

THE CITY OF CAPE TOWN ANNUAL REPORT

Executive
Summary
Review

2011/12



CITY OF CAPE TOWN | ISIXENKO SASAKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU

HUMAN SETTLEMENTS



PUBLIC TRANSPORT



ENERGY EFFICIENCY

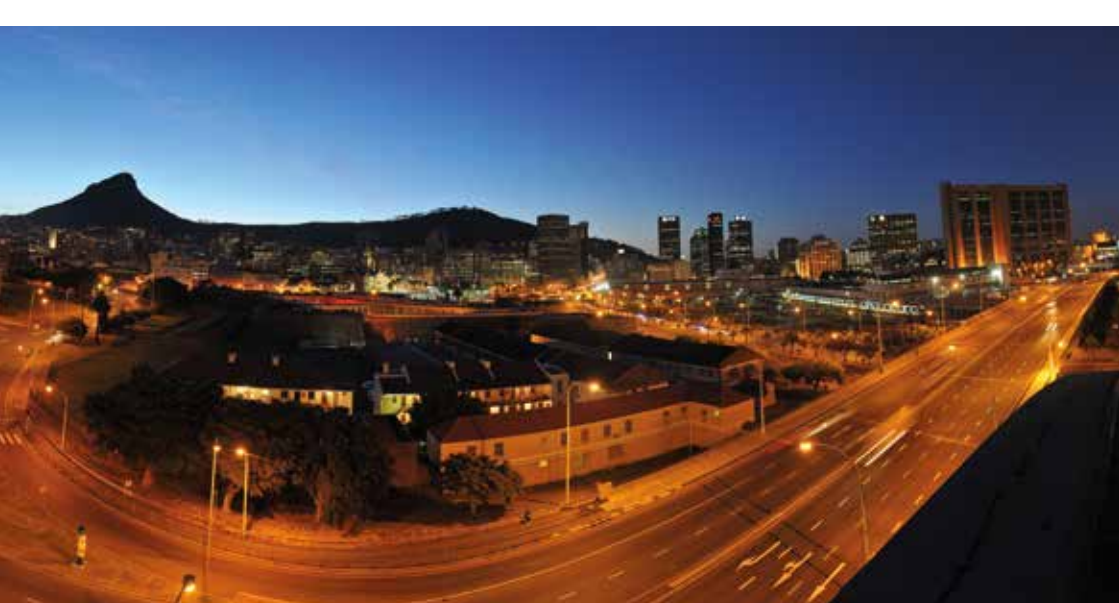


SUSTAINABLE URBAN
INFRASTRUCTURE AND SERVICES



SHARED ECONOMIC
GROWTH





- 2 MESSAGE FROM THE EXECUTIVE MAYOR**
- 3 CITY MANAGER'S STATEMENT**



- 4 OVERVIEW OF THE CITY OF CAPE TOWN**



- 8 REVIEW OF THE 2011/12 FINANCIAL YEAR**
- 10 STRATEGIC FOCUS AREA 1 – SHARED ECONOMIC GROWTH AND DEVELOPMENT**
- 12 STRATEGIC FOCUS AREA 2 – SUSTAINABLE URBAN INFRASTRUCTURE AND SERVICES**
- 14 STRATEGIC FOCUS AREA 3 – ENERGY EFFICIENCY FOR A SUSTAINABLE FUTURE**
- 16 STRATEGIC FOCUS AREA 4 – PUBLIC TRANSPORT SYSTEMS**
- 18 STRATEGIC FOCUS AREA 5 – INTEGRATED HUMAN SETTLEMENTS**
- 20 STRATEGIC FOCUS AREA 6 – SAFETY AND SECURITY**
- 22 STRATEGIC FOCUS AREA 7 – HEALTH, SOCIAL AND COMMUNITY DEVELOPMENT**
- 24 STRATEGIC FOCUS AREA 8 – GOOD GOVERNANCE AND REGULATORY REFORM**



- 26 SUMMARISED REPORT BY THE CHIEF FINANCIAL OFFICER**

MESSAGE FROM THE EXECUTIVE MAYOR



The year 2012 saw Cape Town continuing to cement its position as the best-run metro in South Africa

The year 2012 saw Cape Town continuing to cement its position as the best-run metro in South Africa. The City has received its ninth consecutive unqualified audit, and is nationally recognised for its prudent and sustainable financial management.

Since taking office in July 2011, my Executive Management Team and I have focused intently on delivering and, where possible, exceeding the mandate given to us by the people of Cape Town. By working steadfastly towards the achievement of the strategies as set out in the Integrated Development Plan (IDP), we have achieved significant successes over the past 12 months.

The work being done across the City has also resulted in numerous national and international accolades and awards, all of which serve as evidence of the fact that this City really is working for you, and is succeeding in building Cape Town into the African city of the future, today.

We know that there remains much work to be done, but the foundations have been laid on which we can now continue to work – in partnership with all the people, businesses and stakeholders of Cape Town – to create the city we all desire.

P. de Lille

Alderman Patricia de Lille

Executive Mayor



Your support,
understanding and
trust is what allows the
City of Cape Town to
continue performing as
one of the leading local
administrations in
South Africa

The City of Cape Town's annual report for the 2011/12 financial year offers insight into this administration's commitment to provide the infrastructure, services and environment that will over time enable all the people of Cape Town to achieve their aspirations.

For those of us who are employed by the City, and have the privilege of working for the people of Cape Town, this report is an honest, transparent and auditable means of measuring our own performance, learning from what we have achieved over the past 12 months, and identifying areas of our delivery that may require further attention in the coming year.

We know that, as an administration, we are only as strong as our weakest link. That is why we are committed to working together, as a cohesive team, to keep building on the exceptional reputation that our beautiful city has earned as one of the leading places in the world to live, work and visit.

My sincere thanks go to our Council, the Executive Mayor, Alderman Patricia de Lille, the Mayoral Committee, the City's Executive Management Team, and all the people of Cape Town whose support, understanding and trust enable us to continue performing as one of the leading local administrations in South Africa.

A stylized, handwritten signature in black ink, belonging to Achmat Ebrahim. The signature is fluid and cursive, with a prominent initial 'A'.

Achmat Ebrahim
City Manager

OVERVIEW OF THE CITY OF CAPE TOWN





The CTSDF is
fundamental to the
City's achievement
of its sustainability
objectives

OVERVIEW OF THE CITY OF CAPE TOWN

Cape Town's vast natural and cultural heritage and attractions make it the most visited tourist destination in all of Africa and have contributed to it becoming South Africa's third-largest economic hub and a vital driver of African and South African economic growth and development.

Against this backdrop, the City of Cape Town has a vision to create a more inclusive society by working towards greater economic freedom for all people. This requires an increase in opportunities by creating an economically enabling environment, in which investment can be optimised and jobs can be created. To achieve this going forward, the City of Cape Town will build on the strategic focus areas it has identified as the cornerstones of a successful and thriving city and which form the foundation of its five-year Integrated Development Plan.

STEPS TAKEN TO MOVE THE CITY FORWARD

The Cape Town Spatial Development Framework (CTSDF) – this was approved by Council on 28 May 2012. Key focus areas of the CTSDF include managing growth and land use changes in the city, and ensuring that urban growth happens in a sustainable, integrated and equitable manner. For more details on the CTSDF, visit www.capetown.gov.za/en/SDF.

A new, single Cape Town Zoning Scheme (CTZS) – this unified zoning scheme, adopted by the City in the period under review, will introduce new zoning tools and mechanisms to make land use control more effective, and to streamline administrative procedures. For more detail on the new CTZS, visit <http://www.capetown.gov.za/en/planningandbuilding/Pages/UCZS.aspx>.

Drafting of a municipal planning bylaw – The City approved this process that, when finalised, will improve on procedures and decision-making mechanisms while addressing inefficiencies in the current laws.

The Cape Town Densification Policy – adopted by the City in 2011/12, this policy aims to improve the City's efficiency and sustainability as well as enhance the quality of the built environment through appropriate densification processes and approaches.

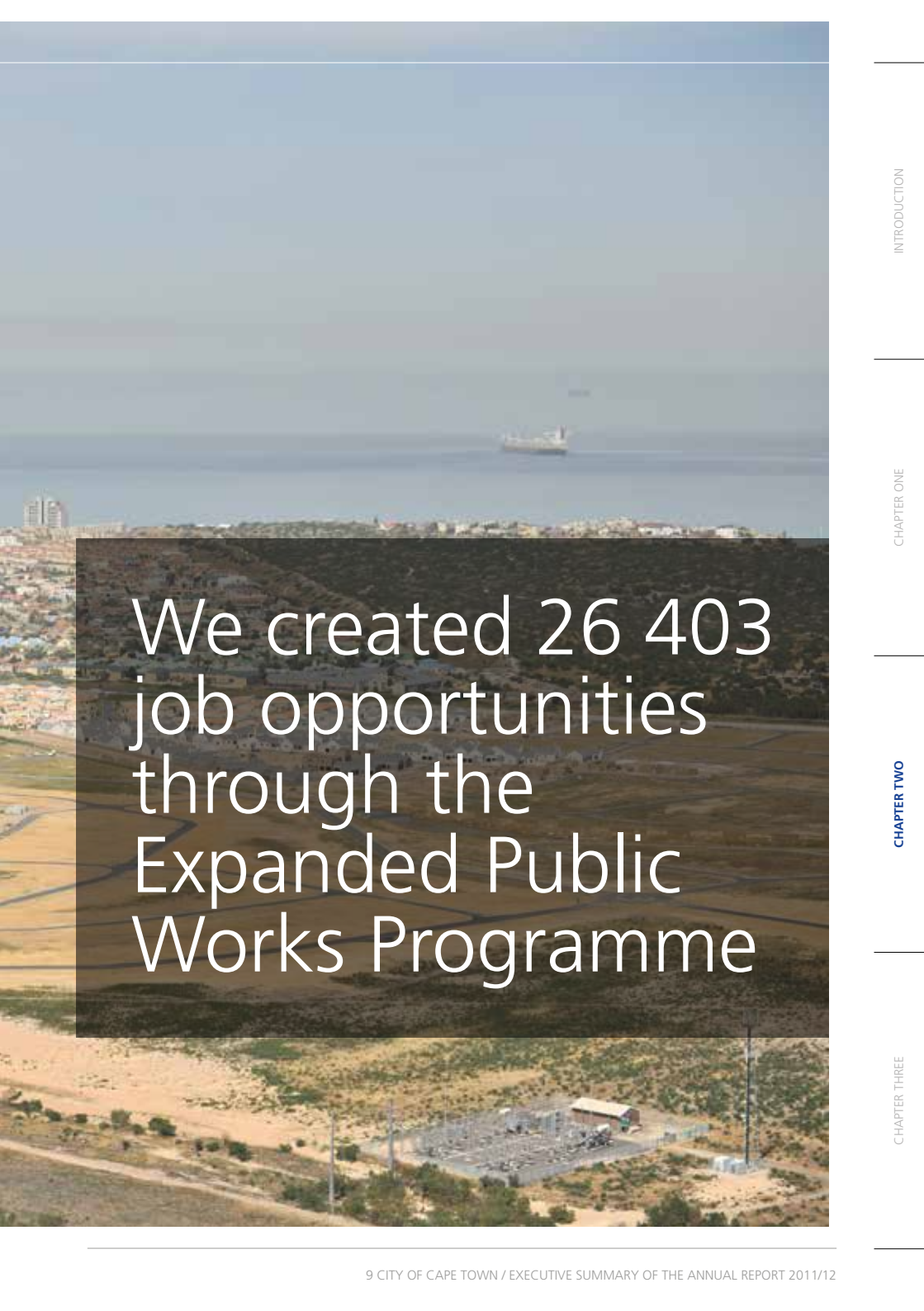
INTEGRATED REPORTING

The 2011/12 Annual Report is the second in which the City has consciously attempted formally to align its reporting more closely with its integrated operational and strategic approach. To this end, the report attempts not only to provide information on the City's financial performance, but also to outline its achievements and challenges around all its identified material sustainability issues.









We created 26 403
job opportunities
through the
Expanded Public
Works Programme

SFA 01

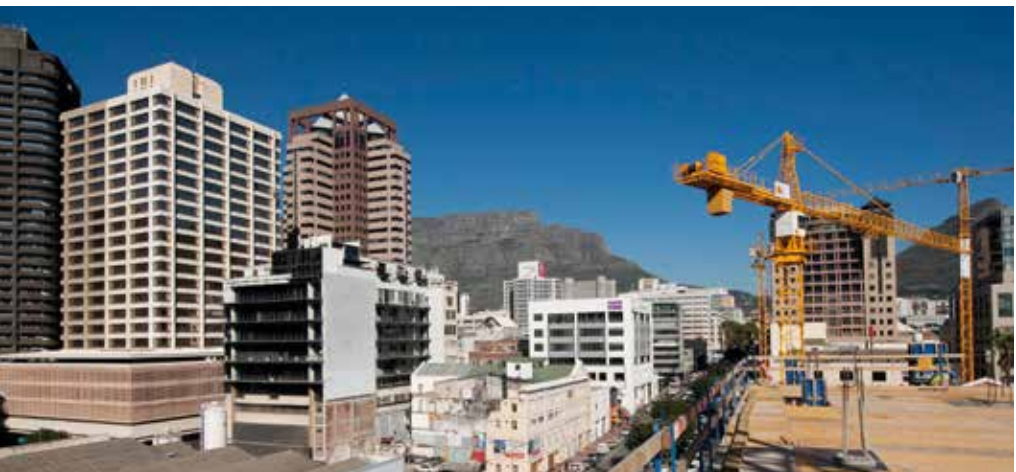
Shared economic growth and development

HIGHLIGHTS OF 2011/12

- Created 26 403 job opportunities through the Expanded Public Works Programme (EPWP)
- Cape Town Spatial Development Framework (CTSDF) approved by Council on 28 May 2012
- City of Cape Town Draft Economic Development Strategy completed
- Spent 92,8% (R4,233 billion) of the City's budgeted capital

The City remains committed to planning for employment and supporting economic growth by responding appropriately to the spatial needs and requirements of the economic sectors that are attracted to, and function within, Cape Town. To this end, it is working to harness public investment and generate job creation and development opportunities. It has also prioritised investment in the improvement of its public transport systems and transport linkages to facilitate more convenient and affordable access to employment opportunities, natural resources and social amenities.

The City has undertaken to complete an Economic Development Strategy (EDS) that will inform its development plans and actions at a strategic and policy level while identifying economic strengths, weaknesses and opportunities. The EDS will be developed in line with the City's layered approach to broader strategy through the five-year IDP and the 30-year proposed OneCape2040 document. This layered strategy pivots around the five pillars of creating the opportunity city, the safe city, the inclusive city, the caring city and the well-run city.



The City is committed to creating an enabling environment for economic growth and job creation.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Progress and achievements	Details on page
Working to reduce unemployment	The City continues to participate actively in the national EPWP, and created 26 403 jobs during the year under review.	17
Encouraging development	In the 2011/12 financial year 83% of land use applications and 69,32% of building development applications were finalised within agreed timeframes.	17
Promoting investment	In 2011/12, approximately R2,7 billion of investment in Cape Town was facilitated via these mechanisms.	17
Enabling entrepreneurship	The City of Cape Town has embarked on a long-term strategy known as Cape Town Activa to create an enterprise development and employment support 'ecosystem'. Through the Cape Town Activa initiative, over 75 enterprise development and employment support organisations are now jointly promoting their resources and events on the online portal www.capetownactiva.com .	17
Supporting the informal economy	The City runs programmes to facilitate productive open spaces for the benefit of emerging entrepreneurs. These also seek to maximise the use of public infrastructure for the purpose of sustainable economic production.	17
Creating a global tourism hub	The City recognises that sustainable development is needed to continue to attract both tourists and investors. Positioning Cape Town as a global 'green city' is likely to promote tourism and ecotourism and make it an attractive foreign investment destination.	19



Table Mountain is a spectacular backdrop for Cape Town, and with its inauguration as one of the New7Wonders of Nature, it will bring direct economic and socio-economic benefits to both Cape Town and South Africa.

SFA 02

Sustainable urban infrastructure and services

HIGHLIGHTS OF 2011/12

- 3 354 toilets and 277 taps installed for informal settlement residents
- 1 050 additional subsidised electricity connections installed
- Unaccounted-for water losses reduced from 22,2% to 17,1%
- Spent R1,883 billion on infrastructure repairs and maintenance
- Blue Drop score of 97,61% for drinking water quality and Green Drop score of 85% for wastewater treatment plants

During 2011/12 the City continued its commitment to providing and ensuring sustainable municipal infrastructure and services that will enable economic development and equitable access to basic services for all citizens of Cape Town. Integral to this commitment is the effective and integrated management of all City assets. During 2011/12 the City made progress towards the finalisation of its integrated asset management plans (IAMPs) and all Utility Services departments prepared and formalised first-stage asset management plans.

The year under review also saw numerous utility and infrastructure services provided to many of the City's greenfield developments. While this was often at the expense of necessary maintenance and upgrades of infrastructure services in existing urban areas, the majority of the City's capital budget for 2012/13 has been allocated to infrastructure development, such as utility services, transport, roads and stormwater.



The City scored 85% for wastewater treatment plants.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
Adding value through free basic services	The City continues to provide free basic services, such as refuse removal, water, sanitation and rates assistance, to Capetonians. The allocation of these free basic services is determined by means of either the municipal value of the property, or on application.	24
Delivering sustainable electricity services to the people of Cape Town	During 2011/12 in its efforts to meet the energy needs of a growing Cape Town population, the City focused on: <ul style="list-style-type: none"> • Saving electricity and enhancing safety • Network infrastructure and development • Enhancing customer service • Assistance to residents and businesses to save electricity 	27
Sustainable water provision and wastewater management	Key priorities for the City remain the sustainable provision of water and effective wastewater management strategies. During the 2011/12 financial year, delivering on these priorities included a focus on: <ul style="list-style-type: none"> • Reducing water demand and wastage • Water and wastewater infrastructure maintenance • Giving all people access to water • Conserving the city's water • Ensuring water quality 	29 – 31
Effective waste management	In 2011/12 the City built on its established effective waste management processes through: <ul style="list-style-type: none"> • Public/private partnerships • Saving further landfill space • Providing waste removal services to all citizens 	32 – 34



The City continues to provide free basic services such as water and area cleaning.

Energy efficiency for a sustainable future

HIGHLIGHTS OF 2011/12

- Maintained citywide electricity consumption at 2007 levels

The City of Cape Town continues to prioritise delivery against the basic needs of the community and the promotion of the social and economic development of Cape Town, its people, and its natural heritage.

Due to a combination of factors, including a lack of growth during the recession, the effect of tariff increases, and the positive impact of the City's electricity savings campaigns, a clear reduction in the electricity intensity of the city's economy has been achieved in recent years. In fact, citywide electricity consumption is still at 2007 levels, with 2011/12 consumption 13,2% below the BAU baseline.



Protecting Cape Town's unique economic and social asset – its natural environment – is a priority for the City of Cape Town.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
Energy efficiency in City operations	During the period under review, detailed audits and energy efficiency retrofits of four of the City's large administration buildings were completed. The City has also retrofitted 44 of its clinics with solar water heaters, and is currently undertaking a lighting retrofit of 5 000 lights in another 14 City buildings, including libraries, clinics, workshops and administrative buildings.	36
Retrofitting street and traffic lights	In the 2011/12 financial year, the City retrofitted 14 291 street light luminaires, which amounts to an energy saving of 1 726 MWh and carbon reduction of 1 720 tons of carbon-dioxide-equivalent (tCO ₂ e) per year. The City has also retrofitted 42 333 traffic light luminaires with light-emitting diodes.	36
Campaigning for electricity savings	The City's electricity savings campaign aims to achieve a 25% to 40% reduction in electricity consumption across all of Cape Town's mid-income to high-income households as well as commerce across Cape Town.	36 – 37
Education	During the year under review the City hosted an energy efficiency educational programme. The City's <i>Smart Living Handbook</i> also continues to deliver positive results.	37
Climate Smart campaign	In 2011 the City of Cape Town was instrumental in setting up the Cape Town Climate Change Coalition and its associated Climate Smart Cape Town campaign aimed at informing and influencing city leaders and residents about climate change issues.	37



The City has retrofitted several of its buildings, street lights and traffic lights in an effort to save electricity.

Public transport systems

HIGHLIGHTS OF 2011/12

- MyCiti rolled out further – with a focus on special-needs passengers and universal access
- Launch of Travel SMART programme
- Increased safety at public transport interchanges
- Dedicated public transport lanes reintroduced
- Non-motorised transport (NMT) network extending across Cape Town

The City's vision for transport in Cape Town is that it should become a cycle-friendly and pedestrian-friendly city with a well-connected network of NMT infrastructure providing the opportunity for residents and visitors to walk, cycle or skateboard safely to their destinations. The year under review saw a number of citywide NMT projects being designed, constructed or put out to tender.

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



The City's sustainable transport initiatives include an NMT network that provides safe transport for pedestrians, cyclists as well as the MyCiti bus service.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
Growing MyCiTi service to serve all Capetonians	The City introduced its myconnect card to provide commuters with a faster and more convenient way of using the MyCiTi public transport system. MyCiTi is leading the way internationally on universal transport access, which includes access for the disabled; the elderly; young children; passengers with large suitcases, surfboards or prams; pregnant women; and even women travelling alone at night.	41
Encouraging sustainable transport choices	The City's launch of its Travel SMART programme is aimed at encouraging Capetonians to choose more sustainable transport options. A primary focus is convincing commuters to leave their cars at home, particularly when travelling to and from work.	42
Dedicated public transport lanes	As a first step towards investing in more sustainable transport options the City has reintroduced its focus on giving public transport vehicles priority on Cape Town commuter routes via a system of enforced public transport lanes.	43
Ensuring commuter safety	The City has launched a new specialist law enforcement unit to improve the safety of commuters and enhance their public transport experience. The Transit Unit comprises 30 dedicated law enforcement officers who operate at three of the city's major public transport interchanges.	43
Improving Cape Town's stormwater systems	The City has embarked on a project to improve the quality of stormwater that is collected and channelled into the oceans surrounding Cape Town. A pilot project was initiated to test technologies to disinfect or divert polluted stormwater before it enters the sea.	44



The City introduced its myconnect card to provide a faster and more convenient service to commuters.



MyCiTi is leading the way internationally on universal transport access, which includes access for bicycles, prams, wheelchairs as well as tactile paving to help the blind.

Integrated human settlements

HIGHLIGHTS OF 2011/12

- 7 141 housing opportunities provided
- 3 132 community parks maintained to agreed standards
- 68 libraries operated according to minimum set operating hours
- Maintained 160 community centres to agreed standards

The City utilises the full basket of national housing programmes and subsidies, and continues to seek ways to create more opportunities whereby more stakeholders can join as partners in addressing the urbanisation and concomitant human settlements challenge. An integrated approach to housing delivery is followed to ensure social cohesion and a living environment that not only provides living space, but also all other required amenities.

Despite a number of challenges, the City created 7 141 housing opportunities during the year under review and acquired a further 63,2 ha of land for future housing purposes.

The City's urbanisation framework includes the development of an urbanisation strategy and implementation plan to inform decision making about how alternative and innovative service delivery and sustainable development models can be developed and receive allocated financial resources.



Delivering housing opportunities in accordance with the five-year housing plan is a key objective for the City.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
ISIS a world first for City of Cape Town	The City of Cape Town achieved a world first by going live with its exclusively developed Integrated Spatial Information System (ISIS) – an integrated property data management system that allows for better management of all transactions relating to the various properties or land parcels located within the municipal area.	48
Backyarder service programme	The City's backyarder service programme continues to provide families living in the backyards of the City's rental stock with improved access to municipal services, including an enclosed concrete structure that houses a toilet, tap, washing trough and electricity connection.	49
Municipal housing accreditation	On the back of its level 1 and 2 housing accreditation, the City concluded an implementation protocol and deed of delegations to formalise its administration of all national and provincial housing programmes in Cape Town. The City has commenced the process of applying for level 3 assignment.	49
Upgrade of rental stock	The City continued to upgrade its rental stock as part of phase 1 of the community residential unit upgrade programme.	50
Helping to address poverty and underdevelopment through the urban renewal programme	A number of social and infrastructure development initiatives were undertaken in the two pilot areas of Khayelitsha and Mitchells Plain.	52
Equitable provision and maintenance of community facilities	The City uses an integrated community facility provision map as well as targeted facility usage and needs studies to prioritise the provision of community facilities across Cape Town. Various sport and recreation facilities were upgraded, and the City continued its focus on making reading more accessible to all through its library programmes.	53 – 56



City libraries provide citizens with access to information, entertainment and education.

Safety and security

HIGHLIGHTS OF 2011/12

- 22% increase in arrests for drug-related crimes
- 82% of fire incidents responded to within 14 minutes
- Action plan to tackle drug and alcohol abuse

The City is committed to ensuring a safe and secure environment for all Cape Town's residents and visitors. It achieves this by combating crime and disorder, reducing vehicle speed and accidents, improving response time to emergency fire calls and reducing disaster risk. The objectives and priorities of the City's policing departments are set out in the overarching Law Enforcement Plan, which includes the Metro Police's legally required Annual Police Plan.



The Safety and Security Directorate is committed to ensuring a safe and secure environment for all City residents.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
Combating crime and disorder	During the period under review 112 492 citations were issued for bylaw offences across the city. Significant results were also achieved in the combating of illegal land invasions. The Problem Building Unit was launched while the Vice Squad played a vital role in combating human trafficking.	58
Cracking down on gangs	The Gang Unit was established in December 2011. From its launch up until May 2012, the Unit arrested 26 confirmed gang members while a further 82 arrests were made at suspected gang-run drug-dealing premises.	59
Combating drug and alcohol abuse	The Metro Police Department has continued clamping down on the illegal drug and alcohol trade across the city. In 2011/12 the Department exceeded its arrest target for drug-related crime, with 1 781 such arrests made.	59
Working together	The City has built on its partnership-driven approach through, amongst others: <ul style="list-style-type: none"> its externally funded member programme with the private sector; ongoing neighbourhood watch assistance; and a school resource officer programme. 	59
Traffic services	In 2011/12 more stringent traffic policing legislation resulted in a reduction in fatalities caused by accidents and crashes on the city's roads. Traffic Services recorded 1 678 939 offences and made 34 191 arrests.	60
Emergency services	The City's Emergency Services responded to, and dealt with, 36 956 emergency incidents. Various programmes were also implemented to educate at-risk communities on fire and life safety.	60



Education and training programmes form an important part of the Safety and Security Directorate's services to Cape Town.

SFA 07

Health, social and community development

HIGHLIGHTS OF 2011/12

- Limited air pollution
- Reduced antenatal HIV to 9,9%
- Slowed the rate of increase in tuberculosis
- Implemented 25 targeted development programmes
- Opened eight new community recreation hubs

The City operates according to a service level agreement that 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.



The 'Get Tested' campaign is ongoing with numerous outreaches citywide.

READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
Improving air quality	During the year under review, the number of days on which air pollution in Cape Town exceeded World Health Organisation (WHO) guidelines was 125 – against a stated target of 133 days.	62
Continuing the fight against HIV/Aids and TB	The City has maintained its previously achieved reduction in the prevalence of antenatal HIV which is at 9,9%. The tuberculosis (TB) rate of increase per 100 000 residents continued to slow, reaching a figure of approximately 742, which is significantly better than the target of 1 120.	63
Combating substance abuse	The outpatient substance abuse treatment centres at Tafelsig, Table View, Delft South and Town 2 clinics continued to do excellent work among sufferers of substance abuse from surrounding communities. Together, these centres assisted 1 328 new clients.	63
Community development through sport, recreation and library programmes	Community development programmes continue to be offered at many City sports fields, community recreation centres, multipurpose centres, parks and libraries. A total of 39 sport and recreation partnerships were established during the past financial year – further promoting the development of sport and recreation across the city.	63 – 64
New recreation hubs	The City opened an additional 18 recreation hubs. These community facilities focus on implementing a variety of sport and recreation activities for at least five days a week.	64



Providing community facilities like sports fields promote healthier lifestyles and help strengthen the social fibre of households and communities.

Good governance and regulatory reform

HIGHLIGHTS OF 2011/12

- Ninth consecutive unqualified audit opinion from the Auditor-General of South Africa
- Maintained City's credit rating of Aa2.za/P-1.za for seventh consecutive year
- Spent 92,8% of capital budget
- Spent 103,89% of workplace skills plan budget

The City is one of the first municipal entities in South Africa to have taken several important measures to ensure sound corporate governance. In 2011/12, for the ninth consecutive year, the City of Cape Town received an unqualified audit opinion from the Auditor-General of South Africa, confirming its continued compliance with the required legal accounting frameworks for government as well as all financial legislative requirements. The City's continued positive credit rating also reflects its ability to repay both its long- and short-term liabilities.



READ MORE ABOUT IT IN THE 2011/12 ANNUAL REPORT

Actions and objectives	Aims and achievements	Details on page
Adding value through the Internal Audit Department	The City's Internal Audit Department remains a significant contributor to governance within the organisation. The Department developed a combined assurance framework to provide a coordinated approach to all assurance activities. It also implemented various audit techniques to enhance the value added to the organisation.	67
Maximising the value of the City's human resources	The City's Human Resources function continued to contribute to enhanced service delivery through efficient institutional arrangements and high employee morale. The successful e-HR programme provided line managers with integrated electronic tools to manage automated HR business processes and employee applications, as well as the ability to track these to identify bottlenecks and ensure accountability.	69
Employment equity	The City is in the middle of its five-year Equity Plan (2010–2015), and has agreed on a consultative structure for employment equity, training and development matters with its various trade unions. Affirmative-action measures include management and inclusion of people with disabilities, empowerment of women, and monitoring the implementation of workplace skills plans and personal development plans of all staff in all directorates.	70
Communication	The year under review saw a number of successful integrated communication initiatives that showcased specific aspects of service delivery and marketed the City of Cape Town positively.	74
Information and technology	The City remains at the forefront of technological advancement and introduced a number of online facilities to enable citizens to transact with it electronically. Construction also started on the expansion of the City's primary data centre, which will improve information security. The first phase of the City's broadband optic fibre network was commissioned, the provision of which will help to further enhance service levels even further.	74
Specialised Technical Services	This enabling department continues to provide services, consultancy and advice to all City line directorates to enable them to achieve their service delivery goals. The Department spent 97,21% of its capital budget and achieved a score of 97,30% in the asset verification process for the 2011/12 financial year.	75
Customer relations	The City's corporate call centre answered 926 051 calls during the period under review. The City has now installed a total of 57 FreeCall lines across Cape Town to enable better engagement and communication with citizens and enhanced service delivery.	76
Continued improvement in community survey results	The results of the 2011/12 Community Satisfaction Survey showed that the City continues to improve in the eyes of its customers. A total of 63% of residents said that, overall, the City of Cape Town's performance was good, very good or excellent (up from 62% in 2010/11). Of the businesses surveyed, 84% said that, overall, the City of Cape Town's performance was good, very good or excellent (up from 80% in 2010/11).	76 – 79

SUMMARISED REPORT BY THE CHIEF FINANCIAL OFFICER

The City of Cape Town performed well over the past year despite the still challenging economic backdrop. Cash flow remained strong and the overall financial results again demonstrated the City's commitment to supporting social infrastructure investments, the demand for which continues to outstrip City resources.

The overall summarised operating results for the City of Cape Town for the 2011/12 financial year are shown below and are compared to the approved budget for the same period.

The statement of financial performance reflects a summary of income and expenditure, while the segmental operating results per service are available in appendix C to the consolidated annual financial statements.

	2012		2011	2011 – 2012
	Actual R'000	Budget R'000	Actual R'000	Growth %
Revenue				
Property rates	4 706 641	4 697 744	4 524 363	4,03
Service charges	12 112 884	12 223 909	10 493 553	15,43
Grants and subsidies – operating	1 626 991	1 750 358	1 385 536	17,43
Fuel levy	1 637 276	1 637 276	1 510 960	8,36
Other	1 544 891	1 385 879	1 375 534	12,31
	21 628 683	21 695 166	19 289 946	12,12
Expenses				
Employee benefits	6 955 786	7 042 977	6 184 573	12,47
Impairment costs	847 513	1 056 640	799 494	6,01
Net depreciation and amortisation expenses – see note 33	871 927	904 526	799 433	9,07
Finance costs	683 166	766 497	719 170	(5,01)
Bulk purchases	5 705 263	5 697 676	4 620 165	23,49
Contract services	2 270 080	2 368 007	2 081 964	9,04
Other	3 444 705	3 497 774	3 099 014	11,15
	20 778 440	21 334 097	18 303 813	13,52
Net operating surplus	877 417	361 069	986 133	
Grants and subsidies – capital	2 194 505	2 343 192	1 330 653	
Grant-funded assets financed from reserve	(522 907)	(482 095)	(484 249)	
Surplus	2 521 841	2 222 166	1 832 537	
Appropriation and taxation	(1 644 424)	(1 699 854)	(683 285)	
Net result	877 417	522 312	1 149 252	

FINANCIAL RESULTS IN BRIEF

Over the past year consolidated revenues increased by 12,12% to R21,63 billion. Service charges grew by 15,43% and were the most significant contributor to revenues.

Consolidated operating expenses increased by 13,52% to R20,78 billion. Repairs and maintenance expenditure for the year was R1,89 billion (2011: R1,71 billion) and constituted the major portion of contracted services. The City does not intend to cut back on repairs and maintenance programmes, as these are critical to the preservation of assets and continued service delivery.

The City reported a net operating surplus of R877,42 million (2011: R986,13 million) against a budgeted surplus of R361,07 million.

For more detailed information on the 2011/12 City of Cape Town Consolidated Financial Statements, refer to the full 2011/12 Annual Report or visit www.capetown.gov.za <http://www.capetown.gov.za/reports>.



SHARED ECONOMIC GROWTH

SUSTAINABLE URBAN
INFRASTRUCTURE AND SERVICES

ENERGY EFFICIENCY

PUBLIC TRANSPORT

HUMAN SETTLEMENTS

SAFETY & SECURITY

HEALTH, SOCIAL AND
COMMUNITY DEVELOPMENT

GOOD GOVERNANCE

City of Cape Town
Annual Report 2011/12
Executive Summary Review

GOOD GOVERNANCE



HEALTH, SOCIAL AND
COMMUNITY DEVELOPMENT



SAFETY & SECURITY



CITY OF CAPE TOWN | ISIXEKO SASAKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU