AY Section in Khayelitsha, Ubushwa Park in Merrydale and Macassar Square in Macassar.

- District Parks: Jack Muller and Khayelitsha Wetlands Park.
- Cemeteries: Rusthof, Welmoed Atlantis, Klip Road and Maitland.

23 more parks and cemetery upgrades are planned for the coming financial year.

Minor upgrade projects were also undertaken at five cemeteries, seven district parks and 170 community parks, of which 162 were funded by ward allocations.

City library facilities at Parow, Berkley Road and Crossroads extension were due for upgrades during this financial year, however these projects were deferred to the 2013/14 financial year.

Library and information services have 99 libraries with standard opening hours as follow:

- 75 community libraries to be open 35 hours per week;
- 22 regional libraries to be open 45 hours per week;
- two city wide libraries to be open 63 hours per week;
- three satellite libraries; and
- a mobile service consisting of two buses.

<ONE-PAGE CASE STUDY – to be designed separately and include photos of park upgrades>

City takes its parks to the next level

As part of its ambition to create a Caring and Inclusive City, the City of Cape Town focuses on delivering world-class facilities of which its citizens can be proud. These include safe and beautiful recreation spaces like parks. During the year under review, the City completed upgrades to several of its parks to ensure they are appealing areas in which residents can enjoy the outdoors and lead active and healthy lives.

The upgrades included:

- **Jack Muller Park** in Bellville – this park is earmarked for development into a facility that can host major events so that it might ultimately become financially self-sustainable. This is a multi-year project and upgrades will continue over the next two years at a total overall cost of approximately R15 million. In the past year, an irrigation system that uses borehole water has been installed, the picnic area has been revamped and instant lawn was put down. Two security guard structures have been added to the existing one in the park to ensure the safety of visitors. Future upgrades will include the provision of a biodiversity area, outdoor gyms, footpaths and a tea garden, as well as the extension of the play area to cater for the disabled.

- **Surran Road Park** in Hanover Park - An open area of approximately 1 hectare has been earmarked to be developed as a Public Open Space in Hanover Park. This area was previously known as a criminal hotspot, but today, the space is used by all age groups for recreational purposes. Over a two-year period, R2,7 million has been spent on upgrading the park. The entire area has been grassed and fitted with an irrigation system and large trees have been planted. A skateboard area has been established and is very popular with local youths. A variety of play equipment has been installed, with a seating area for adults to supervise their children. Formal pathways have also been created to give structure to the design of the park. A performing stage is in the process of being erected with additional trees for shade. The inclusion of a BMX track is also being planned for the next financial year.

- **Nantes Park** in Athlone – This 26 hectare open space located in Bridgetown, Athlone has been

secured by means of a fence, while numerous upgrades have been undertaken, from constructing new formal pathways, a tea room and storeroom, establishing two play areas and a skate park, and landscaping the entire area to building an amphitheatre and outdoor gym and adding a new parking area.

- **Elizabeth Park** in the Bellville CBD - This park underwent upgrades valued at R1,5million during the 2012/13 financial year. The project was planned in consultation with the relevant local stakeholders and included fencing the entire park, construction of a retaining wall to eliminate problem vagrant areas, placement of park benches and installation of an irrigation system. Existing pathways have been upgraded and grass and trees planted.

Blue flags for Cape Town beaches

During the year under review, the City was awarded Blue Flag status for eight of its beaches, namely: Camps Bay; Clifton 4th; Muizenberg; Mnandi; Strandfontein; Bikini; Silwerstroom; and Llandudno. For the next financial year the City hopes to maintain the blue flag status for these 8 beaches.

Heritage programme

As of February 2013 the City of Cape Town became the first local authority in the South Africa to have its competency approved in terms of the National Heritage Resources Act. The competency approval is for all assigned local authority functions relating to heritage resources management, including the administering of heritage areas, sites on the register, identifying and mapping heritage places and the issuing of provisional protection orders for sites under threat. The Heritage Protection Overlay Zone was developed and approved together with the system of exemptions as part of the new Cape Town Zoning Scheme.

19 District Environmental Control Officers are designated by Heritage Western Cape as Heritage Inspectors in terms of the National Heritage Resources Act. In addition to their role in control of outdoor advertising, these staff are now authorised to intervene where activities are taking place that are causing damage to a heritage resource in the city.

During the year under review, the following heritage sites and assets underwent critical repairs and upgrading:

- *Onze Molen in Durbanville* - underwent essential repairs and maintenance, such as painting, re-thatching and securing the fins. A permit was secured from Heritage Western Cape which allows the fins to be replaced within the next three years
- *The Langa Pass Office* - was restored by way of replacing the fibre cement roof, repainting, and restoring walls and ceilings. A landscaping plan was also developed, which will allow for benches and tree planting; this will take place in the year ahead.
- The 19th century *Granary in Buitekant Street* - underwent a further phase of restoration, including completion of the restoration of the south face. The public passage between the Homecoming Centre and the Granary was restored with the discovery of an original window into the passage dating back over 200 years and believed to be a part of the former women's prison. The building is currently being assessed in terms of its structural condition as well as potential for re-use.
- *Various heritage features in Trafalgar Park, Woodstock* - the old French fortification line, a kiln, canons and an incinerator underwent repair and upgrading. A masterplan for upgrading of the park was also completed.
- *Homestead Park* - restoration of the cobbled paths and low garden walls - remnants of the 18th century Oranjezicht Homestead. The fruit tree orchard has also been replanted.

Additionally, the final phase of a heritage resources audit of the Constantia-Tokai valley has been completed. The study identifies conservation worthy cultural landscapes and historic places.

The City also completed a number of important phases in the process of updating its heritage information systems. These included:

- verifying heritage resource surveys to ensure that the City's database is in line with the standards developed for the City's Heritage Inventory. The audit is well underway and scheduled for completion by the end of 2015.
- The placement of the heritage layers – including the heritage database, the Heritage Protection Overlays and various historical maps and aerial photographs - on ISIS.
- The digitisation of a number of historical plans and photographs of the City (including the 1953 aerials).
- The establishment of the Environmental and Heritage Information Centre (EHRIC), which holds numerous historical documents relating to the work of the City from the late 1800s to present. New resources, both digital and printed, are being added.

CHAPTER 4 Organisational Development

Strategic Focus Area 5

The well-run city

Only by ensuring that elected leaders and officials work in the interests of the public at all times, can a fully democratic and accountable government be ensured. The City is committed to being accountable for the resources it manages, answerable and accessible to the people at all times, and maintaining the highest levels of efficiency.

SFA 5 key objectives and programmes

To ensure that the Cape Town is a well-run city, three key objectives - each with its own underpinning programmes - have been identified as follows:

OBJECTIVE	PROGRAMME
5.1: Ensure a transparent and corruption-free government	5.1(a): Transparent government (oversight) programme
5.2: Establish an efficient and productive administration that prioritises delivery	5.2(a): Human resources, talent management and skills development programme (integrated talent management approach)
	5.2(b): Human resources strategy
	5.2(c): Annual community satisfaction survey (CSS)
	5.2(d): Information and knowledge framework – City Development Information Resource Centre (CDIRC)
5.3: Ensure financial prudence, with clean audits by the Auditor-General	5.3(a): Financial management programme
	5.3(b): Internal management processes programme

Table 5.1: 2012/13 IDP objectives and programmes for SFA5

This review of SFA5 offers an overview of the City's performance against these objectives and its progress in terms of the implementation of the associated programmes. Due to the fact that the various City directorates work collaboratively, there may be significant overlap of deliverables in terms of these objectives and programmes. As a result, the performance information for some of these objectives may be contained in other SFA review sections of this report.

Main well-run city achievements in 2012/13

- Score of 2.9 out of 5 on the annual city-wide customer satisfaction survey (up from 2.7 in 2011/12)
- 65.85% of people from employment equity target groups employed in the three highest levels of management
- Score of 4+ out of 5 (on the Likert scale) for City call centre.
- 102.04% of workplace skills plan budget spent.

OBJECTIVE 5.1: ENSURE A TRANSPARENT AND CORRUPTION-FREE GOVERNMENT.

Maintaining an independent, effective Audit Committee

Internal Audit is an independent department of the City of Cape Town, and is a significant contributor to governance within the City. This is a requirement of the MFMA and King III, which Council formally adopted. Internal Audit is largely directed by the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. The Department is mandated through its charter (terms of reference) to provide independent, objective assurance and consulting services, geared towards adding value and improving the City's operations. Internal Audit helps the organisation accomplish its objectives by bringing about a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal Audit plans, which are aligned with the City's strategy and most pertinent risks, are supported by senior management and approved by the independent Audit Committee delegated by Council. Results of audits are communicated to the various levels of management, including executive directors and the City Manager, as well as to other assurance providers and the Audit Committee.

More detail on the role, functions and performance of Internal Audit during the 2012/13 financial year is contained on page **XX** of this report.

An effective system to process complaints (and report corruption)

The City has a well-established and well-advertised toll-free 24/7 hotline for reporting fraud and corruption. Any allegations of fraud and corruption are reported to the Manager: Forensic Services in the Office of the City Manager. Correspondence includes letters, faxes, e-mails and other electronic communication, such as webmail, Facebook and Twitter messages. Departments receive and respond to correspondence on a decentralised basis. Powerful reporting tools are available to report on the performance of call centres (telephony) and the resolution of service requests (service management system). Existing policies and procedures require departments to use SAP to log and track correspondence.

OBJECTIVE 5.2: ESTABLISH AN EFFICIENT AND PRODUCTIVE ADMINISTRATION THAT PRIORITIZES DELIVERY.

HUMAN RESOURCES

The City of Cape Town employs more than 25 500 people. The daily experience of citizens in their interactions with the City is channelled through these 25 500 City employees. Where there are skills gaps, these are felt very quickly as a negative citizen experience - either through slow or poor service.

In recent years, managing talent was highlighted as the greatest challenge for HR departments in all sectors of industry. Cape Town competes globally in attracting and retaining engineers, nurses, planners and a range of other talent. As such, upgrading of skills and investment in staff development is a priority in order to ensure that the City stays keep up to date with advances in technology, can compete effectively for skills, and has a workforce that can adapt to the complexity of their functions.

In order to deliver on this mandate the City has invested in a range of initiatives, interventions and programmes. These are reported on in more detail below.

Human Resources strategy and plan

The City's biggest single budget item is its staff costs, which currently amount to approximately R7 billion per annum. This is a very worthwhile investment since the City's most valuable asset, when optimally utilised, motivated and developed, is its staff. However, this asset can also become a liability when it is not effectively utilised. The City's Human Resource Strategy is therefore aimed at delivering the right people, at the right place, at the right time, with the right skills, and ensuring the correct alignment of people to business needs. This ensures the City's ability to constantly improve its service delivery within its budget parameters.

The key objectives, focus areas and deliveries of the HR plan in 2012/13 are outlined below:

Objective	Focus Area	Delivery in 2012/13
Identify the top areas of intervention that will have the greatest impact on staff engagement and productivity, and ensure business continuity through providing a skills pipeline.	Maximising the developmental opportunities for the City's 25,500 employees & leveraging City resources to improve the skills pipeline through external training opportunities (apprenticeships) (SFA 1.5(a) and 5.2(a))	<ul style="list-style-type: none"> ▪ The City created 1 268 external learning opportunities, these include 341 apprenticeships, 264 learnerships, 97 graduate internships, 427 co-operative training opportunities and 166 external bursaries; in doing so the City is living up to its strategic intent of being an opportunity city, providing work and learning opportunities to unemployed youth. ▪ Further, the upgrading and investment in City staff development remains a priority with 2 241 internal bursaries awarded, the rolling out of the skills audit throughout the organisation, Adult Education and Training being recognised for excellence by the Department of Education and some 16,639 internal staff having access to training and development opportunities over the past year. ▪ The City filled a total number of 2903 vacancies in the 2012/13 financial year, with 982 filled internally and 1921 filled externally. The City has grown its number of posts over last year thus enabling it to be able to meet the service delivery obligations and challenges ▪ The City has ranked in the Top 100 Companies in South Africa in the categories of Ideal Employer Ranking both from the response of undergraduates as well as Young professionals. Of particular importance is a ranking of 16th in the category of Health care/Health Sciences/Sciences; a ranking of 15th in the

		<p>category Engineering/Technology and a ranking of 4th in the category Humanities/Liberal Arts/Law. This achievement is significant to the City's ability to attract and retain staff in the professional and scarce skills categories.</p> <ul style="list-style-type: none"> ▪ The City has received various recognition awards for its role in training and development, including AET awards from the Department of Education and Excellence awards from CPUT for the City's in-service training programme. ▪ In September 2010, 34 City entrants joined the Municipal Management Finance Training Programme at the Stellenbosch University School of Public Leadership, followed by another group of 35 in July 2011. Two more groups of 40 and 38 respectively started together in January 2012 and all these groups, which included the City Manager as a participant, completed the course at the end of December 2012. This programme was showcased in an article published in IMFO, the official magazine of the Institute of Municipal Finance Officers (IMFO).
	Individual Performance Management (SFA 5.2(a))	<ul style="list-style-type: none"> ▪ The City has implemented a smart (electronic) individual performance management system. All senior professionals and above have been performance managed for three years, with the shift to the new electronic system in the last financial year. The system is being extended to all levels, with a focus on training. ▪ The benefits of this system are being seen through better management of performance against promised targets, identification of developmental gaps, and the management of poor performers and rewarding of high performers.
	Completing the TASK project (SFA 5.2 (a))	<ul style="list-style-type: none"> ▪ The TASK project set out to ensure that every employee had a job description aligned to their functions in the city and that all the jobs were graded. This project is 97% completed, with the remaining work to be completed by September 2013. The benefits of this project are to ensure that citizens get value for money through employees being correctly remunerated for the work performed.
Increasing investment in skills development (SFA1.5(a) & 5.2(a));		<ul style="list-style-type: none"> ▪ The City has increased its skills spend to R107, 600, 551 over the past year. The result is that the City has offered more training opportunities to external unemployed people and has a better trained and empowered internal staff.
Identifying and monitoring key measurements that		<ul style="list-style-type: none"> ▪ The City put in place various HR risk measures in the form of ten Key Operational Indicators. Ten factors

will support the above outcomes.(Composite HR Risk KPI & Staff Engagement KPI)		were used to measure performance and these were cascaded into each Director's scorecard. These factors are aimed at ensuring that the City achieved its equity targets, utilised staff and staff resources effectively and developed and retained talent.
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Aligned to this HR plan, the City's HR strategy was aimed at achieving the following results in 2012/13:

- Improve the availability of skilled staff, both internally and externally. This has been substantially achieved through greater focus and increased investment in skills development
- Reduce the HR risk factors as measured by the composite HR Risk Indicator.
- Maintain a low turnover rate within the scarce-skills environment. (In 2012/13 this turnover rate was 6.30%, which is well below the target of less than 12%. This, coupled with a 4.33% growth in staff within the scarce-skills categories, confirms the City's position as an employer of choice in local government.);
- Improve staff productivity as measured by a composite business improvement indicator.
- Improve the efficiency and effectiveness of the core HR business processes that impact on human resources management; and
- Maximise SAP HR Functionality, in particular Employee Self Service (ESS) and Manager Self service (MSS).

The City continues to benefit from cost reduction through the ongoing rollout of smart electronic systems. Particular benefits include:

- A reduction in absenteeism from 5.21 to 4.45%.
- The successful implementation of an HR Call Centre, which took 33 724 Service Requests, with a 99% call resolution.
- 70% electronic usage of the new SAP systems, resulting in reduced transactional turnaround and improving overall staff productivity. The figure for e-leave management is 90%, which carries the biggest savings through the elimination of manual systems.
- Increase in the number of employees linked to the electronic clocking system from 85.7% to 92%, with significant consequential savings through shifting off manual systems and the added benefit of a decrease in absenteeism.
- Improved data integrity, reducing audit queries and improving overall governance.
- 74 521 external applicants registered on the City's e-Recruitment system.

The City was recognised for its best practice SAP Human Capital Management implementation by SAP Germany and the City's systems are now being used to showcase best practice both within local government and in the private sector.

The HR Website has a higher usage than any other website across the City, significantly increasing access to information for managers and staff. The City also developed an SAP Learning Solutions module (LSO), which has the potential to revolutionise staff development going forward. An e-Learning tool was developed to support managers in managing incapacity arising from ill health. This is a first of a series of courses that will utilise the new LSO training functionality on SAP.

Human resources budget and staff complement

The City continues to manage its staff allocation and staff budget through on-going scrutiny of its organisational structure and alignment of staff resources to service needs. This is reflected in continuous business improvement programme across all departments to ensure alignment and, where necessary, reallocation of staff resources and budget. Over the past year the City increased its overall staff complement by 2.36% and its total number of budgeted posts by 1.6%. This increase is aimed at keeping up with increased demands for service delivery.

Listening to the community

The Annual Community Satisfaction survey measures the perceptions of residents of the performance of the City in delivering on a range of services. The survey has shown consistent improvement in residents' perceptions since the initial survey of 2007/08. In 2012/13 the City scored 2.9 out of 5 on its annual citywide customer satisfaction survey. This score is the average rating for the overall performance of the City by residents as surveys in 2012/3. The 2012/13 score has increased from 2.7 in 2011/12 and 2010/11 and from 2.6 in 2008/9. An overview of the results of the survey is included in Chapter two of this report on page XX.

Developing a solid information and knowledge framework

In the period under review, the Development Information Resource Centre (DIRC) went live on the City's intranet. The DIRC is a corporate resource for departments to contribute and extract information. As such a single source of information and reporting, it will allow for the smooth sharing of knowledge across departments and improve the way the City does business.

The City utilizes aerial imagery to monitor the growth of informal settlements as well as to support planning and service delivery. The latest aerial photography was made available in the 2012/13 financial year via the City's GIS viewer. It reflects continuous advancements and improvements in image quality through the application of new technology.

Refining internal management processes

In the 2012/13 financial year, the City moved forward with the rollout of its Management Accountability Project (SFA5.3(b)). This project is a modular training course aimed at enhancing management accountability and overall City governance. The programme has focused on training senior management in identified corporate wide business processes. The first module to be rolled out focused on the Supply Chain Management process and Integrated Risk Management. The project is expected to deliver benefits in ensuring faster turnaround, better informed decision making and, ultimately, improved service delivery, through reducing internal delays in internal business processes.

EMPLOYMENT EQUITY

The Employment Equity Department (EED) provides enabling services to all City line directorates by directing, advising and rendering consultancy services. The department comprises Disability Management, Diversity Management, Gender Equity and Affirmative Action components. In the 2012/13 financial year, the EED spent 100% of its capital budget spend and 109% of its operational budget.

The City has improved in terms of achievements against its overall race and disability employment targets. There are also pockets of excellence in gender equity targets. The EED is confident that by the time the current EE Plan (2010-2015) comes to an end, further improvements would have been realised.

To date the high focus has been placed on the establishment of workplace forums in line with the collective agreement on the establishment of EE and ETD Forum that was previously signed by the City, IMATU and SAMWU. The forums will incorporate Gender, Disability, Training & Development (workplace skills plan) and EE.

City of Cape Town workforce profile as at 30 June 2013

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	• W	A	C	I	W	Male	Female	
Top management	1	3		5	2			2			13
Senior management	6	17		26	4	5		4			62
Professionally qualified and experienced specialists and mid-management	128	524	23	678	76	204	9	214	19	9	1884
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	733	2692	26	899	839	1325	14	510	37	13	7088
Semi-skilled and discretionary decision making	1403	3773	14	330	1119	2048	18	368	10	10	9093
Unskilled and defined decision making	2164	3790	4	51	608	863	4	7	17	1	7509
• TOTAL PERMANENT	4435	10799	67	1989	2648	4445	45	1105	83	33	25649
Temporary employees											
GRAND TOTAL	4435	10799	67	1989	2648	4445	45	1105	83	33	25649

In the period under review, the City achieved or exceeded the majority of its employment equity performance targets as outlined below:

EE category	Activities in 2012/13
People with disabilities	<ul style="list-style-type: none"> Awareness raising presentations were conducted on various platforms. A report on the employment of people with disabilities was tabled at the Corporate Services Portfolio Committee meetings on a quarterly basis with a PWD achievement of 1.15% of staff complement. The department exceeded its target of auditing council buildings and facilities for universal accessibility by achieving 83 instead of the targeted 60 buildings.
Diversity	<ul style="list-style-type: none"> Diversity facilitators conducted 84 workshops, which were attended by 1304 staff members from various departments. 11 issue-specific diversity interventions were conducted at Hillstar Depot and were attended by 167 staff. An educational brochure and information poster was produced.

Gender equity	<ul style="list-style-type: none"> • A women’s event was attended by 350 staff members. • Six departments received recognition certificates for their contribution towards the development and empowerment of women within their departments. • Ten awareness sessions were conducted, focussing on: gender based violence; the role of men in combatting gender based violence; as well as the role of youth in responding to the challenges of today • A gender and diversity blog was established to further discussions on gender and diversity. • An educational brochure and a pledge aimed at men was produced and distributed. • A hotline was established for reporting of all incidents of sexual harassment.
Affirmative action	<ul style="list-style-type: none"> • Ongoing implementation, monitoring and evaluation of staff training and skills development. • Staff profiles that indicate employment equity target achievement are supplied to Human Resources and all line directorates on a monthly basis to guide them on the process of recruitment and selection. • 37 presentations were made, mainly to staff and senior management in different directorates and departments.

OCCUPATIONAL HEALTH AND SAFETY

The Occupational Health and Safety (OHS) programme has been separated from the HR function and is now a self standing City department. A director was appointed to further raise the profile of the programme and to ensure that the City complies with all relevant legislation. Achievements in the past financial year included:

- The appointment of two additional Occupational Medical Practitioners. This has strengthened the City’s ability to conduct the required pre-employment and periodic medical assessments to ensure that City employees are medically fit to perform the jobs they are appointed to. More than 20 000 medical assessments were conducted in the past financial year.
- The Occupational Hygiene programme received accreditation as an Approved Inspection Authority (AIA). The City is the only municipality with such accreditation. The AIA accreditation enables the City to conduct assessments of noise level, ventilation, lighting, ergonomics and other necessary assessments in-house. This enhances the City’s ability to ensure that workplaces are safe for all employees.
- Injuries on duty (IOD) continue to be captured electronically on the SAP-EHS module. The SAP-EHS module was improved and now generates real-time Business Intelligence (BI) reports, which provide an overview of the number and types of IOD per directorate and allows line managers to manage IODs better.
- Another successful Driver-of-the-year (DOTY) competition was held. A total of 109 drivers of City vehicles entered the competition and were assessed at various levels until winners were identified. The overall aim of the DOTY is to enhance the skills and safety practices of the City’s drivers.

SPECIALISED TECHNICAL SERVICES

Specialised Technical Services is an enabling department that provides services, consultancy and advice to all City line directorates to enable them to achieve their service delivery goals. The

Department comprises Facilities Management, Fleet Management, and Specialised Radio and Electronic Services (SPEARS).

The Department spent 98,23% of its capital budget and achieved a score of 99% in the asset verification process for the 2012/13 financial year.

Facilities Management is responsible for managing 96 corporately owned buildings, including a portfolio of leased-in buildings across the city. Critical interventions in the last year included the following:

Fleet Management is responsible for managing approximately 4 000 corporate vehicles and plant, including the purchase, disposal and deployment of such assets, the implementation and management of various services such as vehicle repairs and maintenance, on-road vehicle refuelling, vehicle tracking and usage monitoring. In the past year:

- Approximately R56.5 million was spent on capital purchases of vehicles and plant for both Corporate and Devolved Fleets.
- 3607 vehicles were managed by STS Fleet, including:
 - Constant monitoring of vehicle performance and utilisation through on-board computers fitted to vehicles.
 - Ongoing training of supervisors to enable direct access to vehicle management reports.
 - Another “greening” acquisition of a new hybrid vehicle for the Mayoral fleet.
 - Ongoing advice to line to effect the Fleet Management Policy on correct use and care of the vehicle fleet.
 - Increasing assistance provided to IRT bus fleet and planning for the new Technical Support Division.
 - Compiling and managing of tenders for Devolved Fleet, including purchasing of vehicles, plant and related equipment.

SPEARS are responsible for all radio communications and the following electronic services throughout the city:

- A terrestrial trunked radio communications system with 32 remote sites and 11 600 emergency and municipal service users
- Closed-circuit television (CCTV) systems with 2 000 cameras to ensure maximum security at 300 facilities and depots
- Security alarm systems to monitor all Council facilities, with 1 600 remote sites
- Electronic services, including 44 access control systems, nine fire detection systems, 80 public address systems, an audio-visual support service for the executive suites and the Council chamber in the Civic Centre, and an identification and access control card manufacturing facility for all 26 000 employees

During the 2012/13 financial year, SPEARS further developed the City’s data services and introduced:

- Offence codes register lookup via a trunked radio in the field to assist traffic officers.
- A reliable trunked radio link for water telemetry outstations in the field to provide a reliable data link to the central control unit.
- 77 Emergency Voice Communication units in the Cape Town Civic Centre to communicate to the ECR - for use by the emergency coordinators for communication during emergencies
- A remote call centre call unit using trunked radio technology for water services.

A total of 200 new closed-circuit television sites and 50 new security alarm sites were also commissioned, while 150 alarmed sites were converted from privately run to internally monitored.

The audio-visual system for the Council chamber was upgraded for improved reliability and increased functionality, including CCTV display of speakers on the overhead screen.

INFORMATION SYSTEMS AND TECHNOLOGY (IS&T)

The City's Information and Communication Technology (ICT) systems are acknowledged nationally and internationally for the manner in which they enable the City to deliver services. This leadership position was reflected in the international award achieved by the ISIS project in 2013 as well as the large number of study tours hosted, and the extensive invitations to City staff members to present papers at various forums as thought leaders and technical experts in their respective fields.

As a strategic partner to the City, IS&T aims to be a catalyst for the transformation of public services and it will enable the City of Cape Town to become a more efficient and effective local authority.

Web and Mobile Services

Building on the solid transactional platform that the City's ICT systems provide, the web-services were extended and made accessible via mobile devices. These services can be accessed via the City's official mobi site and offer a platform to which additional mobile services will be added to complement web services available through the e-services portal. Through projects such as these, the City's IS&T department continued to deliver on its Smart City Strategy and helped to:

- improve the efficiency of the administration;
- improve services to citizens and businesses; and
- enable social and economic development.

OBJECTIVE 5.3: ENSURE FINANCIAL PRUDENCE, WITH CLEAN AUDITS BY THE AUDITOR-GENERAL.

Unqualified Audit

The City has committed itself to good administration by not only striving to obtain an unqualified audit opinion based on a comprehensive examination of its records, operations and performance levels, but also on the extent of its compliance with all relevant laws and regulations to achieve a 'clean audit' status. For the 10th consecutive year, the City of Cape Town received an unqualified audit opinion from the Auditor-General of South Africa, confirming its substantial adherence to governance laws, regulations and controls in place to ensure increased accountability from political and administrative leadership.

Immovable Property Asset Management Framework ensures good governance

The initial phase of the first component of the Immovable Property Asset Management Framework (IPAMF), being the CORE Immovable Property Asset Register (IPAR), is well established with 28304 assets identified and ownership verified. Of these, accountable Departments have been identified for 22656 and 14986 have been allocated to portfolios. In addition the IPAR System has been designed and configured in alignment with the City's corporate Real Estate system in SAP.

Development of the second component being the Immovable Property Asset management System is progressing. Eight distinct portfolios and 33 sub-portfolios have been identified. Seven Key Performance Areas have been developed, namely Efficiency, Condition, Maintenance, Functional Suitability, Governance, Social Impact and Financial. Specific Key Performance Indicators with measurement methodology are being developed per portfolio.

Financial oversight of CTICC

The City of Cape Town holds shares in the Cape Town International Convention Centre. As the majority shareholder, the City is the parent municipality of the CTICC and this makes this State-Owned Company (as per the Companies Act), a municipal entity. In compliance with legislative

responsibilities placed on the City as the parent entity, oversight is exercised over the governance over the CTICC. This requires, inter alia, ongoing monitoring of the financial situation of the CTICC, one of the few convention centres in the world that does not require an annual operating subsidy from some outside supporting organisation. The consolidated financial statements of the City of Cape Town also include the financial statements of the Cape Town International Convention Centre.

CHAPTER 5

Financial Performance & Economic Sustainability

Overview of the 2013/14 Budget

The following is a high level overview of the City's 2013/14 main budget components. For full details of the budget for the coming financial year, please see the City of Cape Town Budget Book 2013/14.

The budget figures in brief

Total budget for 2013/14	R31 595 million		4,31% up from 2012/13
Operating expenditure budget for 2013/14	R26 144 million	82,75% of total budget	7,31% up from 2012/13
Capital expenditure budget for 2013/14	R5 451 million	17,25% of total budget	8,03% down from 2012/13

OPERATING BUDGET

Expenditure

Total operating expenditure increases from R24 362 million in the 2012/13 financial year (2012/13) to R26 144 million in the 2013/14 financial year (2013/14). This 7,31% rise is primarily due to increases in several City expenditure components, as shown in Table 1 below.

Table 5.1: Year-on-year growth in expenditure components

Category	Budget 2012/13	Budget 2013/14	Year- on-year
R Thousand			
Employee-related costs	7 777 521	8 253 458	6,12%
Remuneration of councillors	122 384	123 721	1,09%
Debt impairment	991 026	866 192	(12,60%)
Depreciation and asset impairment	1 444 096	1 934 741	33,98%
Finance charges	768 508	863 894	12,41%
Bulk purchases	6 441 273	6 898 881	7,10%
Other materials	396 540	358 681	(9,55%)
Contracted services	2 579 846	3 192 182	23,74%
Transfers and grants	50 606	39 544	(21,86%)
Other expenditure	3 790 624	3 612 788	(4,69%)
Total expenditure	24 362 425	26 144 082	7,31%

Revenue

Operating revenue increases from R23 901 million in 2012/13 to R25 895 million in 2013/14. This 8,34% rise is mainly due to the following:

- An increase in transfers recognised in respect of the national equitable share, from R1 090 million in 2012/13 to R1 243 million in 2013/14.
- An increase in rental of facilities and equipment, from R278 million to R336 million, as a result of the increased marketing of facilities, which in turn resulted in a higher rate of use of facilities such as halls, stadiums, museums, etc.
- An increase in interest earned on external investments, from R244 million to R284 million, due to the City's projected favourable cash position.
- Projected organic growth and tariff increases on property rates and service charges (water, electricity and refuse).

Table 5.2: Year-on-year growth in revenue categories

Category	Budget 2012/13	Budget 2013/14	Year- on-year
R Thousand			
Property rates – tax	5 030 753	5 427 388	7,88%
Property rates – penalties and collection charges	93 546	99 720	6,60%
Service charges – electricity	8 971 405	9 668 405	7,77%
Service charges – water	2 106 357	2 343 850	11,28%
Service charges – sanitation	1 127 122	1 243 019	10,28%
Service charges – refuse	896 924	947 126	5,60%
Service charges – other	237 231	239 991	1,16%
Rental of facilities and equipment	278 754	336 471	20,71%
Interest earned – external investments	244 439	284 618	16,44%
Interest earned – outstanding debtors	236 797	118 805	(49,83%)
Fines	160 917	183 257	13,88%
Licences and permits	33 121	35 601	7,49%
Agency services	115 993	121 993	5,17%
Transfers recognised – operational	2 325 525	2 595 904	11,63%
Other revenue	1 973 772	2 179 942	10,45%
Gains on disposal of property, plant and equipment	69 000	69 000	0,00%
Total revenue	23 901 656	25 895 089	8,34%

Individual service tariffs and rates

The proposed tariff increases shown in Table 5.3 below are averages. Some clients may pay more and others less than these averages.

Table 5.3: Average tariff increases for 2013/14, 2014/15 and 2015/16

Category	2013/14 %	2014/15 %	2015/16 %
Rates	6,10	6,00	6,00
Refuse	6,32	5,54	8,03
Disposal	7,06	9,52	8,44
Sanitation	9,53	9,58	10,00
Water	9,53	9,58	10,00
Electricity	7,86	9,92	9,26

Rates - Property rates are based on values in the new general valuation roll 2012, with the date of valuation being 1 July 2012. The roll will be updated through supplemental valuation rolls for properties affected by land subdivisions, alterations to buildings, demolitions and new buildings (improvements). The rates levied per individual property will depend on that property's change in value compared with the average change in all property values. The total amount of rates included in the 2013/14 budget is 7,1% more than that of 2012/13. This takes into account natural growth. Rebates and concessions are granted to certain categories of property use and/or property owners. The category definitions and listings are reflected in the Rates Policy, which is available on the City's website at www.capetown.gov.za.

Water and sanitation - An increase of 9,53% has been approved for consumptive water and sanitation tariffs. The bulk water tariff has been increased by 6,4%. The tariff increases are necessary to address essential operating requirements, maintain existing infrastructure, provide new infrastructure, and ensure the financial sustainability of the service. These increases are also in line with the guidelines of the Medium-term Revenue and Expenditure Framework (MTREF).

Solid waste - The solid waste tariffs are levied to recover costs of services provided directly to customers, and include refuse collection fees, disposal fees, compost sales, weighbridge fees and other ad hoc services. Collections tariffs (consumptive and sundry) will increase by 6,32%, disposal by 7,06%, and cleaning by 5,6%.

Electricity - The average revenue increase (and therefore, the average tariff increase) is 7,86%. The additional amount is needed to cover the increased capital costs due to the changes made last year; additional artisan posts in areas where a critical need exists; upgrades to the notified maximum demand; an increase in the fuel requirements for the gas turbines due to the unavailability of the Steenbras pumped storage scheme; an increase in the number of revenue collection teams (aimed at improving the collection ratio) and a reduction in the rates contribution for street lighting.

CAPITAL BUDGET

The capital budget decreases from R5 927 million in 2012/13 (original budget) to R5 451 million in 2013/14, or by 8,03% overall.

Table 5.4: Year-on-year decrease in capital funding sources

Category	Budget 2012/13	Budget 2013/14	Increase/ (decrease)
Capital grants and donations	3 683 893	2 583 308	(1 100 585)
Capital Replacement Reserve (CRR)	709 572	700 820	(8 753)
External Financing Fund (EFF)	1 784 935	2 149 497	364 562
Revenue	43 409	16 968	(26 441)
Total	6 221 809	5 450 592	(771 217)

The decrease of R1,1 billion in capital grants and donations, is because 2012/13 included an approved roll-over from 2011/12 of R1,1 billion in public transport infrastructure and systems grants. The main contributors to the increase in External Financing Fund (EFF) provisions are the rephasing of projects from 2012/13 to 2013/14, and additional requirements for the pressure management, treated-effluent reuse and meter replacement projects within Water Services. During

the budget process, directorates across the City also highlighted additional initiatives aligned with the Integrated Development Plan (IDP), such as accelerated broadband project spend, replacement of the oldest fleet vehicles, and additional funding for the Safety and Security Directorate.

During 2013/14, major capital expenditure is planned in the following directorates:

Utility Services	R2 679 million
Transport, Roads and Stormwater	R1 416 million
Human Settlements	R627 million

The most significant projects are:

Cape Town Electricity	
Athlone-Phillipi: Overhead line undergrounding	R60 million
Backyarders	R63 million
City depot relocation	R64 million
Connections infrastructure	R44 million
Electrification	R127 million
Facilities alteration and upgrades	R150 million
Koeberg Road switching station phase 2	R90 million
Medium voltage switchgear refurbishment	R78 million
System equipment replacement	R130 million
System infrastructure	R106 million
Training school, Brackenfell	R59 million
Solid Waste management	
New landfill site infrastructure	R25 million
New transfer station infrastructure	R105 million
Replacement of plant and vehicles	R64 million
Solid waste management infrastructure	R50 million
Water and Sanitation	
Borcherds Quarry wastewater treatment works	R20 million
Bulk water augmentation scheme	R32 million
Bulk water infrastructure replacement	R20 million
Cape Flats III	R38 million
Development of additional infrastructure	R27 million
Fisantekraal housing Garden Cities	R26 million
Meter replacement programme	R75 million
Northern area sewer, Thornton	R90 million
Pressure management	R20 million
Replace and upgrade sewer network (citywide)	R60 million
Replace and upgrade water network (citywide)	R79 million
Treated-effluent reuse and upgrades	R29 million
Transport, Roads and Stormwater	
Bulk roads and stormwater for housing projects	R48 million
Construct Broadway Boulevard, Nomzamo/Lwandle	R19 million
Infrastructure management: Reconstruct roads metro	R33 million
Inner city public transport hub (IRT)	R10 million

Integrated rapid transit	R803 million
Non-motorised transport network and universal access	R60 million
Pedestrianisation of low-income areas	R20 million
Roads and stormwater rehabilitation	R110 million
Corporate Services	
Broadband	R82 million
Facilities management – Structural rehabilitation of the Cape Town Civic Centre	R39 million
Safety and Security	
Integrated emergency contact centre	R30 million
Human Settlements	
Manenberg community residential unit (CRU) project	R100 million
Langa hostels CRU project	R87 million
Hanover Park CRU project	R61 million
Delft The Hague housing project	R20 million
Heideveld CRU project	R31 million
Brick-skin walls – housing flats	R35 million
Marble Flats CRU project	R32 million
Urbanisation: Backyards and informal settlement upgrade	R38 million
Bardale and Fairdale: Develop 4 000 units	R28 million

Free basic services: Basic social services package

The City provides free basic services (electricity, refuse removal, water, sanitation and rates) to residential properties via either the municipal value of the property, or on application by those with limited income whose property values exceed the set valuation levels. The municipal value of the property method is used to prevent the bloated and costly administration that would have arisen if the expected 245 000 to 280 000 applicants all had to apply on a periodic basis. Using the billing system criteria, the City provides assistance to those residents assumed to be in need. It is understood that this approach means that some who may be able to pay also receive that benefit, but the costs to prevent these few unintended cases would far outweigh the income generated by ensuring they don't receive the benefits.

The valuation based approach also provides the City with budgetary certainty and reduces the risk of fraud. The benefits vary based on the valuation of the properties at R400 000 or below, and the number of recipients varies between 80 000 and 245 000. The second procedure – using applications by those with limited income – allows any resident who is required to pay for the aforementioned services, but whose gross monthly household income is R3 000 or less, to register as indigent to receive the same benefits as if their property values were below R100 000. To date, only 2 295 residents have registered through this process. This clearly shows that the valuation-driven measures are succeeding in reaching the less-fortunate residents of Cape Town as envisaged.

From 2012/13, a new category of indigent support was also created, which involves granting a 50% rebate on rates to all residents whose gross monthly household income is between R3 001 and R4 000. To date, 27 households have registered. Rates rebates for senior citizens and disabled persons are granted to qualifying applicants whose gross monthly household income is below R12 000. Qualifying individuals or households with an income of up to R3 500 receive a 100% rates rebate. This is then tiered, to a 10% rebate, for those earning an income of between R11 001 and R12 000.

In 2013/14 lifeline tariff customers receiving less than 250 kWh of electricity per month will have their free basic supply increased to 60 kWh. Those receiving between 250 kWh and 450 kWh per

month will receive a free basic supply of 25 kWh per month. In total, 306 000 residents in the City and Eskom areas of supply receive this benefit. The assistance provided to the households mentioned above are regulated by Council's budget-related policies, which are reviewed annually based on a modelling exercise of the impact of the tariffs and policies on all residential properties. All free basic services are provided for in the City's balanced operating budget.

The costs of refuse removal, the R67,42 free water and sanitation, and the 60 kWh of free electricity are 123% funded by National Government through the local government equitable share received in terms of the annual Division of Revenue Act. However, the City allocates R46 million from rates income to balance this expenditure. The costs of the free 6 kℓ of water (and concomitant sanitation) and the R200 000-valuation rates rebate for qualifying 'indigent' residents are covered by the remaining residents.

CHAPTER 6

Annual Financial Statements

- Auditor-General's report on financial statements, and performance information
- Management's comments, and corrective action to be instituted on matters raised in the Auditor-General's report
- Financial Statements

CHAPTER 7

Appendices

Appendix A: Capital Budget per subcouncil and ward

Subcouncil and Ward	Current Budget 2012_2013	Approved Budget 2013_2014	Approved Budget 2014_2015	Approved Budget 2015_2016 May
Subcouncil 1	118 336 610	92 195 000	110 540 262	179 408 800
ward 4	3 220 171	33 830 000	75 500 000	118 300 000
ward 23	5 396 813	770 000	2 800 000	14 500 000
ward 29	14 330 864	7 700 000	21 950 000	20 000 000
ward 32	59 730 726	6 600 000	2 000 000	21 358 800
ward 104	35 358 036	43 075 000	8 290 262	5 250 000
ward 107	300 000	220 000	0	0
Subcouncil 2	166 727 121	107 322 359	18 300 000	35 600 750
ward 6	96 012 925	98 270 529	17 400 000	1 000 000
ward 7	69 010 000	8 141 830	200 000	1 000 000
ward 8	650 945	310 000	700 000	32 600 750
ward 111	1 053 251	600 000	0	1 000 000
Subcouncil 3	127 883 668	41 370 280	52 592 740	112 392 190
ward 1	460 000	5 280 080	42 592 740	40 761 300
ward 3	126 008 753	35 190 200	10 000 000	71 630 890
ward 5	461 918	340 000	0	0
ward 70	952 997	560 000	0	0
Subcouncil 4	79 411 405	11 735 806	56 394 530	94 939 100
ward 25	27 546 429	1 995 950	1 400 000	1 500 000
ward 26	1 451 947	100 000	0	0
ward 27	378 000	700 000	200 000	0
ward 28	1 340 749	370 000	0	0
ward 30	48 694 280	8 569 856	54 794 530	93 439 100
Subcouncil 5	23 528 551	49 408 000	38 200 000	11 643 449
ward 13	13 537 551	20 460 000	20 000 000	8 743 449
ward 20	1 531 000	264 000	0	350 000
ward 24	1 904 000	1 349 000	0	0
ward 31	5 504 000	25 100 000	15 200 000	0
ward 50	506 000	335 000	0	0
ward 106	546 000	1 900 000	3 000 000	2 550 000
Subcouncil 6	140 942 971	97 069 330	40 100 000	31 600 000
ward 2	9 776 979	3 445 000	1 000 000	1 000 000
ward 9	110 039 491	17 140 000	10 500 000	26 850 000
ward 10	7 299 860	44 064 330	0	0
ward 12	10 653 362	31 305 000	28 600 000	3 750 000
ward 22	3 173 279	1 115 000	0	0
Subcouncil 7	76 464 660	55 308 130	53 294 800	57 339 952
ward 21	3 403 776	4 820 000	23 130 200	3 000 000
ward 101	565 000	450 000	2 000 000	4 000 000
ward 102	4 470 000	3 515 000	0	0
ward 103	30 284 701	32 565 130	20 464 600	32 930 380
ward 105	37 741 183	13 958 000	7 700 000	17 409 572

Subcouncil 8	31 058 304	72 662 110	102 701 447	91 600 000
ward 83	4 171 138	1 035 000	12 700 000	17 100 000
ward 84	820 000	5 334 000	8 901 447	6 500 000
ward 85	1 216 048	11 405 000	12 500 000	0
ward 86	965 445	2 100 000	0	200 000
ward 100	23 885 673	52 788 110	68 600 000	67 800 000
Subcouncil 9	5 432 400	7 159 400	10 000 000	15 250 000
ward 18	880 000	154 000	0	0
ward 87	880 000	6 500 000	10 000 000	15 250 000
ward 89	1 332 400	0	0	0
ward 90	840 000	505 400	0	0
ward 91	1 500 000	0	0	0
Subcouncil 10	23 810 503	12 530 447	9 400 000	6 400 000
ward 92	9 100 841	10 136 447	1 000 000	0
ward 93	2 947 049	727 000	0	0
ward 94	10 142 613	1 180 000	8 300 000	6 000 000
ward 99	1 620 000	487 000	100 000	400 000
Subcouncil 11	212 052 405	211 982 186	179 868 045	85 925 000
ward 42	80 321 214	123 743 591	83 456 501	700 000
ward 44	91 222 145	42 488 595	12 611 544	2 500 000
ward 45	564 997	1 500 000	1 000 000	0
ward 49	39 944 049	44 250 000	82 800 000	82 725 000
Subcouncil 12	14 309 200	14 124 000	3 500 000	0
ward 78	459 515	389 000	0	0
ward 79	11 688 390	9 790 000	0	0
ward 81	1 400 079	550 000	2 000 000	0
ward 82	761 216	3 395 000	1 500 000	0
Subcouncil 13	5 779 965	11 500 000	4 900 000	15 000 000
ward 33	387 000	2 400 000	3 500 000	13 500 000
ward 34	1 177 000	2 800 000	1 200 000	1 000 000
ward 35	2 358 965	400 000	200 000	500 000
ward 36	1 857 000	5 900 000	0	0
Subcouncil 14	25 477 569	53 548 309	6 700 000	2 800 000
ward 37	8 874 000	3 047 300	5 500 000	0
ward 38	1 400 000	2 820 000	1 000 000	1 000 000
ward 39	2 636 199	5 550 000	100 000	1 200 000
ward 40	12 234 120	42 131 009	0	0
ward 41	333 250	0	100 000	600 000
Subcouncil 15	46 833 908	282 482 616	175 734 913	8 371 002
ward 51	11 636 400	96 156 540	91 170 313	7 371 002
ward 52	1 883 917	220 000	0	0
ward 53	16 768 841	92 063 396	46 000 000	0
ward 55	12 720 643	90 457 680	37 564 600	0
ward 56	3 300 349	2 860 000	1 000 000	1 000 000
ward 57	523 758	725 000	0	0
Subcouncil 16	278 082 883	170 310 332	124 000 000	90 600 000
ward 54	168 016 436	16 319 596	5 000 000	2 000 000

ward 74	23 068 980	38 337 202	25 500 000	19 600 000
ward 77	86 997 467	115 653 534	93 500 000	69 000 000
Subcouncil 17	79 324 046	72 371 552	32 614 331	0
ward 46	300 000	160 000	0	0
ward 47	77 989 233	71 613 552	32 614 331	0
ward 48	704 813	280 000	0	0
ward 60	330 000	318 000	0	0
Subcouncil 18	105 876 984	74 036 443	65 166 130	52 500 000
ward 63	318 000	10 900 000	0	0
ward 65	635 000	300 000	0	0
ward 66	99 591 229	50 936 443	63 066 130	52 500 000
ward 68	496 174	300 000	100 000	0
ward 80	2 989 221	9 800 000	0	0
ward 110	1 847 360	1 800 000	2 000 000	0
Subcouncil 19	57 519 348	98 458 670	68 535 821	71 160 685
ward 43	14 063 116	62 194 042	22 000 000	29 600 000
ward 61	11 542 891	985 387	1 500 000	0
ward 64	14 128 000	16 300 000	12 000 000	0
ward 67	17 090 341	16 979 241	27 235 821	31 560 685
ward 69	695 000	2 000 000	5 800 000	10 000 000
Subcouncil 20	45 004 411	34 860 930	8 500 000	10 000 000
ward 58	371 000	300 000	0	0
ward 59	2 500 000	520 000	0	0
ward 62	1 310 071	2 320 000	7 500 000	10 000 000
ward 71	1 528 264	1 290 000	1 000 000	0
ward 72	38 795 076	30 090 930	0	0
ward 73	500 000	340 000	0	0
Subcouncil 21	68 811 474	43 020 000	21 662 000	18 183 125
ward 11	5 500 000	1 150 000	500 000	0
ward 14	37 129 836	11 270 000	13 750 000	10 800 000
ward 17	2 726 189	850 000	0	100 000
ward 19	13 346 737	1 000 000	2 500 000	2 100 000
ward 108	10 108 712	28 750 000	4 912 000	5 183 125
Subcouncil 22	22 029 378	38 330 078	111 092 000	76 175 000
ward 15	2 840 000	5 330 000	8 500 000	2 000 000
ward 16	3 500 000	542 423	7 542 000	2 800 000
ward 109	15 689 378	32 457 655	95 050 000	71 375 000
Subcouncil 23	48 329 542	13 783 530	2 610 262	0
ward 75	7 643 602	500 000	0	0
ward 76	38 273 867	13 283 530	2 610 262	0
ward 88	2 412 073	0	0	0
Subcouncil 24	29 528 878	53 860 986	24 231 182	0
ward 95	6 118 520	700 000	200 000	0
ward 96	480 356	0	0	0
ward 97	14 079 417	50 160 986	20 531 182	0
ward 98	8 850 585	3 000 000	3 500 000	0
Corporate Infrastructure Projects	1 560 327 103	871 499 288	773 059 319	948 982 930

ward 201	1 560 327 103	871 499 288	773 059 319	948 982 930
Multi-ward Projects	2 828 926 149	2 859 662 693	3 083 773 738	3 476 162 400
ward 200	2 828 926 149	2 859 662 693	3 083 773 738	3 476 162 400
Grand Total	6 221 809 436	5 450 592 475	5 177 471 520	5 492 034 383

Appendix B: Annual corporate performance scorecard

KEY:



Target achieved



Achievement well above target



Below target



Well below target

INDICATOR	Annual target 2011/12	Actual performance 2011/12	ANNUAL TARGET 2012/13	ACTUAL 2012/13	RATING	REASON FOR VARIANCE	REMEDIAL ACTION
1.A Percentage of Building plans approved within statutory timeframes (30-60 days)	75%	69.32%	80%	80.70%		Target Achieved	Maintain the Momentum
1.B Percentage spend of capital budget	R4,561 bn	R4,233 bn	90% of approved final budget	92.9%		Target Achieved	Maintain the Momentum
1.C Rand value of capital invested in engineering infrastructure	New to CSC	New to CSC	R 1,9 bn	R 2,1 bn		Target Exceeded	Maintain the Momentum
1.D Percentage of operating budget allocated to repairs and maintenance	New to CSC	New to CSC	7.5%	7.80%		Target Achieved	Maintain the Momentum
1.E Percentage spend on repairs and maintenance	R1,837 billion	R1,883 billion	100%	104.68%		Target achieved	Maintain the Momentum
1.F Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service	< 1%	0.43%	< 1%	0.65%		Target Exceeded	Maintain the Momentum
1.G Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service	< 1%	0.09%	< 1%	0.57%		Target Exceeded	Maintain the Momentum
1.H Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service	< 1%	0.16%	< 1%	0.13%		Target Exceeded	Maintain the Momentum

INDICATOR	Annual target 2011/12	Actual performance 2011/12	ANNUAL TARGET 2012/13	ACTUAL 2012/13	RATING	REASON FOR VARIANCE	REMEDIAL ACTION
1.I Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service	< 1%	0.01%	< 1%	0.00%		Target Exceeded	Maintain the Momentum
1.J Number of Expanded Public Works programmes (EPWP) opportunities created	22 000	26 403	35 000	35 556		Target Achieved	Maintain the Momentum
1.K Percentage of treated portable water not billed	New to corporate scorecard (CSC)	New to CSC	New	New	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
1.L Number of passenger journeys on the MyCiti public transport system	New to CSC	New to CSC	2 450 000	3 113 329		Target Exceeded	Maintain the Momentum
1.M Percentage development of an Immovable property asset management framework	New to CSC	New to CSC	New	New	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
1.N Number of external trainee and bursary opportunities created	No target	No target	855	1268		Target Exceeded	Maintain the Momentum
1.N (a) Number of external trainee and bursary opportunities (excluding apprentices)	No target	No target	625	954		Target Exceeded	Maintain the Momentum
1.N (b) Number of apprentices	No target	No target	230	314		Target Exceeded	Maintain the Momentum
2.A Community satisfaction survey (Score 1 -5) - safety and security	≥2.7	2.8	2.7	2.8		Target Exceeded	Maintain the Momentum
2.B Reduce number of accidents at five highest frequency intersections	New to CSC	New to CSC	285	321		Accidents are mostly uncontrollable actions that are caused due to careless driver behaviour. Although the target was not met, the number of accidents during the last quarter of the 2012/13 financial year have significantly reduced and the downward trend continuous.	Changing of the road structure at the Vanguard- and Voortrekker Road crossing (highest accident rate) remains a long term alternative. It is however subject to the availability of funds and budget prioritisation. The monitoring of the affected areas by traffic officers during peak accident tendency times as a deterrent and to enforce traffic regulations continuous. Responsible person: Andre Nel Due Date: Ongoing
2.C Percentage response times for fire incidents within 14 minutes from call receipt up to arrival	80%	82%	80%	84%		Target Achieved	Maintain the Momentum
2.D Number of operational specialised units	New to CSC	New to CSC	New to CSC	New to CSC	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only

INDICATOR	Annual target 2011/12	Actual performance 2011/12	ANNUAL TARGET 2012/13	ACTUAL 2012/13	RATING	REASON FOR VARIANCE	REMEDIAL ACTION
2.E Percentage of SmartCop system implemented	New to CSC	New to CSC	New to CSC	New to CSC	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
2.F Percentage staff successfully completing occupational specific training interventions	New to CSC	New to CSC	New to CSC	New to CSC	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
2.G Percentage of Neighbourhood Watch satisfaction survey	New to CSC	New to CSC	New to CSC	New to CSC	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
3.A Number of social development programs implemented	New to CSC	New to CSC	7	7		Target Achieved	Maintain the Momentum
3.B Number of recreation hubs where activities are held on a minimum of 5 days a week	New to CSC	New to CSC	25	28		Target Exceeded	Maintain the Momentum
3.C Number of housing opportunities provided per year	8800	7141	11 128	12 416		Target Exceeded	Maintain the Momentum
Serviced sites	New to CSC	New to CSC	6071	6391		Target Achieved	Maintain the Momentum
Top structures	New to CSC	New to CSC	3833	4300		Target Exceeded	Maintain the Momentum
Other (CRU upgrades and shared services provision to Reblocked Informal settlements and backyarders)	New to CSC	New to CSC	1224	1 725		Target Exceeded	Maintain the Momentum
3.D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units	New to CSC	New to CSC	New to CSC	New to CSC	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
3.E Improve basic services							
Number of water services points (taps) provided	250	277	1 000	599		Violent protest actions in some informal settlements started on the 2nd of April 2013. This resulted in 16 informal settlements not being accessible to the contractor for servicing of toilets. The City had to service these areas with immediate effect by using own staff. COCT teams involved in the installation of taps were thus redeployed to assist in the cleaning of the containerised toilets. This impacted negatively on the installation of taps.	Return to original installation schedule once turbulence has settled. Responsible person: Pierre Maritz Due date: 30 September 2013
Number of sanitation service points (toilets) provided	2000	3354	3 000	5 043		Target Exceeded	Maintain the Momentum
Number of informal settlements receiving a door-to-door refuse collection and area cleaning service	223	223	204	204		Target Achieved	Maintain the Momentum

INDICATOR	Annual target 2011/12	Actual performance 2011/12	ANNUAL TARGET 2012/13	ACTUAL 2012/13	RATING	REASON FOR VARIANCE	REMEDIAL ACTION
<p>Percentage of known informal settlements that achieve each of the four different standards of cleanliness</p> <p>Level 1:</p>	New to CSC	New to CSC	≥ 5%	0.70%		The standard for this 5% target is to achieve a perfectly clean area with absolutely no waste been present at all. Even though the city failed to achieve this target it did still achieve a 0.70% at this level. The City will continue to strive and improve on this target.	<p>Total redesign of tender and service delivery model currently in process. This includes improved service delivery in surrounding areas and around shipping containers even over weekends which will result in improved cleanliness.</p> <p>Responsible person: Claire Mckinnon Due date: 30 September 2013</p>
Level 2:	New to CSC	New to CSC	≥ 52%	55.45%		Target Achieved	Maintain the Momentum
Level 3:	New to CSC	New to CSC	≤ 40%	42.82%		The indicated level 3's are representative of the fact that special attention needs to be given to the peripheral areas around informal settlements so as to achieve a better result.	<p>Total redesign of tender and service delivery model currently in process. This includes improved service delivery in surrounding areas and around shipping containers even over weekends which will result in improved cleanliness.</p> <p>Responsible person: Claire Mckinnon Due date: 30 September 2013</p>
Level 4:	New to CSC	New to CSC	≤ 3%	1.03%		Target Exceeded	Maintain the Momentum
3.F Number of electricity subsidised connections installed	3400	1050	2200	918		The installation for subsidised connections is largely dependent on demand linked to valid applications. Negative variance against the target is due to demand not meeting expectations in the 3rd and 4th quarter. Administrative challenges in closing master data remain an added factor.	<p>Continuous follow ups and various Process-Flow meetings have taken place and there is improvement.</p> <p>Responsible person: Maruis van der Westhuizen Due date: 30 June 2013</p>

INDICATOR	Annual target 2011/12	Actual performance 2011/12	ANNUAL TARGET 2012/13	ACTUAL 2012/13	RATING	REASON FOR VARIANCE	REMEDIAL ACTION
3.G Percentage compliance with drinking water quality standards	96%	98.6%	98%	99.3%		Target Achieved	Maintain the Momentum
3.H Number of days when air pollution exceeds RSA Ambient Air Quality Standards	133	125	<25	4		Target Exceeded	Maintain the Momentum
3.I New Smear Positive TB Cure Rate	New to CSC	New to CSC	83%	84.20%		Target Achieved	Maintain the Momentum
3.J Number of New Clients screened at the Substance Abuse Outpatient Treatment Centres	New to CSC	New to CSC	New to CSC	New to CSC		New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only
4.A Percentage adherence to Citywide service standard based on all external notifications	New to CSC	New to CSC	100%	96.98%		<p>Utilities Directorate overall achievement is 97,33%, which influences essentially on the City's overall achievement in terms of service notifications closed.</p> <p>Due to the technical nature of many service notifications, the period allowed to closure is a stretch target. The variance is also largely as a result of Service interventions being completed but notifications are administratively closed long after the fact, and also the combination of different target days per service type hampers achieving the target.</p> <p>Notifications continue to increase without concomitant increase in resources, resulting in the target becoming progressively more difficult to achieve.</p>	<p>Continuously striving not only to attend to service delivery notifications, but to close them within the allowed period as well.</p> <p>Responsible person: Dr. Gisela Kaiser Due date: On-going</p>
4.B Customer satisfaction survey (Score 1 -5 Likert scale) -community facilities	>_ 2,7	2.8	3.2	3.1		<p>Comparison of 2011/12 to 2012/13 results LIS down from 3.4 to 3.3 Parks up from 2.6 to 2.7 SR&A up from 3.0 to 3.1</p> <p>Overall Community Services up from 3.0 to 3.1. This is however under the target of 3.2</p>	<p>Community Services to analyse detailed results released and discuss actions at next management team meeting.</p> <p>Responsible person: Freddie Bisschoff Due date: On-going</p>
5.A Number of Municipal meetings open to the public	New to CSC	New to CSC	New to CSC	New to CSC	-	New indicator for 2013/14 reporting only	New indicator for 2013/14 reporting only

INDICATOR	Annual target 2011/12	Actual performance 2011/12	ANNUAL TARGET 2012/13	ACTUAL 2012/13	RATING	REASON FOR VARIANCE	REMEDIAL ACTION
5.B Percentage of employees who are truly motivated and will go above and beyond the call of duty, as measured in a biennial Staff Engagement Survey	35%	35%	Bi-ennial Target	Bi-ennial Target	AT	The percentage 'truly loyal' employees is measured by employee culture/climate survey every two years. Survey will be completed in the 2013/14 financial year.	
5.C Community satisfaction survey (Score 1 -5) - city wide	2,8	2,7	2,8	2,9		Target achieved	Maintain the momentum
5.D Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan	70%	65,70%	72%	65,85%		The City is challenged in sourcing Employment Equity beneficiaries in scarce skill disciplines, hence the low achievement percentage.	Continuous monitoring of this indicator. Responsible person: Michael Siyolo Due date: Ongoing
5.E Percentage budget spent on implementation of WSP for the City	90%	103,89%	95%	102,04%		Target Achieved	Maintain the Momentum
5.F Opinion of the Auditor General	Unqualified audit opinion for the 2011/12 financial year	Unqualified audit opinion for the 2011/12 financial year	Clean Audit	Unqualified audit (2011/12)		2011/2012 - Achieved - Unqualified Audit The Audit for 2012/13 will only commence during August 2013. Audit Report will be available end November 2013.	
5.G Opinion of independent rating agency	High investment rating of P-1.za Aa3.za	High investment rating of P-1.za Aa2.za	High investment rating (subject to sovereign rating)	City's high credit rating reaffirmed as Aa3 on 02 April 2013.		Target Achieved	Maintain the Momentum
5.H Ratio of cost coverage maintained	New to CSC	New to CSC	2:1	2,67:1		Target Achieved	Maintain the Momentum
5.I Net Debtors to Annual Income [Ratio of outstanding service debtors to revenue actually received for services]	New to CSC	New to CSC	20,5%	20,31%		Target Achieved	Maintain the Momentum
5.J Debt coverage by own billed revenue	New to CSC	New to CSC	2:1	3,24:1		Target Achieved	Maintain the Momentum

Convenco 4th Quarter Performance Assessment Report for 2012/2013 - 1 July 2012 to 30 June 2013

👍 - Meets or exceeds target; 🐼 - Currently does not meet target; 🐼 - Information not available or work on hold

No	Indicator	Annual Target 30 June 2013	Target Performance 30 June 2013	Actual Performance 30 June 2013	Rating	Reason for variance	Remedial action
Strategic Focus Area 1: Shared Economic Growth and Development							
Corporate Objective: 1A. Create an enabling environment for the economy to grow and become globally competitive.							
1	Operating Profit - Achieve or outperform budgeted operating profit	100%	100%	419%	👍		
2	Capital Projects - Number of capital projects for year completed or committed	80%	80%	95%	👍		
3	Capital Expenditure - Spend of Capital Budget (excluding expansion) ensuring that the five star standards are maintained	Five Star Tourism Grading Council	Five star standards maintained	Five star tourism grading council certificate achieved	👍		
4	Events - Number of events hosted compared to budgeted target	500	500	537	👍		
5	External Audit Report - Unqualified Audit Report for 2011/2012 financial year	Unqualified Audit Report	Unqualified Audit Report	Achieved for 2011/2012 financial year	👍		
6	Human Capital Development - Actual cost of training of permanent and temporary staff as a percentage of total salary cost	5%	5%	5%	👍		
7	Minimum Competency Level - Number of senior managers registered for MFMA Competency Course	7	7	12	👍	The executive /middle managers commenced with the Minimum Competency Level Training in March 2013	
8	Customer Centricity and Service Excellence	75% of minimum aggregate score for all CTICC internal departments and external suppliers	75%	82%	👍		
9	Supply Chain Procurement from BEE suppliers measured in % of BEE Act	Percentage spend not lower than 50%	50%	72%	👍		
10	Completion of Legal Compliance Checklist	To be completed by 2013/03/31	Checklist completed	Completed and submitted	👍	Submitted on 3 April, however condonation has been received due to agreed submission date being over Easter Weekend and a Sunday	

**APPROVED ONE YEAR CORPORATE SCORECARD
2012/13**

INDICATOR	IDP	INDICATOR DEFINITION
1.A Percentage of Building plans approved within statutory timeframes (30-60 days)	1.1 (e)	<p>Percentage of applications approved within statutory timeframes (30 – 60 days). The objective is to improve approval time of the applications. This improvement is in the trend over the cause of the five year term of the Integrated Development Plan, but targeted annually as the weighted average percentage achieved for the specific year. The approval of Building plans are measured within the statutory time frames of < 500 m2 (30 days) and > 500 m2 (60 days). Refer Section A7 of the National Building Regulations Act, Act 103 of 1977.</p> <p>Date and Time Stamped Data: A cut-off date of 3 days of the next month is allowed for the capturing of the previous month's production (i.e. 30th or 31st day of the month). Statistical data will be extracted on the 4th day, with a date and time stamp and reported accordingly and will be reported as a weighted average percentage for the two categories of building plans.</p>
1.B Percentage spend of capital budget	1.2 (b)	<p>Percentage reflecting year to date spend / Total budget less any contingent liabilities relating to the capital budget The total budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.</p>
1.C Rand value of capital invested in engineering infrastructure	1.2 (b)	<p>Investment into engineering infrastructure relates to growth, refurbishment and replacement of water, sanitation, electricity, solid waste (removal and disposal), roads, stormwater, transport and broadband infrastructure.</p>

1.D Percentage of operating budget allocated to repairs and maintenance	1.2 (b)	<p>Repairs and maintenance expressed as a percentage of the total operating budget.</p> <p>Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based.</p> <p>Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure.</p>
1.E Percentage spend on repairs and maintenance	1.2 (b)	<p>Percentage reflecting year to date spend (including secondary cost) / total repairs and maintenance budget</p> <p>Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend).</p> <p>Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based.</p> <p>Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure.</p>
1.F Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service	1.2 (b)	<p>This indicator reflects the number outstanding valid applications <u>expressed as a percentage of total number of active billings for the service</u>, (where down payment has been received) for water services (where valid applications translate into an active account) for domestic customers as extracted from the City of Cape Town's SAP database. The accuracy of the billing records is reported within an error rate of 0.5%. Proxy measure for NKPI.</p>
1.G Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service	1.2 (c)	<p>This indicator reflects the number outstanding valid applications (where down payment has been received) for sewerage services (where valid applications translate into an active account) expressed as a percentage of total number of active billings for the service. Billing equates to active contract accounts (sewerage services) for domestic customers as extracted from the City of Cape Town's SAP database. The accuracy of the billing records is reported within an error rate of 0.5%. Proxy measure for NKPI.</p>
1.H Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service	1.2 (c)	<p>This indicator reflects the number outstanding valid applications (where down payment has been received) for electricity services (meter and prepaid) (where valid applications translate into an active account) expressed as a percentage of total number of active billings for the service. The accuracy of the billing records is reported within an error rate of 0.5%. Proxy measure for NKPI.</p>

1.I Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service	1.2 (c)	This indicator reflects the number outstanding valid applications (where down payment has been received) for refuse collection services (where valid applications translate into an active account) expressed as a percentage of total number of active billings for the service. Billing equates to active contract accounts kerbside refuse collection service) for domestic customers as extracted from the City of Cape Town's SAP database. The accuracy of the billing records is reported within an error rate of 0.5%. Proxy measure for NKPI.
1.J Number of Expanded Public Works programmes (EPWP) opportunities created	1.2 (d)	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP). An EPWP work opportunity is paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for Special Public Works Programmes.
1.K Percentage of treated potable water not billed	1.3 (b)	The percentage of treated potable water not billed pertains to non-revenue water. This is the volume of potable water that is treated but is either lost or not billed for, expressed as a percentage of total potable water treated. It is calculated on a 12-month rolling basis in order to smooth out short-term fluctuations. The aim is to reduce the percentage of treated potable water not billed over the planned period and is reflected in the targets.
1.L Number of passenger journeys on the MyCiti public transport system	1.4 (c)	The takeup of the MyCiTi transport will be determined by the demand. Definition of a passenger journey is calculated from the first boarding of a bus at a feeder stop or trunk station to the last exit from a bus at a feeder stop or trunk station and includes any transfers between buses (single journey).
1. M Percentage development of an immovable property asset management framework	1.5 (a)	This indicator measures the percentage of the weighted average of the components below: 1. Development of a comprehensive immovable property asset register 2. Development of an immovable property asset management compliance framework 3. Development of a centralised custodial role for immovable property asset management (communication) 4. Identification of all strategic immovable property assets 5. Development of a medium-term (five-ten year) strategy for the release of immovable property 6. The strategic acquisition and holding (land banking) of new immovable property assets

1.N Number of external trainee and bursary opportunities created	1.6 (a)	<p>This measures the number of learning opportunities created for the unemployed youth as a contribution to the job creation initiative and provision of real world of work exposure to graduates. This includes external bursaries awarded, in-service student training opportunities, graduate internships, learnerships and apprenticeships.</p> <p>There are two measures under this indicator. Measure (a) includes external bursars, in-service student trainees, graduate interns and learner (Learnership beneficiary). Measure (b) includes apprentices. Both measures are accumulative quarterly measures. The target refers to the 4th quarter final total.</p>
2.A Community satisfaction survey (Score 1 -5) - safety and security	2.4 (a)	<p>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, by-law 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.</p> <ul style="list-style-type: none"> • 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 • By-Laws being enforced. <p>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:</p> <ul style="list-style-type: none"> • Traffic Enforcement • Illegal land invasion • Illegal dumping • Noise and disturbances • General enforcement of the City's By-Laws.
2.B Reduce number of accidents at five highest frequency intersections.	2.1 (a)	<p>This indicator measures the decrease of vehicle accidents in the five highest identified accident frequency locations. These locations are:</p> <ul style="list-style-type: none"> • M7 x Voortrekker Rd • N7 x Bosmansdam Rd • Section Str x Koeberg Rd • Cannon Rd x Voortrekker Rd x Koeberg Rd (Maitland) • Victoria Rd x N2-West (Somerset West) <p>(5% on 75 reduction from Q1 of 2008, i.e. 75) = 4 less accidents, therefore target for the Q1 = 71; (5% reduction from Q2 of 2008, i.e. 150) = 7, therefore target Q2 =143; (5% reduction from Q3 of 2008, i.e. 225) = 11, therefore target for Q3 = 214 and (5% reduction from a baseline of 300) = 15, therefore the target for Q4 =285</p>

2.C Percentage response times for fire incidents within 14 minutes from call receipt up to arrival	2.1 (a)	Percentage response times for fire incidents within 14 minutes from call receipt up to arrival.
2. D Number of operational specialised units	2.2 (a)	This indicator will measure the number of specialised units in the three policing departments, i.e Metro Police, Traffic and Law enforcement that the Safety and Security Directorate manage to maintain as operationally active and fully capable of delivering on their specialised mandates.
2. E Percentage of SmartCop system implemented	2.3 (a)	The indicator measures the percentage to which a unified information platform and call taking and dispatching system is implemented.
2.F Percentage staff successfully completing occupational specific training interventions	2.4 (a)	This indicator measures the percentage of members of the Metro Police, Traffic and Law Enforcement Departments that have undergone any training intervention that is directly relevant to the performance of their operational duties i.e. occupational specific training interventions.
2.G Percentage of Neighbourhood Watch satisfaction survey	2.5 (a)	This indicator will measure the percentage satisfaction with the City's assistance to Neighbourhood Watches.
3.A Number of social development programs implemented	3.1 (a)	The indicator refers to the number of social developmental programs implemented. Seven programmes have been identified and each program will consist of a number of projects and interventions. The programs are listed below:- Youth development - ECD training - Social entrepreneurship - Vulnerable groups (senior citizens, gender and disability)- Street people - Substance abuse - Poverty alleviation and reduction
3.B Number of recreation hubs where activities are held on a minimum of 5 days a week	3.1 (a)	A Recreation Hub is a community facility, which focuses on implementing a variety of sport and recreation activities for at least five days a week, for at least 3 hours per day. Activities will target all sectors of the community namely children, youth and adults. Activities will be implemented by staff, volunteers, NGO's, clubs and federations.

3.C Number of housing opportunities provided per year	3.2 (d)	<p>PROPOSED:</p> <p>a. Sites are any property providing a municipal service on an individual basis to a household including the provision to households in multi storey units</p> <p>b. Top structures are any build structure providing shelter to a household by means of any National Housing Programme</p> <p>c. Others are the number of Existing rental stock units undergoing major upgrading and any number of households provided with shared services in the Backyarder and Reblocking programmes.</p> <p>A housing opportunity is access to* and or delivery of one of the following Housing products: (A) Subsidy Housing (BNG), which provides a minimum 40m² house; (B) Incremental Housing, which provides a serviced site with or without tenure; (C) Rental Housing, which is new Community Residential Units, upgrading and re-development of existing rental units and Hostels; (D) People's Housing Process is beneficiaries who maximise their housing subsidy by building or organising the building of their homes themselves; (E) Land Restitution includes land approved by Council or Court decisions to valid claimants; (F) Social Housing is new rental units, delivered by the City's Social Housing partners; (G) GAP Housing is a Serviced plot, a completed Unit for sale or Affordable units for sale; (H) It is the reconfiguration of an existing informal settlement to allow improved access and levels of services. - Reported figures are based on a re-configured lay-out plan per settlement.</p> <p>*Access to: is as contemplated in Section 26 (1) of the Constitution of the Republic of South-Africa 1996 i.e. "Everyone has the right to have access to adequate housing"</p>
3. D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units	3.3 (a)	This indicator refers to the registration of transferrable rental stock to qualifying tenants. The evidence for this indicator will be Signed Sales Agreements
3.E Improve basic services		
Number of water services points (taps) provided	3.4 (b)	<p>This indicator reflects the number of taps provided in informal settlements and for backyarders in City rental stock (pilot) during the period under review. Certain taps may however have been vandalised or removed after provision.</p> <p>- Backyarder provision based on one tap per backyard property which could be serving several households.</p>

Number of sanitation service points (toilets) provided	3.4 (b)	<p>This indicator reflects the number of toilets provided in informal settlements and for backyarders in City rental stock (pilot) during the period under review. Certain toilets may however have been vandalised or removed after provision.</p> <p>- Backyarder provision based on one toilet per backyard property which could be serving several households.</p>
Number of informal settlements receiving a door-to-door refuse collection and area cleaning service	3.4 (b)	<p>This indicator reflects the number of informal settlements receiving a weekly door-to-door refuse removal collection service and ongoing area cleaning (litter picking and illegal dumping removal). The number is expressed within a .05% error rate of accuracy.</p> <p>The cleaning and collection of domestic refuse in informal settlements is done through contract services, employing local labour. Three-year contracts are awarded to a legitimate main contractor through the procurement tender process.</p>
<p>Percentage of known informal settlements that achieve each of the four different standards of cleanliness</p> <p>Level 1; Level 2; Level 3 and Level 4.</p>	3.4 (b)	<p>The Solid Waste Management Department has developed a pictorial "Standard of Cleanliness" to be able to hold the service provider in informal settlements to a level or standard of service provision. The "Standard of Cleanliness" is a qualitative performance management tool. Level 1: Desired standard of cleanliness; Level 2: Fair / reasonable standard of cleanliness; Level 3: Unacceptable standard of cleanliness and Level 4: Totally unacceptable standard of cleanliness.</p>
3.F Number of electricity subsidised connections installed	3.4 (b)	<p>This indicator reflects the number of subsidised connections installed per annum in informal settlements, rental stock backyarders (pilot) and low cost housing.</p>
3.G Percentage compliance with drinking water quality standards	3.5 (a)	<p>Measure of potable water sample pass rate according to the SANS 241 standard.</p>
3.H Number of days when air pollution exceeds RSA Ambient Air Quality Standards	3.6 (a)	<p>Description of indicator: 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 RSA Ambient Air Quality Standards. Layman Description: The number of days where one of the identified air pollution particles is above the levels set by the RSA Ambient Air Quality Standards.</p>
3.I New Smear Positive TB Cure Rate	3.7 (a)	<p>The indicator measures the number of new smear positive pulmonary TB cases started on treatment on whom there is bacteriological confirmation that the patient has responded to treatment and can be considered cured:</p> <p>Numerator: Number of new smear positive pulmonary TB cases started on treatment on whom there is bacteriological confirmation that the patient has responded to treatment and can be considered cured</p> <p>Denominator: Number of new smear positive pulmonary TB cases</p> <p>The percentage indicates the previous financial years figures e.g.: for 2012/13 it will be financial year 2011/12 etc.</p>

3.J Number of New Clients screened at the Substance Abuse Outpatient Treatment Centres	3.8 (a)	The number of new clients, seeking help for substance abuse, being screened in a first interview at the City's outpatient treatment sites.
4.A Percentage adherence to Citywide service standard based on all external notifications	4.1 (a)	Measure the percentage adherence to Citywide service standard based on all external notifications.
4.B Customer satisfaction survey (Score 1 -5 Likert scale) - community facilities	4.2 (a)	<p>A statistically valid, scientifically defensible score from the annual survey of residents' perceptions of the overall performance of the services provided by services at community facilities, measured by calculating the average of the responses to a number of survey questions related to community facilities.</p> <p>The measure is given against the non-symmetrical Likert scale ranging from : 1 being Poor; 2 being Fair; 3 being Good; 4 being Very Good and 5 Excellent</p> <p>The objective is to improve the current customer satisfaction level measured through a community satisfaction survey (Score 1 -5) from the 3.1 baseline set for 2010/11, to a 3.2 target in 2012/13. The annual improvement is calculated by determining the difference between the average customer satisfaction scores of the different financial years.</p>
5.A Number of municipal meetings open to the public	5.1 (a)	The indicator measures the number of municipal meetings open to the public to maintain transparency in the day to day governance of the municipality.
5.B Percentage of employees who are truly motivated and will go above and beyond the call of duty, as measured in a biennial Staff Engagement Survey	5.2 (b)	<p>"Fully Engaged" staff are defined as "Employees who are truly motivated and will go above and beyond the call of duty to delight your customers. They are the best ambassadors to the marketplace!" - Ipsos -Markinor. This indicator measures the % staff who fall into this category and is based on the biennial Staff Engagement Survey.</p> <p>The unit of measure is the percentage as determined in a staff satisfaction survey. The frequency of measurement is two yearly.</p> <p>Formula: The formula is the proprietary copyright of the Independent Service Provider, Ipsos-Markinor. It is based on the responses to the survey which they have undertaken.</p> <p>Public Sector score = 23%; private sector score = 33%</p>

<p>5.C Community satisfaction survey (Score 1 -5) - city wide</p>	<p>5.2 (c)</p>	<p>A statistically valid, scientifically defensible score from the annual survey of residents of perceptions of the overall performance of the services provided by the City of Cape Town.</p> <p>The measure is given against the non-symmetrical Likert scale ranging from : 1 being Poor; 2 being Fair; 3 being Good; 4 being Very Good and 5 Excellent</p> <p>The objective is to improve the current customer satisfaction level measured through a community satisfaction survey (Score 1 -5) from the 2,4 baseline set for 2007/2008, to a 2,8 in 2012/13. The improvement is calculated by taking the difference between the different financial years.</p>
<p>5.D Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan</p>	<p>5.2 (d)</p>	<p>The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan. Each Directorate contributes to the Corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting.</p>
<p>5.E Percentage budget spent on implementation of WSP for the City</p>	<p>5.2 (e)</p>	<p>A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate budget for appropriate training interventions which will address the needs arising out of Local Government's Skills Sector Plan, the City's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDPs. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan.</p> <p>Formula: Measured against training budget.</p>
<p>5.F Opinion of the Auditor General</p>	<p>5.3 (a)</p>	<p>This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as "clean opinion".</p> <p>Alternatively in relation to a qualified audit opinion the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with General Recognised Accounting Practices or could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives.</p>

5.G Opinion of independent rating agency	5.3 (a)	A report which reflects credit worthiness of an institution to repay long-term and short-term liabilities. Credit rating is an analysis of the City's key financial data performed by an independent agency to assess its ability to meet short- and long-term financial obligations. Indicator standard/Norm/Benchmark The highest rating possible for local government which is also subject to the Country's sovereign rating
5.H Ratio of cost coverage maintained	5.3 (a)	Total cash and investments (short-term) less restricted cash to monthly operating expenditure.
5.I Net Debtors to Annual Income [Ratio of outstanding service debtors to revenue actually received for services]	5.3 (a)	This is a calculation where we take the net current debtors divided by the total operating revenue.
5.J Debt coverage by own billed revenue	5.3 (a)	This is a calculation where we take the total debt divided by the total annual operating income

Appendix C: Corporate scorecard performance indicator definitions

Appendix D: Conenco performance scorecard

Appendix E: Annual report compliance checklist

Appendix F: List of abbreviations and acronyms used in this report

Appendix G: List of tables and figures in this report

Appendix H: State of Cape Town 2012 Fact Sheet

All to be inserted at design

