INTEGRATED ANNUAL REPORT
2012/13 EXECUTIVE SUMMARY

THE CITY OF CAPE TOWN'S
VISION & MISSION

The vision and mission of the City of Cape Town is three-fold:

- 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 pursuit of this vision, the City's mission is as follows:

- To contribute actively to the development of its environmental, human and social capital
- To offer high-quality services to all who live in, do business in or visit Cape Town as tourists
- To 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 pillars of a successful and thriving city. These focus areas form the foundation of the City's five-year Integrated Development Plan and are as follows:

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 of Cape Town's plans and policies.

Front cover:
The City of Cape Town takes an integrated approach to realising its vision of ensuring that all residents of and vistiors to Cape Town experience the best services, facilities and opportunities.

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Denotes:

(NDP) National Development Plan   ✓ Objectives delivered   🖱 More online

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 who are characterised by high levels of unemployment and poverty. The solutions we once thought would effectively deliver social change and services have not always been up to the task. These times of change 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 big city' offers hope. And in our region, the City of Cape Town can play a part in making that hope a reality 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 overarching 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 have worked hard to further ensure that these IDP SFAs and their related objectives are aligned with the strategic intent of the Provincial Government of the Western Cape ('Province') as well as National Government's National Development Plan.

While significant challenges still confront our city, primarily as a result of rapid urbanisation, I am confident that we are making progress in delivering on the objectives of the IDP. Cape Town has received its tenth consecutive unqualified audit, has scored the highest external credit rating possible for a municipality, and has ensured that we remain in a strong overall 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 commitment to infrastructure-led growth, the City prioritized expenditure on repairs and maintenance, with a record R2,7 billion allocated for 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 through direct service delivery to the poor. To provide further relief to vulnerable citizens, the City placed great emphasis on the Expanded Public Works Programme (EPWP), with 35 556 work opportunities created in the past financial year for those most in need of assistance.

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.

P. de Lille

ALDERMAN PATRICIA DE LILLE
Executive Mayor of Cape Town

STATEMENT BY THE CITY MANAGER

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.

In order to achieve its vision for Cape Town and all its people, the City of Cape Town operates according to a clearly defined and carefully developed 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. However, this will not see the City now rest on its laurels, but the administration will continue to pursue international benchmarks for governance excellence in order to be able to compete with other cities across the world.

Of course, to be effective, the five pillars on which the City's strategy has been built need to be more than just a strategic framework for the City's plans. 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 Council's strategies into implementable plans, and then to ensure that those plans are implemented. As an action-oriented administration, we know that the people of this great city want action and not just words. They want results instead of just plans. And they want – and deserve – delivery and not just promises. As you will clearly see from the content of the 2012/13 Integrated 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.

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 who shares our vision of a great future for all.

I would also like to express my heartfelt thanks to all our valued regional, provincial and national partners, the Premier of the Western Cape as well as Executive Mayor Patricia de Lille, whose vision, passion and selflessness are an inspiration to so many.

ACHMAT EBRAHIM
City Manager

Cape Town is one of the most visited tourist destinations on the entire African continent.

OVERVIEW OF THE CITY OF CAPE TOWN

The MyCiti bus service forms part of the City's planning towards an integrated, citywide transport system that supports the accessibility grid.

Cape Town is the oldest city in South Africa, with the second-biggest population of all cities countrywide. It is also the legislative capital of South Africa and the administrative and economic hub of the Western Cape. The steady growth of Cape Town's population poses many challenges to its effective management. These challenges include, but are not limited to:

- **Global conditions** – Developing-world investors tend to look for 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.

- **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 the city faces along with the rest of South Africa, including unemployment, poverty, crime, substance abuse and HIV/Aids and TB.

- **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 as well as ecosystem goods and services, and the need to deal with increasing resource scarcity.

- **Waste generation** – only a small percentage of Cape Town residents currently recycle their waste, and there is enormous scope for improving much needed recycling practices.

Two of the City of Cape Town's most significant responses to these, and other, challenges are:

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 that of building an opportunity city. On 22 May 2013 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 City's response to the most fundamental challenges of unemployment, poverty and sustainable economic growth in the coming years.

The Cape Town Spatial Development Framework

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.

The City's spatial development framework will appropriately manage urban development and environmental protection.

2012/13 PERFORMANCE REVIEW

SUMMARISED REPORT BY THE CHIEF FINANCIAL OFFICER

While the City is responsible for economic development in the region, it does not have control over many key levers that affect the economy.
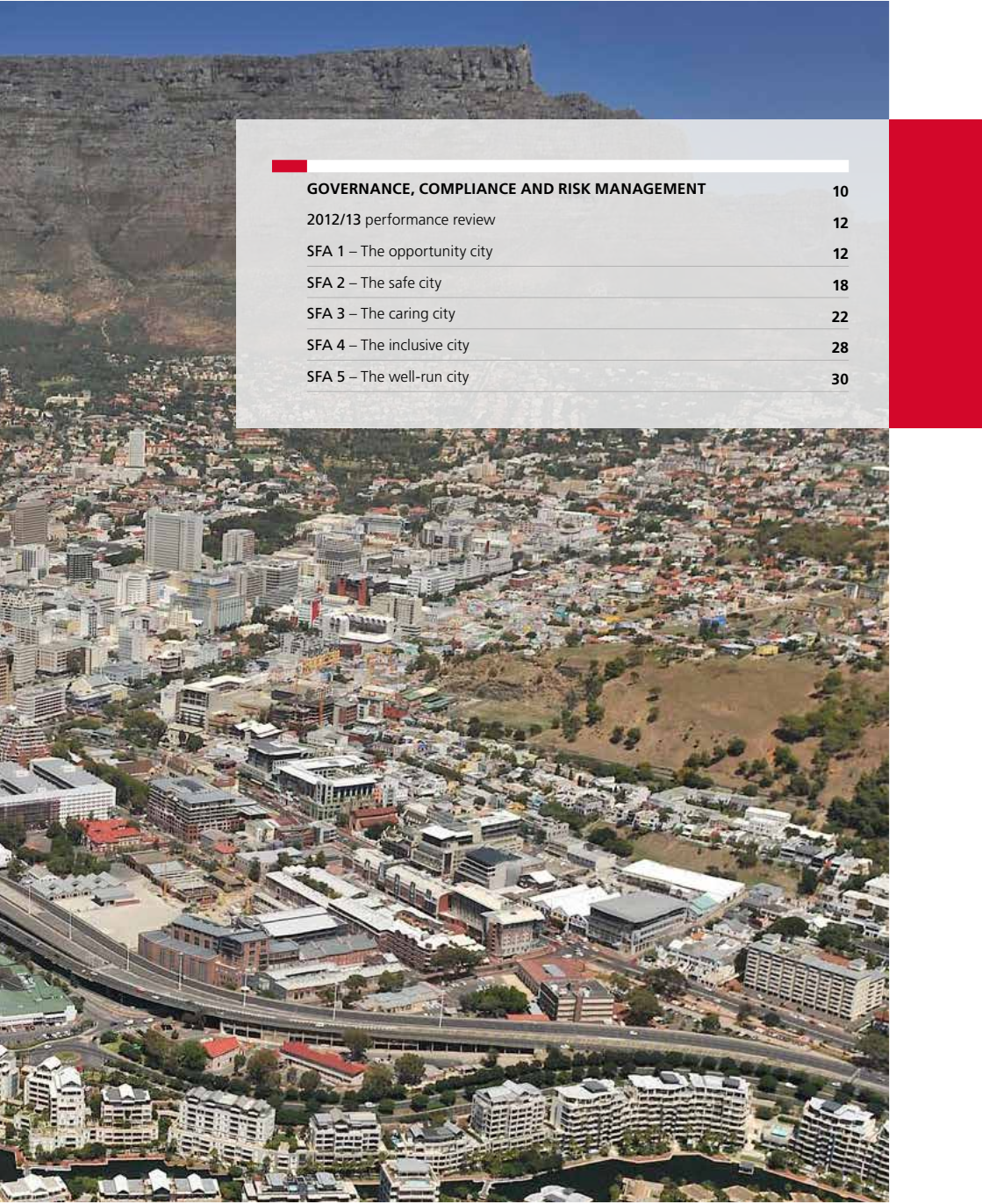
GOVERNANCE, COMPLIANCE AND RISK MANAGEMENT

The City's governance structures

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 Accounts 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 among the best codes of governance worldwide, and King III has broadened the scope of governance to one where the core philosophy revolves around leadership, sustainability and ethical corporate citizenship.

The visual below shows the political governance arrangements that have been in place since the local government elections held on 18 May 2011.
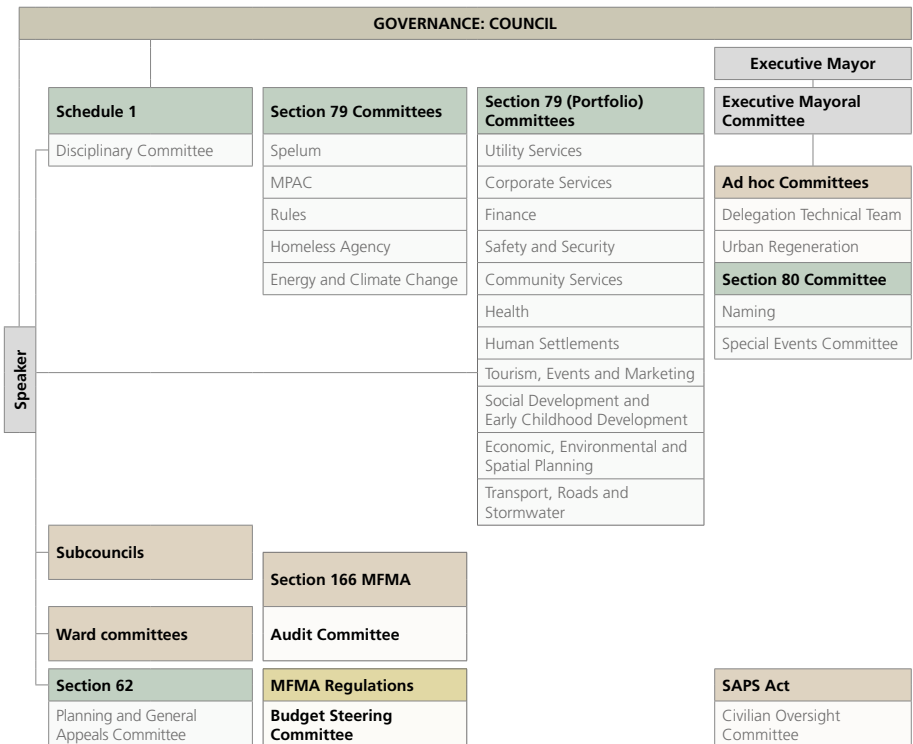

Figure B1: City of Cape Town's governance structure

Risk management

The City's Integrated Risk Management (IRM) Department ensures the consistent alignment and management of key risks related to the City's core strategic objectives. It 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. Due to the rapidly changing environment in which the City operates, initiatives are continually researched and implemented to further embed risk management within the City's processes. These include improving training, enhancing performance measurements, and monitoring compliance with the IRM policy and framework.

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, and receive input into, its vision, services, IDP and other plans. 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.

Results from the annual Community Satisfaction Survey again indicate Library Services as one of the highest-rated services.

2012/13 PERFORMANCE REVIEW

SFA 1   **STRATEGIC FOCUS AREA 1** THE OPPORTUNITY CITY

Main achievements in 2012/13

- Spent 92,9% (R5,78 billion) of its largest capital budget in history
- Finalised 80,7% of building plans within statutory timeframes
- Invested a record R2,6 billion in repairs and maintenance
- Created 35 556 EPWP job opportunities

A new Cape Town Zoning Scheme was implemented to streamline the process of economic development in the 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 in infrastructure, utilities and services.

The City has also recently finalised 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 to facilitate economic growth and job creation.

Objective 1.1: Create an enabling environment to attract investment that generates economic growth and job creation		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Investing to attract investment	For the 2012/13 financial year, the City of Cape Town spent a record R5,78 billion, or 92,9%, of its capital budget. This reinvestment in Cape Town and its people demonstrates why the City remains a leading South African municipality in terms of service provision and financial management.	31
New Cape Town Zoning Scheme	As part of the City's efforts to build an opportunity city, a new Cape Town Zoning Scheme (CTZS) was implemented in March 2013. The city's approximately 800 000 properties have been allocated an appropriate zone in terms of the new scheme.	32
Creating opportunities for development	Many of the City's development application processes were checked and streamlined. 80,7% of building development applications submitted to the City were finalised within the agreed timeframes (against a target of 80%).	34
Enabling enterprise and skills development	The City promoted and supported an enterprise development and entrepreneurship culture in Cape Town by directly funding or being actively involved in numerous projects and programmes.	36

Objective 1.1: Create an enabling environment to attract investment that generates economic growth and job creation		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
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 several sector bodies.	36
Tourism and sustainability	The City recognises that sustainable development is needed to continue to attract both tourists and investors. To lay the foundation on which Cape Town can be positioned as a global green city, the City has launched a new research study to measure the value of the local tourism industry.	36
Events programme	The City presented and/or hosted 334 events in the 2012/13 financial year. The City has developed a strong global brand, and will utilise this strength to develop into an events destination of choice. The City also set up various systems and processes to gear itself towards further increasing and enhancing its events-hosting capabilities.	38

Cape Town is positioning itself as the events capital in South Africa with iconic events being hosted here. The Cape Argus Pick n Pay Cycle Tour is the largest individually timed race in the world.

2012/13 PERFORMANCE REVIEW

Objective 1.2: Provide and maintain economic and social infrastructure to ensure infrastructure-led economic growth and development

Programmes and Actions	Progress and achievements	Page in full IAR
Keeping the city connected	The City now has a fibre-optic network in excess of 350km. 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 telecommunication costs in the 2012/13 financial year.	38
Expanded Public Works Programme (EPWP)	The number of EPWP job opportunities has increased significantly with the creation of 35 556 work opportunities for those most in need of employment. This is more than any other city in South Africa.	39
Infrastructure investment for sustainable development	The City's 2013/14 capital expenditure budget focuses extensively on infrastructure development, such as utility services, transport, roads and stormwater. The allocation of just over R4,086 billion for these purposes represents 75,04% of the total budgetary allocation for the 2013/14 financial year.	39
Electricity services	Some of the City's delivery highlights in terms of electricity for the year under review included: • close to R1 billion's worth of investment in network infrastructure; • the implementation of enterprise asset management to drive the planned maintenance of network infrastructure; • the completion of the 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 had required it; and • a well-maintained quality of electricity supply throughout the year.	41
Water and wastewater services	The City's Water Services Development Plan (WSDP) covers numerous key medium- and long-term strategic objectives, including: • reduce unaccounted-for water to 16% in the next five years; • provide basic or emergency sanitation services to all residents of the city; • provide basic water to all residents of the city; • achieve 90% customer satisfaction levels in all its services; • minimise river system pollution by reducing sewage overflows by 20%; and • improve revenue collection to 96%.	
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. The rehabilitation of the City's disused, full landfills and dumps continued in 2013, as did a focus on replacing ageing waste collection vehicles to ensure long-term service delivery improvements. The City remains committed to achieving ongoing landfill airspace savings through a variety of waste-to-landfill diversion mechanisms.	47

Objective 1.3: Promote a sustainable environment through the efficient utilisation of resources		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Sustainability excellence	The City of Cape Town received a number of environmental awards in 2012/13.	49
Protecting Cape Town's coastline	The first draft of the City's Integrated Coastal Management Policy was completed during the year under review. It defines a vision for coastal management in Cape Town with the intent to promote strategic, consistent and informed decision-making with regard to the coast.	49
Promoting environmental compliance	The City's environmental compliance and enforcement strategy continued to achieve notable successes. Three staff members of the City's Environmental Resource Management Department have been designated as environmental management inspectors ('Green Scorpions') and assist in citywide environmental enforcement. A new Marine Environmental Law Enforcement Unit was also established.	50
Encouraging energy efficiency	The City Solar Water Heater Endorsement Programme was approved by Council and will facilitate the roll-out of high-pressure solar water heaters. Energy-efficiency projects under the energy efficiency demand-side management (EEDSM) programme are currently saving the City R18 million per annum, and reducing the City's carbon emissions by 16 million tons. A three-year tender was awarded for the continued roll-out of the highly successful electricity-savings campaign.	
Reducing water demand and wastage	A key priority for the City of Cape Town is the funding of water demand strategies (WDSs). 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 • the promotion of rainwater harvesting.	

As the World Design Capital 2014, Cape Town has the unique opportunity to market itself globally as an attractive destination for investment and innovation.

2012/13 PERFORMANCE REVIEW

Objective 1.4: Ensure mobility through the implementation of an effective public transport system

Programmes and Actions	Progress and achievements	Page in full IAR
Maintaining Cape Town's road infrastructure	The Cape Town road 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 City's mobility strategy supports the development of a balanced transport system and focuses on all elements of the transport system, including rail, bus, taxi, cycling, pedestrians, parking management, freight and traffic management information and data.	52
Making transport accessibility a reality for all	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.	52
Good progress made with non-motorised transport (NMT) implementation	The objectives of the City's NMT programme 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.	53
Meeting rising demand for MyCiTi services	From the start of MyCiTi up to the end of June 2013, an estimated 7 252 112 passengers have travelled on the MyCiTi buses.	54
Stormwater systems	The City continues to make good progress implementing its Inland and Coastal Water Quality Strategy. 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.	54

Objective 1.5: Leverage the city's assets to drive economic growth and sustainable development

Programmes and Actions	Progress and achievements	Page in full IAR
City land for economic growth	Selected City-owned properties were released for sale to the open market as part of the City's commitment to building an opportunity city. The land was specifically selected in accordance with the City's IDP objective to utilise municipal property to leverage growth and sustainable development in poorer communities.	55
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.	55

Objective 1.6: Maximise the use of available funding and programmes for training and skills development

Programmes and Actions	Progress and achievements	Page in full IAR
Prioritising training and skills development	The City set out to increase existing external training opportunities for unemployed youth. Year on year, opportunities provided through the apprenticeship programme increased by 65%, from 190 to 314, while the number of external bursaries increased by 14%, from 145 to 166. The in-service training and graduate internship programme grew by 11%, from 710 to 788.	
City's internship programmes delivering positive results	The City's ongoing internship programme is now in its eighth year. Since its inception more than 40 interns have been employed by the City upon completion of their internships. The City's call centre learnership programme targets unemployed youth, with a special focus on youth with disabilities. Approximately 20 learners benefit from the programme at any point in time.	56
79 new external bursaries awarded	The City awarded 79 new external bursaries for the 2013 academic year. This brings the total number of external bursars supported and funded by the City of Cape Town to 166 – all of whom will join the City as employees on successful completion of their studies.	

The City's has increased its skills spend with the result that it offered more training opportunities to external unemployed people and a better trained and empowered internal staff complement.

2012/13 PERFORMANCE REVIEW

SFA 2 — THE SAFE CITY

Main achievements in 2012/13

- Reduced number of accidents at Cape Town's five highest accident-frequency intersections
- 84% of emergency incidents responded to within 14 minutes from the initial call
- Melkbosstrand fire station completed and now fully operational
- 99,99% of Fire and Rescue Service's capital budget spent

Over the past years, the City has successfully transformed its Fire and Rescue Services from an under-resourced unit to a professional team that serves all residents in Cape Town.

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

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		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
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. The Unit's activities supplement the security provided by various private security companies, the Metro Police and the South African Police Service.	59
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. There are now 175 additional, privately sponsored law enforcement officials deployed in specific areas of the city.	59
Establishment of an Auxiliary Law Enforcement Service	An Auxiliary Law Enforcement Service was established. A total of 116 people have been trained, 39 of whom were recruited from active neighbourhood watches. 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.	59
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. During the past financial year, the City recruited and trained new disaster management volunteers from various communities across Cape Town. 11 volunteer corps units have now been established.	59

Objective 2.2: Resource departments in pursuit of optimum operational functionality		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Investing in the safety of all citizens	The City has invested approximately R300 million in resourcing Fire and Rescue with vehicles and equipment, and the staff complement of these essential services has been increased by at least 25%. As a direct result, 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.	60
A focus on service excellence	During the period under review, 91 418 driver tests were conducted at the City's various DLTCs. In July 2012, the Eastridge centre became the first DLTC to offer electronic learner driver's classes.	60

2012/13 PERFORMANCE REVIEW

SFA 2 — THE SAFE CITY

Objective 2.3: Enhance information-driven policing with improved information-gathering capacity and functional specialisation

Programmes and Actions	Progress and achievements	Page in full IAR
Performance in 2012/13	The City's Vice Squad continues to play a vital role in combating human trafficking and is also responsible for policing sex solicitation in Cape Town. The Metals Theft Unit completed 838 scrapyard and 492 bucket shop visits. The Unit also closed down 22 illegal scrap dealers. The Problem Building Unit investigated 924 buildings.	61
Combatting drug and alcohol abuse	The Metro Police Department continued to clamp down on Cape Town's illegal drug and alcohol trade and made 1 675 arrests for drug-related crimes. The Liquor Control Unit conducted 939 inspections of suspected illegal liquor trading premises, and closed down 105 shebeens.	61
Promoting road use compliance	The City follows a partnership-based approach to traffic services, and has renewed its contracts with Outsurance and Century City Property Owners' Association. Traffic Services successfully introduced a 'ghost squad' team that concentrates solely on patrolling the city's highways. In addition, November 2012 saw the launch of a mobile traffic centre.	61

Objective 2.4: Improve efficiency of policing and emergency staff through effective training

Programmes and Actions	Progress and achievements	Page in full IAR
Training for sustainable excellence	A total of 1 279 staff members from various departments of the Safety and Security Directorate have now received training. The Cape Town Metropolitan Police Department was the first policing agency in the province to offer its force members fitness and wellness training by nationally qualified physical training Instructors. The Cape Town Equestrian Unit became the first in South Africa to gain South African National Equestrian Federation accreditation. The City's Fire and Rescue Training Academy is now able to register trainee credits towards South African qualifications.	61

Objective 2.5: Improve safety and security through partnerships

Programmes and Actions	Progress and achievements	Page in full IAR
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. Since the programme's inception in 2008, a total of 2 669 neighbourhood watch members have been trained in the principles of problem-orientated crime prevention.	61
CCTV sponsorship	In 2011, the University of Cape Town (UCT) and South African Breweries pledged R1 million each for the installation of CCTV cameras in the Claremont, Mowbray, Rosebank and Rondebosch areas. In the 2012/13 financial period, 25 more cameras were installed and activated.	62
School resource officer (SRO) project	School resource officers were deployed at six pilot schools in September 2012. While no statistics are yet available, anecdotal feedback points to these interventions being highly effective in quelling the incidence of violence and crime in the schools.	62
Building relationships with troubled youth	The Metro Police Department's Youth Academy aims to reach out to youth at risk and foster healthy relationships between young people and the Metro Police.	62
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.	62
Committed to responding quicker	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% of emergency calls within 14 minutes or less.	63

School resource officers were deployed at six pilot schools in an effort to quel incidence of violence and crime.

SFA 3   THE CARING CITY

Main achievements in 2012/13

- 2 080 EPWP jobs (excluding 666 City Health work opportunities) contributed to City's total of 35 556 EPWP jobs

- 93,6% of Urban Settlements Development Grant (USDG) spent

- 55 social development programmes implemented using ward allocation funding

- Number of days when air pollution exceeds national ambient air quality standards limited to four (against a target of fewer than 25)

- 83% cure rate for new smear-positive tuberculosis surpassed

- 28 recreation hubs established

- 869 community initiatives held at parks

- 314 reading programmes held at libraries

The City's eight health subdistricts boast the best TB cure rate in South Africa.

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 requires investment in social and environmental resources, ranging from human settlements – which include informal settlements – to social services, community facilities and others.

Objective 3.1: Provide access to social services for those who need it

Programmes and Actions	Progress and achievements	Page in full IAR
Providing social services	The City provides social services and early childhood development to those who need it, primarily through its Social Development and Early Childhood Development Directorate.	65
Enhancing the City's social development offering	The City's Social Development and Early Childhood Development Directorate undertook a business improvement process in the year under review. The following policies were reviewed or developed: • 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)	65
Performance and progress in the 2012/13 financial year	During the 2012/13 financial year, the City delivered a number of achievements across its various social development programmes and focus areas, including: • Early childhood development (ECD) • Street people • Substance abuse • Vulnerable groups • Youth development • Poverty alleviation and reduction In support of the Directorate's basket of services, various other programmes also developed and implemented to help individuals, families and communities meet their developmental needs to become resilient and self-reliant.	65
Mayor's urban regeneration programme	The Mayor's urban regeneration programme has as its key objective the upliftment of previously neglected or dysfunctional areas that have been regressing, and to improve the safety, quality of life and the socio-economic circumstances of communities in these areas, with a particular focus on the public and shared environment.	66
Developing communities	Community development programmes are offered at many of the City's facilities. 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.	66
Recreation hubs enhance Cape Town communities	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 both physically and mentally active. In April 2013, the City officially opened another such recreation hub in the form of the Parkwood community centre. This brings the total number of recreation hubs now available across Cape Town to 28.	67

Objective 3.2: Ensure increased access to innovative human settlements for those who need them

2012/13 PERFORMANCE REVIEW

SFA 3   THE CARING CITY

Objective 3.2: Ensure increased access to innovative human settlements for those who need them

Programmes and Actions	Progress and achievements	Page in full IAR
Delivering housing opportunities	During the 2012/13 financial year, the City of Cape Town spent a total of 93,6% of its Urban Settlements Development Grant (USDG) (for all directorates) and delivered a total of 6 391 housing sites, 4 300 top structures and 1 725 other housing opportunities.	68
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 a settlement to create firebreaks and to allow easier access to service and emergency vehicles.	68
Housing-related achievements in 2012/13	**Subsidy housing** - the City initiated two major housing developments that include 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. **Incremental housing** - a number of emergency housing projects and interventions were successfully completed. **People's Housing Process** - This process encourages and assists beneficiaries to build their own homes by maximising their housing subsidy and establishing community support organisations. **Land restitution** - During the 2012/13 financial year, the City made good progress in settling land restitution claims in its area of jurisdiction. **Social housing** - the Social Housing Regulatory Authority recognised the City as having the best-performing social housing steering committee in 2012/13. **Gap housing** - well-located parcels of municipal land have been made available for gap housing.	69

Objective 3.3: Assess the possible sale or transfer of rental stock to identified beneficiaries, using established criteria

Programmes and Actions	Progress and achievements	Page in full IAR
Rental stock disposal programme	The City operates its rental stock disposal programme as part of its efforts to afford current tenants of City-owned rental properties the opportunity to purchase their rental units and become owners.	72
Title deeds	A process is under way to transfer serviced sites that were allocated to families before 1994 in the areas of Khayelitsha, Nyanga, Browns Farm, Lower Crossroads and Philippi. A number of historical projects are also under way. Nine pilot study areas have been identified.	

Objective 3.4: Provide for the needs of informal settlements and backyard residences through improved services

Programmes and Actions	Progress and achievements	Page in full IAR
Backyarder service programme	Of the pilot areas that had been identified, Factreton has been completed and Hanover Park is now well under way with approximately 1 000 bins issued, the electricity backbone installed, and the commencement of individual electricity connections as well as water and sanitation installations.	72
Improving informal settlements	An informal settlements development matrix has been developed with the aim of enhancing the planning process. In addition, the City has begun a process of granting incremental security of tenure. Once action plans are completed, the City will package projects for pipeline planning for future upgrades.	72

Objective 3.5: Provide effective environmental health services

Programmes and Actions	Progress and achievements	Page in full IAR
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 exceeded with 16 098 visits undertaken.	72

Objective 3.6: Provide effective air quality management and polution (including noise) control programmes

Programmes and Actions	Progress and achievements	Page in full IAR
Improving air quality	During the 2012/13 financial year the number of days when air pollution exceeded national ambient air quality standards was four. This is well within the stated target of fewer than 25 days.	

The City provides social services and early childhood development to those who need it.

2012/13 PERFORMANCE REVIEW

SFA 3   **THE CARING CITY**

Objective 3.7: Provide effective primary healthcare services		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Improving the quality of life for all Capetonians	City Health operates according to a service level agreement, which guides the delivery of health services at 82 clinics, five 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.	73
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.	73
Continuing the fight against HIV/Aids	The citywide 'Get Tested' campaign is ongoing, with numerous outreaches having taken place during the reporting period. 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%.	73

Objective 3.8: Provide substance abuse outpatient treatment and rehabilitation services		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Combating substance abuse	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 - assisting 1 362 new clients.	74

Provision of free basic services

As part of its commitment to being a caring city, the City of Cape Town continues to provide free basic services (electricity, refuse removal, water, sanitation and rates) to residents, based either on the municipal value of the property or upon application by those with limited income.

From 2012/13, a new category of indigent support has also been established, 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.

SFA 4 THE INCLUSIVE CITY

Main achievements in 2012/13

- 96,98% adherence to citywide service delivery 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 sports fields to defined-level grass cover standard
- 92 libraries open according to minimum planned open hours

The City was awarded Blue Flag status for eight of its beaches, including Camps Bay.

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   THE INCLUSIVE CITY

Objective 4.1: Ensure responsiveness by creating an environment where citizens can be communicated with and responded to		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
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. A total of 74 FreeCall lines have been installed and the number of calls made using these facilities increased by 249% during the period under review.	76

Objective 4.2: Provide facilities that make citizens fel at home		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Maintenance and upgrade programme keeps City facilities in top condition	The City continued to prioritise the maintenance and upgrade of its community facilities for the benefit of all Capetonians, with numerous projects completed at sports fields, parks, cemeteries, libraries and community centres across Cape Town during the 2012/13 financial year.	77
Blue flags for Cape Town beaches	The City was awarded Blue Flag status for eight of its beaches.	79
Heritage programme	In February 2013, the City of Cape Town became the first local authority in South Africa to have its heritage resources management competency approved in terms of the National Heritage Resources Act, Act 25 of 1999. During the year under review, a number of heritage sites and assets underwent critical repairs and upgrades.	79

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.

SFA 5 THE WELL-RUN CITY

Main achievements in 2012/13

- Score of 2,9 out of 5 on the annual citywide 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

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

One of the main well-run achievements was the score of 4+ out of 5 the City's call centre received.

Objective 5.1: Ensure a transparent and corruption-free government		
Programmes and Actions	**Progress and achievements**	**Page in full IAR**
Independence and effectiveness of the Audit Committee	Internal Audit is an independent department of the City of Cape Town, and is a significant contributor to governance within the City. 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.	83
An effective system to process complaints (and report corruption)	The City has a tollfree 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. Powerful reporting tools are available to report on the performance of call centres (telephony) and the resolution of service requests.	83

2012/13 PERFORMANCE REVIEW

SFA 5   THE WELL-RUN CITY

Objective 5.2: Establish an efficient and productive administration that prioritises delivery

Programmes and Actions	Progress and achievements	Page in full IAR
Human resources	The City of Cape Town employs 25 722 people. These employees largely determine citizens' day-to-day experience of the City. As such, upgrading of skills and investment in staff development is a priority. As a result, the City's single biggest budget item is its staff costs, which currently amount to approximately R7 billion per annum.	83
Listening to the community	The annual Community Satisfaction Survey measures residents' perceptions of the City's performance in delivering on a range of services. The survey has shown consistent improvement in residents' perceptions since it was initiated in the 2007/8 financial year. In 2012/13, the City scored a total of 2,9 out of 5 for its overall performance.	85
Employment equity	The City has improved in terms of achievement against its overall race and disability employment targets. There are also pockets of excellence in gender equity targets.	86
Information systems and technology	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.	88

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

Programmes and Actions	Progress and achievements	Page in full IAR
Unqualified audit	For the 10th consecutive year, the City received an unqualified audit opinion from the Auditor-General of South Africa, confirming its substantial adherence to governance laws, regulations and controls to ensure increased accountability from political and administrative leadership.	89
Financial oversight of the CTICC	The City of Cape Town is the majority shareholder of the Cape Town International Convention Centre (CTICC), which makes this a state-owned company. In compliance with legislative responsibilities placed on the City as the parent entity, oversight is exercised over CTICC governance.	89

SUMMARISED REPORT BY THE CHIEF FINANCIAL OFFICER

The City of Cape Town once again performed well over the past year, with growth delivered across all of its key financial measures. The results demonstrate the City's commitment to support social infrastructure investments, which is aimed specifically at poor communities.

Over the past year, consolidated revenues increased by 11,43% to R24,06 billion while consolidated operating expenses increased by 12,63% to R23,41 billion.

The City reported a net operating surplus of R643,93 million (2012: R877,42 million) against a budgeted surplus of R300,11 million. An amount of just over R500 million was set aside to support the City's capital renewal programme.

Despite the massive investments already made, more funding is still required to reduce infrastructure backlogs, the demand for which continues to outstrip the City's supply resources. The overall summarised operating results for the City of Cape Town, compared with the approved budget for the 2012/13 financial year, are shown below.

	2013		2012	2012-2013
	Actual R'000	Budget R'000	Actual R'000	Growth %
Revenue				
Property rates	**5 159 663**	**5 161 136**	4 706 641	**9,63**
Service charges	**13 242 118**	**13 617 190**	12 112 884	**9,32**
Government grants and subsidies – operating	**1 979 795**	**2 152 805**	1 626 991	**21,68**
Fuel levy	**1 706 690**	**1 706 690**	1 637 276	**4,24**
Other	**1 975 718**	**1 456 978**	1 511 683	**30,70**
	24 063 984	**24 094 799**	21 595 475	**11,43**
Expenses				
Employee benefits	**7 492 589**	**7 689 149**	6 964 301	**7,59**
Impairment costs	**934 057**	**1 015 417**	847 513	**10,21**
Net depreciation and amortisation expenses – see note 33	**1 009 718**	**997 632**	871 927	**15,80**
Finance costs	**730 788**	**749 339**	683 166	**6,97**
Bulk purchases	**6 391 186**	**6 509 473**	5 705 263	**12,02**
Contract services	**2 911 396**	**2 914 191**	2 270 080	**28,25**
Other	**3 941 631**	**4 106 269**	3 444 705	**14,43**
	23 411 365	**23 981 470**	20 786 955	**12,63**
Net operating surplus	**652 619**	**113 329**	808 520	
Grants and subsidies – capital	**3 457 573**	**3 701 702**	2 194 505	
Grants-funded assets financed from reserve	**(632 276)**	**(609 535)**	(522 907)	
Surplus	**3 477 916**	**3 205 496**	2 480 118	
Appropriation and taxation	**(2 833 982)**	**(2 905 385)**	(1 644 424)	
Net result	**643 934**	**300 111**	835 694	

For more detailed information on the City's 2012/13 financial performance, refer to the full 2013 Annual Integrated Report or visit www.capetown.gov.za http://www.capetown.gov.za/reports.

Fiscal prudence has helped ensure that the City spent almost 93% of its capital budget in the 2012/13 financial year.