



- 1 ITEM NUMBER : MC 64/06/11
- 2 UTILITY SERVICES: FINAL 2011/2012 DIRECTORATE EXECUTIVE SUMMARY OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

**NUTSDIENSTE: DIREKTORAAT SE FINALE BEKNOPTE OORSIG VAN DIE DIENSLEWERINGS-EN-BEGROTINGSIMPLEMENTERINGSPLAN (SDBIP) VIR 2011/2012**

**IINKONZO EZILUNCEDO KULUNTU: ISISHWANKATHELO SOKUGQIBELA SESIGQEBASECANDELO LOLAWULO ESIJOLISWE KUNIKEZELO LWENKONZO KOWAMA-2011/2012 NAKWISICWANGCISO SOKUZALISEKISWA KOHLAHLA-LWABIWO-MALI (SDBIP)**

**LSUB0934**

- 3 **RECOMMENDATION FROM UTILITY SERVICES PORTFOLIO COMMITTEE HELD ON 6 MAY 2011**

It was advised that the following indicators were reviewed and adopted by MAYCO on 4 May 2011:

Pages 247 – 248: Annexure A - 2011/2012 Utility Services Directorate SDBIP

- Page 247: Indicator 2B1 – additional wording

<i>Indicator</i>	<i>Updated Indicator</i>
2B.1 Megalitres of water consumed	2B.1 Megalitres of water consumed to meet water demand target

- Page 247: Indicator 2C2 – amended wording

<i>Indicator</i>	<i>Updated Indicator</i>
2C.2 Average number of customer power interruptions experienced per annum	2C.2 SAIFI (System Average Interruption Frequency Index)

- Page 248: Indicator 3A.1 – amended wording and targets

<i>Indicator</i>	<i>Annual Target</i>	<i>Updated Indicator</i>	<i>Updated Annual Target</i>
3A.1 % electricity purchases that are unaccounted for in sales	9,3%	3A.1 GWh of electricity purchased to meet electricity consumption target	10 936 GWh

Page 255: Directorate Executive Summary of the Service Delivery and Budget implementation Plan 2011/2012

- Page 255: New/existing indicators 2B1, 2C.2 and 3A.1 to be updated accordingly as per the updates to Annexure A.

**RECOMMENDED** that the final 2011/2012 Directorate Executive Summary of the Service Delivery and Budget Implementation Plan be approved.

**AANBEVELING VAN DIE VERGADERING VAN DIE PORTEFEULJEKOMITEE OOR NUTSDIENSTE GEHOU OP 6 MEI 2011**

**AANBEVEEL** dat direktoraat se finale beknopte oorsig van die dienslewering-en-begrotingsimplementeringsplan vir 2011/2012 goedgekeur word.

**ISINDULULO ESIVELA KWIKOMITI YEMICIMBI YESEBE LEENKONZO EZILUNCEDO EBIHLELI NGOWE-6 MEYI 2011**

**KUNDULULWE** ukuba makuphunyezwe iSishwankathelo sokuGqibela seCandelo loLawulo sonyaka-mali ka-2011/2012 seSicwangciso soNikezelo ngeenKonzo nokuZalekiswa koHlahlo-lwabiwo-mali.

1. ITEM NUMBER : UTS 16/05/11 *ve Support*

SUBJECT (LSUB0934)

UTILITY SERVICES: FINAL 2011/2012 DIRECTORATE EXECUTIVE SUMMARY OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

2. ISIHLOKO

IINKONZO EZILUNCEDO KULUNTU: ISISHWWANKATHELO SOKUGQIBELA SESIGQEBA SECANDELO LOLAWULO ESIJOLISWE KUNIKEZELO LWENKONZO KOWAMA-2011/2012 NAKWISICWANGCISO SOKUZALISEKISWA KOHLAHLA-LWABIWO-MALI (SDBIP)

2. ONDERWERP

NUTSDIENSTE: DIREKTORAAT SE FINALE BEKNOPTTE OORSIG VAN DIE DIENSLEWERINGS-EN-BEGROTINGSIMPLEMENTERINGSPLAN (SDBIP) VIR 2011/2012

2. PURPOSE

The purpose of this report is to submit to the Utility Services Portfolio Committee for their consideration and recommendation to the Executive Mayor, the final 2011/2012 Directorate Executive Summary including the SDBIP.

These documents underpin the 2011/2012 Corporate SDBIP that will be submitted to the Executive Mayor for approval in terms of section 53 (1)(c)(ii) and 69(3)(a) of Act No. 56 of 2003: Local Government: Municipal Finance Management Act (MFMA).

3. FOR DECISION BY

The Executive Mayor in consultation with the Mayoral Committee.

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4. EXECUTIVE SUMMARY

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In terms of the MFMA: Municipal Budget and Reporting Regulations, a Directorate Executive Summary must be completed for each Directorate SDBIP.

The final 2011/2012 Directorate Executive Summary contains *inter alia* a brief description of financial information on the capital and operating budget as required by the Regulations. It also contains a brief description of the directorate's structure, the services provided and the customer groups, as well as how the directorate's objectives and indicators relate to the Integrated Development Plan.

The final Directorate Executive Summary is attached as **Annexure A**.

The purpose of this report is to submit the final 2011/2012 Directorate Executive Summary of the SDBIP to the Portfolio Committee for consideration and recommendation to the Executive Mayor.

The 2011/2012 Directorate Executive Summary and SDBIP will be submitted to National and Provincial Treasury and the electronic versions will be placed on the city website at [www.capetown.gov.za/idp](http://www.capetown.gov.za/idp) after noting by Council.

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5. RECOMMENDATIONS

- 6.1 That the Portfolio Committee makes recommendation to the Executive Mayor on the contents of the final 2011/2012 Directorate Executive Summary of the Service Delivery and Budget Implementation Plan
- 6.2 That the Executive Mayor in consultation with the Mayoral Committee approves the final 2011/2012 Directorate Executive Summary of the Service Delivery and Budget Implementation Plan
- 6.3 That Council notes the final 2011/2012 Directorate Executive Summary of the Service Delivery and Budget Implementation Plan

6. ISINDULULO

- 6.1 Ukuba iKomiti yeMicimbvi yeSebe mayenze isindululo kuSodolophu wesigqeba ngokujoliswe kokuqulathwe kwisiShwankathelo sokugqibela seCandelo loLawulo ngokumalunga noNikezelo lweNkonzo kowama-2011/2012 nesiCwangciso sokuZalisekiswa koHlahlo-lwabiwo-mali.
- 6.2 Ukuba uSodolophu wesigqeba ecebisana neKomiti yoLawulo yakhe makaphumeze isiShwankathelo sokugqibela sesiGqeba kwiCandelo



loLawulo sokuNikezelwa kweNkonzo nesiCwangciso sokuZalisekiswa koHlahlo-lwabiwo-mali kowama-2011/2012.

- 6.3 Ukuba iBhunga maliqwalasele isiShwankathelo sokugqibela sesiGqeba seCandelo loLawulo nesiCwangciso sokuZalisekiswa koHlahlo-lwabiwo-mali kowama-2011/2012.

## 6. AANBEVELING

- 6.1 Dat die portefeuljekomitee aanbevelings maak by die uitvoerende burgemeester oor die inhoud van die direktoraat se finale beknopte oorsig van die dienslewering-en-begrotingsimplementeringsplan vir 2011/2012.
- 6.2 Dat die uitvoerende burgemeester in oorlegpleging met die burgemeesterskomitee die direktoraat se finale beknopte oorsig van die dienslewering-en-begrotingsimplementeringsplan vir 2011/2012 goedkeur.
- 6.3 Dat die Raad kennis neem van direktoraat se finale beknopte oorsig van die dienslewering-en-begrotingsimplementeringsplan vir 2011/2012.

## 6. DISCUSSION/CONTENTS

### a. Constitutional and Policy Implications

This process is driven by legislation.

### b. Environmental implications

Does your report have any environmental implications: No  Yes

### c. Legal Implications

The process of preparing a Service Delivery and Budget Implementation Plan must *inter alia* comply with :

Section 53(1)(c)(ii) and 69(3)(a) of Act No. 56 of 2003: Local Government: Municipal Finance Management Act as well as the Municipal Budget and Reporting Regulations (Schedule A, Part 2, Sections 22, 23 & 24).

In terms of the MFMA: Municipal Budget and Reporting Regulations a Directorate Executive Summary must be completed for each Directorate SDBIP.

d. **Staff Implications**

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?

No

Yes

e. **Risk Implications**

Does this report and/or its recommendations expose the City to any risk?  
No.

f. **Other Services Consulted**

All relevant Directorates were consulted.



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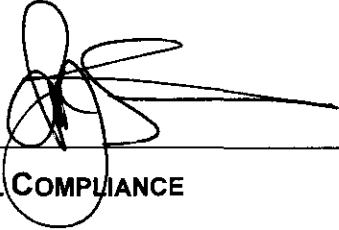
**ANNEXURES**

Annexure A: Final 2011/2012 Utility Services Directorate Executive Summary of the Service Delivery and Budget Implementation Plan



FOR FURTHER DETAILS CONTACT :

<b>NAME</b>	David Paulse and Lungelwa Lamani 
<b>CONTACT NUMBERS</b>	021 400 1935/1936
<b>E-MAIL ADDRESS</b>	David.Paulse@capetown.gov.za
<b>DIRECTORATE</b>	Utility Services
<b>FILE REF NO</b>	
<b>SIGNATURE : DIRECTOR SERVICE REGULATION &amp; LOGISTICS</b>	



**LEGAL COMPLIANCE**

REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

NON-COMPLIANT

NAME JEAN ROMAN  
 TEL (021) 400 - 2753  
 DATE 19/04/2011

Comment:

Certified as legally compliant:  
Based on the contents of the report.




**EXECUTIVE DIRECTOR**  
 Mr Lungile Dhlamini

Comment:

DATE 20 APRIL 2011

(Author to obtain all signatures before submission to Executive Support)



**2011/2012**

**Final Departmental  
Sector/Business Plans and  
Service Delivery & Budget  
Implementation Plans**

**Directorate: Utility  
Services**



**Annexure A**

**2011/2012 UTILITY SERVICES DIRECTORATE SDBIP**

ALIGNMENT TO IDP	Link to Lead Directorate	Objective	Indicator	ANNUAL TARGET 2010/2011 (Proposed Baseline)	ANNUAL TARGET (30 June 2012)	Frequency	TARGETS				General Comment
							30 Sept 2011	31 Dec 2011	31 Mar 2012	30 Jun 2012	
SFA 2 Dir Obj 2.1	Utility Services	2A. Provide access to basic services	2A.1 Number of formal domestic customers receiving sewerage services	585 515	588 443	Quart	586 247	586 979	587 711	588 443	
SFA 2 Dir Obj 2.1		2A. Provide access to basic services	Complaints service rate for toilets in informal settlements - domestic customers	80%	85%	Bi-annual	Bi-annual	85%	Bi-annual	85%	
SFA 2 Dir Obj 2.1	Utility Services	2A. Provide access to basic services	2A.2 Number of sanitation service points (toilets) installed for informal settlement customers.	31 268	32 268	Quart	31 500	31 750	32 000	32 268	
SFA 2 Dir Obj 2.1	Utility Services	2A. Provide access to basic services	2A.3 Number of formal domestic customers receiving water services	585 082	588 007	Quart	585 813	586 545	587 276	588 007	
Utility Services		2A. Provide access to basic services	Complaints service rate for taps in informal settlements - domestic customers	80%	85%	Bi-annual	Bi-annual	85%	Bi-annual	85%	
SFA 2 Dir Obj 2.1	Utility Services	2A. Provide access to basic services	2A.4 Number of water service points (taps) installed for informal settlement customers.	6 796	7 000	Quart	6 850	6 900	6 950	7 000	
SFA 2 Dir Obj 2.1	Utility Services	2A. Provide access to basic services	2A.5 Number of electricity meters servicing domestic customers.	559 206	565 311	Quart	560 732	562 259	563 785	565 311	
SFA 2 Dir Obj 2.1		2A. Provide access to basic services	2A.6 Number of additional electricity subsidised connections installed.	8 105	3 000	Quart	750	1 500	2 250	3 000	
		2A. Provide access to basic services	2A.7 Number of formal domestic customers receiving a kerbside refuse collection	604 059	609 495	Quart	605 418	606 777	608 138	609 495	
SFA 2 Dir Obj 2.1	Utility Services	2A. Provide access to basic services	2A.8 Number of informal settlement dwellings receiving a door-to door refuse collection and area cleaning service.	200 722	212 042	Bi-annual	Bi-annual	206 382	Bi-annual	212 042	
SFA 2 Dir Obj 2.3	Utility Services	2B. Conservation of natural resources	2B.1 Megaliters of water consumed.	339,450 MI	349,633 MI	Quart	341,996 MI	344,542 MI	347,088 MI	349,633 MI	
SFA 2 Dir Obj 2.3		2B. Conservation of natural resources	Percentage compliance with 4 critical DWA effluent standards (e-coli count, Ammonia content, Oxygen demanding substances, total suspended solids)	88%	82%	Quart	79%	80%	81%	82%	
	Utility Services	2B. Conservation of natural resources	2B.2 Percentage of waste diverted from Council Waste Management Facilities	9.95%	10.95%	Quart	10.15%	10.35%	10.55%	10.95%	
SFA 2 Dir Obj 2.1	Utility Services	2C. Effectively manage the City's infrastructure and resources	2C.2 Average number of customer power interruptions experienced per annum	<1.3	<1.3	Quart	<1.3	<1.3	<1.3	<1.3	
SFA 2 Dir Obj 2.3	Utility Services	2C. Effectively manage the City's infrastructure and resources	2C.3 Percentage unaccounted for water	22.5%	20%	Quart	22%	21.5%	21%	20%	
SFA 2 Dir Obj 2.3	Utility Services	2C. Effectively manage the City's infrastructure and resources	2C.4 Percentage drinking water compliance to SANS 241	96%	96%	Quart	96%	96%	96%	96%	It is the 12-month rolling average of Chemical Compliance to SANS 241 Class I, sampled in the Distribution system.

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## Annexure A

## 2011/2012 UTILITY SERVICES DIRECTORATE SDBIP

ALIGNMENT TO IDP SFA & Directorate Objective No.	Link to Lead Directorate	Objective	Indicator	ANNUAL TARGET 2010/2011 (Proposed Baseline)	ANNUAL TARGET (30 June 2012)	Frequency	TARGETS				General Comment
							30 Sept 2011	31 Dec 2011	31 Mar 2012	30 Jun 2012	
SFA 2 Dir Obj 2.7		2C. Effective management of City's Infrastructure and Resources	Percentage completion of key projects to ensure augmentation of bulk water resources: Desalination Feasibility Study	25%	40%	Quart	28%	32%	36%	40%	3-year feasibility study including site selection and environmental assessment (EIA)
SFA 2 Dir Obj 2.7		2C. Effective management of City's Infrastructure and Resources	Phased percentage progress with the development of Regional Landfill sites	To be determined pending outcome of legal challenge to RoD	To be determined pending outcome of legal challenge to RoD	Quart	To be determined	To be determined	To be determined	To be determined pending outcome of legal challenge to RoD	
SFA 3 Dir Obj 3.1	Strat & Plan	3A Develop, adopt and implement a comprehensive response to Cape Town's energy and climate change challenges	3A.1% electricity purchases that are unaccounted for in sales.	9,3%	9,3%	Annual	N/A	N/A	N/A	9,3%	
SFA B	CS	8A Ensuring enhanced service delivery with efficient institutional arrangements	Retention of scarce skills as measured by % staff turnover	8 to 12% within skilled categories	≤ 12% within skilled categories	Quart	≤ 12% within skilled categories	≤ 12% within skilled categories	≤ 12% within skilled categories	≤ 12% within skilled categories	
SFA B	CS	8A Ensuring enhanced service delivery with efficient institutional arrangements	Staff availability as measured by % absenteeism	≤ 4% average for the period 1 July 2010 to 30 June 2011)	≤ 4% average for the period 1 July 2011 to 30 June 2012)	Quart	≤ 4% average for the period 1 Oct 2011 to 30 Sept 2011)	≤ 4% average for the period 1 Jan 2011 to 31 Dec 2011)	≤ 4% average for the period 1 April 2011 to 31 March 2012)	≤ 4% average for the period 1 July 2011 to 30 June 2012)	
SFA B	CS	8A Ensuring enhanced service delivery with efficient institutional arrangements	Percentage budget spent on implementation of WSP	90%	90%	Quart	10%	30%	70%	90%	
SFA B	CS	8A Ensuring enhanced service delivery with efficient institutional arrangements	8A.2 Percentage improvement of responsiveness in service delivery	NEW	100%	Quart	100%	100%	100%	100%	
	CS	8A Ensuring enhanced service delivery with efficient institutional arrangements	% Compliance with EE approved plan per directorate in terms of new appointments for the current financial year.	80%	% compliance as determined by Dir EE Plans	Quart	% compliance as determined by Dir EE Plans	% compliance as determined by Dir EE Plans	% compliance as determined by Dir EE Plans	% compliance as determined by Dir EE Plans	
SFA B	Fin	8B. Management of key financial areas such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management	Percentage of Directorate's Capital budget spent (NKP)	95%	95% of YTD	Quart	95% of YTD	95% of YTD	95% of YTD	95%	
SFA B	Fin	8B. Management of key financial areas such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management	Percentage of Directorate's operating budget spent	95-100%	95-100% of YTD	Quart	95-100% of YTD	95-100% of YTD	95-100% of YTD	95-100%	
SFA B		8B. Management of key financial areas such as income control, cash flow, indigent support, alternative income opportunities, asset management and risk management	Percentage expenditure on Directorate's operational maintenance budget	95-100%	95-100% of YTD	Quart	95-100% of YTD	95-100% of YTD	95-100% of YTD	95-100%	

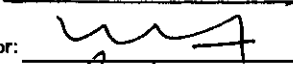
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**Annexure A**

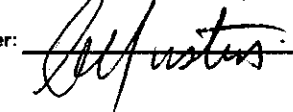
**2011/2012 UTILITY SERVICES DIRECTORATE SDBIP**

ALIGNMENT TO IDP SFA & Directorate Objective No.	Link to Lead Directorate	Objective	Indicator	ANNUAL TARGET 2010/2011 (Proposed Baseline)	ANNUAL TARGET (30 June 2012)	Frequency	TARGETS				General Comment
							30 Sept 2011	31 Dec 2011	31 Mar 2012	30 Jun 2012	
SFA 8	Fin	8B. Management of key financial areas such as income control, cashflow, indigent support, alternative income opportunities, asset management and risk management	Ravanua collectad as a percentage of billed amount	Water: 89,5% Sewerage: 90,5% Electricity: 95% Refusa Collection: 92%	Water: 91,50% Sewerage: 92.00% Electricity: 95% Refuse Collection: 94%	Quart	Water: 91,50% Seweraga: 92.00% Electricity: 95% Refusa Collection: 94%	Water: 91,50% Sewerage: 92.00% Electricity: 95% Refuse Collection: 94%	Water: 91,50% Seweraga: 92.00% Electricity: 95% Refuse Collection: 94%	Water: 91,50% Sewerage: 92.00% Electricity: 95% Refuse Collection: 94%	
SFA 8	Int Audit	8 B Management of key financial and governance areas such as income control, cash flow, indigent support, alternative income opportunities, asset and risk management	Percentage internal Audit findings resolved	70%	70%	Quart	70%	70%	70%	70%	
SFA 8	Fin	8 B Management of key financial and governance areas such as income control, cash flow, indigent support, alternative income opportunities, asset and risk management	Percentage annual assat verification process completed	100%	100%	Annual	Annual	Annual	Annual	100%	

Approved by Executive Director:



Approved by Mayco Member:



Date: 2011-04-19

Date: 2011-04-19

*The Baseline 2010/2011 data will be updated and reflect actuals as at 30 June 2011, once finalised.*

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# **UTILITY SERVICES**

## **DRAFT DIRECTORATE EXECUTIVE SUMMARY**

**OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

**2011/2012**

**Executive Director: Lungile Dhlamini**

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## 1. EXECUTIVE SUMMARY

The executive summary of the Utility Services Service Delivery and Budget Implementation Plan 2011/2012 provides a directorate level overview of service delivery by the three main functions of Water and Sanitation, Electricity and Solid Waste Management.

## 2 PURPOSE AND SERVICE MANDATE OF DIRECTORATE

### Purpose

- To ensure sustainable municipal infrastructure and services (Water, Sanitation, Electricity and Solid Waste) that will enable economic development
- To ensure equitable access to basic services for all the citizens of Cape Town

### Service Mandate

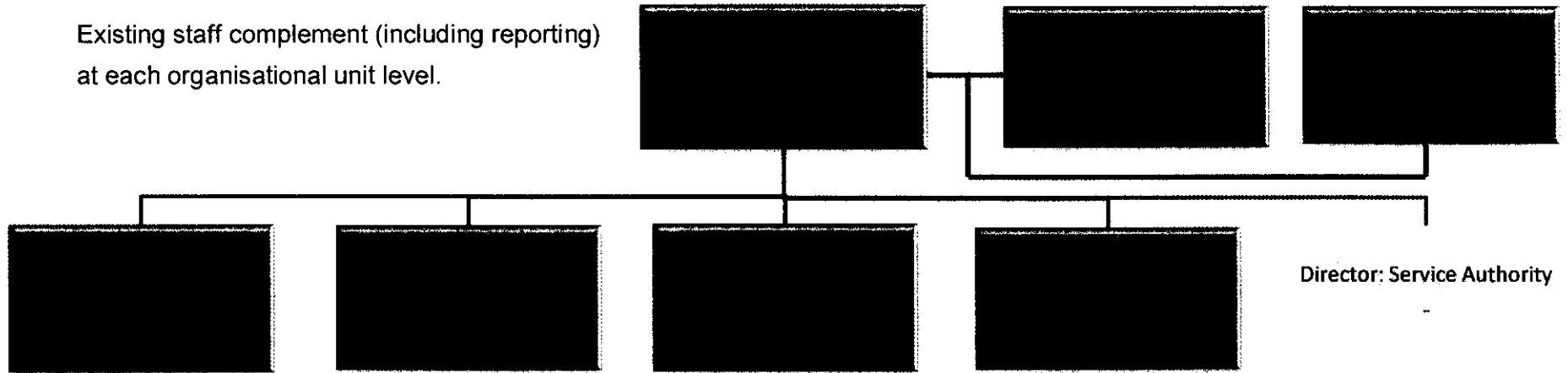
The City is mandated by the Constitution, to provide essential services to the citizens of Cape Town. Utility Services as the responsible directorate delivers on the provision of effective and reliable water, sanitation, electricity and solid waste services through effective management of natural resources and service delivery infrastructure.

**Partners, Stakeholders and Customers**

Stakeholder	Needs
<p>Customers</p> <ul style="list-style-type: none"> <li>• Communities</li> <li>• Business/industry</li> </ul>	<p>Service delivery; provision of solid waste removal, water, sanitation and electricity services, uninterrupted supply; reasonable turnaround time on service requests</p>
<p>Internal Partners</p> <ul style="list-style-type: none"> <li>• Councillors</li> <li>• External Service Delivery Directorates</li> <li>• Corporate Support Directorates</li> <li>• Unions</li> </ul>	<p>Information sharing; communication of directorate requirements and service standards; policy development and implementation; service coordination</p>
<p>External Partners</p> <ul style="list-style-type: none"> <li>• National and Provincial Government</li> <li>• Parastatals</li> <li>• Community based Organisations</li> <li>• Business Sector</li> <li>• Sector Service Authorities</li> <li>• Institutions for Higher Learning</li> </ul>	<p>Information, service delivery coordination, implementation, research, compliance</p>

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### 3. SENIOR MANAGEMENT ORGANOGRAM



Staff complement as at 31 December 2010 – Source: SAP BI

### 4. LINKAGE TO THE IDP and changes to the indicators and targets

4.1 The Utility Services lead indicators are linked to the following Strategic Focus Area (SFA):

- SFA 2: Sustainable Infrastructure & Services;

These are addressed in the following key areas reflected on the Utility Services Directorate SDBIP (see appendix 1):

- 4.1.1 2A. Provide access to basic services
- 4.1.2 2B. Conserve natural resources
- 4.1.3 2C. Effectively manage the City's infrastructure and resources

**Key changes to CSC indicators and targets between 2010/2011 and 2011/2012 (affected indicators where Utility Services is the lead directorate)**

IDP Objective		2010/2011		2011/2012	
		Indicator	Annual Target	New/existing Indicator	Annual Target
2A. Provide access to basic services	Access to sanitation	2A.1 Number of formal domestic customers receiving sewerage services	585,515	2A.1 Number of formal domestic customers receiving sewerage services	588,443
		2A.2 Number of sanitation service points (toilets) installed for informal settlement customers	31,268	2A.2 Number of sanitation service points (toilets) installed for informal settlement customers	32,268
	Access to water	2A.3 Number of formal domestic customers receiving water services	585,082	2A.3 Number of formal domestic customers receiving water services	588,007
		2A.4 Number of water service points (taps) installed for informal settlement customers	6,796	2A.4 Number of water service points (taps) installed for informal settlement customers	7,000
	Access to electricity	2A.5 Number of electricity meters serving domestic customers	559,206	2A.5 Number of electricity meters serving domestic customers	565,311
		2A.6 Number of additional electricity subsidised connections installed	6,105	2A.6 Number of additional electricity subsidised connections installed	3,000
	Access to refuse collection services	2A.7 Number of formal domestic receiving a kerbside refuse collection service	604,059	2A.7 Number of formal domestic receiving a kerbside refuse collection service	609,495
		2A.5 Number of informal settlement dwellings receiving a door-to-door refuse collection and area cleaning service	200,722	2A.5 Number of informal settlement dwellings receiving a door-to-door refuse collection and area cleaning service	212,042

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2B. Conserve natural resources	Reduce water demand 2011/2012 Objective Manage Water Demand	2B.1 Percentage reduction below unconstrained water demand	27%	2B.1 Megaliters of water consumed.	349,633 MI
	Minimise waste	2B.2 Percentage of waste diverted from Council Waste Management Facilities	9.95%		
2C Effectively manage the City's infrastructure and services	Manage maintenance of City infrastructure	2C.2 Average number of customer power interruptions experienced per annum	<1.3	2C.2 Average number of customer power interruptions experienced per annum	<1.3
		2C.3 Percentage unaccounted for water	22.5%	2C.3 Percentage unaccounted for water	20%
	Sustainable water supply	2C.4 Percentage drinking water compliance to SANS 241	96%	2C.4 Percentage drinking water compliance to SANS 241	96%

The Utility Services Directorate plays a supporting/contributing role in the following IDP Strategic Focus Area:

- SFA 3: Energy Efficiency for a Sustainable future.

4.1.4 3A. Develop, adopt and implement a comprehensive response to Cape Town's energy and climate changes and challenges

<b>Key changes to CSC indicators and targets between 2010/2011 and 2011/2012</b>				
IDP Objective	2010/2011		2011/2012	
	Indicator	Annual Target	New/existing Indicator	Annual Target
3A. Develop, adopt and implement a comprehensive response to Cape Town's	3A.1 Percentage reduction of electricity consumption below projected unconstrained	10%	3A.1 % electricity purchases that are unaccounted for in sales.	9,3%

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energy and climate changes and challenges <ul style="list-style-type: none"> <li>• Reduce energy consumption</li> </ul>	electricity consumption			
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The Utility Services Directorate also plays a contributing role in the following IDP Strategic Focus Areas:

- SFA 1: Shared economic growth and development
- SFA 4: Public Transport Systems
- SFA 5: Integrated Human Settlements
- SFA 6: Safety and Security
- SFA 7: Health, social and community development

Furthermore, through its internal processes the directorate supports:

- SFA 8: Good governance and regulatory reform

4.2 Link to programmes (departmental programme description linked to directorate objectives)

Department	Programmes and Projects
Electricity Services	<ul style="list-style-type: none"> <li>• Electrification programme</li> <li>• Street lighting</li> <li>• Upgrading and refurbishment of existing substations, underground cables and overhead power lines across the cape metro area as part of 15 year network development programme</li> </ul>

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Water and Sanitation	<ul style="list-style-type: none"> <li>• Essential services programme <ul style="list-style-type: none"> <li>○ Expansion and improvement of existing water and sanitation services</li> <li>○ Addressing backlogs as a result of growth</li> <li>○ Installation and piloting of GPRS water meter logging equipment in informal settlements</li> </ul> </li> <li>• Water Demand Management (WDM) <ul style="list-style-type: none"> <li>○ Water Leaks Repair</li> <li>○ Pressure Management</li> <li>○ Rollout of WDM devices</li> <li>○ Treated effluent re-use</li> <li>○ Education and awareness</li> </ul> </li> </ul>
Solid Waste Management	<ul style="list-style-type: none"> <li>• Construct and commission a new Northern region landfill site by 2012/13</li> <li>• Rehabilitate old landfill sites</li> <li>• Establish three new Integrated Waste Management (IWM) Facilities</li> <li>• Completion of two mini-material recovery facilities (MRF's)</li> <li>• Continued implementation of a split-bin litter system in strategic areas</li> <li>• Continuation of contracted services via community-based organisations for integrated area cleaning and refuse collection in informal areas</li> <li>• Implement contracts for sandy areas clean-up programmes in disadvantaged areas</li> <li>• Continue to monitor and evaluate efficacy of a residential split-bag collection pilot project</li> <li>• Continue with public education and awareness (part of WasteWise project)</li> <li>• Minimisation and re-use of demolition and construction rubble</li> <li>• Complete a comprehensive Municipal Systems Act (MSA) S.78(3) assessment into alternate service delivery mechanisms</li> <li>• Establish an Alternative-technology disposal facility</li> <li>• Implement a landfill gas mitigation project – delayed by statutory processes</li> <li>• Implementation of IWM by-law</li> </ul>
All Utility line departments	<ul style="list-style-type: none"> <li>• Development and implementation of a Comprehensive Infrastructure Plan</li> </ul>

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**5. PERFORMANCE PROGRESS**

Achievements to date include:

Department	Achievements
Electricity Services	<ul style="list-style-type: none"> <li>• Electricity Reinforcement project successfully concluded to deliver on 2010 business plan requirements</li> <li>• Citywide access to electricity basic services: 92,18%</li> <li>• The System Average Interruption Frequency Index (SAIFI) is at 1,03 against the national average of 1,3</li> <li>• Electricity Services - Technical Support Services received the following awards:               <ul style="list-style-type: none"> <li>○ August 2009: Regional S.A. Productivity Awards Western Cape – Public Sector</li> <li>○ October 2009: National S.A. Productivity Awards – Public Sector</li> <li>○ ISO 9001 and 14001 certification, as well as OHSAS 18001 for Electrical Support Services</li> <li>○ Also in the 2009 year: SABS Presidents Award, NOSA 5 Star Certifications</li> <li>○ National Top Green Supply Chain Award (SA Consumer Council) for 2009</li> <li>○ The winner of the Public sectors Engineering award in March 2010</li> <li>○ National award from the Institute of Logistics and Transport of South Africa</li> </ul> </li> <li>• During 2009/2010 the City announced it will be selling Green Electricity Certificates to allow electricity Capetonians to buy electricity generated by the Darling Wind Farm on the West Coast. This will make electricity environmentally friendly</li> <li>• The City also spent R15 million on replacing thousands of street lights across Cape Town with energy-efficient lamps and Electricity Department continued to roll out its conversion of 180 000 of the older type of mercury vapor lamps to the more environmentally-friendly high pressure sodium lamps. The new lamps will not only reduce energy consumption by at least 12%, but will also provide more powerful illumination which will enhance safety in the areas concerned.</li> </ul>

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Water and Sanitation	<ul style="list-style-type: none"> <li>• City wide access to basic services: <ul style="list-style-type: none"> <li>○ Water coverage maintained at 100% for formal areas</li> <li>○ Water coverage at 87% in informal areas</li> <li>○ Sanitation coverage maintained at 100% for formal areas</li> <li>○ Sanitation coverage at 77% for informal areas</li> </ul> </li> <li>• % demand reduction below unconstrained water use has reached 26,8%; well beyond the Department of Water Affairs (DWA) agreed target of 20%</li> <li>• The City was awarded the Blue Drop Award for Drinking Water Quality.</li> <li>• The City was awarded 8 Green Drop Award certificates for wastewater treatment plants 6 of the 8 achieved an outstanding score of 97%.</li> <li>• SADC Regional Water Demand Management Award</li> <li>• The Directorate has also received the national award for the best run WWTW's at the Water Institute of South Africa (WISA) Awards</li> </ul>
Solid Waste Management	<ul style="list-style-type: none"> <li>• Citywide access to solid waste removal services maintained at 99%</li> <li>• Integrated Waste Management By-law was promulgated on 21 August 2009, a major milestone in the waste minimisation strategy and is currently in implementation</li> <li>• MSA Section 78(3) assessments underway with the appointment of consultants to assess alternative service delivery mechanisms and address waste minimisation.</li> <li>• Development of a waste accreditation policy.</li> <li>• Excellent results and commendations for area cleaning during the 2010 World Cup.</li> <li>• Upgrading of drop-off facilities to enhance waste minimisation/recycling.</li> <li>• Design and construction of the Kraaifontein Integrated Waste Management facility.</li> <li>• Fifth year anniversary of community-based, labour intensive integrated waste management services in Informal Settlements and Disadvantaged Areas that are the National benchmark.</li> </ul>

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The past years information is available in the Annual Reports located on the site below.

<http://www.capetown.gov.za/en/IDP/Pages/ManagingPerformance.aspx>

## 6 FINANCIAL INFORMATION – DRAFT 2011/2012 BUDGET

### 6.1 Summary of revenue by source:

Description	Vote 14 - Utility Services R thousand
<b>Revenue By Source</b>	
Service charges - electricity revenue	8 125 664
Service charges - water revenue	1 828 095
Service charges - sanitation revenue	991 118
Service charges - refuse revenue	820 249
Service charges - other	398 642
Rental of facilities and equipment	166
Interest earned - external investments	12
Interest earned - outstanding debtors	217 000
Fines	3
Other revenue	84 758
Gains on disposal of PPE	2 500
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 468 207</b>

*(Pending approval of the draft budget)*

### 6.2 Summary of operating expenditure by type:

Description	Vote 14 - Utility Services R thousand
<b>Expenditure By Type</b>	
Employee related costs	2 173 258
Debt impairment	631 621
Depreciation & asset impairment	662 715
Bulk purchases	5 785 876
Other materials	237 604
Contracted services	1 019 820
Transfers and grants	385
Other expenditure	850 297
<b>Total Expenditure</b>	<b>11 361 576</b>
<b>Surplus/(Deficit)</b>	<b>1 106 631</b>
Transfers recognised - capital	225 036
Contributions recognised - capital	45 600
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>1 377 266</b>

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### 6.3 Summary of capital expenditure by type:

Municipal Vote/ Capital project	Program/Project description	Project number	Asset Class 4.	Asset Sub-Class 4.	2011/12 Medium Term Revenue & Expenditure Framework			Project Information	
					Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
Utility Services	Electricity Services: Rosmead Avenue Reinforcement	C07.00617	Infrastructure - Electricity	Transmission & Reticulation	2 109	-	-	63	New
	Electricity Services: Main Subst M/V Switchgear Replacement	C08.84043	Infrastructure - Electricity	Transmission & Reticulation	11 000	17 350	13 179	200	Renewal
	Electricity Services: Retreat Area Office	C08.84049	Other assets	Civic Land and Buildings	-	20 000	50 000	72	New
	Electricity Services: Oakdale - Boston: Replace 33 kV Cables	C09.84040	Infrastructure - Electricity	Transmission & Reticulation	53 900	-	-	200	Renewal
	Electricity Services: New Building Complex Bloemhof	C09.84065	Other assets	Civic Land and Buildings	71 506	117 083	17 598	3	New
	Electricity Services: Vanguard Transformer Replacement	C10.84029	Infrastructure - Electricity	Transmission & Reticulation	41 000	38 550	-	200	Renewal
	Electricity Services: Oakdale Upgrade	C10.84044	Infrastructure - Electricity	Transmission & Reticulation	1 279	-	-	200	Renewal
	Electricity Services: Koeberg Rd Switching Station Ph 2	C10.84050	Infrastructure - Electricity	Transmission & Reticulation	-	12 162	90 043	200	New
	Electricity Services: Kraaifontein Reinforcement	C12.84056	Infrastructure - Electricity	Transmission & Reticulation	50	30 379	23 138	101	Renewal
	Electricity Services: Piers Road Substation Upgrade	C12.84071	Infrastructure - Electricity	Transmission & Reticulation	28 945	25 702	-	200	Renewal
	Electricity Services: MV Switchgear Refurbishment North	C14.84120	Infrastructure - Electricity	Transmission & Reticulation	-	-	50 000	200	Renewal
	Solid Waste Services: Plant & Vehicles	C12.85003	Other assets	Specialised vehicles	146 232	-	-	200	New
	Solid Waste Services: Development of Landfill Infrastructure	C12.85022	Infrastructure Other	Waste Management	74 730	-	-	200	Renewal
	Solid Waste Services: Development of Landfill Infrastructure	C13.85000	Infrastructure Other	Waste Management	-	163 332	-	200	Renewal
	Solid Waste Services: Reh. and Closure of Landfill Sites	C13.85001	Infrastructure Other	Waste Management	-	500	-	200	New
	Solid Waste Services: Plant & Vehicles	C13.85005	Other assets	Specialised vehicles	-	94 300	-	200	New
	Solid Waste Services: Solid Waste Management Infrastructure	C14.85001	Infrastructure Other	Waste Management	-	-	187 832	200	New
	Solid Waste Services: Plant & Vehicles	C14.85004	Other assets	Specialised vehicles	-	-	68 100	200	New
	Solid Waste Services: Rehabilitation of Landfill Sites	C14.85009	Infrastructure Other	Waste Management	-	-	79 000	200	New
	Water Services: Development of Additional Infrastructure	C05.01268	Infrastructure - Water	Various	9 650	40 700	38 681	200	New
	Water Services: Bellville Wastewater Treatment Works	C06.30170	Infrastructure - Sanitation	Various	102 000	89 000	8 000	9	New
	Water Services: Cape Flats Wastewater Treatment Works	C06.30185	Infrastructure - Sanitation	Sewerage purification	10 000	-	-	67	Renewal
	Water Services: Athlone Wastewater Treatment Works	C06.30201	Infrastructure - Sanitation	Various	11 500	-	-	49	Renewal
	Water Services: Northern Area Sewer Thornton	C07.00407	Infrastructure - Sanitation	Reticulation	45 000	37 000	22 000	53	New
	Water Services: Contermans Kloof Water mains	C08.86024	Infrastructure - Water	Reticulation	30 000	-	-	105	New
	Water Services: Main Rd Upgrade M/Berg to Clovelly Rehab	C08.86038	Infrastructure - Water	Reticulation	14 179	12 588	10 000	64	Renewal
	Water Services: Zandvliet WWTW-Extension	C10.86033	Infrastructure - Sanitation	Various	12 660	60 300	34 950	15	Renewal
	Water Services: Potsdam WWTW - Extension	C11.86063	Infrastructure - Sanitation	Various	4 877	21 000	78 300	4	Renewal
	Water Services: Bulk Water Augmentation Scheme	C11.86077	Infrastructure - Water	Dams & Reservoirs	14 300	89 300	374 000	200	New
	Water Services: Replace & Upgrade Water Network	C12.86004	Infrastructure - Water	Reticulation	50 800	-	-	200	Renewal
	Water Services: Macassar WWTW-extension	C12.86059	Infrastructure - Sanitation	Sewerage purification	-	500	-	15	Renewal
	Water Services: Infrastructure Replace/Refurbish - WWT	C12.86070	Infrastructure - Sanitation	Sewerage purification	30 000	-	-	200	Renewal
	Water Services: Construction of new Head Office	C12.86074	Other assets	Other Buildings	9 000	40 000	30 000	200	New
Water Services: Northern Regional Sludge Facility	C12.86075	Infrastructure - Sanitation	Sewerage purification	3 000	30 000	47 300	200	New	
Water Services: Bellville WWTW -Upgrade clarifiers	C13.86002	Infrastructure - Sanitation	Sewerage purification	-	-	1 000	200	Renewal	
Water Services: Macassar WWTW Extension (MIG)	C13.86052	Infrastructure - Sanitation	Sewerage purification	-	-	15 500	15	Renewal	
Various		Various	Various	1 028 937	985 695	1 005 810	Various	Various	
<b>Total Capital expenditure</b>				<b>1 806 655</b>	<b>1 925 440</b>	<b>2 244 431</b>			

(Pending approval of the draft budget)

## 6.4 Key Risks

- Key risks considered in directorate planning:
  - Ageing / condition of Infrastructure
  - Inability to meet Mandate: effective management of City Infrastructure and Resources
  - Human Resource capacity constraints
  - Inadequate provision and access to basic services (Inability to meet US service mandate)
  - Intra departmental, Inter governmental and SOE Dependencies
  - Risk exposure of the public to electricity installations
  - Security of Supply
  - Quality of Supply
  - Unable to service Sanitation due to constraints.
  
- Risks to achieving revenue projections:
  - Certain effects from the economic slowdown are still evident.

## 6.5 Directorate budget in relation to the overall City Capital Budget

The Utility Services draft capital budget is R1,8 billion and makes up 35.6% of the City of Cape Town's total draft capital budget.


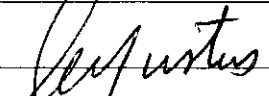
## 7. OBJECTIVES AND INDICATORS OF THE DIRECTORATE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

Refer to the Utility Services 2011/2012 Service Delivery and Budget Implementation Plan (SDBIP) attached as Appendix 1 that sets out the directorate's objectives, indicators and targets for the period 1 July 2011 to 30 June 2012.



**8. AUTHORISATION**

The undersigned do hereby indicate their agreement with the contents of this document and the outcomes.

	<b>Name</b>	<b>Signature</b>	<b>Date</b>
Executive Director	<b>Lungile Dhlamini</b>		2011/04/19
Mayco Member	<b>Alderman Clive Justus</b>		2011-04-19

**9. APPENDICES:**

Appendix 1: Utility Services - 2011/2012 Service Delivery and Budget Implementation Plan

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