



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

CITY OF CAPE TOWN



INTEGRATED ANNUAL REPORT

2023/24

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ISIXEKO SASEKAPA
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Making progress possible. Together.



CITY'S INTEGRATED ANNUAL REPORT (IAR) RECOGNIZED AS THE BEST IN SOUTH AFRICA

The City has earned exceptional recognition for its 2022/2023 Integrated Annual Report (IAR). At the recent Johannesburg Stock Exchange (JSE) Annual Integrated Reporting Awards (November 2024), the City was honoured with the award for the best IAR in the public sector in South Africa. Additionally, at the South African Publication Forum Awards, the same report was recognized as the Best Annual Report in the country, scoring an impressive 90.25%.

These accolades reflect the City's ongoing commitment to excellence in transparency and reporting. In early 2022, a previous edition of the IAR was evaluated against both local and international standards to identify areas for improvement. These insights were then applied to produce a report that is concise, reliable, and comprehensive, effectively illustrating how the City creates value for its stakeholders as a municipal government.

At the JSE Awards, the IAR was assessed according to the International Integrated Reporting Framework, with judges evaluating key areas such as presentation, strategy, performance, governance, and sustainability.

This achievement highlights the City's commitment to clear, transparent communication, particularly in light of the growing emphasis on sustainability and climate-related disclosures.





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MAKING PROGRESS
POSSIBLE.

TO
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ANNUAL REPORT 2023/24

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1. ORGANISATIONAL OVERVIEW AND EXTERNAL ENVIRONMENT

1.1 VISION

Having endured the injustices and oppression of apartheid, the people of South Africa were jubilant when the country's new democracy dawned. But today, many still face the challenges of poverty and unemployment, and the fear of violent crime.

The City of Cape Town's vision is for Cape Town to be a city of hope for all – a prosperous, inclusive and healthy city where people can see their hopes of a better future for themselves, their children and their community become a reality.

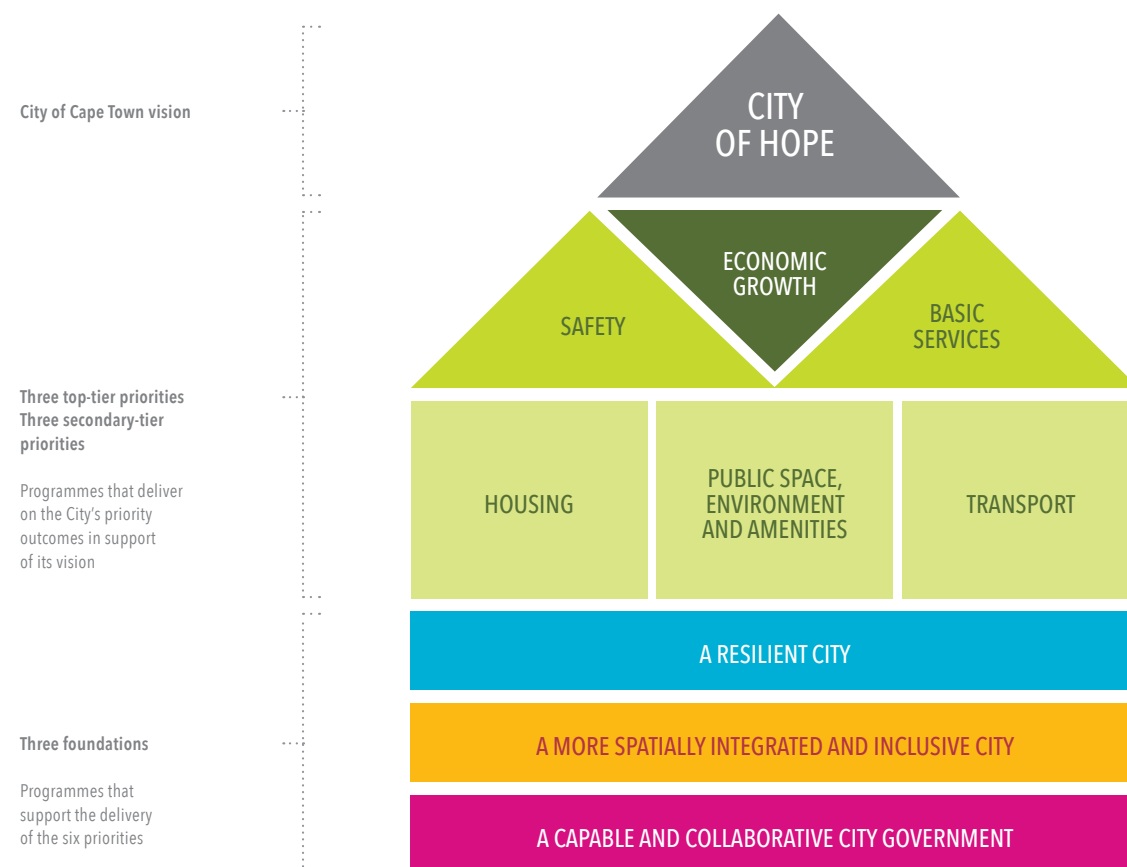
As a dedicated and determined local government, the City is working to create an environment that fosters faster and more far-reaching economic growth, leading to more Capetonians having the opportunities they need to lift themselves out of poverty. This is the top priority that underpins everything we do.

Our aim is to make Cape Town a shining example of what is possible in South Africa when people and organisations

work together. We strive to create a city where people's life chances are steadily improving and poverty is eradicated; a city where each citizen feels secure, knowing that their government is capable and accountable in delivering the basics. We envision a city built on good governance, where the economy can flourish and bring investment and jobs; a city that is free of public infrastructure failure and corruption.

To fulfil our vision for Cape Town, we know that we must provide the foundation necessary to improve people's lives. We must use the public resources entrusted to us to create a city that is more caring, inclusive, prosperous, united, respectful, safe and free.

The following diagram depicts the City's key focus areas up until 2027. We have prioritised six areas in particular, the most important being economic growth to reduce poverty. These priorities, in turn, rest on three essential foundations for realising our goal of making Cape Town a city of hope.



The IDP strategic plan, comprising priorities and foundations that all support the vision of creating a city of hope

"OUR AIM IS TO MAKE CAPE TOWN A SHINING EXAMPLE OF WHAT IS POSSIBLE IN SOUTH AFRICA WHEN PEOPLE AND ORGANISATIONS WORK TOGETHER."

1.2 VALUES AND ETHICS

The City has adopted the following five core values that reflect its organisational priorities in line with the Integrated Development Plan 2022-2027. These values inspire the culture of a city of hope and provide a consistent point of reference to inform our behaviours, decisions and outcomes.

We are committed to meaningful engagement, while tackling any challenges with a proactive, can-do attitude. Our focus also extends to exceeding customer expectations by implementing fit-for-purpose business processes and intuitive systems.

To achieve effective service delivery, we emphasise cooperation across all levels of our organisation. Our entire

staff is aligned with our five core values, which are further reinforced by our adherence to the City Ethics Code. This code serves as a guide, defining our organisational objectives and principles of good conduct.

All Council policies and practices have also been formulated to ensure ethical behaviour and decision-making in the work environment. This helps us maintain an organisational culture that places sound ethical values, principles and responsibilities at the forefront of the City's strategies and operations. Moreover, the City annually measures residents' level of trust in our organisation, and uses the results as a motivator to keep on improving.

THE VALUES



CARING



ACCOUNTABILITY



OPENNESS AND
TRANSPARENCY

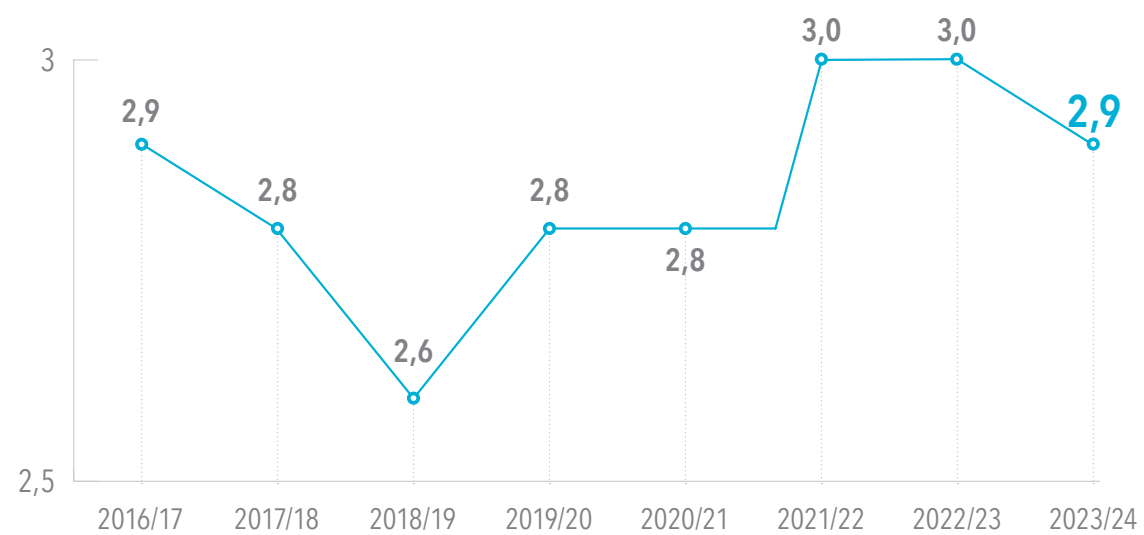


INNOVATION



SERVICE
EXCELLENCE

TRUST IN THE CITY



Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent



1.3 MESSAGE FROM THE EXECUTIVE MAYOR



Halfway through this five-year term of office, it is encouraging to take stock of how far we've come on our mission of building a city of hope for all who live in Cape Town. This report summarises our progress over the past financial year, painting a picture of a city government in step with the needs of its residents and geared for a rapidly changing future.

However, this would not be possible if we weren't able to spend public money correctly, transparently and in accordance with the law. It was of great significance that for the 2023/24 financial year, Cape Town again received a clean audit from the Auditor-General – again the only metro to have done so. Described in the Auditor-General's report as “a pocket of excellence”, the City of Cape Town continues to set the benchmark for local government in South Africa.

We also continue to raise the bar when it comes to investment in our city's public infrastructure, with each new capital expenditure budget of this term of office shattering the previous year's record. At R39,5 billion, our infrastructure budget for this current three-year medium-term framework is larger than that of the three Gauteng metros combined. We're spending these record amounts for a good reason: Ours is the fastest-growing metro in the country, and we are determined to face the future prepared.

With those mega-budgets, we're expanding and replacing Cape Town's water and sanitation network, expanding and maintaining our electricity grid, securing our long-term independence from Eskom, rolling out the world-class MyCiTi bus service to even more areas, ramping up the delivery of affordable housing across town, augmenting national police services with our own law enforcement officers and technology, and keeping our city's public spaces clean and healthy.

We're also working hard to attract new investment to Cape Town, as well as making it as easy as possible to operate a business here. Our annual Ease of Doing Business Index tracks these efforts across ten critical indicators as a way of holding ourselves publicly accountable. The success of

these interventions are evident not only in the number of new investments and businesses in our city, but also in the metro's unemployment rate, which is now a full 16 percentage points below the national average.

All of these things combined – our clean and accountable governance, our massive investment in infrastructure, our resolute focus on the future, and our active measures to enable business, attract investment and create jobs – have put this metro on a path to success.

Bit by bit, project by project, we are building a city of hope for every Capetonian. But importantly, we are also demonstrating to South Africans elsewhere what this hope looks like, and how it can be achieved. Given the new life that has been breathed into our national government under the Government of National Unity, Cape Town is showing what can be done in South Africa.

I want to thank each and every member of Team Cape Town for making this possible. Every milestone detailed in this integrated annual report is a testament to the commitment and hard work of thousands of men and women who contribute to the City of Cape Town's amazing success story. These efforts to serve Capetonians every day with empathy and integrity make me proud to be part of this team.

GEORDIN HILL-LEWIS
Executive Mayor

“BIT BY BIT, PROJECT BY PROJECT, WE ARE BUILDING A CITY OF HOPE FOR EVERY CAPETONIAN. BUT IMPORTANTLY, WE ARE ALSO DEMONSTRATING TO SOUTH AFRICANS ELSEWHERE WHAT THIS HOPE LOOKS LIKE, AND HOW IT CAN BE ACHIEVED.”

**TO
GET
HER.**

1.4 STATEMENT BY THE CITY MANAGER



I am honoured to present the City of Cape Town's integrated annual report for the 2023/24 financial year. This report demonstrates the City's commitment to transparency, openness, accountability and sustainable development, and adheres to the International Integrated Reporting Framework and the King IV Report on Corporate Governance for South Africa. It offers a comprehensive view of our performance and strategic direction, aligning with global best practices.

Over the past year, we have achieved notable progress in several key areas, including the following:

- ✓ **Economic growth:** We have fostered local economic growth through initiatives that support business, improve the ease of doing business, and enable opportunities for job creation in Cape Town.
- ✓ **Safety:** Our investment in new technology solutions supports our already substantial deployment of law enforcement officers and makes our communities safer.
- ✓ **Basic services:** We are making steady progress in reducing the impact of load-shedding on Capetonians and building water resilience.
- ✓ **Infrastructure:** Our capital expenditure has been improving, and our financial investment in existing and new infrastructure has increased.
- ✓ **Transport:** The multi-year expansion of the MyCiTi bus service is progressing well and is currently the largest construction project in the Western Cape.

Our ambitious capital budget spend has been instrumental in advancing these initiatives and supporting our strategic objectives. The City's capabilities in managing procurement, contracts, engineering and programmes have matured significantly over the past five years, which has allowed us to scale our investment in infrastructure. The planned infrastructure portfolio over the next decade now exceeds R120 billion and bodes well for Cape Town's future sustainability.

The year in review also presented substantial challenges that we had to navigate. Extortionists, including the so-called 'construction mafia', affected the City's delivery of several

built-environment projects and, on occasion, hampered the delivery of basic services. Sadly, this disruptive behaviour has also claimed the lives of City staff and the staff of service providers. The City has taken a zero-tolerance approach to extortion and corruption. We have taken extraordinary steps to protect our procurement system. We also launched the Enough is Enough campaign to encourage communities to help us protect infrastructure, and we use data to manage risk on the ground.

While load-shedding eased up in the last five months of the reporting year, it was a significant challenge in the first seven. The City had to make multiple investments to improve our resilience against the national energy utility's failure to reliably provide electricity. This included protecting Cape Town's water and transport systems against the indirect implications of rolling blackouts.

We also navigated a taxi strike in August 2023 that disrupted many City services and had a knock-on effect on food logistical systems.

Yet the members of Team Cape Town delivered. Our staff are dedicated, professional and focused on delivering our vision of a city of hope. No matter the challenge, our team carries on working to grow the economy, promote growth, secure safety, and deliver dignity to the residents of our city.

I thank Executive Mayor Geordin Hill-Lewis for his leadership and ambition. The partnership between the City's political and administrative leadership serves as a model to all metropolitan governments in South Africa. Thanks also to the members of my executive management team for their support, collaboration and commitment to excellence and customer responsiveness. In addition, knowing that City

staff are critical to service delivery, I extend management's appreciation to each and every staff member for the role they played in their respective service delivery areas.

I am also grateful for the role that our residents play in enabling our collective success – whether through reporting faults that require the City's response, commenting on proposed by-laws, Integrated Development Plan amendments and our budget, paying their bills on time, or participating in winter readiness, summer safety and community cleanup campaigns. Your input matters and helps us provide for your needs.

Ultimately, municipal governance is about partnership. So, as we enter the 2024/25 financial year, I am confident that with the support of all our stakeholders, partners, agents, service providers and staff, we will overcome the challenges of the new year and achieve even greater success.

LUNGELU MBANDAZAYO
City Manager

"THE CITY HAS TAKEN A ZERO-TOLERANCE APPROACH TO EXTORTION AND CORRUPTION. WE HAVE TAKEN EXTRAORDINARY STEPS TO PROTECT OUR PROCUREMENT SYSTEM."

TOGETHER.

1.5 CITY'S BUSINESS CONTEXT

In addition to reporting on the City's progress towards its vision, this integrated annual report also offers insight into the external environment that affects the administration and its internal operating environment.

CONTEXTUAL ANALYSIS

ECONOMIC

Global inflation is set to decline between 2023 and 2025, with advanced economies estimated to meet their inflation targets sooner than emerging-market and developing economies.¹ South African inflation decreased from 6,9% to 5,9% between 2022 and 2023.² Additionally, the consumer price index decreased steadily from 5,6% in February 2024 to 5,2% in April,³ 5,1% in June, and 4,6% in July.

Despite these shifts, South Africa's economic prospects remain subdued, with an annual economic growth rate of 0,6% in 2023⁴ and projected growth of 0,8% in 2024.⁵ Finance, real estate and business services were the key contributing sectors to economic growth in 2023. Real gross domestic product (GDP) forecasts for South Africa currently are 1,3% for 2024, 1,6% for 2025, and 1,9% for 2026.⁶ Current GDP growth estimates are insufficient to adequately address poverty and inequality in the country.⁷

Other contributors to the low-growth outlook include worsening logistics infrastructure (rail, port and long-haul trucking instability), lower business confidence,

and depressed global demand, which affects exports. Geopolitical tensions, such as the two regional wars, affect medium-term economic prospects. Elevated food and fuel prices are putting pressure on households and affecting consumer spending, which is on a steady decline. Power supply challenges for households and businesses will likely persist for some time, even though in Cape Town, the City is taking measures to mitigate up to four stages of load-shedding by 2026.

However, this past year has also seen South Africa increase trade with China, broadening market access between the two countries.⁸ Additionally, in early 2024, the BRICS (Brazil, Russia, India, China, South Africa) intergovernmental organisation announced its expansion by another four nations, namely Egypt, Ethiopia, Iran and the United Arab Emirates.⁹ This expansion of the BRICS trade bloc provides opportunity for its members, provided they are able to harness it.

Total employment for Cape Town in 2023 has recovered well above pre-pandemic levels. The strict unemployment rate decreased to an annual average of 22,9% in 2023 from 27,2% in 2022, though it is still higher than prior to the pandemic (21,9% in 2019).¹⁰ Compared to 2022, the sectors that added significantly to employment growth for 2023 were the community, social and personal services sector as well as tourism. During 2023, Cape Town attracted 2,9 million visitors, including 317 000 overseas visitors in December alone, driving tourism jobs in the city.¹¹

GLOBAL CONTEXT



→ Global inflation is forecast to decline steadily from 5,9% in 2024 to 4,5% in 2025, with advanced economies returning to their inflation targets sooner than emerging-market and developing economies.

SOUTH AFRICA'S ECONOMY



→ Projected economic growth for the country is 1,3% for 2024, 1,6% for 2025, and 1,9% for 2026. Yet Cape Town typically outperforms national growth by 0,2 percentage points.

LOAD-SHEDDING ISSUES



→ Plans to protect Capetonians against up to four stages of load-shedding by 2026.

UNEMPLOYMENT RATES



→ Cape Town's strict unemployment rate declined by 4,3 percentage points from 2022 to 2023.

ECONOMIC CHALLENGES



→ Rail, port and trucking issues
→ Low business confidence and export demand
→ Geopolitical risks

HOUSEHOLD STRAINS



→ Rising food and fuel prices
→ Decline in consumer spending
→ Need for indigent support

CAPE TOWN INVESTMENT



→ R7,285 billion in property investment in 2023/24

¹ World Economic Forum. 2024. <https://reliefweb.int/report/world/world-economic-outlook-update-april-2024-steady-slow-resilience-amid-divergence#:~:text=Global%20inflation%20is%20forecast%20to,projected%20to%20decline%20more%20gradually.>

² <https://www.focus-economics.com/country-indicator/south-africa/inflation/#:~:text=Consumer%20price%20inflation%20in%20South,2022%20average%20figure%20was%206.9%25.>

³ <https://www.statssa.gov.za/?p=17275.>

⁴ https://resource.capetown.gov.za/documentcentre/Documents/City%20research%20reports%20and%20review/CCT_EPIC_Q4_2023.pdf.

⁵ International Monetary Fund, 2024, cited in https://resource.capetown.gov.za/documentcentre/Documents/City%20research%20reports%20and%20review/CCT_EPIC_Q4_2023.pdf.

⁶ Bureau for Economic Research, April 2024 (via the City's Economic Analysis Branch).

⁷ <https://www.treasury.gov.za/documents/National%20Budget/2024/review/Chapter%202.pdf.>

⁸ [https://www.globalcompliancenews.com/2023/09/09/south-africa-and-china-trade-relations-grow-stronger/.](https://www.globalcompliancenews.com/2023/09/09/south-africa-and-china-trade-relations-grow-stronger/)

⁹ [https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI\(2024\)760368#:~:text=On%201%20January%202024%2C%20BRICS,and%20the%20United%20Arab%20Emirates.](https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2024)760368#:~:text=On%201%20January%202024%2C%20BRICS,and%20the%20United%20Arab%20Emirates.)

¹⁰ Statistics South Africa, QLFS 2024.

¹¹ <https://www.capetown.gov.za/Media-and-news/Mayor%20welcomes%20Cape%20Town's%20best%20city%20to%20visit%E2%80%99%20global%20ranking.>

FINANCIAL

For the 2023/24 financial year, the City had an operating budget of nearly R60 billion and a capital budget of approximately R11 billion. Infrastructure spending for this period was R6,6 billion, with a strong focus on wastewater management, road transport, energy sources, and water management. However, the City continues to face financial strain from maintenance costs and business continuity expenses due to load-shedding.

Electricity revenue still faces challenges from both load-shedding and the increased uptake of small-scale embedded generation units by both businesses and homeowners. As the City's customers increasingly try to adapt to the insufficiencies of the national energy grid, they are also faced

with growing financial pressure as the cost of living rises. Therefore, the City is focusing on diversifying its income streams and putting in place what is required to enable international funding and attract investment.

Further ongoing priorities are to enhance operational efficiencies, adjust spending priorities within the available operating budget, and maximise available grant funding.

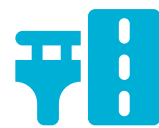
According to Moody's credit opinion, the City's operating and financial performance is resilient and improving. While debt is expected to increase in the medium term, current debt levels are comparatively low. The City has also managed to improve its financial management practices and policies, despite increased pressure to spend on infrastructure so as to address environmental, social and climate risks and bolster the structurally weak economic environment.¹²

FINANCIAL STRAIN FROM LOAD-SHEDDING



- Rising maintenance and business continuity costs
- Decline in electricity sales revenue

INFRASTRUCTURE INVESTMENT



- R120 billion, ten-year capital plan
- Challenges in external financing and cash generation

FUNDING STRATEGY



- Enhance operational efficiencies
- Revenue growth capped at consumer price index
- Maximise grant funding

POSITIVE MOODY'S RATING



- Excellent management practices validated
- Lower interest rates on debt
- Strong financial metrics expected

CRIME

Crime in Cape Town remains higher than the national average. In recent years, the City's construction projects have increasingly become targets of syndicate or organised crime. These crimes have cost the City significant amounts of money and time, to the detriment of residents. City staff and contractors have also fallen prey to acts of criminality while performing their duties.

The City, in partnership with the Western Cape Provincial Government ('Province'), has invested heavily in the rollout of additional law enforcement officers through the Law

Enforcement Advancement Plan (LEAP), with a particular focus on precincts with the highest rates of violent crime. Investment in surveillance technology such as drones and bodycams is also aiding the fight against crime. The City's Safety and Security Directorate also focuses on improving neighbourhood safety by deploying neighbourhood safety officers and school resource officers in crime hotspots.¹³

In May 2024, South Africa held its fifth national election since the advent of democracy. The City helped ensure that the election went smoothly, with Safety and Security allocating resources to ensure the safety of voters and ballot boxes.

CRIME



- Crime rates above the national average
- High levels of gun violence

- City officials targeted
- Organised crime and 'construction mafia' disrupting services



¹² https://resource.capetown.gov.za/documentcentre/Documents/Financial%20documents/Moody%27s_Final_Credit_Opinion_June_2023.pdf

CLIMATE AND ENVIRONMENT

Bounded by ocean and mountains, and situated in the internationally significant biodiversity hotspot of the Cape Floristic Region, Cape Town is one of the most biodiverse cities in the world. The city is home to a large number of unique habitats and species.

The Cape Floristic Region features over 9 000 plant species, with about 70% endemic to the area. Table Mountain national park alone contains 1 470 plant species, including our iconic fynbos. The region is also rich in fauna, supporting Chacma baboons and around 270 bird species, including the endangered African penguin. The surrounding waters are home to over 500 fish species and various marine mammals.

Cape Town's Biodiversity Network (BioNet) extends over roughly a third of the municipal area. Set to be expanded year on year, the total conserved area of the BioNet currently stands at approximately 81 000 ha.

Global sustainability scenarios project that by 2050, climate change will have replaced all other factors as the top driver of biodiversity and ecosystem loss.¹⁴ This can also be seen in Cape Town, with local biodiversity and ecosystem services under threat of climate change and the need for developable land. This is worrying, as ecosystem services and resources are vital for many economic sectors, and support pertinent urban services such as water resources management and the mitigation of climate change impacts.

Climate change challenges that affect both Cape Town's environment and residents include rising temperatures and shifting rainfall patterns. These are leading to more frequent and severe droughts, which strain the city's water resources and agriculture. Several severe droughts in the region in recent years have resulted in water shortages and necessitated the introduction of conservation measures. Additionally, Cape Town's extensive coastline renders the city vulnerable to heat stress, sea-level rise and coastal erosion, threatening infrastructure and ecosystems along the shore.

The El Niño system that developed in early 2024 has been one of the strongest on record.¹⁵ As a result, dam levels towards the end of the season were lower compared to previous years. Across South Africa, maize and soybean production was also significantly affected.¹⁶ This will likely be followed by a La Niña event, which will bring heavier-than-usual rains and more intense storm events.¹⁷

By February 2024, the 1,5 °C global warming threshold had been breached for 12 consecutive months worldwide. While countries remain dedicated to meeting their Paris Agreement commitments, this breach makes doing so more challenging.¹⁸ Globally, weather cycles and their effects have intensified due to rising greenhouse gases in the atmosphere.

As climate change affects both local ecosystems and livelihoods, the City continues to focus on the need for climate-resilient practices, and is increasing its investment in renewable energy, water augmentation and the circular economy.

CAPE TOWN ENVIRONMENT



- One of the most biodiverse cities in the world
- Part of the Cape Floristic Region
- Rich in unique habitats and species
- Rich in spectacular landscapes, beaches and river systems

ENVIRONMENTAL CHALLENGES



- Balance needed between preservation and development
- Informal settlements encroaching on nature reserves

SUSTAINABLE INITIATIVES



- Investment in renewable energy
- Focus on waste management

CLIMATE RISKS



- Extreme weather risks, especially for vulnerable residents

TECHNOLOGY

Globally, new and emerging technologies are expanding the scope for creativity and innovation, allowing disciplines and industries to merge to create new applications and capabilities.¹⁹ Technological evolution will continue to enable increasing interconnectedness of the global economy in the years ahead. The year 2023 was a breakout year for generative artificial intelligence (AI), and like many other end-user organisations, the City has also begun early exploration of this technology. Additionally, the administration has taken up drone deployment for improved safety and security, as well as AI for improved service delivery and efficiency.

In terms of public connectivity, the City provides the enabling base infrastructure by rolling out high-speed fibre networks and public WiFi zones. Over 80% of households in the city rely solely on mobile internet for their connectivity needs. Unfortunately, South Africa's high data costs remain a barrier to internet access: Many residents cannot afford daytime internet packages and are only able to access the internet at night. This, coupled with the impacts of load-shedding, particularly affects low earners as well as learners in low-income homes.

The City continues to focus on innovation, as exemplified by the recent launch of the City App, aiming to improve community engagement.

DIGITISATION A PRIORITY



- Key part of service delivery
- The City connected 72 additional sites to WiFi, bringing the total number of connected sites to 444. Following the installation of another 94,6 km of fibre cabling, the City's fibre network now extends over 1 257,1 km.

TECH INNOVATIONS



- Launch of City App
- Growth in generative AI

HIGH DATA COSTS



- Affect Capetonians, who are primarily mobile internet users
- High costs limit data packages for low-income users

¹³ https://resource.capetown.gov.za/documentcentre/Documents/City%20strategies,%20plans%20and%20frameworks/7_Directorate_Executive_Summary_20202021_SafetyandSecurity.pdf

¹⁴ Cold Spring Laboratory. 2020. Global trends in biodiversity and ecosystem services from 1900 to 2050. <https://www.biorxiv.org/content/10.1101/2020.04.14.031716v2.full>.

¹⁵ <https://www.engineerit.co.za/article/20232024-el-nino-was-fourth-strongest-record?page=16>.

¹⁶ <https://www.csir.co.za/update-on-20232024-el-ni%C3%B1o-development-and-retrospective-southern-africa>.

¹⁷ <https://www.climatecentre.org/13881/as-el-nino-fades-la-nina-conditions-look-likely-later-this-year#:~:text=By%20the%20Climate%20Centre,weather%20and%20climate%20said%20yesterday>.

¹⁸ <https://www.bbc.com/future/article/20231130-climate-crisis-the-15c-global-warming-threshold-explained>.

¹⁹ Singh, S. 2017. Future tech convergence: How emerging technologies will disrupt business in the future. *Business Horizons*, 60(6), 789-800.

²⁰ <https://restofworld.org/2023/south-africa-internet-access/>.

ADDITIONAL CONCERNS

Traffic congestion

Cape Town has generally become more congested, judging by both the TomTom traffic index and the INRIX scorecard.

The TomTom index provides insight into traffic congestion levels in cities around the world, measuring congestion as the average additional time lost to traffic compared to driving in free-flowing conditions. According to the 2023 index, Cape Town has the second-worst congestion in Africa after Cairo, Egypt. While congestion in Cape Town is generally moderate to average, levels have increased by more than 10% over the past five years. In peak hours (07:00–09:00 and 16:00–18:00), traffic delays average 33% or longer.

In 2023/24, travel time in Cape Town increased slightly: Whereas it took an average of 15 minutes and 30 seconds to travel 10 km in 2022, this increased by 20 seconds in 2023, thereby exceeding even Johannesburg’s travel time of 13 minutes and 30 seconds.

The INRIX scorecard, in turn, measures congestion as the number of hours lost in peak commute periods compared to off-peak conditions, relative to a city’s population. Out of the 100 urban areas traced across the globe, Cape Town’s traffic congestion is ranked ninth. Even though congestion is still 10% lower than prior to Covid, the first quarter of 2024 showed a 7% increase, which may be attributed to work-from-home staff returning to the workplace.

Congestion affects both residents’ cost of living and carbon emissions. TomTom reports that in 2023, Cape Town motorists spent approximately 127 hours in traffic, which translates to an extra R882 spent on fuel. Additionally, the average vehicle emitted 754 kg of CO2 for the year, of which more than 10% (88 kg) was due to congestion.

Air quality

Globally, more than six million people die each year due to premature cardiovascular and respiratory diseases caused by air pollution. While the monitoring of fine particulate matter is normally the focus, there is an increasing need to consider monitoring submicron matter as well. , Atmospheric particulate matter is highly variable in composition and

toxicity. While increased concentrations of particulate matter are associated with mortality and morbidity, specific components must be abated to avoid health concerns.

Cape Town’s air quality generally remains good thanks to its coastal location and prevailing winds that help disperse pollutants. Although highly variable depending on where it is measured, the city’s average air quality index typically ranges between 30 and 60, indicating satisfactory to moderate conditions. However, air quality can deteriorate during peak traffic times or when wildfires occur.

Multiple factors affect air quality in Cape Town. These are context and location-specific, and affected by social, economic and environmental factors. Additionally, unelectrified homes further contribute to decreased air quality, as residents burn wood or paraffin for heating and cooking. This also creates the need for more monitoring stations, particularly in more vulnerable areas where at-risk residents live.

Adequate housing

With some 19% of dwellings in Cape Town considered to be informal and the rest formal, challenges with the availability of adequate housing continue. The housing backlog based on the number of applicants from the metro totals approximately 350 000, underscoring the significant need for affordable housing solutions.

The City’s Human Settlements Strategy highlights the administration’s role in increasing the supply of affordable housing in non-traditional ways. It allows for multiple stakeholders and partners to collaborate to deliver more housing opportunities, and frames the City’s role as not only a provider, but also an enabler and a regulator of housing.

The administration’s affordable housing programme concentrates on creating affordable rental housing opportunities in urban centres across Cape Town, including enabling social housing developments and releasing City-owned land for housing. In the first two years since the programme’s launch, City sites with an expected yield of over 4 200 affordable housing units have been released, including in Cape Town’s inner city and other well-located economic nodes.²⁹

²¹ <https://www.cbn.co.za/industry-news/transport-logistics-freight-services/cape-town-has-the-ninth-worst-traffic-congestion-in-the-world/#:~:text=TRAFFIC%20congestion%20in%20Cape%20Town,out%20of%20100%20urban%20areas.>

²² [https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10363432/.](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10363432/)

²³ Submicron (or PM1) air pollutants are smaller than 1 micron in size and cause respiratory illnesses and cancer. <https://www.iqair.com/newsroom/pm1#:~:text=PM1%20measures%20particulate%20pollutants%20smaller,increasing%20the%20risk%20of%20cancer.>

²⁴ [https://www.sciencedirect.com/science/article/pii/S167498712030270X.](https://www.sciencedirect.com/science/article/pii/S167498712030270X)

²⁵ Stats SA General Household Survey 2023.

²⁶ [https://www.iol.co.za/capeargus/news/new-proposals-to-address-the-backlog-of-600-000-people-on-western-cape-housing-waiting-list-23d163e9-059c-4320-945b-957318784db1?google_vignette.](https://www.iol.co.za/capeargus/news/new-proposals-to-address-the-backlog-of-600-000-people-on-western-cape-housing-waiting-list-23d163e9-059c-4320-945b-957318784db1?google_vignette)

²⁷ [https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKewi6j6re0qaIXM7QIHHTNVdu0QFn0ECBoQAAQ&url=https%3A%2F%2Fwww.capetown.gov.za%2FCouncilOnline%2F_layouts%2F15%2FOpenDocument%2FOpenDocument.aspx%3FDocLocation%3Dhttps%3A%2F%2Fcityapps.capetown.gov.za%2Fsites%2FCouncillorsOnline%2FMeetingDetails%2FMPAC%2FReports%2F158%2FMPAC06090424%2520-%2520HOUSING%2520BACKLOG.pdf&usq=AOvVaw3qBR1fyysmXdb8CpA7Edty&opi=89978449.](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKewi6j6re0qaIXM7QIHHTNVdu0QFn0ECBoQAAQ&url=https%3A%2F%2Fwww.capetown.gov.za%2FCouncilOnline%2F_layouts%2F15%2FOpenDocument%2FOpenDocument.aspx%3FDocLocation%3Dhttps%3A%2F%2Fcityapps.capetown.gov.za%2Fsites%2FCouncillorsOnline%2FMeetingDetails%2FMPAC%2FReports%2F158%2FMPAC06090424%2520-%2520HOUSING%2520BACKLOG.pdf&usq=AOvVaw3qBR1fyysmXdb8CpA7Edty&opi=89978449)

²⁸ [capetown.gov.za/Media-and-news/Woodstock Hospital Development A new dawn for much-needed affordable housing delivery.](https://www.capetown.gov.za/Media-and-news/Woodstock-Hospital-Development-A-new-dawn-for-much-needed-affordable-housing-delivery)

²⁹ [capetown.gov.za/Media-and-news/Mayor’s Council Speech 22 Aug 2024.](https://www.capetown.gov.za/Media-and-news/Mayor's-Council-Speech-22-Aug-2024)



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THE CITY IN NUMBERS

According to Census 2022, Cape Town has the second-largest population of all cities in South Africa. Steady population growth in the city may even see it overtake Johannesburg.³⁰ Cape Town is also one of the most-visited tourist destinations

in Africa, a vital economic, political and business hub for the country, and a driver of growth and development in South Africa and the Southern African region.

POPULATION

(Census 2022)

 4 772 846

inhabitants

 2nd

largest population of all South African cities

 22,4%

children aged 14 and below

 70,9%

working-aged people (15–64 years)

 6,7%

seniors aged 65 and above

³⁰ <https://www.biznews.com/sarenewal/2023/10/26/census-2022-cape-town-joburg-biggest-city>.

HOUSEHOLDS

(Census 2022)

 1 452 845

households

 3,3

members per average household

HEALTH

 69 years

average life expectancy in the Western Cape in 2022 (highest in South Africa) (2021: 68 years)

 24,3

infant mortality rate per 1 000 live births in South Africa (down from 38,6 in 2010) (2021: 24,1)

 Decrease

in tuberculosis (TB) incidence, but remains a pressing public health concern, with 40% of cases going undiagnosed and untreated, and high rates of loss from care

EDUCATION

 6,2%

illiteracy rate (aged 15 years and above) in 2022 (2011: 12,1%)

 1,9%

of adult population (aged 20 years and above) with no schooling in 2022 (2011: 1,8%)

 36,5%

of adult population with matric as highest level of education (2011: 30,2%)

 793

ordinary public schools (2021: 779)

 222

ordinary independent schools (2022: 211)

CRIME RATES



5 263

per 100 000 population
overall crime (2022: 4 785)



1 863

per 100 000 property-related
crime (2022: 1 669)



946

per 100 000 drug-related
crime (2022: 886)

POVERTY



R3 500

household income per month as
Cape Town's poverty line (2022: R3 500)



17,6%

of Cape Town households below the
poverty line (2022: 23,5%)



186 520

indigent households (2022: 243 771)



0,74

Human Development Index (HDI) score (2022: 0,72),
which is higher than the national average of 0,66

Cape Town's HDI is classified as "high human development",
and South Africa's as "medium human development".

ECONOMIC OUTPUT AND EMPLOYMENT



average economic growth rate for
2019–2023 (0,3% nationally) (2022: 0,5%)



153 844

more jobs for the 2019–2023 period
(2018–2022: -67 556)

1

1,1%

of Cape Town's economy made up
of primary sector (2022: 1,5%)

2

18%

Cape Town's economy made up
of secondary sector (2022: 19%)

3

80,9%

of Cape Town's economy made up
of tertiary sector (2022: 79,5%)



2nd-highest

city contributor to total employment in South Africa

ACCESS TO SERVICES

(change from Census 2011 to 2022, as reported by all households)



98,3%

access to piped water (either on property
or within 200 m), up from 96,6%



97,6%

access to adequate sanitation (flush, chemical or
pit toilet with ventilation), up from 91,6%



96,7%

access to electricity (from mains for lighting),
up from 94%



96,1%

access to refuse removal (at least
once a week), up from 94,3%

Sources: Stats SA 2022 mid-year population estimates; Stats SA Census 2011 and 2022; Stats SA 2016 community survey; SAPS crime statistics 2022/23; City Health Department; City Finance Department; IHS Markit Regional eXplorer (30 March 2023); Stats SA quarterly labour force surveys 2018–2023; Province's Department of Education.

2. BASIS AND PREPARATION OF REPORT

2.1 SCOPE AND REPORTING BOUNDARIES

The integrated annual report has been prepared in accordance with the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003. The reporting boundaries of the report are determined by the strategic priorities reflected in the City's Integrated Development Plan (IDP) and budgeting processes.

This 2023/24 report continues the City's journey towards fully integrated reporting, as guided by the International Integrated Reporting Framework. It offers a comprehensive view of our governance, financial, operational, social and environmental efforts, performance successes, risks, opportunities and challenges for the 12 months from 1 July 2023 to 30 June 2024.

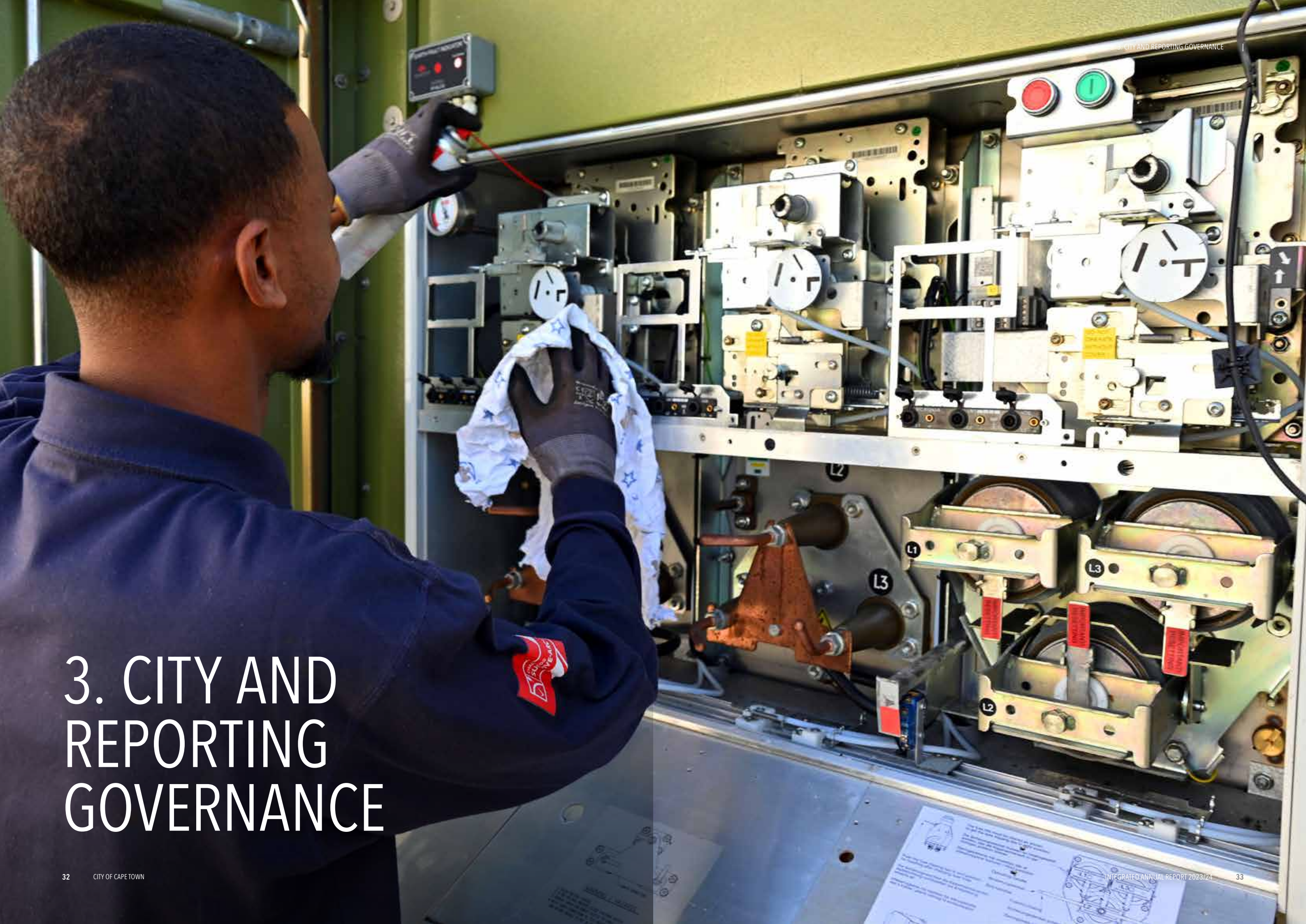
2.2 MATERIALITY

The City identifies its material matters through its ongoing strategic integrated development planning process. The IDP is informed by community needs, stakeholder inputs, a contextual analysis, and an evaluation of the existing state of Cape Town. In addition, material matters are identified through the City's performance management system as well

as the formulation of the annual budget, through which the City gives effect to the strategic objectives in the IDP.

Therefore, the material matters are predominantly the key priorities articulated in the IDP. Where applicable, this report also includes comparative information to ensure consistency.





3. CITY AND REPORTING GOVERNANCE

3.1 LEGISLATIVE REQUIREMENTS AND FRAMEWORKS

The following documents and frameworks provide the governance and operational guidelines for all City decisions and actions, and represent the overarching framework for the production of this integrated annual report:

IDP AND BUDGETING PROCESSES

The five-year IDP is the City's principal strategic planning instrument, which guides and informs ongoing planning, implementation and evidence-based decision-making. The IDP represents the administration's commitment to exercise its executive authority. The plan is developed in line with national and provincial legislation and is the City's blueprint by which it strives to realise its vision for Cape Town over the short to medium term.

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

The performance management system is mandated by section 38 of the Municipal Systems Act 32 of 2000. It is a vital tool that enables leaders, managers, employees and stakeholders to effectively plan, monitor, measure, review, report and evaluate the City's performance.

Key performance indicators are established and specific targets set to assess the economy, efficiency and effectiveness of City service delivery. These metrics empower the community to hold the municipality accountable for its performance. Additionally, the performance management system helps manage stakeholder expectations.

According to sections 40 and 41(1)(ii) of the Municipal Systems Act, the performance management system must be reviewed annually. Section 42 also emphasises the importance of community involvement and participation in the review process.

STRATEGIC MANAGEMENT FRAMEWORK

The City's annual strategic management framework process informs the plans and supports the strategic objectives contained in the IDP. It is aligned with the budget process over the medium term.

ANNUAL BUDGET

The budget enables the City to deliver on its priorities in the IDP. Turn to page 46 for a business model that details our target value creation outcomes for the current IDP term.

INTEGRATED RISK MANAGEMENT FRAMEWORK

Section 62(1)(c)(i) of the MFMA states that the accounting officer of a municipality (the City Manager) is responsible to ensure that the municipality maintains effective, efficient and transparent systems of financial and risk management and internal control. The City's integrated risk management framework and processes are based on the risk management standards ISO 31000, read with the 2016 King Report on Corporate Governance for South Africa (King IV) and the public-sector risk management framework.

INTEGRATED WASTE MANAGEMENT PLAN

The City's Integrated Waste Management Plan (IWMP) is a requirement in terms of Section 11 of the National Environmental Management Waste Act 59 of 2008 as amended, and an annexure to the IDP. The Plan provides detailed information on the status of waste services, key action plans for integrated waste management, interventions required to address gaps and meet the increasing demand for waste services³². Section 13(3) of the Act states that the annual performance report prepared in terms of section 46 of the Municipal Systems Act must contain information on the implementation of the municipal integrated waste management plan insofar as it relates to the performance of the municipality.

OPERATING REVENUE FRAMEWORK

The City determines its revenue quantum by setting a package of tariffs that is not only considered affordable to its ratepayers and the users of its services, but deemed to be fair and realistic in the context of its programmes to assist those who cannot pay.

OPERATING EXPENDITURE FRAMEWORK

The City's expenditure against its annual budget is informed by the long-term goal of arriving at a realistic, deliverable medium-term revenue and expenditure framework, within a revenue envelope that is credible and affordable to its ratepayers, the users of its services and other stakeholders.

MUNICIPAL COST CONTAINMENT REGULATIONS

Municipalities are required to implement cost containment measures to ensure that municipal resources are used effectively, efficiently and economically. The regulations also require municipalities and municipal entities either to develop or regularly review their cost containment policies. The City is fully compliant in this regard and has a Council-approved cost containment policy in place.

MINIMUM COMPETENCY LEVELS

The City monitors compliance with the prescribed minimum competency levels as part of the executive directors' performance scorecards. This is in line with section 16 of the MFMA: Municipal Regulations on Minimum Competency Levels, 2007. Competency levels must be attained within prescribed timeframes and be included in performance agreements. This information is reported quarterly as well as annually.

INTERNATIONAL INTEGRATED REPORTING FRAMEWORK

In preparing and presenting its integrated annual report, the City is guided by the eight content elements from the World Bank's International Integrated Reporting Framework as well as the principles of King IV. See appendix J for a list of references to these two sources.

3.2 ASSURANCE PROCESS

GOVERNANCE OUTCOMES

Governance outcomes are the benefits that an organisation could enjoy if governed well. Typical governance outcomes, as defined by King IV, are an ethical culture, good performance, effective control, and legitimacy.

The City seeks to achieve good governance through the use of the following two key assurance tools:

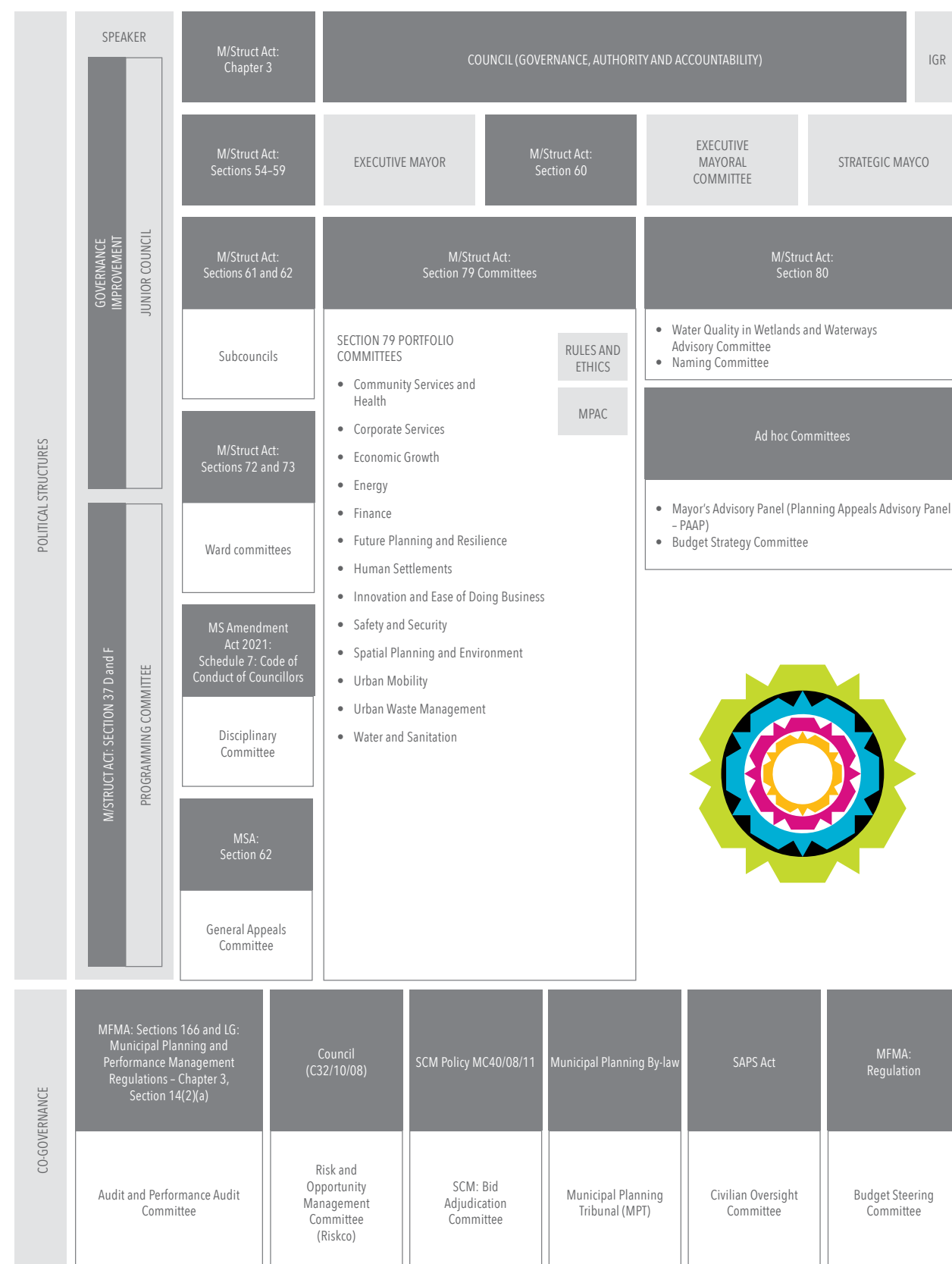
- ✓ The Organisational Assurance Governance Framework, which sets out the principles for how authority and responsibility are distributed among various stakeholders to ensure effective management. It clarifies governance roles and strongly emphasises thorough management of significant organisational risks.

- ✓ The combined assurance model, which works in tandem with the framework above to integrate and align all governance and oversight activities across the City.

As part of our commitment to corporate governance, ethical leadership, and fair and transparent procedures and reporting, the City subscribes to King IV, which Council adopted in 2017. As depicted on page 38, the King IV approach is based on 17 principles, which lead to four outcomes. Other governance-related information, as required by the International Integrated Reporting Framework, is reflected in appendix F.

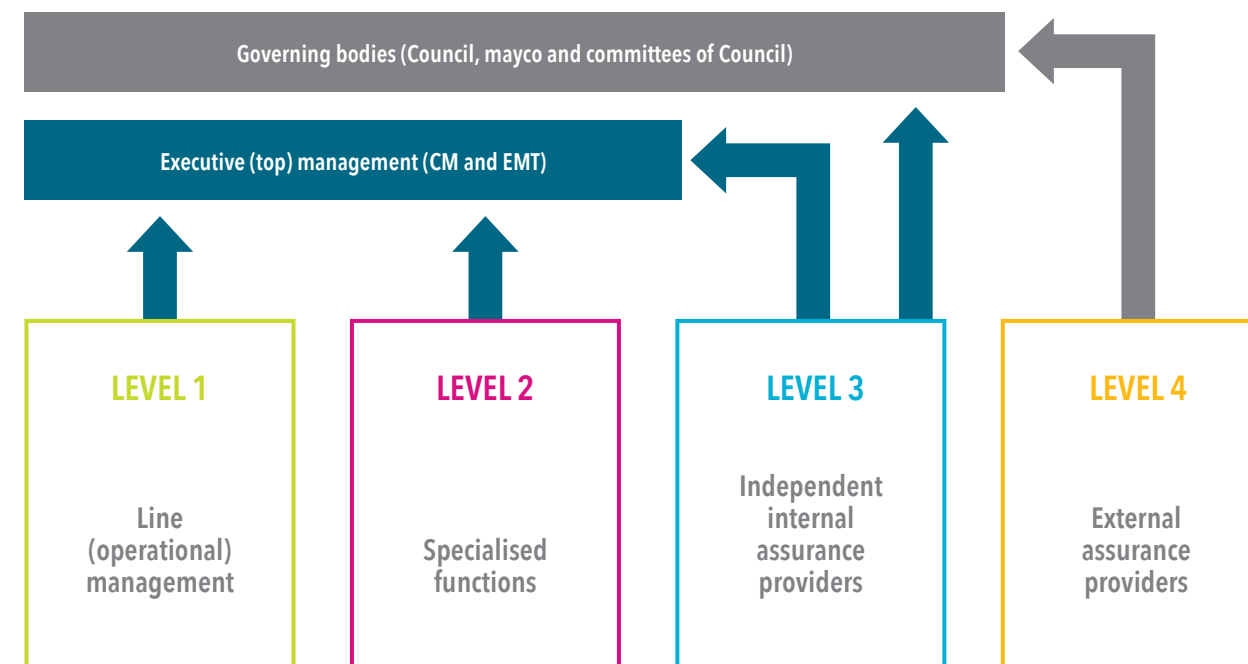
³² The City is compliant with the National Environmental Management: Waste Act, Act 59 of, 2008 requirement regarding implementation of the IWMP and the review thereof

The City ensures the integrity of financial and non-financial information through a combination of monitoring and oversight bodies, as shown below:



These structures support the City's governance processes and work, and enhance stakeholder and community participation.

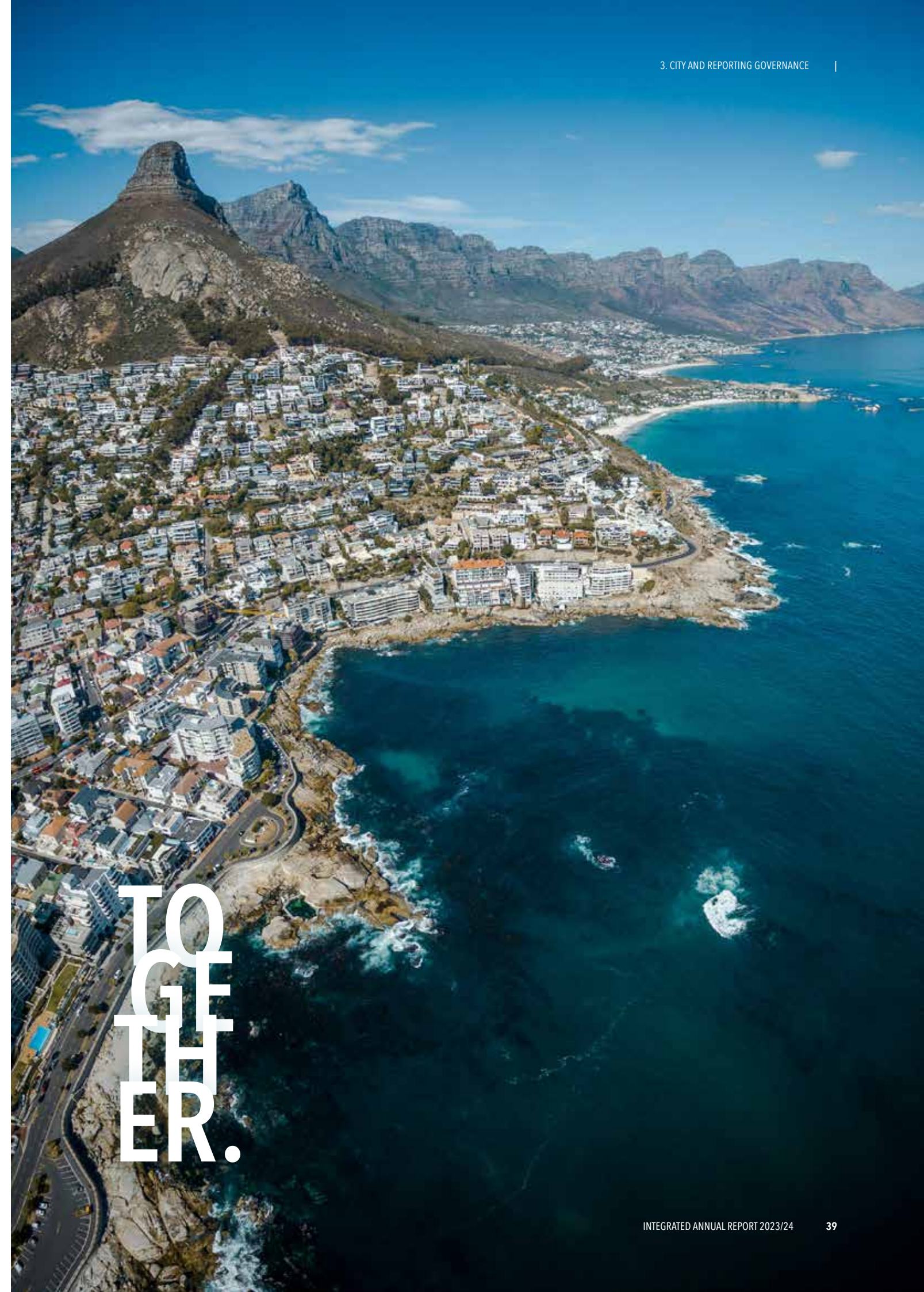
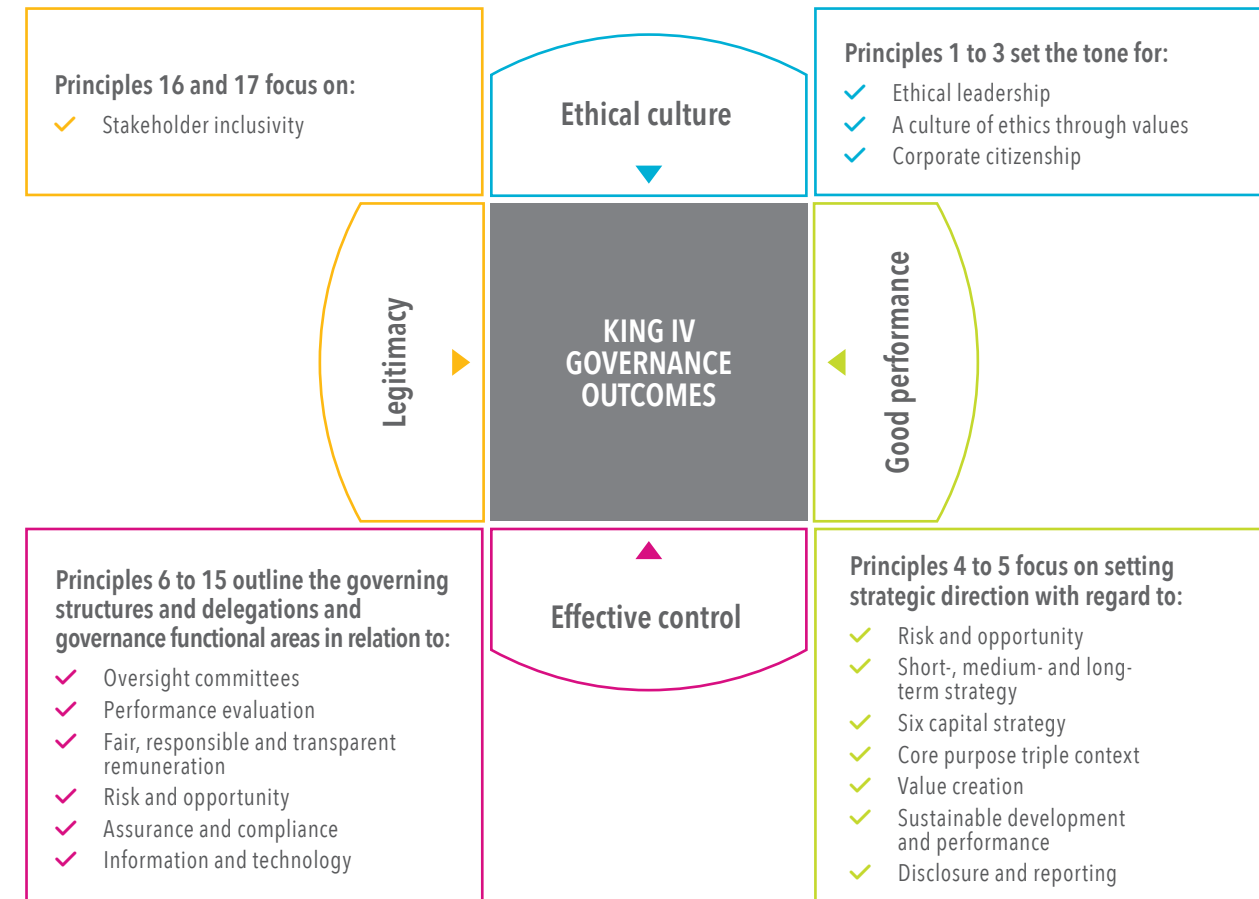
The integrated annual reporting responsibilities require monitoring and oversight by various assurance providers, as illustrated below. This ensures that the City's governance structures are embedded into the report production process.



REPORTING RESPONSIBILITY	ASSURANCE
INTEGRATED ANNUAL REPORT NARRATIVE	✓ Oversight by Audit and Performance Audit Committee (APAC) ✓ Audited by the Auditor-General ✓ Oversight by Municipal Public Accounts Committee (MPAC)
ANNUAL FINANCIAL STATEMENTS	✓ Review by Internal Audit ✓ Audited by the Auditor-General ✓ Oversight by MPAC
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS	✓ Oversight by APAC ✓ Audited by the Auditor-General ✓ Oversight by MPAC
ANNUAL PERFORMANCE REPORT	✓ Quarterly review by Internal Audit ✓ Oversight by APAC ✓ Audited by the Auditor-General ✓ Oversight by MPAC
ANNUAL MFMA CIRCULAR 88 REPORT	✓ Oversight by National Treasury ✓ Audited by the Auditor-General

3.3 ALIGNMENT WITH KING IV PRINCIPLES

The aim of the various assurance providers is to guide the City towards delivering the outcomes of King IV, which will embed a culture of ethical leadership, good governance, enhanced performance and effective internal control and oversight into the administration.





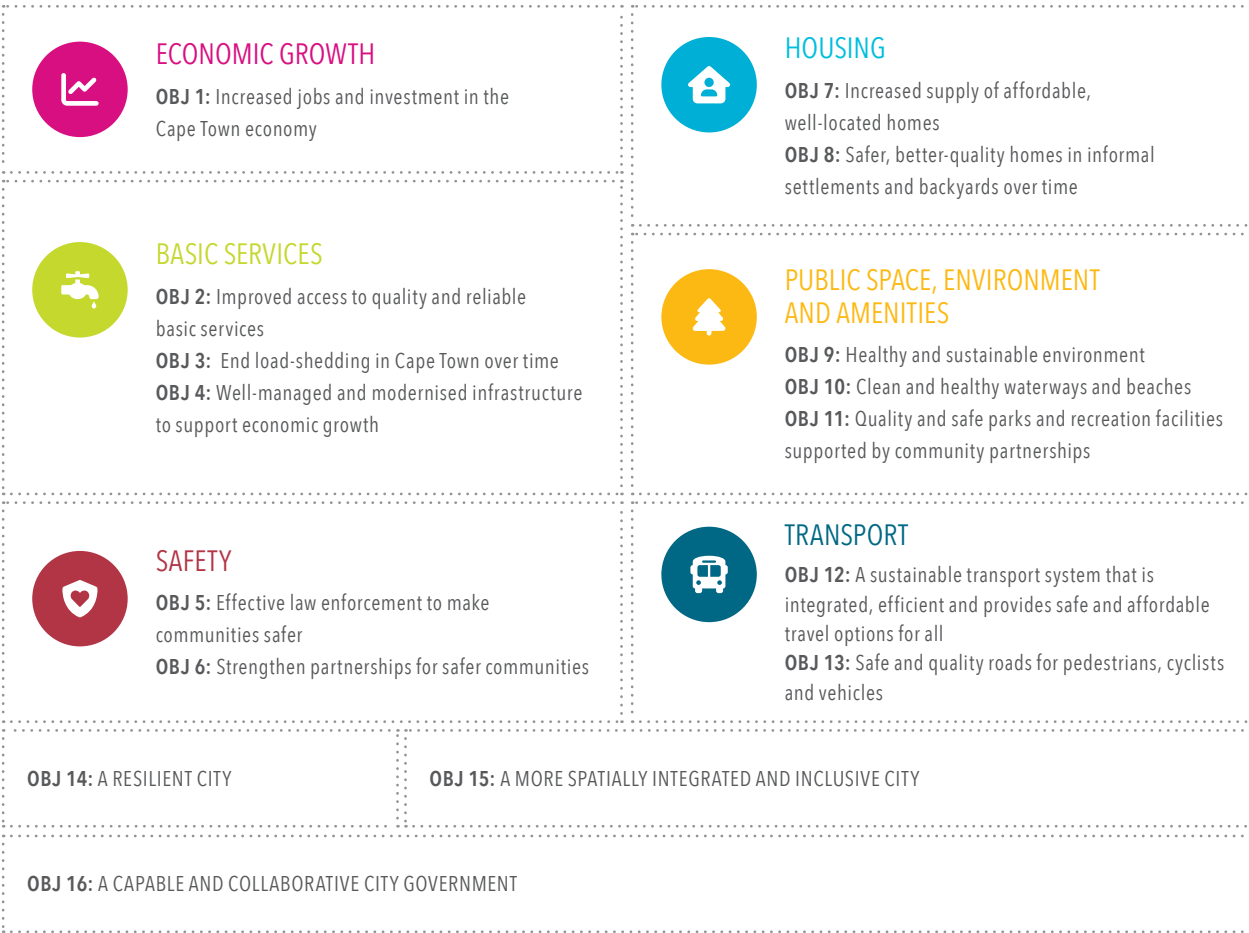
4. BUSINESS MODEL

4.1 FLOW OF STRATEGIC PERFORMANCE: PRIORITIES, OBJECTIVES, AND PROGRAMMES, PROJECTS AND INITIATIVES

The image below clarifies the flow of strategic performance in the City, distinguishing between our priorities, our objectives, and our programmes, projects and initiatives. Understanding this flow will be useful to help guide readers through the performance information reflected in this integrated annual report.



As shown below, the six priorities are linked to three foundational programmes. The 16 objectives underpinning these priorities, in turn, represent the key strategic matters for this five-year term of office.



4.2 ALIGNMENT WITH SUSTAINABLE DEVELOPMENT GOALS, AND VALUE CREATION

The City's priorities and objectives are also aligned with the United Nations' 17 sustainable development goals (SDGs). This alignment ensures that in pursuing its strategic objectives, the City also contributes to the achievement of the SDGs over time.

The table below summarises the alignment of the City's six priorities and three foundational programmes with the SDGs, and shows how each contributes to value creation. This approach enhances efficiency, fosters innovation, strengthens stakeholder relationships, while also addressing important social, environmental and economic challenges.

The performance section of this report indicates provides more information on the specific SDGs with which each of the City's strategic objectives are aligned.

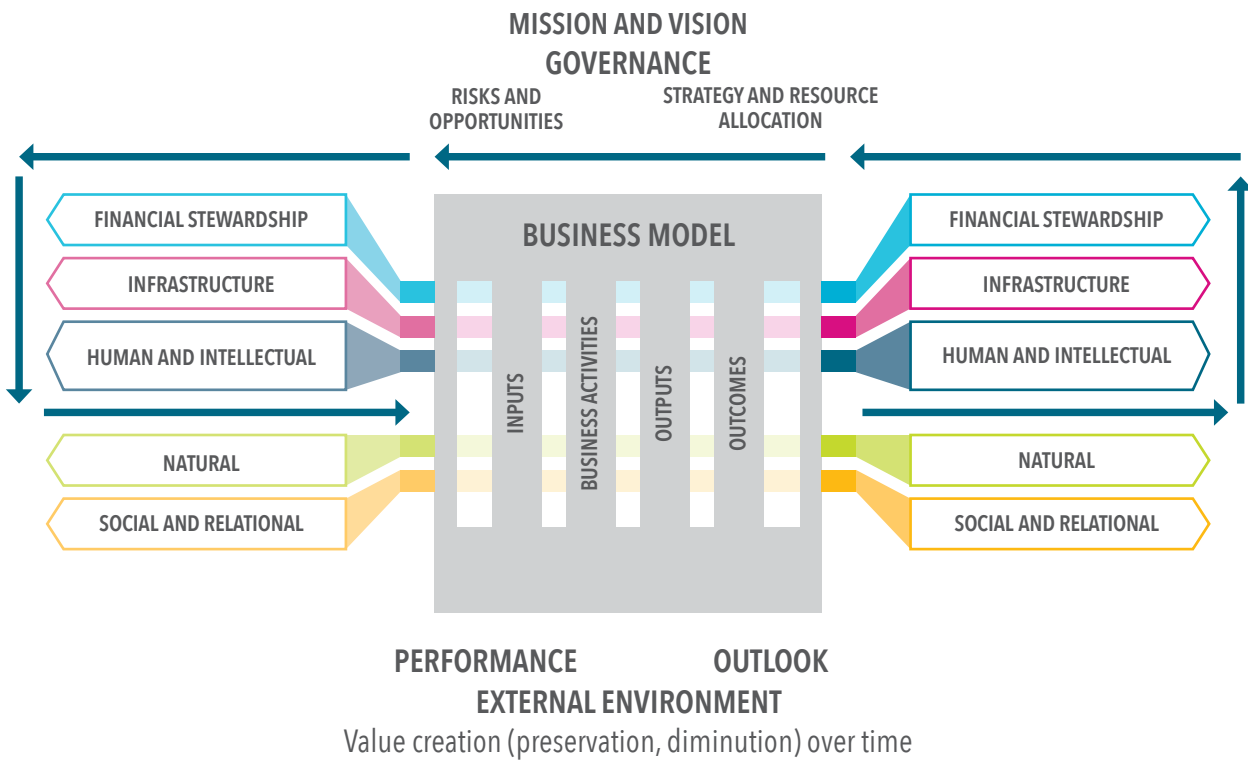
PRIORITY/FOUNDATION	SDGS	VALUE CREATION
 ECONOMIC GROWTH	1, 2, 3, 8, 9, 10, 11, 17	Financial stewardship, infrastructure, social and relational, human and intellectual, and natural
 BASIC SERVICES	1, 3, 6, 7, 8, 9, 10, 11, 12, 14, 15	Financial stewardship, infrastructure and natural
 SAFETY	3, 11, 16, 17	Financial stewardship, and social and relational
 HOUSING	1, 3, 6, 7, 8, 9, 10, 11, 12, 16, 17	Financial stewardship and infrastructure
 PUBLIC SPACE, ENVIRONMENT AND AMENITIES	3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 17	Financial stewardship, social and relational, and natural
 TRANSPORT	3, 9, 10, 11	Financial stewardship and infrastructure
RESILIENT CITY	1, 3, 10, 11, 13	Financial stewardship, infrastructure, social and relational, and natural
SPATIALLY INTEGRATED AND INCLUSIVE CITY	2, 3, 5, 9, 10, 11	Financial stewardship and natural
CAPABLE AND COLLABORATIVE CITY GOVERNMENT	2, 3, 9, 10, 11, 16, 17	Financial stewardship, infrastructure, human and intellectual

4.3 INTEGRATED BUSINESS AND VALUE CREATION MODEL

The City creates value for the residents of Cape Town through an integrated approach, involving all relevant stakeholders. The intention is to continuously embed integrated thinking into our systems and processes. We report transparently

on the value we create for Capetonians, visitors, investors and other stakeholders. Our value creation process is encapsulated in our business model, which, in turn, is represented in detail by our IDP implementation plan.

The figure below depicts how the City creates value through the application of its capitals and operations



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How the City created value in 2023/24 by applying its capitals and operations:

CAPITAL: FINANCIAL STEWARDSHIP			
Inputs	Processes and supporting structures employed	Outputs	Outcomes
✓ Total budget: R72,3 bn ✓ Operating budget: R61 bn ✓ Capital budget: R11,3 bn	✓ Supply chain management ✓ Financial management ✓ Project management ✓ Contract management ✓ Ongoing re-engineering of business processes ✓ Segment reporting (see page 213) ✓ Governance structures for oversight and accountability (see page 36)	✓ Operating budget spend: Increased from R52,7 bn (2022/23) to R58,6 bn (2023/24) ✓ Capital budget spend: Increased from R6,9 bn (2022/23) to R9,4 bn (2023/24) ✓ Revenue growth: Rose from R54,3 bn (2022/23) to R61,8 bn (2023/24) ✓ Tender completion: Successfully implemented the procurement demand plan with a 100% completion rate for tenders in 2023/24	✓ Enhanced and resilient financial performance: Cape Town is recognised as the most sustainable city in Africa ✓ Top-ranked on Municipal Financial Sustainability Index: The City scored 70, outperforming the second-highest scoring metro in South Africa by 14 points ✓ Credit rating maintained: Moody's has retained a stable outlook for the City ✓ Top-ranked on Governance Performance Index (GPI) 2024: The City leads among South Africa's metros on the GPI, which evaluates cities and municipalities across five indicators of good governance ✓ Ranked first for economic development: Cape Town also occupies the top spot in terms of economic development on the GPI ✓ Economic growth contributing 9,6% to national GDP and increased job opportunities
CHALLENGES ✓ High interest rates ✓ Subdued outlook for GDP growth ✓ Continuing weakening of the rand ✓ Global supply change challenges ✓ Volatile relations between major economies			

CAPITAL: INFRASTRUCTURE			
Inputs	Processes employed	Outputs	Outcomes
✓ Capital budget: R11,3 bn ✓ Repairs and maintenance budget: R5,9 bn ✓ For more on infrastructure capital, turn to the City's annual financial statements (page 214 – starting at financial position under Appendix A) ✓ Investment in public transport and roads	✓ Supply chain management ✓ Financial management ✓ Project management ✓ Contract management ✓ Engineering management ✓ Transversal implementation of the Infrastructure Planning and Development Framework ✓ Expansion and maintenance of public transport services and road infrastructure	Invested R9,4 bn in capital works and infrastructure Invested R4,8 bn in repairs and maintenance Water and Sanitation ✓ Approximately 129 000 m of sewer and water pipes replaced ✓ 90 million litres of treated wastewater reused daily ✓ Multibillion-rand investment in alternative water options ensures future water supply ✓ Equipped seven boreholes at Table Mountain group aquifer, capable of producing 18 Mℓ of water per day ✓ Over 60 million litres of water saved per day through water pressure management Energy ✓ Energy efficiency in municipal operations: This initiative saved over 303 GWh of electricity, which translates to avoided emissions of 300 245 tCO₂e and a financial saving of approximately R348 million.	Increased level of water resilience Capital budget represents 10–20% of total budget (National Treasury benchmark- MFMA Circular 71) Expanded infrastructure footprint Improved access to basic services City won one gold and two silver awards for project management excellence at the 2023 International Project Management Association awards Cape Town ranked 19 out of 25 global cities in the first ever Resilient Cities Index by Economist Impact Improved public transport services; enhanced road infrastructure
CHALLENGES ✓ Construction mafia ✓ Gang-related violence ✓ Attracting and retaining scarce skills			

CAPITAL: HUMAN AND INTELLECTUAL			
Inputs	Processes employed	Outputs	Outcomes
✓ Talent: 28 462 employees at the start of 2023/24 ✓ Investment in employees: R17,2 bn ✓ Workplace skills: Approximately R154 million training budget ✓ Improved processing times	✓ Human resource management ✓ Individual performance management ✓ Employee wellness ✓ Learning and growth management ✓ Consequence management ✓ Talent management ✓ Implementation of digital updates and process improvements	✓ Talent: 28 787 employees at the end of 2023/24 ✓ Lower staff vacancy rate: 7,39% (2022/23: 9,23%) ✓ 101,39% of workplace skills training budget spent ✓ Internal beneficiaries of financial support (bursaries): 957 ✓ Training opportunities provided to employees: 25 038 ✓ Diverse workforce: 96% of all staff from designated groups, and 76% from top three levels of management	✓ At the 2023 City Awards, 518 staff received awards for excellence, either individually or as part of teams ✓ City came second in the Best Project category at SA Reward Association annual awards ✓ Improved efficiency and customer service; enhanced business environment ✓ Improved staff skills and public service quality; enhanced operational efficiency
CHALLENGES ✓ Attracting and retaining scarce skills ✓ Ongoing training needs in project and contract management ✓ Adapting to new Municipal Staffing Regulations			

CAPITAL: NATURAL			
Inputs	Processes employed	Outputs	Outcomes
✓ Legislation, policies and guidelines ✓ Air, water, land, minerals and forests ✓ Biodiversity and ecosystem health ✓ Landfill gas infrastructure at Bellville, Coastal Park and Vissershok landfill sites ✓ R2 bn upgrade of Zandvliet wastewater treatment works	✓ Conservation planning ✓ Environmental education ✓ Invasive alien species management ✓ Management of nature reserves ✓ Coastal management ✓ Transversal implementation of the Environment Strategy ✓ Transversal implementation of the Climate Change Action Plan	✓ Biodiversity priority areas protected: 65,27% ✓ Percentage of coastline with protection measures in place: 6,27% ✓ Over 35 624 individuals (adults and learners) attended formal environmental education programmes, events, exhibitions, information or awareness activities on and off the City's nature reserves, equating to 35 960 person-days of education ✓ 4 072 green job opportunities ✓ Compliance with drinking-water quality standards: 99,25% ✓ To date, the Greater Cape Town Water Fund has cleared over 46 000 ha of invasive alien plants in catchments, which resulted in an additional 17,6 bn litres of water in dams - about 48 million litres per day. This work also generated 787 green jobs. ✓ Carbon credits: R36 million raised from carbon credit auction ✓ Blue Drop status retained; increased wastewater treatment capacity ✓ 6 460 approved grid-tied system installations, totalling approximately 144,3 MVA in capacity. The capacity added in 2023/24 was 28,85 MVA. ✓ 15 MW electricity from waste-to-energy projects	✓ Increased protection of biodiversity ✓ Increased green job opportunities ✓ A-rating for climate reporting and action from the CDP ✓ Eight Cape Town beaches won Blue Flag status ✓ Blue Drop status: Drinking-water quality management level well above average ✓ Carbon credits - Reduction of methane emissions by ~25 times CO₂ equivalent ✓ Approximately 15 MW of electricity generated ✓ Enhanced water service quality; improved environmental impact ✓ Increased energy efficiency and capacity; support for renewable-energy initiatives ✓ Improved waste management; reduced landfill usage; increased recycling and clean energy generation ✓ Enhanced infrastructure for landfill gas capture and electricity generation
CHALLENGES ✓ Urban sprawl ✓ Unlawful land occupation ✓ Pollution			

CAPITAL: SOCIAL AND RELATIONAL				
Inputs	Processes employed	Outputs	Outcomes	
✓ National and provincial departments ✓ Public-private partnerships ✓ Private investors and developers ✓ Small, medium and micro-sized enterprises ✓ Local residents ✓ Businessowners ✓ City's special-purpose vehicles	✓ Comprehensive needs analysis ✓ Indigent Policy ✓ Rebate system for pensioners ✓ Transversal implementation of Inclusive Economic Growth Strategy ✓ Ease-of-doing-business programme ✓ Business partnerships to enable economic growth ✓ Alcohol and drug treatment ✓ Implementation of Safe Space transitional shelter model ✓ City-run Strengthening Families programme ✓ Improved safety technology ✓ Popular flights, cruises and events destination ✓ Expanded Public Works Programme (EPWP) job creation and local spending ✓ Implementation of various public safety and law enforcement measures	✓ Increased qualifying threshold for social support: R22 000 (up from R17 500) ✓ Assisting more than 210 000 residents with indigent and pensioner support (widest reach for free basic electricity and water of all South African metros – confirmed by Stats SA's non-financial census of municipalities) ✓ City offers highest allocation of free water at 15 kℓ, 10,5 kℓ of sanitation, 60 kWh of electricity units, and among the highest levels of support of all metros linking social relief to property value ✓ The City is working on 12 819 social housing units, encompassing both ongoing projects and future plans ✓ Reduced crime ✓ Enhanced public engagement ✓ City engaged with over 30 000 rough sleepers, successfully assisting 749 individuals in transitioning off the streets. Additionally, 396 individuals participated in development programmes, and 608 EPWP work placements were secured. The initiative also facilitated 381 referrals for social grants and specialised care. ✓ 32 300 new jobs in 2023/24; 363 000 total new jobs since Nov 2021 ✓ 26 000 event-related jobs; 1,3 million event attendees ✓ 43 962 EPWP job opportunities; R400 million local spending; skills training and business support for entrepreneurs ✓ Law Enforcement Advancement Programme attended to 276 668 service requests, searched 367 812 persons, and made 25 647 arrests	✓ Improved community wellness and welfare ✓ Improved economic growth ✓ Employment rate has increased by 7,4% year on year. Labour participation rate has reached a record high of 74,5% under the expanded unemployment definition. ✓ Cape Town won a special mention in the prestigious biannual Lee Kuan Yew World City Prize ✓ Cape Town won second place in Time Out's 2024 rankings of the world's top 50 cities ✓ Boost in tourism and local economy; job creation in the events sector ✓ Enhanced local skills and business support; increased employment opportunities ✓ Enhanced public safety; improved law enforcement efficiency ✓ R2 bn economic impact from events in Cape Town	
CHALLENGES				
✓ Intergovernmental policies				

TOGETHER.

4.4 PLANNING AND INVESTING FOR A FUTURE-READY CITY

Cape Town is a growing city and will likely have more than 7.6 million inhabitants by 2050. The City is deliberately planning for a future of dignity and opportunity for a greater number of Capetonians. The City's focus on building infrastructure and expanding its service delivery footprint in line with projected growth will continue.

Towards the end of the 204/2025 financial year, it is expected that the City will publish its long-term strategic plan for public comment. Today we are 25 years on from the formation of the City of Cape Town government as we know it today. This makes the current moment an appropriate one to reflect on the past and present, to plan for the next 25 years towards achieving a vision of Cape Town in 2050.

Notwithstanding the Integrated Development Plan (IDP), which is a 5-year, plan being the primary strategic plan at any point in time, the City is constantly trying to expand its planning horizons. The City has made notable strides for example in expanding its 10-year capital plan, but now intends to push this capital plan even further into the future.

The figure below illustrates Cape Town's planned infrastructure investment over the next decade (2024/25–2033/34), in alignment with the priorities set forth in its Integrated Development Plan.

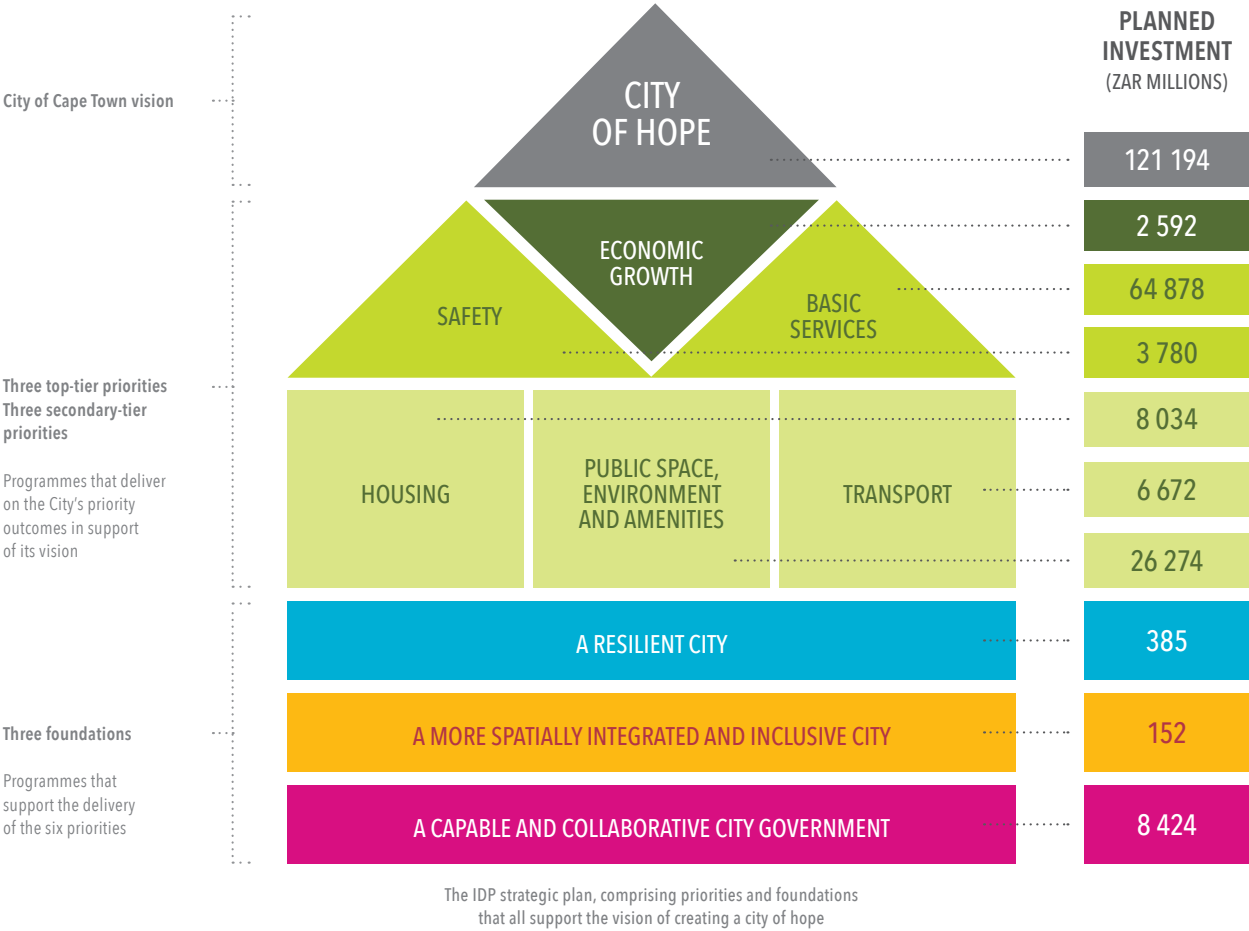
Over the 2024/2025 and 2025/2026 it is expected that notable progress will be made on utility reform in the City. Initially focused on the Water and Sanitation Directorate and the Energy Directorate, and then on the Urban Waste Management Directorate, several business improvements will occur that will support financial sustainability and the expansion of quality basic services.

The City plans to continue improving the 'ease of doing business'. Using the associated index and dashboard for 9 critical indicators, the expectation is that performance will improve, and that Cape Town will in due course take its place as the easiest city in Africa to do business.

The City's aspirations to be appropriately digitally enabled for the future will move forward significantly over the next four financial years, as the Core Application Refresh is implemented. The new digital systems for managing City business processes are expected to go live in 2027/2028 financial year. It is also expected that over the next two financial years major progress will be made on the implementation of the new City Data Strategy, including the implementation of new target operating model.

Cape Town is planning and investing for the future, in accordance with its vision of being a "City of Hope".

The figure below illustrates Cape Town's planned infrastructure investment over the next decade (2024/25–2033/34), in alignment with the priorities set forth in its Integrated Development Plan.



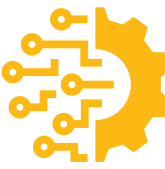
5. RISKS AND OPPORTUNITIES

Note: The City's Risk Management Committee report is attached as appendix I to this report.

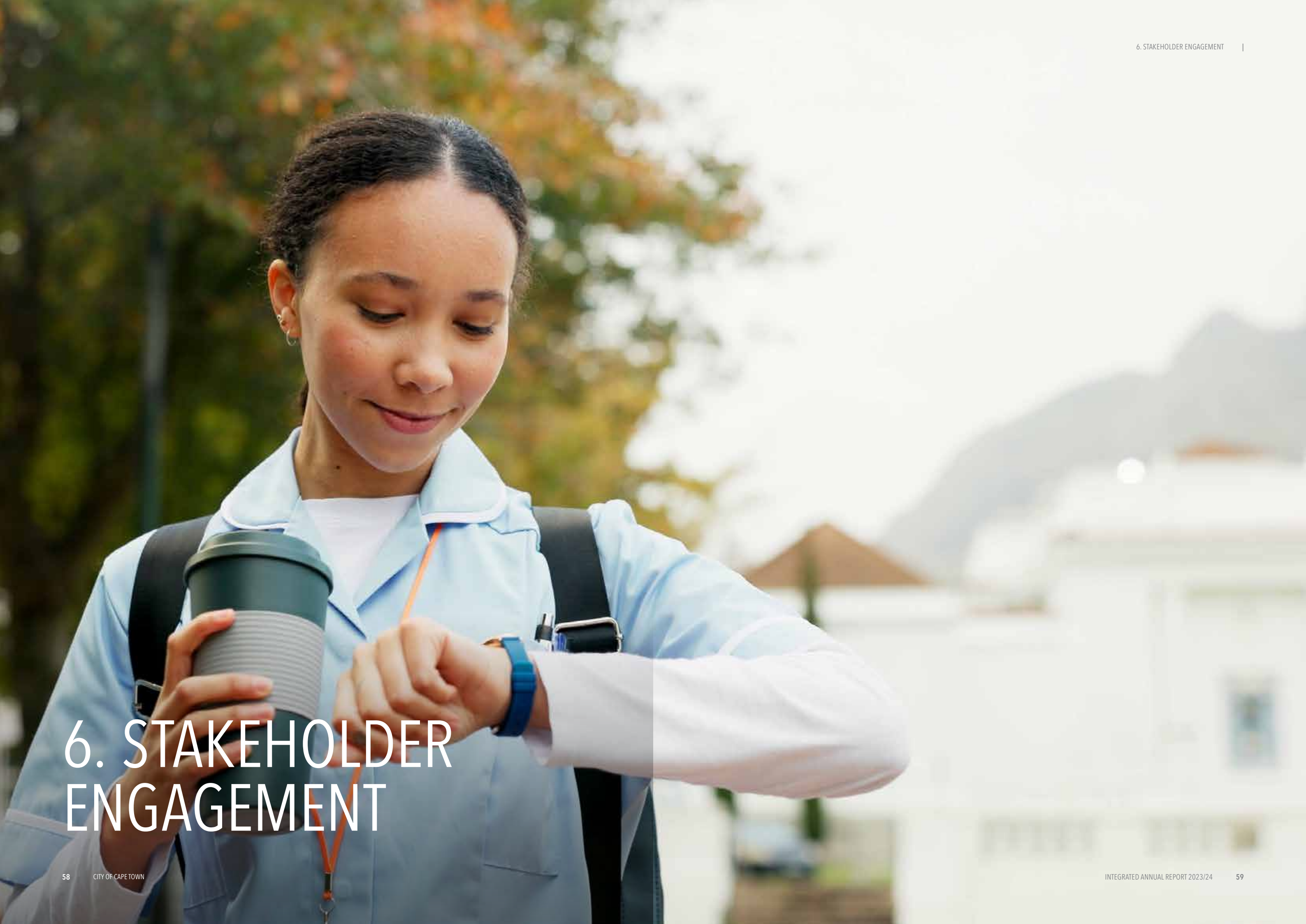
The combination of urbanisation, globalisation, rapid technological advancement and climate change means that Cape Town's key systems are increasingly linked to, and dependent on, key systems in other parts of the region, the country and the rest of the world. This also renders them more vulnerable to potential disruption.

This is why the City takes a holistic approach to risk identification and management that goes beyond merely preparing for shocks, but also seeks to understand how stresses affect the ability of Cape Town and its people to respond in moments of shock. The City's opportunities, in turn, are encapsulated in our objectives, controls and action plans.

The following top 10 risks have been identified:

 BREAKDOWN IN GOVERNANCE AND LEGAL COMPLIANCE	 CONTINUOUS CRIME AND SAFETY INCIDENTS	 MOVEABLE AND IMMOVABLE ASSETS NOT MEETING NEEDS OR SAFETY REQUIREMENTS	 INADEQUATE OR UNSTABLE INFRA-STRUCTURE TO DELIVER SERVICES
 UNLAWFUL LAND OCCUPATION HAMPERING SERVICE DELIVERY AND SAFETY	 INEFFECTIVE INTERGOVERNMENTAL COLLABORATION	 INSUFFICIENT SKILLS AND COMPETENCIES	
 LACK OF FINANCIAL RESILIENCE AND ECONOMIC STABILITY	 THE NEGATIVE EFFECTS OF CLIMATE CHANGE AND POLLUTION ON RESOURCES AND SERVICES	 THREAT TO ENERGY SECURITY	 VULNERABILITY AND AVAILABILITY OF DIGITAL TECHNOLOGY AND CYBERSECURITY





6. STAKEHOLDER ENGAGEMENT

As mandated by the Municipal Systems Act 32 of 2000, the City's IDP and budget process involves extensive resident and stakeholder involvement in identifying priorities and assessing City progress.

6.1 STAKEHOLDER ENGAGEMENT FOR 2024/25 IDP AND BUDGET

In amending the IDP and drafting the budget with a view to 2024/25, the following stakeholder engagements were undertaken:

- ✓ Media releases and newspaper adverts
- ✓ Digital engagement through Mayor's video (recording over 20 000 views), emailers and social media
- ✓ Municipal bill inserts

- ✓ Uploading of documents to the City's website, and distributing hard copies to libraries and subcouncil offices
- ✓ Addressing comments through City's established communication channels

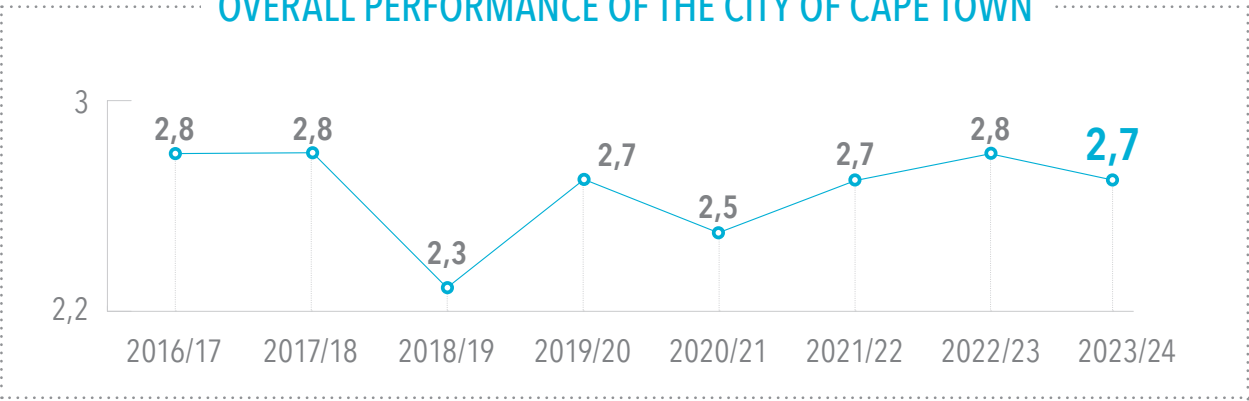
The more than 2 000 comments received across diverse platforms attests to a robust engagement process and the City's commitment to transparent governance.

6.2 ESTABLISHING STAKEHOLDERS' SATISFACTION

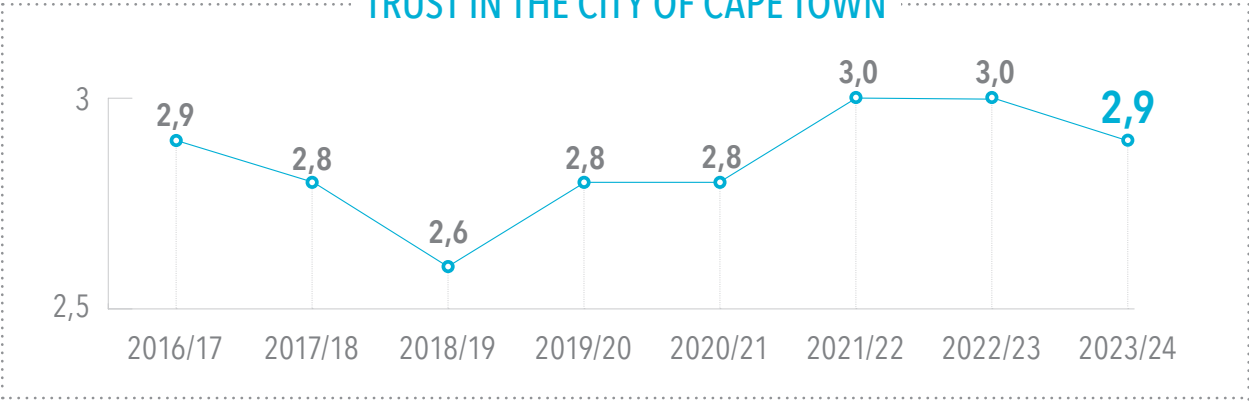
In 2023/24, the City again conducted its annual community satisfaction survey. The aim is to gauge Cape Town residents' perception of the general quality of services provided by the City, and their satisfaction with services in terms of having their needs met. The latest survey reveals a slight decrease in the overall level of satisfaction among Capetonians, with the

average score having decreased from 2,8 out of 5 in 2022/23 to 2,7 in 2023/24. The City leadership has interrogated the results, and improvement plans will be instituted where required. The following graphs offer an overview of the survey results.

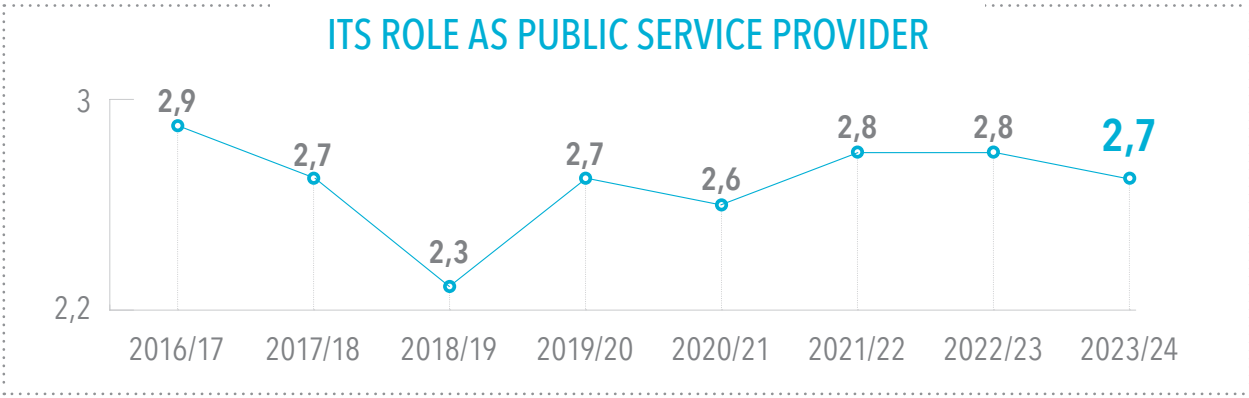
OVERALL PERFORMANCE OF THE CITY OF CAPE TOWN



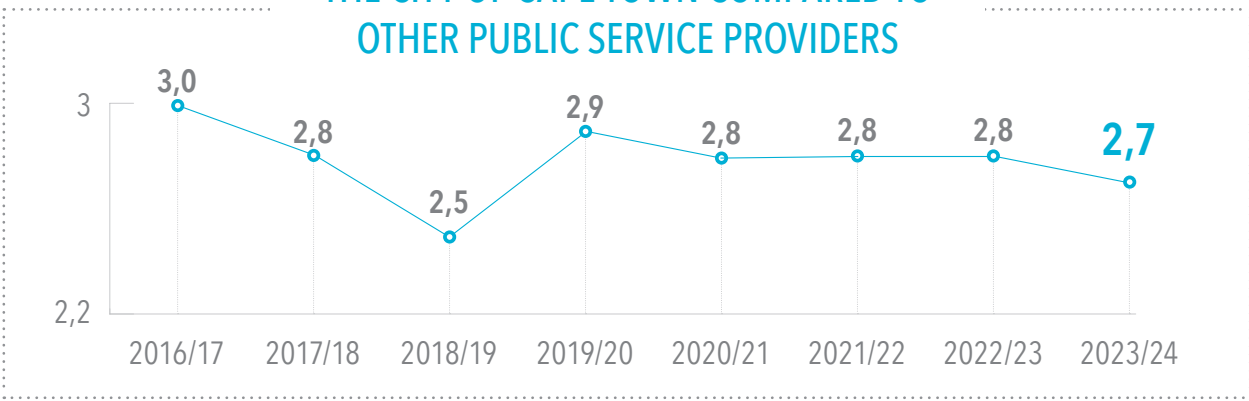
TRUST IN THE CITY OF CAPE TOWN



THE CITY OF CAPE TOWN'S FULFILMENT OF ITS ROLE AS PUBLIC SERVICE PROVIDER



THE CITY OF CAPE TOWN COMPARED TO OTHER PUBLIC SERVICE PROVIDERS



Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

7. PERFORMANCE AGAINST OUR STRATEGY



7.1 SUMMARY OF THE ANNUAL FINANCIAL STATEMENTS FOR 2023/24

The City's annual financial statements for 2023/24 are summarised below. The performance section of this integrated annual report should be read in conjunction with the financial statements, of which a full version is available in appendix A.

STATEMENT OF FINANCIAL POSITION – SUMMARY AS AT 30 JUNE 2024

RAND THOUSANDS (R'000)

	2024	2023
ASSETS		
Non-current assets	70 371 869	66 030 087
Current assets	21 281 622	20 416 991
TOTAL ASSETS	91 653 491	86 447 078
LIABILITIES		
Non-current liabilities	10 400 311	12 244 597
Current liabilities	13 972 147	12 478 340
TOTAL LIABILITIES	24 372 458	24 722 937
NET ASSETS		
Total net assets	67 281 033	61 724 141
TOTAL NET ASSETS AND LIABILITIES	91 653 491	86 447 078

STATEMENT OF FINANCIAL PERFORMANCE – SUMMARY AS AT 30 JUNE 2024

RAND THOUSANDS (R'000)

	2024	2023
REVENUE		
Exchange revenue	32 619 581	27 276 051
Non-exchange revenue	26 337 297	24 815 052
TOTAL REVENUE	58 956 878	52 091 103
EXPENDITURE		
TOTAL EXPENDITURE	53 399 986	48 387 663
NET SURPLUS FROM OPERATIONS	5 556 892	3 703 440

CASH FLOW STATEMENT – SUMMARY AS AT 30 JUNE 2024

RAND THOUSANDS (R'000)

	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES		
NET CASH FROM OPERATING ACTIVITIES	7 900 371	6 108 065
CASH FLOW FROM INVESTING ACTIVITIES		
NET CASH FROM INVESTING ACTIVITIES	(8 020 031)	(7 050 265)
CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH FROM FINANCING ACTIVITIES	(703 546)	757 838
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7 287 575	8 110 781



7.2 ECONOMIC GROWTH

WHY THE FOCUS ON ECONOMIC GROWTH?

The City has set economic growth as its guiding priority, recognising it as the key to addressing poverty and rekindling hope for a more prosperous future for all residents. Ultimately, faster economic growth is essential for creating job opportunities and sustaining quality basic services. However, the City also realises that many Capetonians still face barriers to participating in the local economy and accessing growth-related opportunities.

One of the ways in which the City is committed to increasing jobs and investment is by simplifying regulations and processes, making it easier for businesses to start and grow. Moreover, collaboration between government and the private sector is key to innovate and tackle critical issues hindering job creation, such as load-shedding and logistical delays.

Additionally, the City is working with other spheres of government to improve connectivity with the rest of Africa and the world, particularly through key economic infrastructure such as Cape Town International Airport and the Port of Cape Town.

The strategy extends to increasing economic participation and reforming regulations to create more opportunities in not only the formal, but also the informal economy, which makes up around 11% of total employment. The City is concentrating its investment in public infrastructure and operations in targeted areas to accelerate growth, and is releasing City-owned land for economic development and affordable housing. These initiatives collectively aim to create an environment where economic growth can flourish, enabling more Capetonians to lift themselves out of poverty and contribute to a thriving, inclusive local economy.

Unfortunately, low economic growth of only 1% was recorded in the 2023 calendar year, and Cape Town's growth trajectory for 2024 is forecast at only 1,2% (South Africa Regional eXplorer, 2024). This is below the International Monetary Fund's global growth expectation of 3,2% for 2024. On the plus side, labour market outcomes saw 217 668 more people employed

in Cape Town in 2023 compared to the previous year. This increase contributed to a decline of just over 4 percentage points in the broad unemployment rate to 25,2% in 2023 (StatsSA, 2024). The recent period of reliable electricity supply has helped grow business and consumer confidence, with the latter reaching its highest reading in 18 months in June 2024.

ECONOMIC OVERVIEW

 R474 billion

GDP in 2023 – R474 billion in constant prices (9,% of national GDP)

 217 668

Employment increased by 217 668 from 2022 to 2023

 -4,3%

Unemployment rate declined by 4,3 percentage points from 2022 to 2023

SECTOR DEVELOPMENT

 +34 321

Construction employment increased by 34 321 from 2022 to 2023

 R126 billion

Exports increased by 14% from 2022 to 2023 to reach R126 billion

BUSINESS ENVIRONMENT



Reduced processing times (e.g. waiting time for business electricity connections down from 91 to 41 days)



Digital updates – email notifications and WhatsApp for service requests

TOURISM AND EVENTS



R2 billion

Economic impact – R2 billion from flights, cruises and events



9,7 million

9,7 million passenger movements at Cape Town International Airport in 2023

INCLUSIVE DEVELOPMENT



43 962

EPWP job opportunities



Increasing focus on skills training and business support for entrepreneurs

TO
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FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Local area tourism	2,9	2,7
Area economic development	2,8	3,1

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 1:
INCREASED JOBS AND INVESTMENT
IN THE CAPE TOWN ECONOMY

PROGRAMME 1.1: EASE-OF-DOING-
BUSINESS PROGRAMME

Programme at a glance

- ✓ Remove obstacles to starting and growing businesses and developing properties in Cape Town
- ✓ Address time, effort and cost of regulatory compliance as barriers for businesses
- ✓ Implement efficient City regulatory processes
- ✓ Make Cape Town an appealing location for all businesses
- ✓ Be an effective and supportive business partner



Material matters covered:

- ✓ Programme 1.1: Ease-of-doing-business programme
 - Ease-of-doing-business project

Ease-of-doing-business project

Cape Town is the first African metro to have introduced its own Ease-of-Doing-Business (EoDB) Index. The index monitors key aspects of business-related processes across ten vital indicators, including utility connections, building plan approvals, and informal trading permits.

2023/24 PROGRESS

Strategic development and implementation

The City is currently developing an internal EoDB dashboard to monitor index indicators, with progress underway to support data-driven decisions for operational effectiveness. Alongside this, a public-facing EoDB Dashboard (<http://dashboard.investcapetown.com/>) has been launched, providing quarterly updates on indicator performance accessible to the public. A comprehensive system map has also been established to identify core issues within the built environment value chain, enabling strategic interventions and targeted resource allocation.

Reform action plans

Significant improvements have been achieved in core service delivery processes. Key highlights are listed below:

SERVICE	PREVIOUS DURATION	CURRENT DURATION (2023/24)
Transfer of public land	Average 194 days	Average 138 days
Wayleave issuance – electricity	31 days	Average 1 day
Wayleave Issuance – water and sanitation	31 days	Average 13 days
Wayleave Issuance – urban mobility	31 days	Average 18 days
Electricity connections for businesses	91 days	Average 41 days
Water connections	62 days	Average 9 days
Revenue clearance certificates	Average 4 days	Average 2 days
Business licences	197 days	Average 63 days
Informal trading permits	41 days	Average 24 days

Modernising communication

The City is transitioning from registered mail to email notifications of Planning By-law updates. This two-year transition will offer faster, more reliable communication and reduce costs.

Future initiatives

- ✓ A dedicated ease-of-doing-business landing page has been developed on the Invest Cape Town website (www.investcapetown.com). This will be used to provide updates and information on plans and initiatives.
- ✓ The inaugural Doing Business in Cape Town Summit is scheduled for October 2024. This event will provide a comprehensive update on progress made across all 10 EoDB Index indicators.
- ✓ Awareness raising and the dissemination of the We Mean Business Bill of Rights that highlights the rights of businesses when doing business with the City.
- ✓ The provision of avenues for engagements and identifying regulatory barriers.
- ✓ The inclusion of Business Satisfaction Survey results and a cost of compliance study for the 2025 EoDB Index.

These strategic improvements underscore the City's commitment to creating a dynamic, responsive and efficient urban environment. Ongoing efforts will focus on sustaining these improvements and expanding initiatives to meet the evolving needs of the business community.

PROGRAMME 1.2: INVESTMENT
AND PARTNERSHIP DEVELOPMENT
PROGRAMME

Programme at a glance

- ✓ Support the private sector to attract investment and jobs to Cape Town



Material matters covered:

- ✓ Programme 1.2: Investment and partnership development programme
 - Economic impact of tourism in Cape Town
 - Business retention and expansion
 - Growth coalition project

Economic impact of tourism in Cape Town

Tourism plays a vital role in Cape Town's economy and is bolstered by strategic campaigns and partnerships that attract more flights, cruise ships, and investment. These efforts significantly boost local business and employment opportunities.

Some of the 2023/24 tourism season highlights were as follows:

AIR TRAVEL

During the peak visitor period between November 2023 and March 2024, a total of 215 international flights landed in Cape Town every week, with approximately 31 000 passengers passing through the airport every day. Aviation is a major contributor to the local economy, with international

arrivals to Cape Town International Airport driving approximately significant revenue into the Western Cape.

CRUISE LINERS

The 2022/23 cruising season (October to May) contributed R1,2 billion to the local GDP. In 2023/24, Cape Town welcomed 67 cruise ships (150 000 passengers and crew), and for the upcoming 2024/25 season, 87 ships are anticipated to dock, promising substantial further economic benefits for the city.

EVENTS AND CONFERENCES

From January to June 2024, a total of 157 contracted events took place in Cape Town, with 139 upcoming events scheduled between July and December 2024. Many conference venues are booked up until the end of the 2024 calendar year. This will significantly benefit hotels and tourist attractions across town.

The City supported over 170 events through its events support process. Research on three key events revealed a substantial economic impact of R2 billion, including direct and indirect economic benefits and destination marketing value.

Moreover:

- ✓ just 20 events generated R1,9 billion in direct economic activity from attendees, participants and organisers;
- ✓ the top 40 events attracted over 1,3 million attendees and participants; and
- ✓ the top 20 events created more than 26 000 job opportunities across the events ecosystem, including security, catering, logistics, production and transportation.

Business retention and expansion

SURVEY EXPANSION AND TARGETED INTERVENTIONS

Building on the successful launch of the Atlantis and Blackheath business retention and expansion area survey, comprehensive surveys were conducted in Stikland and Epping. These surveys identified the challenges faced by businesses in each area, providing a foundation for tailored interventions to address specific needs.

Key initiatives in this regard include the following:

- ✓ Truck holding initiative: A Paarden Eiland survey regarding a designated truck holding area received overwhelming support, with 96,3% of truck operators and 66,7% of truckers favouring such a formalised area to enhance logistical efficiency.
- ✓ Epping industrial survey: The City met its target of completing 115 surveys in Epping Industria to develop an investor profile for the area. This led to collaboration with Geocentric Urban Management on urban mobility projects, including the formalisation of two truck embayments in Epping.
- ✓ Cape Town Manufacturing Summit: Preparations are under way for this event, which aims to showcase regional industrial strengths and foster knowledge-sharing among industry leaders.

FACILITATION OF BUSINESS ENGAGEMENTS

The City actively engaged with businesses interested in investing in Cape Town, with approximately 200 engagements conducted. Notable outcomes include:

THE IMPLEMENTATION OF THE CITY'S INCENTIVES PROGRAMME IN ATLANTIS INDUSTRIA, WHICH RESULTED IN ELECTRICITY TARIFF REDUCTIONS VALUED AT R20 MILLION AND BUILDING PLAN APPLICATION WAIVERS OF OVER R110 000; AND

- ✓ support in facilitating a significant R1 billion investment in a new distribution centre.

These initiatives demonstrate the City's commitment to creating a business-friendly environment and supporting economic growth across various industrial areas in Cape Town.

Growth coalition project

The City funds and partners with various special-purpose vehicles (SPVs) to drive economic growth and job creation in strategic sectors of the economy. Collectively, the SPVs facilitated R7,8 billion's worth of investment, which resulted in 19 323 direct jobs in 2023/24. They also enabled training for 3 160 young people in various sectors.

City-funded SPVs

- ✓ Cape Business Process Outsourcing (CAPEBPO) oversees programmes in the call centre industry.
- ✓ UVU Africa (previously Cape Information and Technology Initiative (CITI)) – an innovation ecosystem orchestrator driving inclusive economic growth and participation by implementing enabling interventions to build a digitally skilled talent pool, develop resilient entrepreneurs and accelerate startups in high-growth sectors
- ✓ BlueCape coordinates economic projects that support the ocean economy.
- ✓ GreenCape coordinates projects supporting investments in the green economy.
- ✓ The Cape Clothing and Textile Cluster (CCTC) runs initiatives such as the business accelerator programme to assist small Cape Town clothing and textile businesses to become suppliers to large retailers.
- ✓ The Craft+Design Institute (CDI) works with businesses and designers in the clothing and textile industry.
- ✓ The Cape Town Fashion Council works with designers in the clothing and textile industry.
- ✓ Wesgro, the investment promotion agency for Cape Town and the Western Cape, oversees projects such as Air Access and Cruise Cape Town.
- ✓ The Western Cape Economic Development Partnership administers the City's growth coalition initiative.
- ✓ The Greater Tygerberg Partnership, which facilitates the transformation of Bellville through investment promotion, stakeholder engagement and community led programs to create a prosperous and sustainable urban centre

PROGRAMME 1.3: INCLUSIVE ECONOMIC DEVELOPMENT AND GROWTH PROGRAMME

Programme at a glance

- ✓ Create an environment where informal businesses and entrepreneurs can flourish
- ✓ Support and develop Cape Town's informal sector and help address challenges around business establishment and survival
- ✓ Help create jobs and sustain livelihoods



Material matters covered:

- ✓ Programme 1.3: Inclusive economic development and growth programme
 - Creating opportunities through the EPWP

Creating opportunities through the EPWP

For over a decade, the Expanded Public Works Programme (EPWP) has been a cornerstone of the City's efforts to alleviate poverty and create employment opportunities. At its core, the EPWP aims to provide temporary work opportunities to unemployed individuals, with a particular focus on youth, women, and persons with disabilities. Participants receive valuable skills training, enhancing their future employment prospects.

In 2023/24, the City provided 43 962 EPWP work opportunities across 691 projects, injecting over R400 million into local households. This represents a significant increase in work and training opportunities of more than 30% since 2010/11. From 2010 to 2024, the programme has provided a cumulative 509 803 opportunities, demonstrating a sustained commitment to community development.

One of the most significant indicators of the EPWP's success is participants' transition to permanent employment. Since

2016, more than 3 800 permanent positions at the City have been filled by former EPWP participants. Many have also secured employment in the private sector. This confirms the programme's effectiveness as a pathway to sustainable livelihoods, moving beyond temporary relief to create lasting economic opportunities.

In the infrastructure sector specifically, the City achieved an EPWP employment target of 11 038 (see breakdown below). Work opportunities increased by 133% thanks to an intensive infrastructure strategy that was implemented by the City's EPWP Office in collaboration with the infrastructure directorates. This has also boosted the Western Cape's infrastructure performance more broadly, which is vital for the allocation of grant funding.

Complementing this, the EPWP entrepreneurship trainee programme equips individuals with essential business skills and knowledge, empowering them to manage their own enterprises. Now in its third year, the programme collaborates with the University of the Western Cape to offers training modules on financial management, marketing and leadership to entrepreneurs. Participants also benefit from personalised coaching, which fosters job creation and revenue growth for their enterprises.

PROGRAMME 1.4: TARGETED URBAN DEVELOPMENT PROGRAMME

Programme at a glance

- ✓ Concentrate investment in public infrastructure and operations in targeted areas
- ✓ Private-sector investment for inclusive growth and affordable housing
- ✓ Accelerate development and management of key business precincts
- ✓ Enhance local-level coordination with business and community stakeholders
- ✓ Five-year improvement focus
- ✓ Targeted urban development supporting transit-oriented development and spatial integration



Material matters covered:

- ✓ Programme 1.4: Targeted urban development programme
 - Spatial targeting for inclusive urban development
 - Local area and precinct development initiative
 - Precinct management initiative
 - CBD recovery and transition project

Spatial targeting for inclusive urban development

Cape Town employs spatial targeting as a strategic approach to urban development, directing resources and investments towards specific geographic areas to address spatial inequalities and promote equitable service delivery. This method, outlined in the district spatial development frameworks that were approved in January 2023, identifies priority intervention areas in the categories of new development areas, development focus areas, urban support focus areas, mixed-use intensification areas, and environmental focus areas. These areas are prioritised for development to improve connectivity and access to services.

The revitalisation of Khayelitsha, a township with over 400 000 residents, is a prime example of this approach. Targeted investments have led to a 20% increase in access to reliable public transport and a 15% rise in local business registrations over five years, fostering economic empowerment in the community.

In the Southern Suburbs, containing many historically significant areas, the Municipal Spatial Development Framework (MSDF) emphasises preservation alongside

sustainable growth. This strategy has resulted in a 25% reduction in carbon emissions per capita through improved waste management and green building initiatives.

By aligning with global best practice in spatial targeting, the City aims to create a more equitable and vibrant cityscape.

Local area and precinct development initiative

Recent local area and precinct development efforts are making significant strides across town:

BELLVILLE FUTURE CITY

After extensive public feedback, Council adopted the masterplan for central Bellville as a local spatial development framework in December 2023. Strategic partnerships with the Passenger Rail Agency of South Africa (PRASA) and Transnet are driving coordinated infrastructure investments. In 2023/24 alone, investments reached R50 million.

Upcoming projects in central Bellville include upgrading and extending key roads, exploring potential investments in a new 'government precinct' by the national Department of Public Works, launching a substantial affordable housing scheme, and short-term improvements to the current taxi rank. Plans are also under way to develop a new integrated public transport interchange at Bellville station in collaboration with PRASA. Additionally, efforts are being made to relocate the Paint City Safe Space to facilitate the extension of Church Street to Reed Street, while the upgrade and partial pedestrianisation of South Street is also being explored to enhance the trading area and serve as a forecourt to Bellville station. Enhancements to the cycling network in central Bellville are also in the works.

PHILIPPI OPPORTUNITY AREA

The regeneration framework for Philippi, adopted as a local spatial development framework in December 2023, outlines a series of infrastructure projects and land development plans, including affordable housing initiatives. A key focus is the release of City-owned sites in Philippi to be developed under the small-scale rental unit programme. Included are residential projects at the Joe Gqabi public transport interchange at Stock Road station. To date, over 300 grant-funded housing units have been completed in the Philippi area, with another 500 in progress. However, the area faces a wastewater infrastructure backlog, which is slowing short-term development.

Another highlight is the completion of a R24,5 million refurbishment of the Philippi agri-hub, with plans for

continued improvements over the next two years. Discussions with the Recreation and Parks Department to redevelop stormwater ponds into multiuse community sports facilities are also ongoing.

FORESHORE GATEWAY PRECINCT

In early 2023, the provincial roads authority approved changes to the Lower Buitengracht road reserve, replacing the outdated 1969 road widening scheme. This approval clears the path for redeveloping seven vacant and underutilised city blocks along the northwestern edge of this key inner-city route and heritage-sensitive part of central Cape Town. Work is under way to market these sites for mixed-use development, including affordable housing. The area could potentially accommodate over 4 000 residential units and commercial spaces. Planning is also advancing for the redevelopment of the Strand Street quarry into a mixed-use community sports and cultural hub, with initial community open days held to discuss ideas.

CENTRAL CLAREMONT

Progress is being made on a development vision for central Claremont, focusing on market-driven densification that would be supported by integrated MyCiTi and PRASA services. Ongoing legal and environmental due diligence investigations for City landholdings in the area are crucial for future development. Environmental impact assessments are under way for several key transit-oriented development projects.

LOCAL SPATIAL DEVELOPMENT FRAMEWORKS

The Urban Planning and Design Department has received Council approval for local frameworks in respect of areas such as Two Rivers and District Six, which aim to guide sustainable growth. Additional frameworks are being developed to streamline future efforts, with an expected impact of over R1 billion in new infrastructure investments.

All these initiatives demonstrate the City's commitment to structured urban development, promoting inclusive growth and enhancing infrastructure to meet the needs of its diverse communities.

Precinct management initiative

The City's precinct management initiative focuses on building strategic partnerships and implementing sustainable urban management practices to strengthen community resilience.

- ✓ **Greater Tygerberg Partnership (Bellville):** The Greater Tygerberg Partnership has allocated R15 million

for minor infrastructure upgrades and community development projects in Bellville. Future plans include expanding green spaces and improving pedestrian connectivity in the area.

- ✓ **Philippi Economic Development Initiative:** Based at the Philippi agri-hub, this initiative has been instrumental in advancing the Philippi Presidential Employment Programme. With R30,5 million in funding over the past year, this programme has created 950 job opportunities in local cleansing, safety, community engagement, and placemaking, while also supporting various precinct management functions.

Looking ahead, the City plans to build on these partnerships to attract further private investment. The funding will support sustainable infrastructure projects and social programmes aimed at improving people's quality of life and fostering inclusive growth in these precincts.

CBD recovery and transition project

Cape Town launched its central business district (CBD) transition plan in 2022/23 to revitalise urban areas and foster inclusive growth. A comprehensive baseline analysis and draft framework have now been completed. Key focus areas include expanding residential options, preserving local character, and enhancing public transport and walkability. Ongoing public consultations will lead to the finalisation of a spatial development framework.

Recent achievements under this project include the following:

- ✓ **Woodstock Hospital:** The City secured heritage approval for a social housing project that will create approximately 700 new housing units.
- ✓ **Pinelands:** Some 130 social housing units are planned as part of the Conradie Park initiative led by Province.

Construction of the Goodwood station (1 055 units) and Bothasig Gardens developments (434) continues.

In terms of future plans, the City is advancing a pipeline of 6 500 social housing units across 50 different land parcels. The aim is to add another 4 000 units by 2026.

PROGRAMME 1.5: CONSOLIDATED LAND PIPELINE AND RELEASE PROGRAMME

Programme at a glance

- ✓ Consolidated programme for land planning, acquisition and release to foster inclusive economic growth and affordable housing
- ✓ Align land release for development with transit-oriented development principles to promote a spatially integrated city



Material matters covered:

- ✓ Programme 1.5: Consolidated land pipeline and release programme
 - Accelerated land release initiative
 - Social housing pipeline
 - Support for micro-developers building affordable housing in lower-income communities

Accelerated land release initiative

Cape Town has launched a significant initiative to accelerate the release of City-owned land for affordable housing. The objective is for residents to live closer to economic opportunities, addressing the legacy of exclusion stemming from apartheid-era planning.

PROGRESS TO DATE

In its first two years, the Mayor's priority programme aimed at accelerated land release for social housing has made substantial progress across five sites. These are set to deliver over 4 000 residential opportunities, including

approximately 1 800 social housing units. Notable land parcels in this initiative include Newmarket Street, Salt River market, and Pickwick Street – all located within the periphery of central Cape Town.

DISCOUNTING THE COST OF PUBLIC LAND

To support affordable housing development, the City has implemented guidelines to reduce land acquisition costs for developers committed to this cause. This strategy allows developers to receive discounts on land value, in exchange for optimising the number of affordable units built. This approach proves particularly valuable in reducing development costs and meeting housing needs with less reliance on public subsidies.

The City plans to expand these efforts in years to come by continuing to discount public land costs and enabling tenants of Council-owned rental units to apply for property ownership. This should enhance community stability and foster economic empowerment.

The 2024/25 budget allocates R2,8 billion for housing capital expenditure over the next three years. This substantial funding supports a range of initiatives, including upgrades of informal settlements, Breaking New Ground (BNG) projects, assistance for backyard dwellers, and social housing programmes.

Social housing pipeline

In addition to providing homes, the City's approach to affordable housing aims to build communities and create economic opportunities for residents. The affordable housing pipeline is ambitious and far-reaching. It includes land parcels at various stages of planning and disposal – all expected to deliver over 12 000 residential opportunities across the metro. The focus is on mixed-market development

that prioritises the creation of integrated communities and sustainable human settlements. The aim is to offer not only housing opportunities, but also commercial and social amenities, contributing to more holistic and vibrant urban spaces.

In this way, the City demonstrates its dedication to addressing housing needs, promoting social integration, and creating more equitable urban environments.

Support for micro-developers building affordable housing in lower-income communities

The City has established a Development Charges Fund to help micro-developers construct affordable housing in 194 identified lower-income areas across town. The fund is designed to provide subsidies that cover 50% to 90% of development charges.

These charges typically fund essential services such as roads, stormwater management, water supply, sewage systems, public transport infrastructure, and waste removal. The objectives and expected outcomes of the initiative are as follows:

- ✓ **Stimulate development:** The City aims to catalyse new housing, retail and community projects, which will generate employment and provide skills development, amenities and economic opportunities for residents.
- ✓ **Uplift communities:** This investment is crucial for uplifting lower-income areas and ensuring their sustained prosperity.
- ✓ **Create equity:** By focusing resources on these targeted areas, the City hopes to create a more equitable urban landscape.

7.3 BASIC SERVICES

WHY THE FOCUS ON BASIC SERVICES?

Understanding that economic growth depends on getting the basics right, the City prioritises excellence in the delivery of basic services as the foundation for a healthy and prosperous Cape Town. Reliable water, sanitation and refuse collection services provide the essential groundwork for dignity and economic development. The City is particularly focused on mitigating the impacts of failing national government services: Over the next five years, for instance, reducing Capetonians' vulnerability to load-shedding is a key priority.

The approach to basic services is founded on a commitment to improve living conditions and health, especially in informal contexts, and promote individual and community welfare. This includes ensuring safe access to shared facilities, particularly for women and children, and upholding residents' dignity and security.

The City is also reforming its basic services utilities to ensure efficient and effective delivery in the long term, while

prioritising infrastructure development to improve services and enable economic growth. This commitment extends to excellent customer engagement and timely response to service faults or complaints.

Water resilience is another crucial focus. Efforts are under way to increase Cape Town's water security and reduce the likelihood of severe water restrictions through diverse supply sources.

In addition, the City is incorporating circular economy principles into its operations. The aim here is to increase economic opportunities and environmental benefits from waste streams, while also working to counter illegal dumping to protect urban environmental health.

The City's commitment to excellence in basic services forms the foundation of its strategy for creating a city where all residents can live with dignity, access reliable services, and participate in a thriving local economy.



INFORMAL SETTLEMENTS INFRASTRUCTURE



811

new taps installed (2022/23: 769)



6 486

new toilets installed (2022/23: 5 215)



1 578

subsidised connections completed (2022/23: 2 440)



99,84%

of recognised informal settlements now receive basic waste removal and area cleaning services (2022/23: 99,78%)

SOCIAL SUPPORT



210 000+

Over 210 000 residents receive free basic services, including water, sanitation and electricity

ACCESS TO BASIC SERVICES:



94,6%

Sanitation: 94,6%
(2022/23: 95,4%)

99%

Water supply: 99% in 2023/24
(2022/23: 98,6%)

86,3%

Refuse removal: 86,3%
(2022/23: 89,6%)

ENERGY INVESTMENT AND REFORM



303 GWh

Improved energy efficiency in municipal
operations saved over 303 GWh of
electricity from 2009/10 to 2021/22

6 460

approved grid-tied small-scale embedded
generation installations, with 28,76 MVA added

WASTEWATER TREATMENT AND CERTIFICATION



R2 billion

upgrade of Zandvliet wastewater treatment
works (WWTW) completed, improving
capacity and effluent quality

ISO 9001

Wesfleur and Melkbosstrand WWTWs received ISO
9001 certification and are preparing for ISO 50001
certification, while Bellville WWTW maintained
both ISO 9001 and 50001 certification

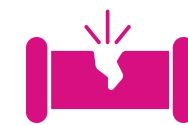
WATER TREATMENT, COMPLIANCE AND RETICULATION



ISO 22000

Water and Sanitation achieved ISO 22000
food safety management certification for three
of its treatment plants, namely Brooklands
(design capacity of 5,20 Mℓ/d), Voëlvlei
(160 Mℓ/d) and Blackheath (430 Mℓ/d).City retained its Blue Drop status, ranking
second nationally for water services

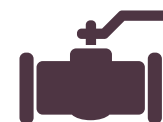
99,26%

Compliance with drinking-water
standards: 99% (2022/23: 94,5%)

34,73 km

Water main failures:
34,73 per 100 km (2022/23: 29,39)

SEWERS AND PUMP STATIONS



866,80

Frequency of sewer blockages:
866,80 per 100 km (2022/23: 956,50)

97 km

Sewer pipe replacement increased to 97 km, with
R2,127 billion allocated for the next three years

INTEGRATED WASTE MANAGEMENT

 40,53%

Approximately 40,53% of organic waste diverted from landfills, with total waste diversion at 31,53%

 0,25 tons

Per-capita solid waste sent to landfill: 0,25 tons (2022/23: 0,24 tons)


638 878

Approximately 638 878 tons of waste diverted from landfills

CIRCULAR ECONOMY


9 MW

Plans to increase landfill gas electricity capacity from 2 MW to 9 MW in the next five years


20 000

Waste-to-energy projects now generate clean energy for 20 000 households yearly

ILLEGAL DUMPING MONITORING AND ENFORCEMENT

 64

Implemented a phased initiative with 64 auxiliary officers to enforce waste management by-laws

 2 631

Issued 2 631 notices and imposed R4,3 million in fines for illegal dumping

CARBON AND GREENHOUSE GAS REDUCTION


R36 mil

raised from carbon credit auctions to support waste-to-energy projects


25 X

reduction in methane emissions


10%

reduction in Cape Town's carbon footprint

AREA CLEANING

 99,84%

Achieved 99,84% coverage of informal settlements with essential cleansing services

PUBLIC AWARENESS

 45 566

residents engaged through various campaigns

FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Electricity provision	2,8	2,8
Street lighting	2,8	3,0
Water provision	3,0	3,0
Sanitation	2,9	3,0
Urban waste	3,0	3,1

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 2: IMPROVED ACCESS TO QUALITY AND RELIABLE BASIC SERVICES

PROGRAMME 2.1: MAINSTREAMING BASIC SERVICE DELIVERY TO INFORMAL SETTLEMENTS AND BACKYARD DWELLINGS

Programme at a glance

- ✓ Meet increasing demand for accelerated basic service delivery
- ✓ Adopt alternative service delivery solutions at scale
- ✓ Community partnerships key to fit-for-purpose delivery models in less-formal areas
- ✓ Implement effective monitoring mechanisms for services
- ✓ Funding and cross-subsidisation strategies for free basic services to bolster community resilience



Climate Priority Programme



Material matters covered:

- ✓ Programme 2.1: Mainstreaming basic service delivery to informal settlements and backyard dwellings
 - Mainstreaming basic service delivery
 - Social support for the indigent and pensioners
 - Service delivery in informal settlements

Mainstreaming basic service delivery

As Cape Town continues to grow rapidly, demand for accelerated basic service delivery in informal settlements and backyard dwellings is intensifying. To address immediate needs and also foster sustainable development in informal areas, the City is pioneering alternative solutions for electricity, water, sanitation and urban waste services.

To ensure that these solutions are tailored to meet the unique challenges of informal settlements, community partnerships are key. This is why the City involves local residents and organisations, as their input helps keep services both accessible and sustainable in the long term.

Effective monitoring also plays a crucial role in maintaining service reliability and quality. Through regular assessments and feedback loops, the City promptly addresses issues and upholds high standards across all communities.

In addition, to strengthen community resilience, the City has implemented funding and cross-subsidisation strategies for free basic services, ensuring that vulnerable populations have equitable access to essential utilities.

By integrating all of these strategies into its urban planning framework, the City is innovating, collaborating and investing to enhance all residents' quality of life, regardless of their housing status. This will ensure a more inclusive and sustainable future where basic services contribute to thriving communities across the metro.

In the Cape Town metro, 99% of households have access to piped or tap water, whether on or off-site. This is the highest percentage of all metros in South Africa. For further details, see Stats SA's 2023 general household survey.

INFORMAL SETTLEMENTS SERVICES PROJECT

Ensuring basic services in informal settlements is a key City priority.

Current initiatives include the testing of innovative sanitation technologies in five informal settlements. This is taking place in partnership with the Bill and Melinda Gates Foundation and the Water Research Commission, with implementation commencing in July 2024.

The backyard dwelling service support project for private properties is also under way, with plans for new development areas and infrastructure upgrades in existing Reconstruction and Development Programme developments. The project focuses on small-scale rental units and prioritises areas based on water consumption data and budget availability.

Energy access in informal settlements has made significant progress, with 1 578 subsidised electricity connections completed in 2023/24. These connections will benefit an estimated 6 300 residents, who will enjoy a better quality of life through reliable power provision and a reduced fire risk.

Other energy-related initiatives include the following:

- ✓ **Alternative energy solutions:** Exploring options for settlements not connected to the grid, including alternative public lighting and affordable, safe cooking products such as insulation cookers. The aim is to enhance living conditions and minimise the fire risk associated with open flames.
- ✓ **Renewable-energy research:** The City conducted a survey to understand community energy practices and perceptions. This research will guide the urban energy poverty programme in the years ahead.

- ✓ **Solar-powered lighting pilot:** In collaboration with the national Department of Science and Innovation and its Viability and Validation of Innovations for Service Delivery Programme, the City plans to pilot solar-powered public lighting in Marikana informal settlement in 2024/25. The aim is to improve safety and security, especially for women and girls.
- ✓ **Free basic electricity subsidy reform:** The City is partnering with J-PAL Africa to optimise the reach and sustainability of the free basic electricity subsidy programme for low-income residents.
- ✓ **Energy community hubs:** Supported by the Resilient Cities Network, this initiative will create energy hubs in City-owned facilities to provide essential services such as lighting, refrigeration and internet during load-shedding.
- ✓ **Social ownership models:** In collaboration with the Economic Development Partnership, the City is exploring how social ownership of renewable energy could alleviate energy poverty and improve access to clean energy for low-income households.
- ✓ **Decentralised energy funding:** The City is working with GreenCape to find alternative funding for decentralised energy systems, especially in light of decreased electricity sales and increased reliance on private generation.

These initiatives all form part of the City's ongoing commitment to improve energy access, enhance living conditions, and support climate action goals.

Social support for the indigent and pensioners

The City's budget allocation of R4,8 billion to assist indigent residents and qualifying pensioners demonstrates a significant commitment to social support. Having increased substantially by R1 billion from 2022/23 to 2023/24, the budget reflects the administration's emphasis on meaningful and uplifting social welfare.

The programme currently benefits over 210 000 residents, making it one of the most extensive among South African metros. According to Stats SA's non-financial census of municipalities, Cape Town leads the nation in providing free basic services. This comprehensive support includes 15 kℓ of free water, 10,5 kℓ of free sanitation, up to 60 kWh of free electricity, and substantial rates relief based on property values.

In a move to further expand its assistance, the City recently adjusted its eligibility criteria for rates rebates. Since 2023/24, the upper income limit for pensioners and social grant recipients is R22 000 per month, up from R17 500. This extends relief to a broader segment of the population, reinforcing the City's commitment to supporting its vulnerable residents.

Looking ahead: Social relief on offer for 2024/25

PROPERTY BENEFITS

A total of 192 500 properties valued at R450 000 or less, or households that earn below R7 500 per month, will receive monthly benefits in the form of:

- ✓ a 100% rebate on property rates and refuse removal;
- ✓ 15 kℓ of free water and 10,5 kℓ of free sanitation services; and
- ✓ up to 60 free electricity units.

ELECTRICITY LIFELINE TARIFF

Lifeline customers will pay 44% less (R1,89 less per unit) for usage that exceeds 600 electricity units, provided they maintain a monthly average of 450 units over 12 months.

Cape Town has the most generous lifeline tariff qualification thresholds in South Africa, namely:

- ✓ a property value of up to R500 000;
- ✓ a monthly household income of up to R7 500 (if property value exceeds R500 000); and
- ✓ a monthly income below R22 500 for pensioners and grant recipients.

STRATEGIC OBJECTIVE 3: END LOAD-SHEDDING IN CAPE TOWN OVER TIME

PROGRAMME 3.1: DIVERSIFIED ENERGY SUPPLY PROGRAMME

Programme at a glance

- ✓ Drive private and public investment in grid-connected energy generation, including renewable and dispatchable technologies
- ✓ Prioritise energy storage capacity
- ✓ Upgrade electrical grid to accommodate new energy sources, particularly renewables such as solar and wind
- ✓ Work towards ending load-shedding to secure the economy and support growth



Climate Priority Programme



Material matters covered:

- ✓ Programme 3.1: Diversified energy supply programme
 - Mitigating load-shedding and ensuring reliable energy by 2026

Mitigating loadshedding and ensuring reliable energy supply by 2026

The City aims to shield residents and businesses from four Eskom load-shedding stages by 2026. This goal is central to the City's Energy Strategy, which seeks to create a resilient urban environment with universal access to reliable, affordable and carbon-neutral energy. To achieve this, various programmes have been launched to facilitate market interventions, engage with independent power producers, and explore sustainable alternatives.

EXPANDED INDEPENDENT POWER PRODUCER INITIATIVE

In 2021/22, the City issued a tender to procure 200 MW of embedded renewable energy from independent power producers, followed by another in 2022/23 for up to 500 MW

of dispatchable energy. The first contract was awarded in April 2024, while the evaluation for the second was nearing completion by mid-May 2024. A third tender, launched in 2023/24 to procure power from existing generators, is also approaching the end of its evaluation process.

GENERATION INITIATIVE

The City has installed small-scale embedded generation (SSEG) systems at three municipal sites, namely the Gugulethu Electricity depot, the Goodwood Transport Management Centre and the Kraaifontein wastewater treatment works. All had been fully commissioned by May 2024. A broader SSEG tender is being prepared to cover renewable-energy system design, maintenance, upgrades and load-shedding resilience for critical infrastructure.

The Atlantis 7 MW solar photovoltaic (PV) plant contract was signed in March 2024, with completion expected by the end of 2025. The Paardevlei solar PV project, in turn, is in the feasibility stage, which is due to conclude by July 2024.

The City has also developed a roadmap for battery energy storage systems, with the Atlantis PV plant identified as the initial pilot site. Feasibility studies are under way, with construction expected to begin in 2025.

SMALL-SCALE EMBEDDED GENERATION GROWTH INITIATIVE

Rooftop PV installations are increasing steadily. The City has established its own standards for SSEG, which have influenced national legislation. To facilitate SSEG authorisation, the City has implemented several initiatives, including researching cheaper single-phase advanced metering infrastructure, introducing a municipal credit offset for energy exporters (the Cash for Power initiative), and launching an online platform called Energy Service Applications in March 2024.

By June 2024, there were 6 460 approved grid-tied system installations (5 765 residential, and 695 commercial and industrial), totalling approximately 144,3 MVA in capacity. The capacity added in 2023/24 was 28,85 MVA.

To address the challenge of illegal SSEG connections, the City has launched awareness campaigns to educate customers on proper system acquisition, registration procedures, and the consequences of unauthorised connections. SSEG installer events and quality assurance meetings hosted in collaboration with GreenCape foster dialogue on sector opportunities and challenges.

PROGRAMME 3.2: ENERGY DEMAND RESPONSE PROGRAMME

Programme at a glance

- ✓ Expand initiatives to improve energy efficiency and reduce customer demand as a short-term solution to load-shedding
- ✓ Long-term measures in progress, such as increasing energy supply
- ✓ Build on success of Steenbras pumped storage scheme by exploring enhanced operating regimes and additional opportunities



Climate Priority Programme



Material matters covered:

- ✓ Programme 3.2: Energy demand response programme
 - Customer demand response initiative
 - Energy for economic resilience initiative

Customer demand response initiative

The City is actively addressing load-shedding challenges through innovative demand-side management strategies.

In addition to promoting SSEG installations, the City encourages voluntary energy savings among customers through collaboration with third-party aggregators. Dubbed Power Heroes, this programme targets City-supplied residential and small-scale commercial sectors. Volunteers save energy by allowing aggregators to remotely deactivate non-essential, power-intensive devices during times of constrained supply. The aim is to reduce demand by up to 60 MW, which is equivalent to one stage of winter load-shedding.

In 2022/23, the City awarded a tender for demand response aggregator services in accordance with the MFMA section 33 process. Council approved the initiative in January 2024. However, implementation has faced delays due to legal challenges. The City remains committed to resolving these issues promptly to ensure the programme's successful launch.

Along with SSEG installations and procurement from independent power producers, this innovative programme feeds into the City's comprehensive strategy to mitigate the impact of load-shedding and enhance energy resilience in Cape Town.

Energy for economic resilience initiative

The City is actively forging partnerships to achieve its strategic goals. These include the following:

- ✓ **General partnerships:** In 2023/24, the City collaborated with stakeholders such as the South African Local Government Association, industry bodies, and the Presidential Climate Change Commission's Just Energy Transition.
- ✓ **C40 Cities Finance Facility Paardevelei:**³³ Partnering with C40 and the German Agency for International Cooperation, the City is assessing a large-scale PV plant at Paardevelei, including feasibility studies and financial analysis, alongside initiatives for net-zero carbon municipal buildings and training.
- ✓ **United States Agency for International Development (USAID) Southern Africa Energy Programme:** With USAID, the City gained expertise on procurement from independent power producers, energy planning for load-shedding solutions, and grid capacity frameworks.
- ✓ **KfW:** Partnering with KfW, Germany's main development bank, the City is developing a financial model for utility reform and assessing the gender impacts of utilities infrastructure.
- ✓ **German Agency for International Cooperation (GIZ):** The City also collaborates with GIZ on skills development, study tours, and projects such as intelligent geyser controllers and gender-responsive measures.
- ✓ **World Bank:** Partnering with the World Bank, the City is developing a smart grid implementation roadmap for enhanced network management and energy efficiency.
- ✓ **Resilient Cities Network:** The City partners with the Resilient Cities Network on energy system resilience and energy poverty alleviation.
- ✓ **J-PAL (Abdul Latif Jameel Poverty Action Lab):** Partnering with global research centre J-PAL, the City

is exploring the optimisation of free basic energy and potential large-scale policy impact evaluations.

- ✓ **Viability and Validation of Innovations for Service Delivery Programme:** In collaboration with this programme of the national Department of Science and Innovation, the City will pilot a solar-powered public lighting project in informal settlements to enhance safety and accessibility.

These partnerships are critical for advancing the City's energy resilience and sustainability goals.

STRATEGIC OBJECTIVE 4: WELL-MANAGED AND MODERNISED INFRASTRUCTURE TO SUPPORT ECONOMIC GROWTH

PROGRAMME 4.1: UTILITY BUSINESS MODEL REFORM PROGRAMME

Programme at a glance

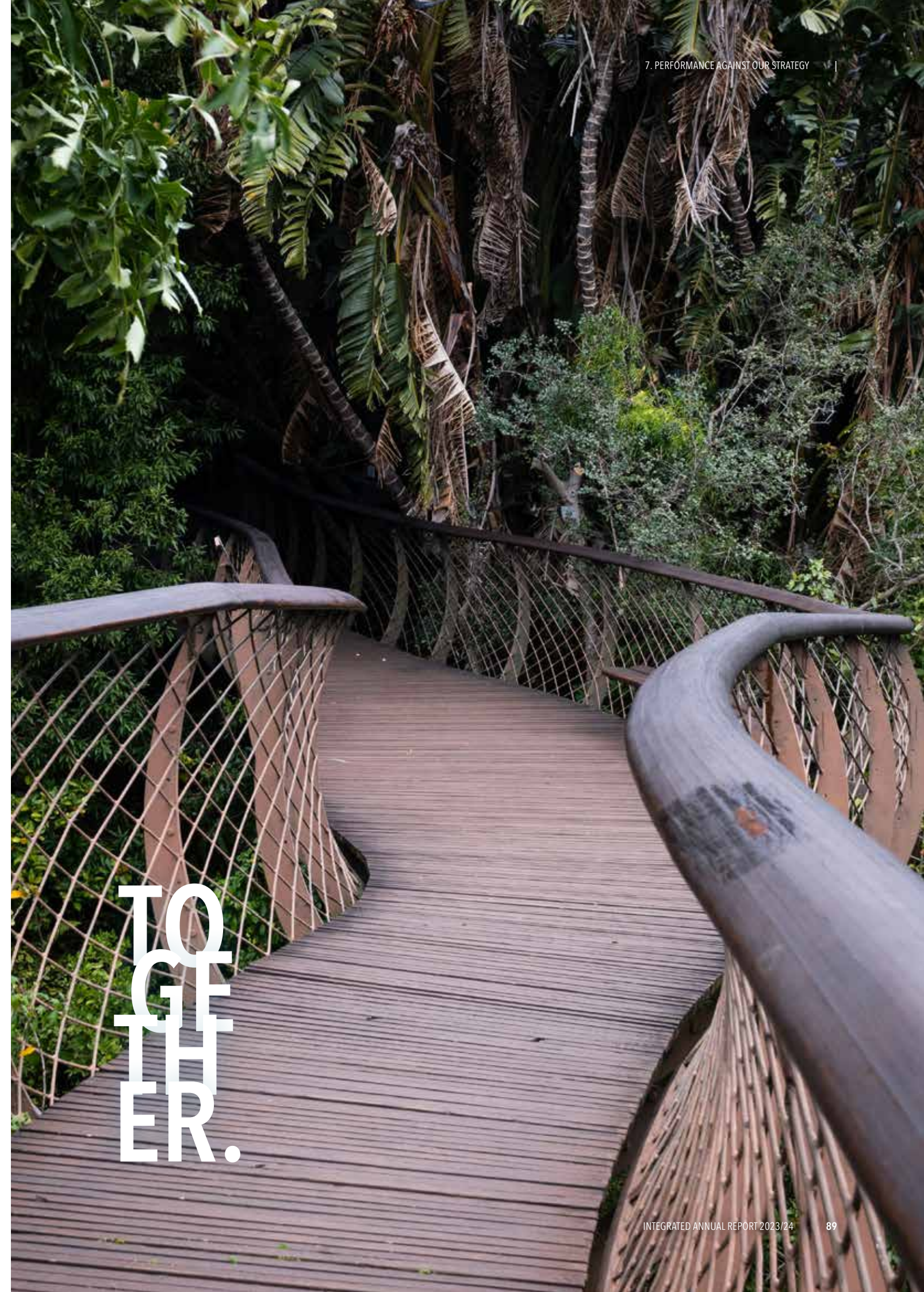
- ✓ Prioritise adaptability in basic service delivery to accommodate Cape Town's high density and informality
- ✓ Integrate resilience principles in utilities for greater robustness against national service failures and funding instability
- ✓ Actively engage National Government and state-owned enterprises for delineated service responsibilities



Climate Priority Programme



³³ The C40 Cities Finance Facility is a project funded by the German Federal Ministry for Economic Cooperation and Development, the United Kingdom Foreign, Commonwealth and Development Office, and the French Development Agency. It is jointly implemented by the German Agency for International Cooperation and the C40 Cities Climate Leadership Group.



Material matters covered:

- ✓ Programme 4.1: Utility business model reform programme
 - Reforming basic services utilities for a sustainable future
 - Water and sanitation – business model reform initiative
 - Solid waste – business model reform initiative
 - Energy – business model reform initiative

Reforming basic services utilities for a sustainable future

A primary focus is to reforming the City's basic service utilities to better cope with the pressures of urbanisation. Improving water conservation and efficiency through advanced technologies and smart metering is one of the top priorities. Renewable energy, such as wind and solar power, is also being embraced, while sanitation and waste management systems are being modernised to promote recycling and resource recovery.

Community engagement is crucial to ensure that these reforms meet residents' needs. The City's efforts are aimed not only at addressing current demands, but also paving the way for a sustainable future, positioning Cape Town as a global leader in urban resilience and innovation.

Water and sanitation – business model reform initiative

The City continues to execute its Water Strategy, which Council approved in 2019. The strategy aims to secure new water supplies and enhance resilience, addressing gaps in national infrastructure investment.

SERVICE DELIVERY MODEL REFORM

The City is overhauling its delivery model, focusing on sanitation and the inclusion of advanced technologies. This includes a digital water solution with advanced metering infrastructure and 74 pressure sensors at pump stations for real-time network monitoring. Upgraded telemetry infrastructure enhances digital capabilities, while refined maintenance strategies employ real-time condition-based monitoring to reduce costs and asset failures.

REVENUE MODEL AND TARIFF STRUCTURE REFORM

Appropriate tariffs are crucial to ensure that water and sanitation services are effectively managed, balancing economic, environmental and social goals. The current tariff

structure comprises an inclining four-block tariff for domestic services, and uniform tariffs for non-domestic customers. A two-part water tariff system is being considered for potential implementation in respect of sanitation services. Reviews in this regard began in 2022/23.

INTERGOVERNMENTAL COLLABORATION INITIATIVE

The City is working with the national Department of Water and Sanitation and other stakeholders to improve management of the Western Cape Water Supply System, recognising the importance of sustainable catchment management for water resilience.

Solid waste – business model reform initiative

Solid waste services are complicated by population growth, increasing per-capita waste generation, informal settlements, and limited landfill space.

The City began developing a new Waste Strategy in 2022/23. Work involved assessing various waste management options and technologies to establish a sustainable and cost-effective service model. By the end of 2023/24, the draft Waste Strategy had been concluded. Public participation is expected to start in the first half of 2024/25.

Energy – business model reform initiative

Cape Town is transitioning from a traditional energy sector model to a financially sustainable utility model. This involves a gradual move towards a competitive regional energy market with a wider range of customer choices and access to distributed renewable-energy sources.

ENERGY STRATEGY

Council approved the City's Energy Strategy in the course of 2023/24. The strategy envisions addressing the current crisis while transitioning to sustainable solutions. It aims to mitigate up to four stages of load-shedding by 2026, reform and ensure the financial sustainability of the municipal electricity utility by 2031, and achieve a carbon-neutral energy system by 2050. The strategy aligns with the IDP and other key City strategies. An internal implementation and performance management plan is being developed.

SERVICE DELIVERY

In the reporting year, the Energy Directorate managed extended stage 6 load-shedding, continued its load curtailment programme, and transitioned to a distribution system operator. In addition, it continued its expansion of

the e-ElecPortal platform, development of a core application review plan, SSEG capacity growth forecasting, and workforce skills planning.

REVENUE REFORM

System tariffs are updated annually. The performance of the wheeling pilot will inform potential adjustments. The City is also considering a time-of-use feed-in tariff once the billing system has been thoroughly tested.

Understanding system tariffs

System tariffs refer to the pricing structure charged for the use of energy services.

The City's **feed-in tariff (FiT)** is a mechanism that allows individuals, businesses or organisations to generate renewable energy (such as solar power) and feed it into Cape Town's electricity grid. In return, these energy producers receive compensation or credits based on a predetermined rate per unit of electricity fed into the grid. The FiT encourages the adoption of renewable-energy technologies by providing a financial incentive for generating clean electricity. It supports the City's goals of reducing carbon emissions, promoting sustainability, and diversifying the energy mix. The FiT rate is reviewed and adjusted periodically to align with changes in energy market dynamics and technology costs.

A **time-of-use FiT** is a type of tariff that provides varied compensation rates for electricity fed into the grid based on the time of day or season when the electricity is generated. This encourages generators to produce electricity during times when it is most needed or most valuable to the grid.

REGULATORY ADVOCACY

Over the past year, the City has implemented partial MFMA exemptions for SSEG and surplus purchases, and initiated applications for generation projects under the new Electricity Regulation Amendment Bill. A court application was also filed to review the National Energy Regulator of South Africa's tariff-setting methodology for both 2022/23 and 2023/24.

As these efforts show, Cape Town remains committed to transforming its energy sector, enhancing resilience, and moving towards sustainable, customer-centric solutions.

**PROGRAMME 4.2:
INFRASTRUCTURE PLANNING AND
DELIVERY SUPPORT PROGRAMME***Programme at a glance*

- ✓ Invest in infrastructure to achieve economic recovery and strategic goals
- ✓ Ensure maximum economic and social return on investment
- ✓ Address complex environment through robust infrastructure planning and delivery support

**Material matters covered:**

- ✓ Programme 4.2: Infrastructure planning and delivery support programme
 - Infrastructure investment

Infrastructure investment

The vision of building a city of hope for all largely depends on adequate investment in Cape Town's infrastructure. Proper infrastructure helps reduce the barriers to opportunity and creates pathways to greater economic participation and social mobility. New and well-maintained infrastructure assets also give the local economy a competitive advantage, stimulate growth, and support inclusive economic development.

The annual Infrastructure Report highlights the steady progress being made with the City's R120 billion ten-year project pipeline. The report is a new addition aimed at fostering transparency regarding the current state of Cape Town's infrastructure, and the City's initiatives to address future needs. Highlights from the report are as follows:

- ✓ **Water and sanitation infrastructure:** Planned investment in water and sanitation infrastructure has

significantly increased. This includes quadrupling sewer pipe replacement to 100 km annually, and ongoing major upgrades in several areas, including the Cape Flats bulk sewer upgrade, which is South Africa’s largest to date.

- ✓ **Public transport improvements:** New transport projects worth approximately R21 billion are planned along the three major corridors of Khayelitsha–Century City, Symphony Way and Klipfontein, following the completion of the R5.4bn MyCiTi South East Corridor.
- ✓ **New Water Programme:** The City aims to add 300 million litres of water per day from new sources by 2030, with 25% of water sourced from desalination, groundwater and reuse by 2040.
- ✓ **Climate change resilience:** Approximately R55,5 billion (40% of the City’s ten-year infrastructure budget) will be used to enhance Cape Town’s resilience against drought, fire, heatwaves, flooding and storm surge.
- ✓ **Independent power generation:** By 2026/27, the City plans to add around 650 MW of independent power to the grid, aiming for 1 GW in the future to mitigate against Eskom’s load-shedding.
- ✓ **Road congestion relief:** Some R5,8 billion will be invested in road congestion relief projects over the next decade.
- ✓ **Urban waste management:** The City actively seeks to reduce the service radius of its waste drop-off sites and plans to establish ten new facilities by 2035, with 98% of investment directed towards landfill projects.
- ✓ **Affordable housing:** Recently released land will yield an estimated 1 500 social housing units, with a total of 3 300 units planned.

PROGRAMME 4.3: EXCELLENCE IN WATER AND SANITATION SERVICE DELIVERY PROGRAMME

Programme at a glance

- ✓ Provide and facilitate safe access to water and sanitation for all residents
- ✓ Adhere to well-defined standards to ensure quality water and sanitation services
- ✓ Focus on individual health and dignity in service provision



Material matters covered:

- ✓ Programme 4.3: Excellence in water and sanitation service delivery programme
 - Wastewater treatment project
 - Sewer and pump station upgrade project

Wastewater treatment project

The City operates 23 wastewater treatment works (WWTWs) throughout the metro, along with three marine outfalls.

The R2 billion upgrade to the Zandvliet WWTW was completed in 2023/24, marking one of the City’s biggest infrastructure projects yet. Treatment capacity has increased from 72 to 90 million litres per day, which supports both population growth and economic development. The introduction of advanced membrane treatment technology has also improved the quality of the effluent, bringing it closer to drinking-water standards.

The greatest benefits will be seen by families in lower-income households in the eastern part of the metro, including fast-growing areas such as Delft, Khayelitsha, Mfuleni and Blue Downs.

City’s water services system achieves top national recognition with Blue Drop status

The City successfully retained its Blue Drop status in 2023/24 – being one of only 26 water supply systems in South Africa to have achieved this. The City also secured second place nationally as the top-performing water services entity, and received several awards at a ceremony hosted by the national Department of Water and Sanitation. The City’s performance in the national awards has improved steadily over the past decade, from 95,86% in 2014 to 98,12% in 2023.

Looking ahead, around R9 billion is earmarked for wastewater treatment infrastructure projects over the next five years. This funding will go towards refurbishments, capacity expansions, process upgrades and more, all aimed at handling the growing population and ensuring that treated effluent meets licence standards. This helps minimise the impact on local waterbodies.

In the future, treated wastewater from Zandvliet will be used in a new scheme at the Faure water treatment plant and reservoir, where it will undergo a thorough purification process to meet drinking-water standards before being mixed with dam water. This is expected to add about 7% to Cape Town’s drinking-water supply by 2040.

ENSURING ENERGY EFFICIENCY

Modern wastewater treatment processes are energy-intensive, making the City’s treatment works its second-largest electricity consumer of all municipal operations. Therefore, energy efficiency is crucial to reducing the administration’s carbon footprint and keeping operational costs in check. In this regard, the Bellville WWTW has already earned ISO 50001 certification, which attests to efficient energy management. The Fisantekraal WWTW is in the process of being certified, with Wesfleur and Melkbosstrand set to follow.

In other energy-saving initiatives in the wastewater space, the City is installing PV systems to reduce its reliance on purchased power. The Kraaifontein WWTW PV plant is being commissioned, with plans for similar plants at Wesfleur and Fisantekraal to follow. Moreover, biogas-to-energy facilities (which combine heat and power) are planned as part of future biosolids treatment projects.

WWTWS ACHIEVE INTERNATIONAL QUALITY MANAGEMENT CERTIFICATION

Both Wesfleur and Melkbosstrand WWTWs recently obtained ISO 9001 quality management certification from the South African Bureau of Standards for their treated-effluent management and operations. This internationally recognised standard ensures compliance with customer needs and regulatory requirements, improving service quality and operational efficiency.

These are the second and third facilities in Cape Town to achieve ISO 9001 after Bellville WWTW received its certification in 2018. Having ISO 9001 certification enhances customer confidence and drives continuous improvement in wastewater management.

Sewer and pump station upgrade project

The City has significantly expanded its sewer replacement programme from replacing 29 km of sewer lines in 2021/22 to approximately 97 km in 2023/24. A budget of R2,127 billion has been allocated over the next three years to reach a target of 100 km per year.

This forms part of a comprehensive strategy to reduce sewer spills. Other elements of the strategy are bulk sewer upgrades, proactive cleaning, dedicated response teams, and digital telemetry systems. These efforts have contributed to a preliminary 30% decrease in reported spills over the past two years.

To enhance system reliability, critical spares for pump stations have been acquired, and 27 uninterruptible power supply systems have been installed to mitigate the impact of load-shedding. Upcoming projects include installing mechanical screens at three pump stations, with Koeberg pump station set to receive a new automatic screen and sand trap in 2024/25.

Sewer jet-cleaning boosts winter readiness

In the reporting year, the City jet-cleaned a record 265,9 km of sewer lines as part of its annual winter preparations to reduce seasonal flooding risks across Cape Town. This proactive initiative reflects the City’s dedication to improving basic services.

Substantial investments have strengthened sewer spill response teams and increased the number of specialised jet-vacuum (jet-vac) trucks. In 2024/25, the administration will make available an operational budget of roughly R82 million for sewer jetting and manhole repairs.

In many instances, jet-cleaning is the only way to remove foreign objects from sewer systems. This is vital, as over 80% of sewer spills result from human-driven blockages, such as litter and cooking fats. The City’s investment in jet-vac trucks has also enhanced its ability to clear natural blockages caused by roots and sand, which account for about 12% of sewer obstructions.

Areas for proactive jet-cleaning are identified based on historical data regarding flooding incidents.

SEWER SPILL RESPONSE ENHANCED

The City is upgrading its sewer spill response with the implementation of a Reactive Incident Management System (RIMA). RIMA is a digital solution that improves tracking and coordination, contributing to a cleaner and more resilient city. It offers several benefits, including near-real-time, paperless feedback, structured task completion and outcome recording, accurate field results, improved reporting, faster service response, and a reduced administrative workload.

In 2023/24, phases 2 and 3 of RIMA were successfully implemented across all 23 reticulation depots, boosting operational efficiency. The system currently has about 320 users.

New hi-tech trucks and vehicles added to Water and Sanitation fleet

The City has invested over R105 million in upgrading the Water and Sanitation fleet, including new light motor vehicles, plant equipment, specialised trucks and a mobile laboratory. These upgrades are designed to enhance the Directorate's capabilities in clearing sewer blockages, providing water during disruptions, and refuelling generators at pump stations and treatment plants.

Notable additions to the fleet include the following:

- ✓ **Three jet-machine trucks** with a capacity of 7 000 ℓ, representing an upgrade from the previous 5 000 ℓ models for more efficient sewer blockage removal
- ✓ **Four combination-unit trucks** with a combined capacity of 14 500 ℓ, designed to carry 9 500 ℓ of sewage and 5 000 ℓ of drinking water
- ✓ **Six super-sucker trucks** with a capacity of 12 500 ℓ, capable of vacuuming up about 200 ℓ in just six seconds through a 60 m pipe
- ✓ **One 4x4 crew cab mobile laboratory** for immediate off-site water testing by the Scientific Services Branch

In total, 109 vehicles have been added to the fleet – 39 as new additions, and 70 as replacements for older or outdated models.

MECHANICAL FILTRATION SCREENS FOR SEWER PUMP STATIONS

Mechanical filtration screens help prevent large debris such as wet wipes and sanitary items from entering the wastewater system. The City has invested approximately R8,1 million in equipping ten sewer pump stations across town with these specialised screens. Featuring a 50 mm aperture, the screens are designed for easy operation and maintenance, ensuring efficient removal of solids to reduce the risk of overflows and environmental contamination.

Progress made on South Africa's largest sewer upgrade

The Cape Flats bulk sewer rehabilitation, valued at approximately R796 million, is advancing well. This project, the largest of its kind in South Africa, aims to rehabilitate 28 km of bulk sewer pipelines, improving sanitation services for about 275 000 households in several areas, including Athlone, Hanover Park and Grassy Park.

The project uses trenchless technology to minimise disruptions, with robotic crawlers conducting underground pipe inspection. Spirally wound pipe technology sourced from Germany is used to install a durable PVC lining inside existing pipes (pictured below), ensuring longevity of up to 100 years.

This innovative approach sets a benchmark for infrastructure projects by increasing sewage handling capacity, restoring pipe integrity, protecting against corrosion, and rehabilitating existing manholes.

PROGRAMME 4.4: WATER RESILIENCE PROGRAMME

Programme at a glance

- ✓ Transition to a water-sensitive city with diverse water sources
- ✓ Optimise use of stormwater and urban waterways for flood control, aquifer recharge and water reuse
- ✓ Utilise diverse supplies such as groundwater and desalinated water

Climate Priority Programme



Material matters covered:

- ✓ Programme 4.4: Water resilience programme
 - Leveraging diverse water options to ensure supply for a growing city

Leveraging diverse water options to ensure supply for a growing city

To keep pace with population growth in Cape Town, water infrastructure across town needs to be urgently expanded. The New Water Programme aims to enhance water resilience and sustainability by increasing daily water capacity by an additional 300 million litres from new sources by 2030.

Key initiatives under the New Water Programme include the following:

- ✓ **Groundwater project:** This initiative involves an investment of approximately R4,7 billion to increase groundwater supply by 105 million litres (Mℓ) per day by 2040. Of this, R2,6 billion is allocated to the Cape Flats aquifer project. The project is moving forward with the commissioning of the 6 Mℓ/day Strandfontein West water treatment plant, and construction of the 10 Mℓ/day Philippi water treatment plant is scheduled to begin in July 2024. Recent developments at the Table Mountain group aquifer include the issuance of a new water use licence for the Steenbras wellfield, with several new production boreholes already tested and equipped. Progress is also being made on the Atlantis aquifer project, including the equipping of 16 boreholes in Witzands and the ongoing construction of two 5 Mℓ groundwater storage reservoirs.
- ✓ **Desalination project:** To enhance its water supply diversity, the City is expanding its desalination capacity. Feasibility studies have confirmed peak production capacities of 180 Mℓ/day at Witzands and 70 Mℓ/day at

Paarden Eiland. The environmental impact assessment for the Paarden Eiland site is under way with the appointed project steering panel. Additionally, the City has established agreements with the Water Research Commission, which oversees the independent advisory panel, and with National Treasury's Government Technical Advisory Centre.

- ✓ **Catchment management project:** The City's catchment management efforts, especially the removal of invasive alien species, have achieved notable success. In 2023/24, these clearing activities resulted in an additional 17,6 billion litres in the dams, averaging 48 Mℓ per day. For 2024/25, the City will be making available R25 million to sustain these efforts. Since 2019, over 30 972 ha of invasive species have been removed, resulting in significant water savings and the creation of 787 green jobs.
- ✓ **Faure New Water Scheme:** Based at the Faure water treatment plant, this innovative scheme is designed to enhance water reuse. It aims to contribute an additional 70–100 Mℓ of water per day by treating effluent to meet drinking-water standards.

Three new catchment management forums established

In 2023/24, the City established three new catchment management forums (CMFs) for the catchments of Zeekoevlei and the Soet and Diep rivers. This brings the total number of CMFs to seven. The aim of the CMFs is to enhance the sustainability and resilience of Cape Town's water resources and promote integrated water resource management.

The new forums will focus on improving environmental water quality, managing river systems, tackling urban pollution in watercourses, and encouraging community engagement in water management. By bringing together stakeholders from government, the private sector, business and local communities, the CMFs foster collaboration in addressing the interconnected factors that affect rivers across agricultural, urban and natural landscapes throughout the city.

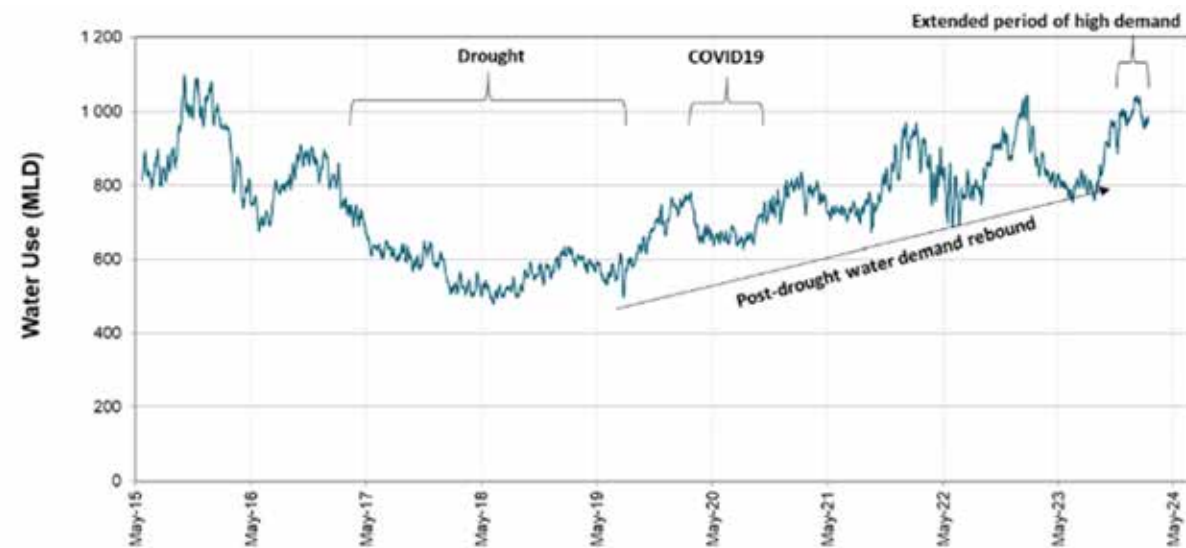
WATER PERFORMANCE AT A GLANCE

Total water consumption

Cape Town's water demand has doubled since June 2018 (see chart below). During the peak summer months in 2023/24 (December to February), total water supplied was 6,5% more than in 2021/22. Notably, while peak week demand remained stable, the duration of peak demand extended by nearly a

month. Seasonal trends indicate a rise in winter demand, while the increase in summer demand has become more pronounced and sustained over longer periods.

To address this growing demand and protect water infrastructure, the City has intensified its water conservation efforts. For further details, please refer to the City's Water Outlook report.



Water sources

Altogether 98% of Cape Town's water supply is currently sourced from surface water (dams), while 2% comes from aquifers (groundwater). The New Water Programme aims to achieve a water supply ratio of 75% from dams and 25% from alternative sources, including desalination, reuse and groundwater, by 2024. This approach is essential to meet Cape Town's water needs and ensure long-term sustainability.

Water efficiency

Significant improvements in water efficiency have been achieved, with per-capita use dropping from 235 ℓ per day in 2017 to 190 ℓ in 2024. Water loss rates have decreased to 15% thanks to enhanced infrastructure and leak detection, and water-saving measures have reduced demand by 75%.

Water recycling and reuse

Cape Town currently recycles 5% of its water, primarily through the treatment of wastewater for non-drinking uses such as irrigation and industrial processes. The expansion of recycling efforts to address water scarcity and enhance sustainability is ongoing.

PROGRAMME 4.5: EXCELLENCE IN WASTE SERVICE DELIVERY PROGRAMME

Programme at a glance

- ✓ Ensure reliable and sustainable waste collection and disposal to protect both environmental and human health
- ✓ Prioritise the provision of sufficient waste management infrastructure, including adequate landfill airspace
- ✓ Focus on rehabilitating old landfill sites



TOGETHER.

Material matters covered:

- ✓ Programme 4.5: Excellence in waste service delivery programme
 - Embracing the circular economy through sustainable waste management
 - Innovating in landfill management
 - Waste collection efficiency project

Embracing the circular economy through sustainable waste management

The City is integrating the principles of the circular economy into its waste management strategies. This means transforming waste into valuable resources to foster economic growth and minimise environmental impact.

The administration's commitment to sustainable waste management yielded significant results in 2023/24, with approximately 40,53% of organic waste diverted from landfills. Total waste diversion, including organic waste, stands at about 31,53% (over 638 878 tons). These figures reflect the City's commitment to reducing landfill dependence and enhancing resource recovery.

At the same time, the City has reduced carbon emissions and conserved natural resources. Notably, Cape Town's waste-to-energy initiatives now generate enough clean energy to power 20 000 households each year, contributing to the goal of achieving carbon neutrality by 2050.

Looking ahead, the City remains committed to advancing the circular economy even further by increasing its recycling rate through expanded recycling infrastructure and partnerships with the private sector. Investments in cutting-edge sorting technologies and green infrastructure will enhance resource efficiency and bolster resilience against the impact of climate change.

Innovating in landfill management

The City is proactively managing the increasing volumes of waste generated by its growing population through innovative landfill management strategies. The primary goal is to reduce waste sent to landfill and maximise the available landfill airspace before capacity limits are reached.

A key initiative is the ongoing feasibility study that is exploring the potential for consolidating operations at a regional landfill facility and optimising waste handling on a larger scale.

Significant progress has also been made in developing a leachate treatment plant, which is a crucial component of modern landfill management. Leachate is the wastewater that seeps from landfill sites. The facility will manage and treat this water to prevent environmental contamination, ensuring compliance with stringent environmental standards.

In addition, the City is advancing its plans for an integrated waste facility that incorporates alternative technologies. This forward-thinking approach aims to reduce reliance on traditional landfilling methods, paving the way for more sustainable waste management practices.

The Vissershok landfill scenario offers a good illustration of the City's strategy. Current projections suggest that available landfill airspace will be depleted by 2036. In response, the City is enhancing its waste management at Vissershok to extend the site's lifespan. The construction of two new cells at Vissershok North aims to add at least two years of capacity, with plans for further expansion under way.

Looking to the future, the City is expanding its recycling collection services and enforcing stricter waste diversion requirements for businesses. It is also leveraging opportunities presented by the national Extended Producer Responsibility Regulations, 2020, in collaboration with various industries to further reduce landfill waste.

Waste collection efficiency project

The City's Urban Waste Management Directorate has adopted ISO 55000 asset management principles to optimise operational efficiency and cost-effectiveness. Capital budgets are now guided by economic lifecycle modelling per asset class, ensuring optimal fleet availability and minimised operational costs. This approach aligns the City with global standards, setting a benchmark for efficient waste management operations by South African metros.

PROGRAMME 4.6: WASTE MINIMISATION AND RECYCLING PROGRAMME

Programme at a glance

- ✓ Enable waste minimisation and recycling as central focuses of Cape Town's waste management system
- ✓ Prioritise interventions that reduce waste sent to landfill and lower greenhouse gas emissions
- ✓ Contribute to a resource-efficient economy through sustainable waste management

Climate Priority Programme

**Material matters covered:**

- ✓ Programme 4.6: Waste minimisation and recycling programme
 - Integrated waste management facilities initiative
 - Waste minimisation for a circular economy initiative

Integrated waste management facilities initiative

The City is making significant progress with its integrated waste management facilities initiative. The emphasis is on organic waste diversion through decentralised facilities and alternative technologies. A comprehensive implementation plan integrates material recovery facilities across various projects. The focus on decentralised organic waste processing and landfill reclamation aligns with global best practice.

Waste minimisation for a circular economy initiative

This initiative focuses on facilitating a circular economy by matching waste product supply with demand, while also

expanding landfill gas utilisation for electricity generation. Plans are in place to increase landfill gas electricity capacity from 2 MW to 9 MW over the next five years. These efforts not only reduce environmental impact, but also create new economic opportunities and energy resources for the community.

CARBON CREDITS ADVANCE WASTE-TO-ENERGY INITIATIVES

The City has successfully auctioned off R36 million's worth of carbon credits from the waste-to-energy projects at its landfills. These funds will support urban waste management initiatives to reduce pollution and improve environmental health.

The auction capitalised on the high demand for, and short supply of, carbon credits in the South African market. Credits are earned for each ton of greenhouse gas eliminated through United Nations-registered Clean Development Mechanism projects. The auction also marked the first return on the City's investment in landfill gas infrastructure at the Bellville, Coastal Park and Vissershok sites, signalling the scaling up of the administration's waste-to-energy efforts.

Targeting methane emissions, which have 25 times the global warming potential of carbon dioxide, the City's projects reduce emissions, generate electricity, and provide revenue for further infrastructure. They form part of Cape Town's R120 billion ten-year infrastructure plan, of which 40% is focused on climate resilience, including water, sanitation and waste management.

The waste-to-energy initiatives are expected to offset costs through carbon credit sales and reduced electricity purchases from Eskom, as methane is converted to power for landfill operations and sustainable development.

PROGRAMME 4.7: PROMOTING CLEANLINESS AND ADDRESSING ILLEGAL DUMPING PROGRAMME

Programme at a glance

- ✓ Address the challenge of illegal dumping, which affects community health and the urban environment
- ✓ Enhance waste collection services to offer efficient and convenient options for all
- ✓ Launch targeted public awareness and education campaigns in partnership with communities to combat illegal dumping

**Material matters covered:**

- ✓ Programme 4.7: Promoting cleanliness and addressing illegal dumping programme
 - Area cleaning project
 - Public awareness initiative
 - Partnerships initiative
 - Illegal dumping monitoring and enforcement initiative

Area cleaning project

In the past year, the City's cleansing services achieved 99,84% coverage of informal settlements. Peripheral services were extended to newly developed informal settlements throughout the year. Additionally, essential services were provided to backyard dwellers in densely populated areas.

Public awareness initiative

The City launched a comprehensive public awareness campaign across its 21 subcouncils to promote responsible waste management practices. The campaign reached 45 566 residents through door-to-door education, community exhibitions near illegal dumping sites, school talks and classroom presentations. Holiday library programmes for children were also implemented to instil waste reduction behaviour from a young age.

Diverse audiences were engaged in innovative ways. These included a masterclass on zero-waste living, waste-to-art projects, and 'positive picketing' at high-traffic areas such as malls, transport hubs and clinics. A targeted awareness campaign for local businesses, including spaza shops, formal businesses and informal traders, was launched to promote responsible waste management and disposal practices as well as accreditation compliance. The public was further engaged regarding the home composting programme, the City's waste drop-off sites, and the refuse bin rollout.

Special programmes were organised to align with global environmental events such as Earth Day, Global Recycling Day, International Day of Zero Waste, and International Composting Week, spreading the message of responsible waste disposal and management. Other initiatives included a summer readiness beach campaign and a citywide #SpringCleanCT campaign to combat littering and pollution.

The City partnered with various groups, including local communities, youth and women's organisations, and sporting groups. Bingo, the anti-littering mascot, was introduced to engage residents, particularly school learners, in waste management education. Key capacity-building sessions were conducted with community leaders and neighbourhood watch organisations to foster behaviour change, community pride and ownership, and to encourage reporting of illegal dumping.

Partnerships initiative

The City partners with the private sector, non-governmental organisations and local communities to empower community recyclers and promote sustainable practices. These collaborations drive innovative recycling initiatives that support both environmental stewardship and community economic empowerment. A few examples are listed below:

- ✓ **Upcycling workshops:** These focus on converting waste materials into usable products such as furniture and equipment. While training is required and funding remains a challenge, discussions with producer responsibility organisations and extended producer responsibility programmes are ongoing.
- ✓ **Community recycling hubs:** Local centres are being established for the sorting and processing of recyclables. However, land availability has been a significant issue, with some land belonging to Province or the City. Sorting centres must also meet health and safety regulations, which has further complicated their establishment.
- ✓ **Digital platforms:** Digital technology is being used to enhance residents' recycling awareness and participation. Thanks to partnerships with producer responsibility organisations and private entities, these platforms are able to track and monitor tons of waste diverted, benefiting the community.
- ✓ **Buy-back centres:** Individual waste reclaimers sell their recyclable waste to buy-back centres to earn an income. Yet these centres, which are currently unregulated, face challenges in tracking tonnages due to their independent operation and fluctuating prices. Efforts to regulate and standardise buy-back centres are ongoing.

Moreover, interdepartmental forums have been established with industry stakeholders to address energy, water and waste topics that affect industries broadly. The aim is to enhance efficiency and meet the waste diversion targets that National Government has set for 2027. Also, engaging with communities through subcouncils is crucial, as it encourages environmental cleanliness, and have previously resulted in areas being transformed through beautification or food gardening projects.

All of these initiatives aim to improve community livelihoods, promote environmental sustainability and reduce waste through creative recycling solutions and collaboration.

Illegal dumping monitoring and enforcement initiative

The City is implementing a phased initiative to monitor illegal dumping and enforce the law. In addition to combating illegal waste disposal, it also creates jobs for qualified peace officers. Set to conclude in June 2025, the initiative has recruited and trained 64 auxiliary officers through the EPWP to enforce the City's 2009 Integrated Waste Management By-law.

Key measures in the battle against dumping include a 24-hour toll-free hotline for reporting illegal dumping, and rewards of up to R5 000 for reports leading to convictions. Penalties for offenders range from a fine to imprisonment.

In 2023/24, the City issued 2 631 notices and imposed R4,3 million in fines for illegal dumping. Moving forward, efforts will be further intensified through increased surveillance, stricter penalties, and community education on proper waste disposal.

The end goal is to maintain cleanliness and mitigate any environmental impact, ensuring a healthier environment for all residents.

PROGRAMME 4.8: EXCELLENCE IN ENERGY SERVICE DELIVERY PROGRAMME*Programme at a glance*

- ✓ Ensure reliable electricity supply
- ✓ Minimise service disruptions through effective management and maintenance of the distribution system

**Material matters covered:**

- ✓ Programme 4.8: Excellence in energy service delivery programme
 - Energy infrastructure investment
 - Energy efficiency in municipal operations
 - City energy-efficiency project

Energy infrastructure investment

For details on energy infrastructure investments to date, please turn to programme 4.2, "Infrastructure planning and delivery support programme", earlier in this report, as well as the financial statements on page 214 (starting at financial position under Appendix A).

Looking ahead, the City's Building for Jobs budget clearly demonstrates how we will be reinvesting income from electricity sales to benefit our economy, create jobs and support all residents. The plan is to invest over R4 billion in electricity grid upgrades and maintenance from 2024/25 to 2026/27. This will be to ensure that the grid can support a dynamic, decentralised energy future as Cape Town strives to become South Africa's first city to eliminate load-shedding. Such a decentralised energy future will entail transitioning from an Eskom monopoly to a market with thousands of power sellers, ranging from individuals selling excess solar energy to the City, to commercial entities trading electricity among themselves, and large independent power producers contributing power to the grid at various points.

Importantly, the R4 billion grid investment will be made against a backdrop of high levels of vandalism, theft and damage caused by load-shedding. This is why the City is committed to enhancing infrastructure resilience and reducing opportunities for vandalism over time.

Furthermore, the City's plans to protect Capetonians against the first four of Eskom's load-shedding stages by 2026 are progressing well. Currently, load-shedding protection of up to two stages is provided where feasible, which has already had a positive impact on Cape Town's regional economy.

Energy efficiency in municipal operations

The City consumes approximately 3,3% of all electricity used in Cape Town. As such, the administration is committed to improving the management of electricity use in all municipal

operations so as to enhance resource efficiency, reduce its carbon footprint and save money. From 2009/10 to 2023/24, this initiative saved over 383 GWh of electricity, which translates to avoided emissions of 380 079 tCO₂e and a financial saving of approximately R479 million.

7.4 SAFETY

WHY THE FOCUS ON SAFETY?

Safety and security are fundamental pillars of a thriving urban environment and, therefore, is a top priority for the City. Many urban centres grapple with crime and disorder, and Cape Town is no exception. This is why the City follows a proactive and multifaceted approach to create safer communities. The focus on safety is not about law enforcement alone; it is about fostering an environment where economic prosperity can flourish, where residents can move freely, and where public spaces are safely accessible to all. It's about creating a Cape Town where every neighbourhood can thrive, where businesses can grow, and where residents can enjoy their city without fear.

The City's strategy is built on the three key pillars of enhanced policing capacity, technological innovation, and community

City energy-efficiency project

The City continues to optimise energy use in its facilities to reduce operating costs as well as carbon emissions. Energy-efficiency retrofits and energy audits have been undertaken across City assets. The SmartFacility system continues to be used effectively for municipal resource management, with further development of the platform undertaken in 2023/24 to enhance its capabilities.

partnerships. By increasing the number of law enforcement officers, and strategically deploying them, the City provides a visible deterrent to crime and a rapid response capability. At the same time, investments in cutting-edge technology and data analytics optimise the delivery of policing and emergency services, ensuring that resources are used efficiently and effectively.

True safety is also a collaborative effort. By building strong partnerships with residents, businesses, non-governmental organisations and community groups, the City is addressing not just the symptoms of crime, but its root causes. This holistic approach reflects an understanding that safety is intrinsically linked to social cohesion, economic opportunity, and quality of life.

SAFETY OUTCOMES IN 2023/24



2 835

Eye in the Sky drone programme: Conducted 2 835 flights for surveillance (2022/23: 930)



19 200

Community engagement: Neighbourhood watch programmes and forums engaged thousands of Capetonians, and 19 200 residents were reached through crime prevention workshops and outreach programmes



11

Tactical policing enhancements:
Appointment of 11 tactical instructors
Introduction of stress exposure training



218

Auxiliary law enforcement project: Recruited and trained 218 new members (2022/23: 81)



1 000

Project 1 000: Training 1 000 new municipal police recruits



365

Substance abuse initiatives: 25 Strengthening Families initiatives (2022/23: 21) reaching 365 families (2022/23: 313)

SAFETY OUTCOMES IN 2023/24

 73 225

Addressed 73 225 complaints (2022/23: 245) and 70 153 screenings (2022/23: 350 283)

 3 539

Conducted 3 539 roadblocks in high-crime areas (2022/23: 667)

 R330 mil

35,8% increase in fine income, totalling approximately R330 million

 43 457

CCTV incident detection: 43 457 incidents relayed to responders (2022/23: 22 498)

 96,55%

Neighbourhood watches: 96,55% client satisfaction (2022/23: 100%)

FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Law enforcement	2,8	2,9
Disaster management	2,8	3,0
Fire services	2,9	2,8
Public emergency communication	2,9	2,7
Traffic services	3,4	3,4

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 5: EFFECTIVE LAW ENFORCEMENT TO MAKE COMMUNITIES SAFER

PROGRAMME 5.1: ENHANCED POLICING PROGRAMME

Programme at a glance

- ✓ Address high crime in specific areas of town
- ✓ Boost policing capacity by increasing officer numbers and investing in safety tech
- ✓ Focus resources on crime hotspots and areas with gang and gun violence



Material matters covered:

- ✓ Programme 5.1: Enhanced policing programme
 - Law Enforcement Advancement Programme (LEAP)
 - Project 1 000
 - Support for expanded Metro Police powers
 - Improving tactical capacity

In the year in review, the City made significant strides in enhancing its security measures, drawing inspiration from global best practice. The administration’s commitment to leveraging advanced technology and strategic planning for improved safety is evident from initiatives such as the Eye in the Sky drone programme, which conducted 2 835 flights for enhanced surveillance, and the Law Enforcement Advancement Programme (LEAP), which had 860 roadblocks targeting drinking-and-driving offences.

Strong partnerships with local communities are key to this approach. Engagement with neighbourhood watches and other community-based crime prevention organisations resulted in the sharing of vital information, and communities participated actively in enhancing neighbourhood safety.

Realising that education also plays a pivotal part in its security strategy, the City conducted numerous workshops and outreaches, reaching 19 200 residents with essential crime prevention information. Public awareness campaigns further educated citizens on safety measures, contributing to a more vigilant and informed community.

This integrated security strategy has delivered promising results. Collectively, the proactive use of technology, community partnerships and targeted education have not only reduced crime, but also enhanced residents’ overall sense of security.

Law Enforcement Advancement Programme (LEAP)

LEAP is specifically aimed at deploying officers in high-crime areas. The programme continued to have a significant impact in the past year, with 276 668 service requests attended to, 367 812 persons searched, and 25 647 arrests made. LEAP

achievements are monitored continuously, and operational methodologies are reviewed as and when required.

Project 1 000

Through this project, the City is training 1 000 candidates to expand its municipal policing resources. Project 1 000 builds on the success of LEAP, offering young trainees an intensive 18-month full-time learnership. The learnership includes rigorous physical training, an introduction to applicable laws and regulations, and both theoretical and practical classes. The initiative illustrates the City's innovative approach to service delivery and public safety, providing participants with valuable skills for future job opportunities, while preparing new recruits to help the South African Police Service (SAPS) prevent crime.

Support for expanded Metro Police powers

The City supports the expansion of Metro Police powers through the amendment of the SAPS Act 68 of 1995. Reforms proposed by Cape Town Mayor Geordin Hill-Lewis and endorsed by the Police Portfolio Committee are to:

- ✓ include municipal law enforcement in the definition of 'criminal investigation' in the SAPS Act;
- ✓ extend peace officer powers to municipal officers; and
- ✓ incorporate metro-specific policies into the National Policing Plan, giving metros a greater role in local policing policy.

These changes will boost conviction rates, increase arrests, and improve crime detection. By granting investigative authority to well-trained municipal officers, stronger case dockets can be built, thereby enhancing overall community safety.

Improving tactical capacity

In recent years, the City's Safety and Security staff have been exposed to an increasingly violent environment, necessitating an improved tactical policing capacity. To this end, the following three initiatives are being implemented:

- ✓ **Appointment of tactical training experts:** The Safety and Security Directorate recruited 11 tactical instructors who have been deployed at the Public Safety Training College to improve the tactical skills of all City policing staff.
- ✓ **Introduction of stress exposure training:** Stress exposure training improves officers' focus and ability to react appropriately in violent situations. The two

state-of-the-art small-arms simulators acquired in early 2024 are proving valuable in ensuring that staff are adequately prepared for a challenging operational environment.

- ✓ **Laying the foundation for the establishment of a Special Weapons and Tactics Unit:** The establishment of a highly skilled police unit equipped to operate in high-stress and violent situations will go a long way towards managing crime and disorder in Cape Town. Good progress has been made in this regard, and a Special Weapons and Tactics Unit is expected to commence operations in the new financial year.

PROGRAMME 5.2: SAFETY TECHNOLOGY PROGRAMME

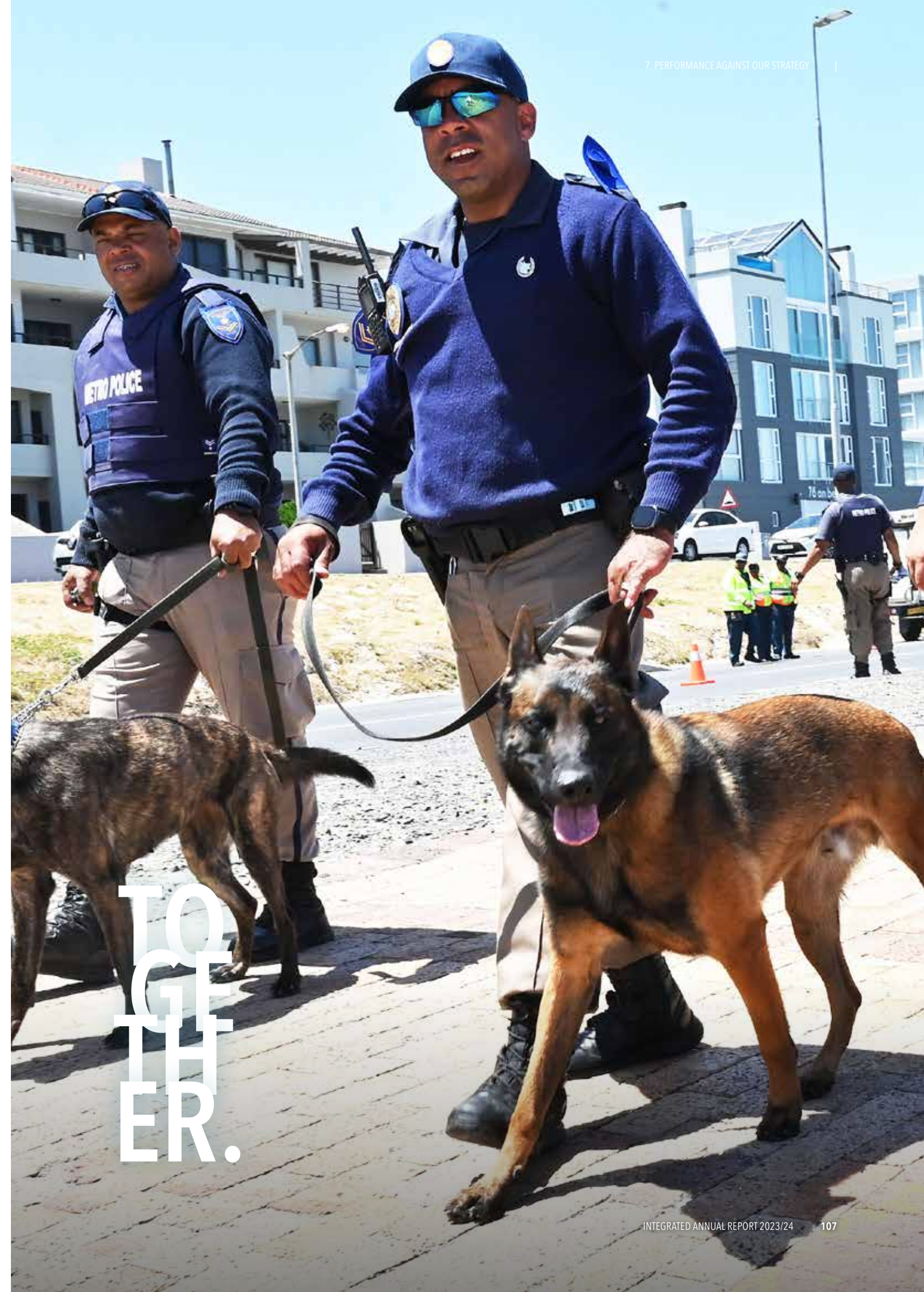
Programme at a glance

- ✓ Leverage technology as a force multiplier in combating crime and improving public safety
- ✓ Strengthen the City's Emergency Policing and Incident Command (EPIC) platform for efficient incident management, including call logging, dispatch and real-time reporting
- ✓ Build data-gathering and analysis capabilities, including community information
- ✓ Base resource deployment and crime prevention on near-real-time data for a timely response to threats



Material matters covered:

- ✓ Programme 5.2: Safety technology programme
 - Strengthening city safety through technology and infrastructure
 - Technology safety partnerships project
 - Incident, crime and emergency detection project
 - Digital evidence management project



Strengthening city safety through technology and infrastructure

The City is continuing its significant investment in safety technology. The range of initiatives include expansion of the metro-wide closed-circuit television (CCTV) network and the real-time situational awareness (RTSA) aerial platform.

CCTV EXPANSION

The reporting year underscored the critical role of CCTV surveillance in combating crime: The Metro Police's Strategic Surveillance Unit reported a 48,2% increase in incident detection, from 22 498 to 43 457.

The CCTV rollout plan identifies priority locations for new installations and outlines guidelines for collaboration with key stakeholders, including SAPS and local businesses. Currently, there are 39 CCTV projects under way, encompassing new installations, replacements and upgrades. These include a R4,2 million deployment of ten live cameras at six strategic points along Baden Powell Drive, an area known for high crime rates.

RTSA AERIAL PLATFORM

This advanced solution involves the use of a manned, fixed-wing aircraft with military-grade cameras for monitoring various public safety threats. The video feed is livestreamed to command centres and field commanders, with recorded evidence for later use.

In 2023/24, thanks to the RTSA aerial platform, the City:

- ✓ identified and tracked a suspected poaching vessel, leading to arrests and the confiscation of 3 000 illegally poached crayfish tails;
- ✓ helped identify metal theft suspects, enabling police intervention; and
- ✓ provided crucial real-time impact assessment during floods and fires.

PLANNED TECHNOLOGY INVESTMENTS

Approximately R123,5 million will be invested in safety and security technology in 2024/25. This includes R30,8 million for digital evidence management through drones, dashcams, number plate recognition systems and bodycams, R45 million for EPIC handheld devices and law enforcement equipment, and R47,7 million for various technology upgrades and new projects.

³⁵ An advanced emergency care suite designed to improve response times, decision-making and data management in medical emergencies.

Technology safety partnerships project

The technology safety partnerships project targets crime reduction in specific neighbourhoods by enhancing community engagement and trust through neighbourhood watch programmes. The project also includes enhancing the operational efficiency of the City's Public Emergency Communication Centre, and raising awareness of emergency numbers through pamphlets distributed by neighbourhood watches. The reporting year also saw the further integration of the mobile CareMonX system³⁵ for healthcare-related emergencies.

Incident, crime and emergency detection project

The creation of the Highway Patrol Unit marks a significant step towards providing a 24-hour roadside security presence in key areas and demonstrates the effectiveness of combining technology with traditional policing methods.

Within just a few months of its establishment, the hi-tech Unit, which includes 30 operational members and two administrative staff, has made 176 arrests thanks to the integration of dashcams and automated number plate recognition technology. The latter technology allows officers to automatically track motorists with outstanding warrants and to identify stolen or fraudulent vehicles. In the past year, this led to two arrests specifically for possession of stolen or hijacked cars.

In addition, the expanded CCTV camera network have led to a notable increase in arrests across town. In the reporting year, the number of arrests exceeded expectations by 31,3%. Moreover, the ShotSpotter gunfire detection system has been fully implemented in communities most affected by gun violence, covering an area of 9 km². The detection system recorded 5 817 gunfire incidents in 2023/24 (2022/23: 1 398), allowing for focused security response deployment.

Digital evidence management project

Effective and legally compliant data-sharing between the City, Province's Department of Police Oversight and Community Safety, SAPS, emergency medical services and other stakeholders is of the utmost importance to combat crime and support investigations and court proceedings. To this end, the City acquired an integrated, tailored, enterprise-level solution from a local service provider. The solution includes the following:

- ✓ **Digital evidence management:** Responsible for monitoring, coordinating and livestreaming video from field devices, as well as managing the associated digital evidence
- ✓ **Bodycams:** Utilised daily by officers to record all interactions with the public and capture notable incidents and evidence
- ✓ **Vehicle-mounted dashcams with an automatic number plate recognition (ANPR) capability:** Supporting officers in gathering evidence through a user-friendly interface, adequate data storage and broadband connectivity
- ✓ **Portable ANPR cameras:** Used at roadblocks and vehicle check points to accurately identify vehicles on wanted lists as well as other vehicles of special interest
- ✓ **Static pole-mounted cameras:** Designed to extend the City's ANPR coverage

Since its rollout, this technology has proven its worth in refuting false claims against officers, providing the necessary evidence to stop vehicles and carry out arrests for outstanding warrants, as well as capturing evidence of moving violations, accidents and other incidents.

STRATEGIC OBJECTIVE 6: STRENGTHEN PARTNERSHIPS FOR SAFER COMMUNITIES

PROGRAMME 6.1: PARTNERSHIPS FOR COMMUNITY SAFETY PROGRAMME

Programme at a glance

- ✓ Enable collective action for safety improvement
- ✓ Strengthen relations between government, neighbourhood watches, non-governmental organisations and community safety structures
- ✓ Empower communities with information on crime prevention, emergencies and disaster response



Material matters covered:

- ✓ Programme 6.1: Partnerships for community safety programme
 - Community safety and neighbourhood watch support project
 - Auxiliary law enforcement project

The City's community safety programme fosters collaboration between government, the private sector, neighbourhood watches, non-governmental organisations and community safety groups. It empowers communities with essential information on crime prevention, emergencies and disaster response, promoting collective action for safer neighbourhoods. The aim is to strengthen relationships and enhance coordination, ensuring a unified approach to safeguarding residents and building resilient communities.

Community safety and neighbourhood watch support project

Collaboration with community-based crime prevention organisations and the private sector is becoming increasingly important in the fight against crime as well as during times of crisis and disaster. This need inspired the establishment of the Civil Security Collaboration Initiative (CSCI), which is aimed at providing participating organisations with a virtual presence in the City's joint operations centre during periods of civil unrest or disaster. Designated Safety and Security officials manage the flow of information between CSCI participants and the operations centre.

This arrangement enables the sharing of information and resources, as well as specific requests for assistance when needed. In this way, the CSCI serves as an information-gathering multiplier, enhancing the City's capacity to identify and respond to emergencies effectively and efficiently, while fostering collaborative relationships with CSCI partners.

CSCI participants include city improvement districts, private security companies, Western Cape Civil Defence, Agri Western Cape, AfriForum, crime prevention organisations as well as neighbourhood watches across the metro.

In the next year, the focus will be on expanding this initiative by increasing the number of participating organisations, utilising the City's Trusted Partner app to enhance CSCI planning and communications, and establishing a radio communications capacity for the CSCI.

Auxiliary law enforcement project

This project successfully recruited and trained 218 new members to ensure that they are well prepared for

deployment in areas that experience security staff shortages. Additional recruits will be brought on board in 2024/25 to further strengthen the City's Safety and Security resources and enhance service delivery.

PROGRAMME 6.2: HOLISTIC CRIME PREVENTION PROGRAMME

Programme at a glance

- ✓ Invest in safer public spaces and community facilities for recreation and development
- ✓ Reduce the likelihood of crime through positive influences
- ✓ Contribute to crime prevention via substance abuse programmes and relationship building between communities and the police
- ✓ Leverage other City programmes for economic growth and job creation as indirect crime prevention measures



Material matters covered:

- ✓ Programme 6.2: Holistic crime prevention programme
 - Substance abuse project
 - Public safety
 - Civilian Oversight Committee

Substance abuse project

Substance abuse is a major driver of crime and social issues in Cape Town. In 2023/24, the City made considerable progress in tackling this matter. Highlights include the following:

- ✓ Strengthening Families programme: Launched 25 new initiatives that reached 365 families
- ✓ Substance abuse interventions: Implemented 38 targeted interventions through the Essentially Me programme, which reached 1 431 individuals, while another 59 implementations through the Driving My

Future programme, which focuses on foetal alcohol syndrome, reached 2 337 individuals.

- ✓ **Public awareness:** Held two substance abuse information days, which led to a significant increase in interest. Altogether 1 342 books on the topic were subsequently borrowed from City libraries.

TREATMENT AND SCREENING

The City's Matrix® facilities screened 2 168 people, and City clinics conducted 1 476 assessments for clients returning for their second appointment. The 86% average for clean drug tests reported by these sites demonstrates the effectiveness of the substance abuse treatment programmes.

EDUCATION AND OUTREACH

The City ran after-school programmes at 51 sites, which reached 51 420 participants.

LAW ENFORCEMENT

Altogether 1 021 drug raids across Cape Town resulted in 2 094 arrests. Moreover, 149 gang-related incidents were addressed during which drugs were seized and 67 firearm possession arrests were made.

With regard to liquor licensing, the City reviewed 245 new licence applications and inspected 2 474 licensed premises, of which 1 592 met compliance standards. A total of 1 015 unlicensed premises were also inspected.

Public safety

In the past year, the City responded to 73 225 public safety complaints, set up 3 539 roadblocks in high-crime areas, conducted 70 153 screenings, and made 176 arrests for driving under the influence.

Another major focus was to reduce outstanding warrants through daily operations. Roadshows aimed at encouraging Capetonians to pay their fines were successfully hosted, leading to a 35,8% increase in fine income for 2023/24, totalling approximately R330 million.

Civilian Oversight Committee

The City's Civilian Oversight Committee (CIVOC) focuses on improving the accountability, transparency and effectiveness of policing, law enforcement and traffic services. Key CIVOC efforts in the reporting year included the following:

- ✓ **Protective gear and training:** CIVOC successfully advocated for the acquisition of protective gear for

officers attending to protests and land invasions. However, it is also seeking additional training to ensure that the equipment is used and maintained effectively.

- ✓ **Disciplinary cases:** The committee identified inconsistencies in disciplinary processes and recommended improved training and selection criteria.
- ✓ **Trauma management:** CIVOC advocated for the outsourcing of mass drug testing and supported the appointment of a clinical psychologist. It also pushed for the incorporation of trauma management into police training.
- ✓ **Emergency vehicle repairs:** The committee proposed a memorandum of agreement to ensure timely emergency vehicle repairs.

- ✓ **Training and recruitment:** Recommendations included the recruitment of additional facilitators at the Metro Police Training College, providing driving lessons for LEAP officers, and incorporating robust psychometric testing into the envisaged Specialised Weapons and Tactics Unit.
- ✓ **Revenue initiatives:** CIVOC supported the City's efforts to boost fine revenue after a decline in 2022/23. This support included closely monitoring income trends and backing management initiatives such as fine payment roadshows.



7.5 HOUSING

WHY THE FOCUS ON HOUSING?

Housing is about more than providing shelter; it is a crucial component of social stability and economic empowerment. The City is committed to significantly increasing access to affordable, well-located housing through a multifaceted approach that harnesses both formal and informal markets. By empowering the private sector, strategically releasing City-owned land and streamlining regulations, the administration aims to catalyse housing development at scale to meet the diverse needs of a growing population.

The strategy encompasses the entire housing spectrum, from maintaining Council rental units to improving informal settlements. The City prioritises secure tenure to unlock the economic potential of housing assets, while efficiently

delivering subsidised housing projects to maximise benefits for those most in need. This approach is innovation-driven, with the City adapting regulations and working methods to support all participants in the housing market, from large developers to individual homeowners.

Going beyond bricks and mortar, the City's focus on housing is about building resilient communities and fostering economic opportunities. By improving basic services in informal settlements, enhancing community safety in housing developments, and creating a more enabling environment for housing development, the aim is to ensure that every Cape Town resident has access to a safe, dignified place to call home.

HOUSING OUTCOMES IN 2023/24



Private-sector investment: Leveraged City land assets to attract private investment in transit-oriented development precincts



Saleable rental stock: Sold 573 units and finalised 184 transfer registrations



Well-located land parcels released for affordable housing: Five parcels released (2022/23: 1)



Top structures provided: 1 854 (2022/23: 1 811)



Formal serviced sites provided: 1 627 (2022/23: 1 638), with a significant increase to 7 100 projected for 2024/25



Hectares of land acquired for human settlements (2022/23: 0)



Number of title deeds registered to beneficiaries: 4 815 (2022/23: 2 372)



Informal settlement sites serviced: 1 124 (2022/23: 1 002)

FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Housing and informal settlements	2,7	2,8

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 7:
INCREASED SUPPLY OF
AFFORDABLE, WELL-LOCATED
HOMES

PROGRAMME 7.1: PARTNERSHIP FOR
AFFORDABLE HOUSING PROGRAMME

Programme at a glance

- ✓ Initiate programmatic release of City land for affordable housing in Cape Town
- ✓ Utilise regulatory measures to aid well-located housing development
- ✓ Prioritise land near economic centres, transport nodes and social facilities
- ✓ Emphasise social housing for long-term affordability and financial sustainability
- ✓ Focus on spatial integration, urban regeneration and transit-oriented development



Material matters covered:

- ✓ Programme 7.1: Partnership for affordable housing programme
 - Inclusionary housing initiative

In the past year, the City made notable progress in delivering affordable housing, providing 1 854 top structures and 1 627 serviced sites for formal housing. Using its land assets, the administration is also attracting private-sector investment to transit-oriented development precincts. This strategy boosts economic activity and creates affordable housing opportunities near public transport and job markets.

The aim still is to deliver 5 862 top structures over the three years ending in 2024/25, although this will depend on the provincial Human Settlements Development Grant. The grant undergoes quarterly adjustments, which could influence the rate of top structure delivery.

Inclusionary housing initiative

The City combined inclusionary housing and social housing policies into a proposed Affordable Housing Policy, which supports the Mayor’s priority programme aimed at land release for affordable housing. A policy concept note was developed, with drafting expected to begin in the new financial year.

PROGRAMME 7.2: TENURE SECURITY
PROGRAMME

Programme at a glance

- ✓ Fast-track secure tenure and ownership transfer programmes
- ✓ Collaborate with other government spheres in the property value chain
- ✓ Focus on providing title deeds to offer households economic and financial security



Material matters covered:

- ✓ Programme 7.2: Tenure security programme
 - Public housing ownership transfer initiative
 - Subsidised housing tenure initiative

Public housing ownership transfer initiative

In October 2022, Council approved a no-cost transfer programme to help beneficiaries of Council-owned rental units obtain their title deeds for free. The City funds the attorney transfer costs at R2 500 per transfer and continues to insure sold rental units until transfer. Outstanding debt on transferred properties is also written off. A policy review has been submitted to the Western Cape MEC for Infrastructure. If approved, this will allow the City to fund all remaining debt and enable cost-free transfers for eligible beneficiaries.

Subsidised housing tenure initiative

By the end of 2023/24, 4 815 transfers of full title to subsidised housing units had been completed – more than double the year’s target of 3 250. The target for 2024/25 is 2 200 transfers.

PROGRAMME 7.3: INTEGRATED
RESIDENTIAL DEVELOPMENT
PROGRAMME

Programme at a glance

- ✓ Continue support for national and provincial subsidised housing, despite decline in funding
- ✓ Leverage City capabilities for efficient, high-standard subsidised housing
- ✓ Maximise benefits for beneficiaries, while reducing spatial inequality



Material matters covered:

- ✓ Programme 7.3: Integrated residential development programme
 - Breaking New Ground programme
 - Enhanced People’s Housing Process

For 2023/24, the City delivered 1 627 serviced sites and 1 854 top structures. These included various Breaking New Ground (BNG) housing projects, Enhanced People’s Housing Process opportunities, as well as two social housing projects. Projects currently under construction include Valhalla Park, Greenville phase 4, Belhar Pentech, Sir Lowry’s Pass, Gugulethu infill, and Pooke se Bos. Projects set to commence soon are located at Macassar, Kraaifontein (Maroela South) and Edward Road (Ottery).

Breaking New Ground programme

The BNG programme provides a fully subsidised home to households who earn R3 500 or less per month, are registered on the City’s Housing Needs Register, and qualify in terms of the City’s Housing Allocation Policy.

For now, the programme continues to focus on optimising well-located vacant infill sites and densifying layouts. Densification results in smaller sites with semidetached double-storey row houses, limiting space for additional informal units. The City is exploring a new model to provide adequate infrastructure for incremental densification, and discussions between service departments are ongoing. Infrastructure development costs are expected to exceed current grant funding guidelines.

Enhanced People’s Housing Process

The City is considering utilising state entities such as the National Housing Finance Corporation to help implement projects under the Enhanced People’s Housing Process.

PROGRAMME 7.4: PUBLIC RENTAL HOUSING PROGRAMME

Programme at a glance

- ✓ Identify barriers to the transfer of saleable units and develop incentives for transferring freestanding public housing to qualifying beneficiaries
- ✓ Address the housing maintenance backlog and identify priority areas for immediate upgrades
- ✓ Enhance community safety in public rentals by closely monitoring illegal structures, anti-social behaviour and by-law transgressions
- ✓ Enhance tenancy management and address low rental recovery rates



Material matters covered:

- ✓ Programme 7.4: Public rental housing programme
 - Public housing ownership transfer initiative

Public housing ownership transfer initiative

The City transferred 757 saleable rental stock units to qualifying beneficiaries in 2023/24. Beneficiaries were from various areas across town, including Nyanga, Macassar, Bonteheuwel, Mitchells Plain, Leonsdale, Gugulethu, Hout Bay, Manenberg and Valhalla Park.

STRATEGIC OBJECTIVE 8: SAFER, BETTER-QUALITY HOMES IN INFORMAL SETTLEMENTS AND BACKYARDS OVER TIME

PROGRAMME 8.1: MICRO-DEVELOPER AND ADDITIONAL DWELLING IMPROVEMENT PROGRAMME

Programme at a glance

- ✓ Support micro-developers in delivering large-scale, affordable rental accommodation
- ✓ Aim for better-quality and safer homes, contributing to a denser, inclusive housing market
- ✓ Leverage housing construction for economic growth, skills development and job creation
- ✓ Deliver property wealth growth for lower-income families

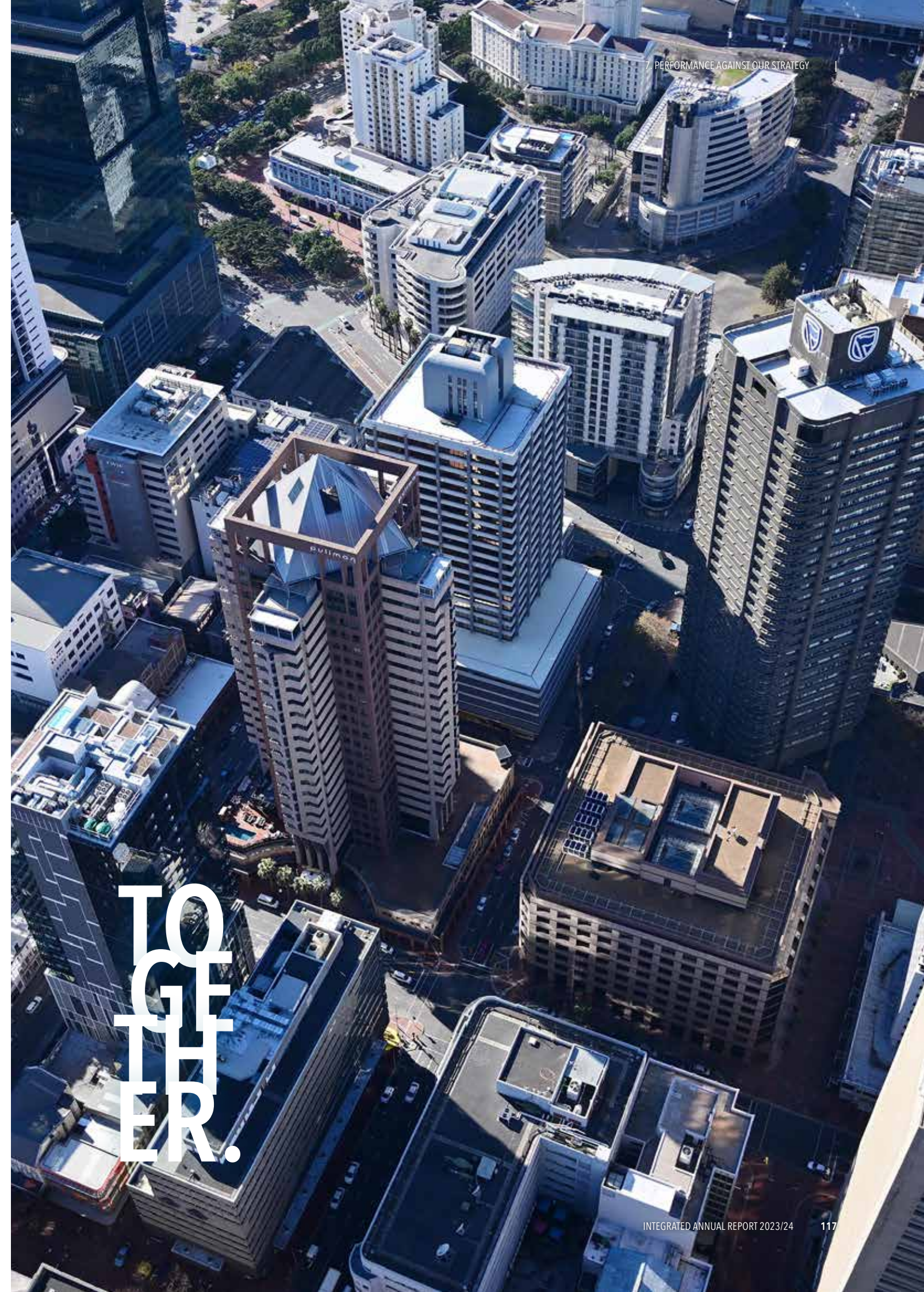


Material matters covered:

- ✓ Programme 8.1: Micro-developer and additional dwelling improvement programme
 - Mayor's priority programme for small-scale rental units

Mayor's priority programme for small-scale rental units

Small-scale rental (SSR) housing involves the development of buildings with multiple rental units on existing properties in urban areas. These are managed by micro and small



developers as income-generating investments. SSR housing plays a crucial role in meeting the need for affordable rental opportunities in Cape Town.

To create a supportive framework for the SSR sector, the City has launched the Mayor's priority programme for SSR units. The programme includes a number of workstreams that focus on areas such as:

- ✓ policy and strategy development;
- ✓ reviewing regulations;
- ✓ addressing infrastructure needs;
- ✓ supporting micro and small developers;
- ✓ releasing public land for SSR development; and
- ✓ promoting sustainable neighbourhoods.

Close collaboration with external stakeholders ensures practical solutions for the SSR sector.

In the past year, amendments to the Municipal Planning By-law were proposed to expand land use rights in certain zones to allow up to eight affordable rental units on properties with an existing main dwelling, or up to 12 units on vacant land. Public participation on these changes will conclude in October 2024, with a final review and approval process to follow.

To support SSR developers, the City is creating a Local Planning Support Office to help micro and small developers submit quality land use and building plan applications. The office will provide advice, help resolve development challenges, and offer urban design guidelines. In partnership with Isandla Institute and the Development Action Group, the City is also conducting the pilot project Right to Build in Langa and Eerste River to further support developers.

Other initiatives in support of SSR development include the following:

- ✓ **Administrative penalty exemptions and reduced building plan scrutiny fees for areas with high SSR development:** This allows developers to apply for retrospective approval for unauthorised structures without penalty.
- ✓ **Launch of a R20 million Development Charges Fund:** The new fund subsidises up to 90% of development charges for micro and small developers in designated areas. From March to the end of June 2024, the fund attracted 500 enquiries and 14 applications, six of which were approved.

In addition, the City is assessing infrastructure capacity in three pilot areas to ensure that services are sufficient to meet the increased demand generated by higher-density developments. This work includes determining funding and revenue needs for future infrastructure improvements.

By supporting SSR development in this way, the City will boost housing delivery, ensure compliance with building processes, and stimulate property investment and job creation in targeted areas.

PROGRAMME 8.2: INFORMAL SETTLEMENTS UPGRADING PROGRAMME

Programme at a glance

- ✓ Deliver rapid, large-scale improvement of informal settlements
- ✓ Pursue a five-year goal of improvement in all recognised informal areas
- ✓ Prioritise basic services and functional tenure as an immediate response
- ✓ Address unhealthy living conditions, limited utilities and disaster risks



Climate Priority Programme



Material matters covered:

- ✓ Programme 8.1: Micro-developer and additional dwelling improvement programme
 - Mayor's priority programme for small-scale rental units

Upgrading informal settlements

Informal settlements are a common challenge in many developing countries as well as cities undergoing rapid urbanisation, which often have limited resources to meet the housing needs of citizens, particularly the poor.

To create a basic standard of decent living conditions in informal settlements, the City intervenes in the current physical layout of overcrowded settlements that have densified and expanded over time without any formal planning. The aim is to deliver rapid, large-scale improvement of informal settlements through the Upgrading of Informal Settlements Programme (UISP) and the City's re-blocking and basic services enhancement efforts.

The management and upgrading of informal settlements form part of an ever-evolving programme that requires constant monitoring and updating. The City reviews all areas of informality in Cape Town on an annual basis, using the most recent aerial photography and annual settlement surveys. Each informal settlement has been technically assessed in order to determine the most logical future development pathway. In the reporting year, 11 informal settlements successfully advanced to phase 2 upgrades in line with the National Housing Code specifications.

In addition, the City has developed a standard operating procedure with all line departments for the delivery of emergency relief services in new areas of informality. An Informal Settlements Coordination Structure, in turn, comprises all City role players and is aimed at addressing service delivery issues and requests from areas of informality.

Through the backyarder implementation programme, the City also provides basic services to those living in the backyards of City rental properties. This occurs via various term tenders.

For further performance details, please turn to programme 2.1, "Mainstreaming basic service delivery to informal settlements and backyard dwellings", earlier in this report.



7.6 PUBLIC SPACE, ENVIRONMENT AND AMENITIES

WHY THE FOCUS ON PUBLIC SPACE, ENVIRONMENT AND AMENITIES?

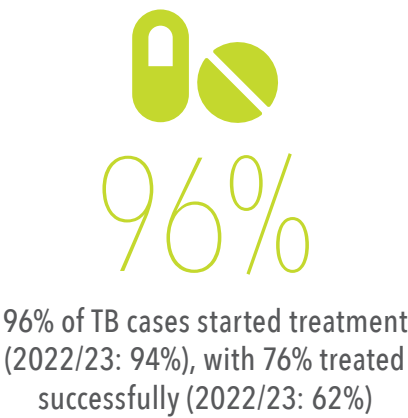
Cape Town’s natural beauty and diverse ecosystems are both valuable assets and integral to the city’s identity and resilience, as well as people’s quality of life. The City recognises this intrinsic value and takes a comprehensive approach to enhancing public spaces, community amenities and the environment. This extends beyond maintenance; it also aims to restore pride in the city’s shared spaces, while simultaneously bolstering Cape Town’s resilience to climate change and enhancing public health.

At the heart of this initiative is a drive to clean, protect and revitalise Cape Town’s natural areas and green infrastructure. Ambitious projects are undertaken to restore rivers and vleis, combat pollution, and fortify coastal infrastructure against the impacts of climate change.

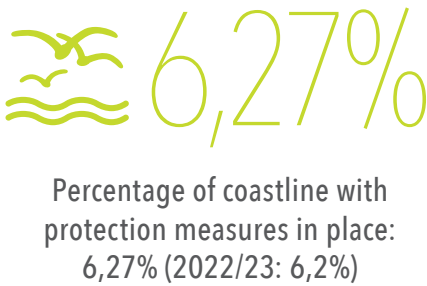
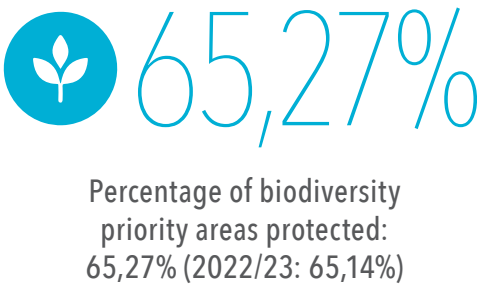
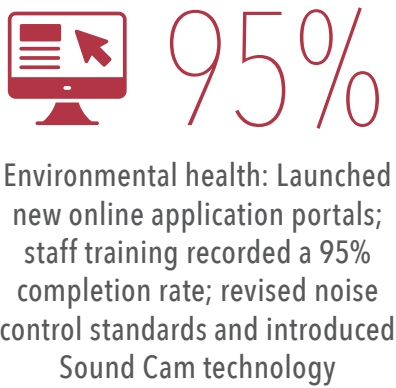
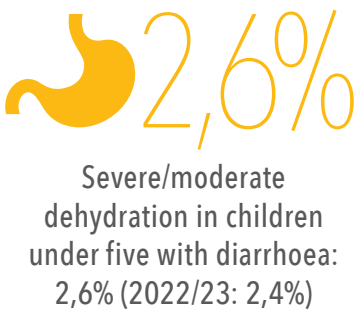
The City also creates and manages high-quality public spaces and facilities, recognising their crucial role in building community cohesion, promoting learning and health, and providing a safe haven for relaxation and recreation. The approach is highly collaborative, and the City embraces partnerships with local communities to improve and safeguard parks, recreational facilities and public spaces. Such a community-centred strategy not only enhances the physical environment, but also strengthens the social fabric of neighbourhoods and creates a more resilient, healthy and vibrant city for all.

PUBLIC SPACE, ENVIRONMENT AND AMENITIES OUTCOMES IN 2023/24

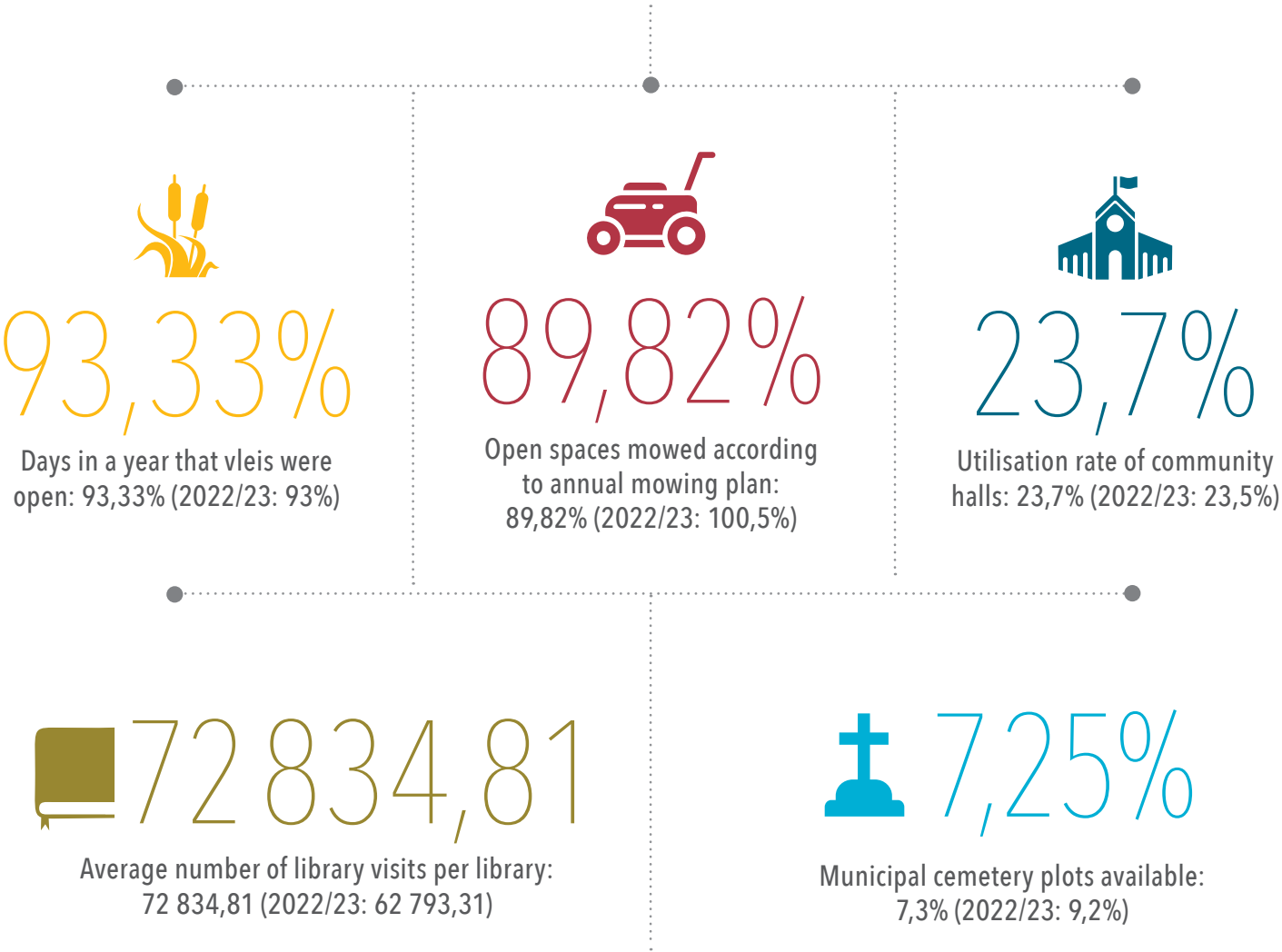
PRIMARY HEALTHCARE



PUBLIC SPACE, ENVIRONMENT AND AMENITIES OUTCOMES IN 2023/24 (CONTINUED)



PUBLIC SPACE, ENVIRONMENT AND AMENITIES OUTCOMES IN 2023/24 (CONTINUED)



FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Sport fields	3,0	3,0
Beaches	3,1	3,1
Community recreation centres and halls	3,0	3,1
Swimming pools	3,0	3,0
Parks	2,9	2,9
Cemeteries	2,9	3,0
Libraries	3,1	3,2
Health services	2,9	3,0
Nature reserves	3,0	3,1
Environment	3,0	3,1

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 9: HEALTHY AND SUSTAINABLE ENVIRONMENT

PROGRAMME 9.1: ENVIRONMENTAL AND BIODIVERSITY MANAGEMENT PROGRAMME

Programme at a glance

- ✓ Value Cape Town's biodiversity as crucial for ecological, social and economic health
- ✓ Commit to protecting and restoring natural areas
- ✓ Aim to ensure long-term sustainability and efficacy
- ✓ Improve resilience to climate change

Climate Priority Programme



Material matters covered:

- ✓ Programme 9.1: Environmental and biodiversity management programme
 - Biodiversity management initiative
 - Green infrastructure initiative

Thirteen of the City's 22 nature reserves are officially recognised as managed protected areas under the National Environmental Management: Protected Areas Act 57 of 2003. Zandvlei nature reserve's proclamation is pending, and the process to have six new City nature reserves as well as additional sites at nine existing reserves proclaimed has started. Council approved phase 2 proclamation in October

2023 and submitted the list of sites to CapeNature for consideration.

Biodiversity management initiative

The City's biodiversity management initiative preserves and enriches Cape Town's diverse natural heritage in accordance with the Local Biodiversity Strategy and Action Plan. This strategic plan aims to optimally manage biodiversity and ecosystem services at the local government level, aligning with international, national and provincial conservation goals.

Cape Town's biodiversity priority areas now span 81 742,65 ha, of which 55 477 ha has been designated as protected land. This protection covers 65,27% of the City's priority areas and 22,63% of the total municipal area.

The Biodiversity Network (BioNet) is a fine-scale systematic biodiversity spatial plan that includes climate change corridors and adaptations in its input layers. As such, the BioNet, including the existing protected-area network, is the best option to keep Cape Town sustainable and resilient to climate change.

Ecological burns and alien plant clearing are key to the City's ongoing efforts to protect biodiversity. In the past year, 11 649 ha of terrestrial protected areas and 457 ha of aquatic areas were cleared of invasive species. Additionally, 5 292 ha of City-managed public open space were cleared. Through this work, the Biodiversity Management Branch created over 4 072 green job opportunities, amounting to 173 367,5 person-days and 753,76 full-time equivalent work opportunities.

During the same period, City nature reserves attracted more than 598 315 visitors, generating approximately R13,8 million through gate receipts and events. This represents 203,51% of the revenue target for the year. Environmental education programmes reached 22 986 learners from 155 schools, along with 1 342 teachers and 11 296 adults, contributing to 35 906 person-days of education.

Other projects included protected-area expansion (to meet biodiversity targets, improve connectivity between nature reserves, and build climate change resilience), nature reserve management (focusing on invasive alien species control, fire management, and restoration), and addressing challenges such as poor water quality (especially in recreational waterbodies) and land invasion.

Protected-area advisory committees continued to ensure community involvement in nature reserve management. These committees primarily give advice, facilitate interaction,

communication and engagement, and foster partnerships with stakeholders, surrounding communities and organisations with a real interest in nature reserves.

Key biodiversity facts for Cape Town

- ✓ Over 3 250 plant species
- ✓ ±15% of South Africa's plants on 0,2% of the country's surface area
- ✓ 190 plant species only occur in Cape Town
- ✓ Of the 660 Red List plant taxa, 405 are threatened with extinction
- ✓ Cape Town has already lost 49 plant species, including 14 that are globally extinct
- ✓ Rich diversity of bird, small mammal, frog (four of which only occur in Cape Town), reptile and invertebrate species
- ✓ 52 vertebrate species of conservation concern, and 29 threatened
- ✓ Cape Town is South Africa's first accredited Ramsar wetland city, is home to a Ramsar wetland site of international importance (False Bay nature reserve), forms part of the Cape Floristic Region world heritage site, and includes three biosphere reserves

In 2023/24, 12 new populations of flora species of special concern were discovered. Notable sightings of two species of fauna were recorded for the first time in many years, namely the Knysna warbler (*Bradypterus sylvaticus*) and the paddle-winged lacewing (*Halterina pulchella*).

Green infrastructure initiative

Green infrastructure is a strategically planned network of natural open spaces and engineered ecological systems, along with other environmental features. It provides multifunctional ecological, community and infrastructure services.

With its green infrastructure initiative, the City works to safeguard and enhance Cape Town's natural environmental assets, while fostering new green infrastructure developments. This supports the City's sustainability efforts, enhances the urban living environment, and bolsters resilience against climate change impacts.

PROGRAMME 9.2: CITY HEALTH PROGRAMME

Programme at a glance

- ✓ Tackle quadruple burden of non-communicable disease, infectious disease, maternal and child disease, and trauma
- ✓ Improve overall health outcomes
- ✓ Offer residents quality healthcare and a healthy urban environment



Material matters covered:

- ✓ Programme 9.2: City health programme
 - Primary healthcare initiative
 - Environmental health initiative

Primary healthcare initiative

The City Health Department provides primary healthcare to vulnerable individuals and communities. It does so through 86 clinics, Matrix® substance abuse treatment facilities and other environmental health services.

KEY HEALTH INDICATORS FOR 2023/24

- ✓ **HIV:** Approximately 120 448 clients know their status, 75% of these clients are on treatment, and 92% are virally suppressed.
- ✓ **TB:** Of those diagnosed, 96% started treatment and 76% were treated successfully.
- ✓ **Diabetes:** Of clients known to have diabetes and who are receiving care at City healthcare facilities, 78% have had an annual diabetes control monitoring blood test (HbA1C) done. Of those tests, 79% came back with an HbA1C result of <10.

QUALITY IMPROVEMENT

City Health used the quality improvement methodology of the national Department of Health's 100 Facilities project to identify quality challenges in the City's health facilities, after which teams tested change ideas for potential implementation. In addition, a modernisation programme is in place that will help identify at-risk individuals early on. This includes employing the test-and-treat approach, which is normally used in the context of HIV testing. The modernisation programme also focuses on strengthening child health programmes through community outreach.

STREAMLINING HEALTHCARE SYSTEMS

Project ELULA is aimed at streamlining healthcare systems across the City's facilities, improving efficiency and service delivery. The project focuses on implementing or upgrading the following three key systems:

- ✓ **Patient administrative system:** This system has now been implemented at all fixed primary healthcare facilities, satellite clinics and mobile sites. It is used to manage patient registration and scheduling, improve patient flow, and enable self-service appointments. The system is crucial for optimising the administrative aspects of healthcare delivery.
- ✓ **Clinical information system:** Enhancements to this system entail integrating laboratory results, managing appointments, and facilitating the transition to electronic medical records. This is vital for improving the quality and continuity of patient care.
- ✓ **Rx pharmacy system:** By digitising medication dispensing and enhancing stock management, this system significantly improves overall pharmacy operations, ensuring efficient medication distribution and inventory control.

Environmental health initiative

In 2023/24, the City implemented various digital solutions to modernise its environmental health service. New case types were introduced for open burning, fuel-burning appliances and food-related inspections. By June 2024, new online portals had also been launched for client applications, including for certificates of acceptability, food exports and open burning permits.

Training for environmental health staff encompassed 13 courses and had recorded a 95% completion rate by the end of the reporting period. Stakeholder guidelines were developed and 22 business report types were finalised to support service operations.

In March 2024, Cape Town adopted a new Air Quality Management Plan with ambitious goals for cleaner air. The City continued enforcing air quality standards under the National Environmental Management: Air Quality Act 39 of 2004. This included issuing a significant fine to an industrial operation that violated air quality regulations. Despite clamping down on air polluters, Cape Town still experienced 17 days of high air pollution during the year.

The City's Noise Control Unit played a pivotal part in the revision of the SANS 10103 national standard on environmental noise assessments. A sound camera was also introduced to identify and interrogate individual noise sources causing environmental noise impacts.

STRATEGIC OBJECTIVE 10: CLEAN AND HEALTHY WATERWAYS AND BEACHES

PROGRAMME 10.1: HEALTHY URBAN WATERWAYS PROGRAMME

Programme at a glance

- ✓ Ongoing maintenance and optimisation of Cape Town's waterway system
- ✓ Focus on flood prevention and clearing litter, dumping and pollution
- ✓ Aim to make waterbodies cleaner, more resilient and accessible
- ✓ Collaborate for shared water quality data and collective action

Climate Priority Programme



Material matters covered:

- ✓ Programme 10.1: Healthy urban waterways programme
 - Liveable Urban Waterways (LUW) programme

Cape Town has nearly 2 000 km of rivers, 480 km of canals, over 800 ponds, and numerous wetlands and vleis of varying sizes. Ensuring that these waterways are liveable is essential to enhance Cape Town's resilience to climate change.

Wetlands and waterways allow for water infiltration and help absorb flood water, while green and blue spaces help reduce heat. Healthy waterways also improve ecosystem health, enhance water quality, and allow for the development of safe recreational spaces along waterbodies. These efforts are integral to Cape Town's ambition of becoming a water-sensitive city by 2040.

Liveable Urban Waterways (LUW) programme

The LUW programme rehabilitates Cape Town's waterways by following green or hybrid approaches that not only enable effective water and waterway management, but also provide multiple co-benefits such as increased biodiversity and improved amenity value. The LUW approach comprises the following components:

- ✓ **Water-sensitive urban design:** Integrating water cycle management with the green and built environment through planning and urban design
- ✓ **Nature-based solutions:** Addressing societal challenges through actions that protect, sustainably manage and restore natural and modified ecosystems, benefiting both people and nature
- ✓ **Green infrastructure:** A network of multifunctional green spaces and other green features, both urban and rural, which can deliver quality-of-life and environmental benefits for communities

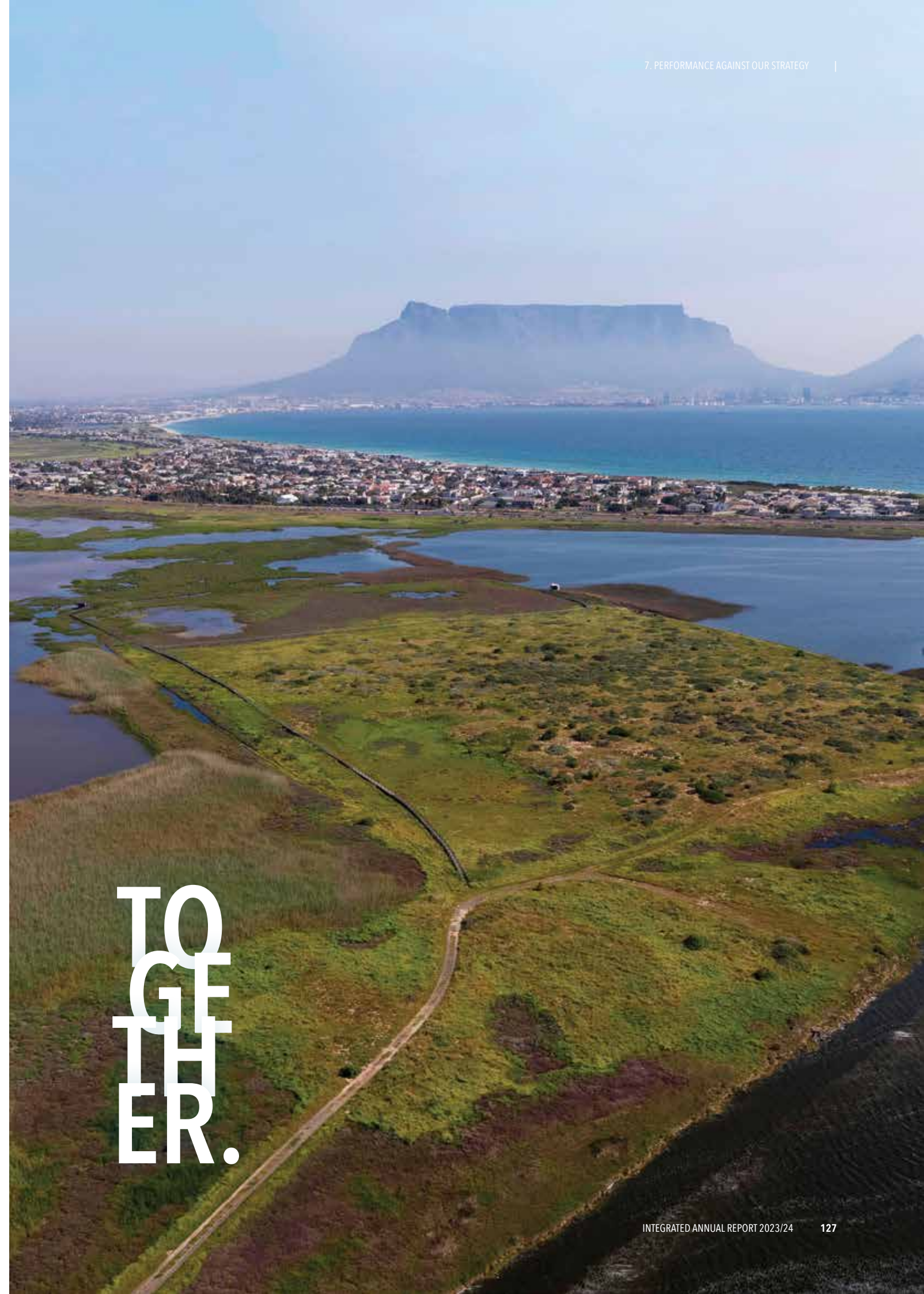
The aim is to have liveable urban waterways with acceptable water quality and that can:

- ✓ accommodate flooding;
- ✓ provide diverse habitats;
- ✓ have healthy biodiversity;
- ✓ be hydraulically connected to Cape Town's aquifers, floodplains and wetlands;
- ✓ connect people and be used and enjoyed by them; and
- ✓ provide a range of ecosystem services and economic and social benefits.

To this end, the LUW initiative aligns with the City's Climate Change Strategy, Water Strategy, Resilience Strategy and Environmental Strategy.

LUW PERFORMANCE HIGHLIGHTS

- ✓ **Litterboom project:** This initiative maintains and operates litterbooms (litter-trapping mechanisms) along the Vygekraal and Black rivers in Sybrand Park, and the Big and Little Lotus rivers in Grassy Park, as well as in Observatory. On average, 1 200 kg of waste is removed from these rivers weekly, amounting to approximately 5 000 kg per month across the five sites where the waste interceptors are installed.
- ✓ **Bokramspruit river maintenance in Ocean View:** This project sees 170 local residents clearing alien vegetation and collecting litter from the Bokramspruit river. Ongoing maintenance of the river is crucial due to persistent litter dumping. Regular upkeep contributes to improved water quality, reduced pollution, enhanced hydraulic flow, lower flood risks, and local job creation and skills development.
- ✓ **Rehabilitation of the Sand and Langevlei canal confluence:** The City has initiated procurement processes to rehabilitate the Sand and Langevlei canal confluence area in Coniston Park, Retreat. The project will involve the removal of concrete canals and enable the creation of wetlands, which will improve water quality, increase biodiversity and enhance amenity value.
- ✓ **Rehabilitation of Elsieskraal and Vygekraal rivers:** A conceptual design is being developed for the rehabilitation of these vital waterways.
- ✓ **Masterplan development for Diep (South)-Sand sub-catchment and Zeekoe catchment:** With technical support from the C40 Cities Finance Facility, masterplans for waterway rehabilitation in the Diep (South)-Sand sub-catchment and Zeekoe catchment are being developed, along with an implementation and financing framework. Six community workshops have been held to co-create these plans with local communities.
- ✓ **Catchment management guidelines:** Guidelines have been created to support catchment management forums in their work. Established forums include those for the Sand, Lourens, Hout Bay, Diep, Soet and Zeekoe rivers.
- ✓ **Rehabilitation and flood alleviation projects:** Ongoing projects at Bayside canal, Lourens river and Sir Lowry's Pass river are utilising nature-based solutions to improve water quality and mitigate flooding for local communities.



TO
GET
HER.

PROGRAMME 10.2: COASTAL PROGRAMME

Programme at a glance

- ✓ Recognise that coastline is crucial for Cape Town's economy, society and environment
- ✓ Invest in restoring priority coastal infrastructure
- ✓ Focus on improving climate change resilience



Climate Priority Programme



Material matters covered:

- ✓ Programme 10.2: Coastal programme
 - Coastal infrastructure initiative

Coastal infrastructure initiative

The City is making progress with a number of refurbishment efforts at various locations across town. The refurbishment of Fisherman's Lane at Strandfontein Pavilion has been completed, as has dune rehabilitation at Fish Hoek, Fleur Park (Gordon's Bay), and Glencairn. The revetment at Milnerton beachfront is done, while civil works have commenced at the completed Table View dune project, which spans 3 km.

Management of Marine Outfalls

The City of Cape Town continues to manage its three marine outfalls, located at Green Point, Camps Bay, and Hout Bay, as part of its comprehensive wastewater service. These outfalls collectively account for approximately 5% of the city's daily wastewater management requirements. In line with the City's commitment to transparency, efficiency and environmental stewardship, several key developments have taken place:

- ✓ **Operational capacity** – All three outfalls remain operated well within their design capacity, ensuring their effectiveness and reliability.
- ✓ **Collaborative engagements** – The City maintains ongoing discussions with the Department of Forestry, Fisheries and the Environment (DFFE) to finalise Coastal Waters Discharge Permits (CWDPs) for the outfalls.
- ✓ **Environmental monitoring** – In June 2024, the City's Environmental Monitoring and Assessment Plan was approved by DFFE. Expert independent marine scientists have been engaged to implement this plan for the 2024 – 2027 period.
- ✓ **Stakeholder engagement** – A Permit Advisory Forum has been established, serving as a quarterly platform for public stakeholders to discuss marine outfall operations and review data.
- ✓ **Transparency and data sharing** – All data collected through the monitoring and assessment plan is shared publicly at the Permit Advisory Forum. This includes technical data on volumes, flow rates, and effluent quality, which is independently verified by external auditors.
- ✓ **Environmental impact** – Scientific data to date indicates no significant or harmful environmental impacts resulting from the marine outfalls.

The City is also actively evaluating options for the long-term upgrade or replacement of the three outfalls to ensure sustainable wastewater management for the future. This approach underscores the City's dedication to responsible environmental practices, public accountability, and continuous improvement in its wastewater services.

STRATEGIC OBJECTIVE 11: QUALITY AND SAFE PARKS AND RECREATION FACILITIES

PROGRAMME 11.1: QUALITY COMMUNITY FACILITIES PROGRAMME

Programme at a glance

- ✓ Recognise that community facilities are essential for social networks and cohesion, learning and recreation
- ✓ Commit to quality facilities for all, focusing on vulnerable communities
- ✓ Optimise current portfolio to better meet residents' needs



Material matters covered:

- ✓ Programme 11.1: Quality community facilities programme
 - Community facilities initiative
 - Recreation and parks development and activation initiative
 - Cemetery and crematorium provision project
 - Library facility and access to information project

In the past year, the City's Community Services and Health Directorate continued with its central strategy of optimising facility clusters for maximum resource efficiency, ensuring that facilities accommodate multiple uses and sporting codes, and are strategically located.

Community facilities initiative

Initiatives to ensure equitable and sustainable amenities for Cape Town's residents included creating integrated recreation facilities, regional recreation hubs, upgrading swimming pools, and installing synthetic pitches. However, community unrest, vandalism and gang violence posed significant challenges. To mitigate security issues, Community Services and Health worked closely with the Safety and Security Directorate and SAPS. Continuous community engagement was also prioritised to minimise social disruptions.

Another critical focus was ensuring compliance with the Safety at Sports and Recreational Events Act 2 of 2010 across all facilities.

When Cape Town experienced severe floods in September 2023, the Sir Lowry's Pass clinic and its surrounding community were badly affected. Swift and effective support from Solid Waste, Disaster Risk Management and Environmental Health teams was crucial in promptly restoring the clinic's operations. This ensured uninterrupted service delivery to vulnerable residents.

Recreation and parks development and activation initiative

Ten sports fields and stadia were developed or upgraded, along with six parks or leisure facilities and three community swimming pools.

In partnership with the Cape Town Netball Federation, the City reviewed 90 of its netball facilities, which included 242 courts, to ensure that they met international standards for the 2023 Netball World Cup. Surveys were also conducted to measure participation in both formal and informal netball leagues. Sixteen netball locations were earmarked for improvements, which extended into 2023/24. Various programmes and events were organised in the run-up to the World Cup, such as a netball after-school programme, a netball challenge for under-19s, and a street netball programme. World Cup-inspired murals were also installed at sport facilities, and World Cup viewing sites were proposed.

Cemetery and crematorium provision project

The City continues to focus on the identification of, and planning for, additional and alternative burial options. This includes raising awareness of and incentivising alternatives such as cremation, mausoleum interment, and the reuse of family graves. Other focus areas include densification of burial layouts and investigating opportunities to reuse old dormant cemetery space.

Over the past year, the extension to Atlantis crematorium was completed. On the back of the first briefing with professional services consultants that took place last year to initiate expansions and new developments at priority cemetery sites, additional scoping is under way to further refine the list of sites and complete the environmental impact assessments required. The City intends to appoint consultants to do a citywide study that will inform its decision on the way forward.

Two new JTE BA-2 cremators were installed at Maitland crematorium. The new units use liquid petroleum gas and are equipped with afterburners, an automated logging system and opacity sensors. The flue gases from the two cremators are discharged into the atmosphere via two separate stacks. After testing and commissioning, a stack emissions survey was conducted, and the new cremators were confirmed to be fully compliant with the national atmospheric emission standards.

Library facility and access to information project

In 2023/24, the City prioritised improvements to physical and virtual access to library facilities to cultivate a reading culture and support educational needs. Access to physical spaces is available during library operating hours, and the City also leverages technology to enable virtual access. This includes the provision of e-resources and WiFi access so that digital library materials can be used 24/7 from any location. Access points within libraries also allow patrons to use their personal smart devices.

Core professional services, such as information and referrals, readers' guidance and lending, were maintained during regular library hours, while the expansion of virtual services and process automation significantly broadened access. Many libraries also extended their operating hours to better serve their communities. Smart Cape computers in libraries provide internet access and allow users to engage with various desktop applications.

Libraries also provide communities with access to the following e-resources:

- ✓ PressReader, which offers access to over 7 000 global newspapers and magazine titles, available via the website or an app
- ✓ OverDrive for e-books via the Libby app
- ✓ Free e-resources via the online public access catalogue for a variety of uses, including reading and school projects

Outreach initiatives included block loans and visits to crèches, nursing homes, schools and informal settlements, ensuring the broadest possible access to library resources and services.

PROGRAMME 11.2: PARTNERSHIPS FOR QUALITY PUBLIC SPACES PROGRAMME

Programme at a glance

- ✓ Partner with communities and organisations
- ✓ Improve and manage public spaces and facilities
- ✓ Enhance the quality, safety and utilisation of spaces



Material matters covered:

- ✓ Programme 11.2: Partnerships for quality public spaces programme
 - Sustainable strategic partnerships initiative
 - Friends of libraries and parks initiative

Sustainable strategic partnerships initiative

The City Health Department maintains its partnership with Province's Department of Health and Wellness to deliver essential primary healthcare services. This collaboration is governed by a service level agreement that specifies both parties' responsibilities.

City Health is also actively engaged in an initiative called "Scaling data use to improve patient care," supported by a grant from the Health Foundation. Thanks to this initiative, technical resources have been integrated with the Department's work to enhance data use, improving health system outcomes for those with TB and HIV. This effort has resulted in increased TB testing rates, higher numbers of new patients starting treatment, and improved retention in care.

In addition, the City is among a select group of global cities that belong to the Partnership for Healthy Cities network. The network focuses on preventing non-communicable diseases and injuries to save lives. City Health is actively participating in the network's Policy Accelerator programme, which aims to develop policies and solutions to reduce non-communicable diseases in Cape Town.

In March 2024, City Health also successfully hosted the Primary Healthcare Summit in Cape Town, further demonstrating its commitment to advancing healthcare initiatives and improving health outcomes for residents.

Friends of libraries and parks initiative

The City maintains and nurtures crucial partnerships with multiple Friends of the Library groups. These groups provide essential support and advocacy, acting as champions for libraries in their communities. Currently, the City collaborates with 46 active Friends groups to enrich the administration's library services.

Volunteers, too, are valued partners who provide invaluable assistance to libraries through various programmes and events.



7.7 TRANSPORT

WHY THE FOCUS ON TRANSPORT?

Cape Town’s vision for urban mobility centres on creating a transport system that is safe, reliable, accessible and affordable for all residents and that minimises commuting time. The City recognises that efficient transportation is not just about moving people from point A to point B; it’s about enhancing quality of life, fostering economic growth, providing access to opportunities, and creating a more inclusive urban environment. This commitment is reflected in the administration’s multifaceted approach that addresses public transport, road infrastructure and innovative solutions to reduce traffic congestion.

At the forefront of the strategy is the City’s drive to revitalise and expand Cape Town’s public transport services. Acknowledging the critical role of a functioning rail system in Cape Town’s transport network, the City is advocating strongly for the devolution of rail functions to local authorities, with private-sector involvement.

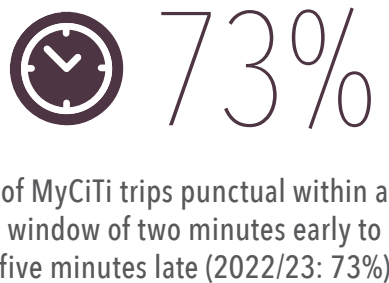
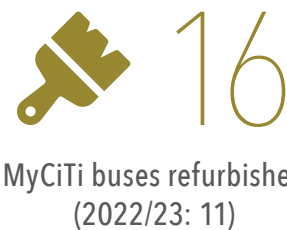
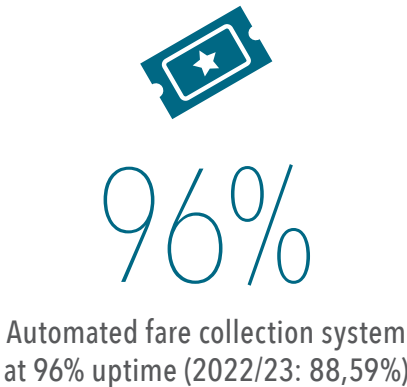
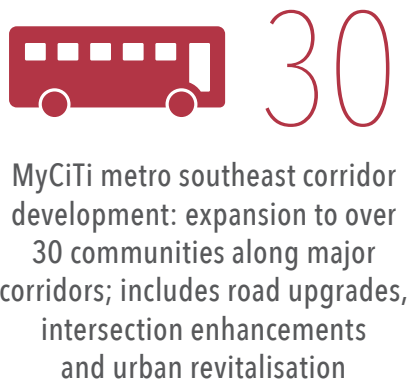
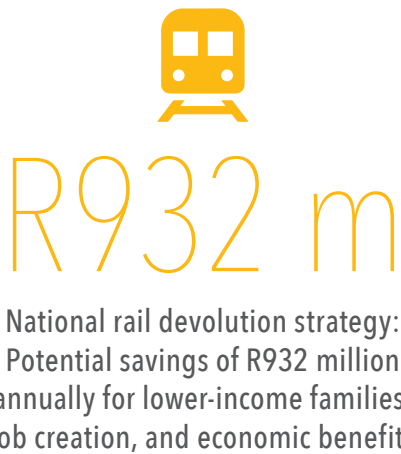
Along with this, significant investment in the bus rapid transit (BRT) system known as MyCiTi is aimed at improving connectivity and access to scheduled and reliable public transport, particularly for vulnerable communities. MyCiTi offers faster, safer and more affordable travel options along key corridors.

The City’s expenditure priorities demonstrate its intention to keep people, goods and services on the move. Investments are aimed at creating new infrastructure for those who rely on public transport, building new roads or widening priority routes to address congestion, and undertaking reactive and proactive maintenance of a road network spanning over 10 400 km. In addition, the provision of universally accessible footways and cycle lanes is a priority, given that commuting statistics for 2023/24 confirm that nearly 10% of commuters walk or cycle to their destinations.

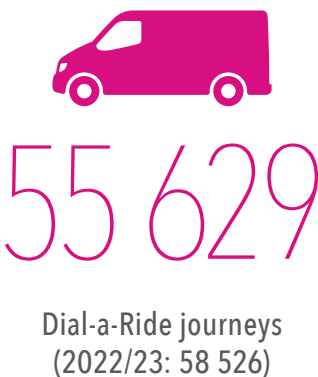
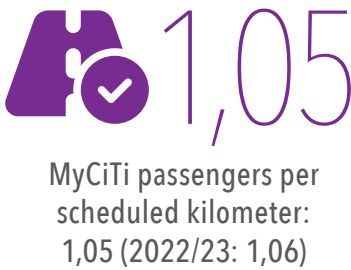
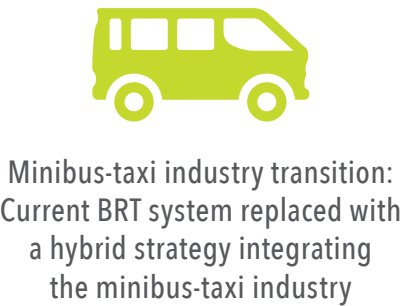
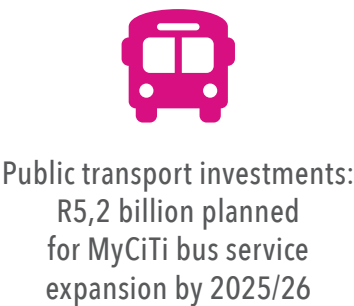
This holistic approach also includes targeted road capacity improvements and innovative interventions to reduce peak-time travel demand. Some 57,5% of commuters use private vehicles to get to their destinations, which translates to 2 331 202 daily passenger trips, placing a huge demand on the City’s road network.

The City is focusing on both public transport and road network quality to create a balanced, efficient and inclusive transport system. The ultimate aim is to reduce travel times, keep people, goods and services moving in support of economic growth, and deliver an improved overall urban experience for Cape Town’s residents and visitors.

TRANSPORT OUTCOMES IN 2023/24 (CONTINUED)



TRANSPORT OUTCOMES IN 2023/24



TRANSPORT OUTCOMES IN 2023/24 (CONTINUED)


13km

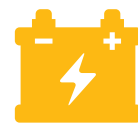
Road capacity enhancement: New lanes being constructed in Durbanville, Strand, Kuils River and Kommetjie, with more than 13 km of road lanes planned in these areas over multiple years


42

Traffic signal efficiency: 43 data collection stations implemented; 12 fibre-optic cable installations completed



Congestion management relief programme focusing on upgrading roads at pressure points in Kuils River, Durbanville, Belhar, Salt River, along the M3, Maitland, along Kommetjie Main Road and Diep River


39

of 42 MyCiTi stations fitted with back-up power to ensure ongoing operations during load-shedding


187,3 km

Road resurfacing (2022/23: 180,2 km)



Non-motorised transport (NMT) infrastructure: New NMT paths being constructed in Kuils River, with more planned for Mitchells Plain, Khayelitsha and Heideveld


97%

Stormwater projects completed (2022/23: 108%)


231,14 km

Roads resurfaced, rehabilitated or resealed (2022/23: 209,45 km)


29,999

Potholes reported per 10 km of municipal road network (2022/23: 31,92)

FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Public transport	2,9	3,0
Roads	2,9	3,0
Stormwater drainage	2,8	2,9

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 12: A SUSTAINABLE TRANSPORT SYSTEM THAT IS INTEGRATED, EFFICIENT AND PROVIDES SAFE AND AFFORDABLE TRAVEL OPTIONS FOR ALL

PROGRAMME 12.1: PUBLIC TRANSPORT REFORM PROGRAMME

Programme at a glance

- ✓ Address challenges of high congestion, rail collapse, and costly and time-consuming commutes
- ✓ Make incremental improvements for quick, widespread benefit as well as longer-term congestion relief.
- ✓ Integrate various transport modes
- ✓ Focus on access, safety, convenience, reliability and quality
- ✓ Invest in public transport to encourage transit-oriented development
- ✓ Invest to reduce transport sector's carbon emissions



Climate Priority Programme



Material matters covered:

- ✓ Programme 12.1: Public transport reform programme
 - Congestion management relief programme
 - Public transport interchange improvement initiative
 - Minibus-taxi industry transition initiative

Given the collapse of passenger rail, Cape Town's growing population is increasingly relying on road-based transport, whether private vehicles, buses or minibus-taxis. According to the City's Comprehensive Integrated Transport Plan 2023-2028, commuters' preferences in terms of transport mode are as follows:

- ✓ Private vehicles: 58%
- ✓ Minibus-taxis: 22%
- ✓ Bus services (MyCiTi and Golden Arrow Bus Service): 9%
- ✓ Rail: 2% (down by 95%)
- ✓ Walking or cycling: Nearly 10%

The reliance on road-based transport strains infrastructure such as roads and public transport interchanges. The increased demand leads to higher maintenance costs, congestion, and the need to expand and upgrade public transport facilities to cater for more commuters and operators. Due to challenges in rail transport, freight has also been increasingly using roads. The City is working to have passenger rail operations devolved pending National Government cooperation, and the rail feasibility study is well under way.

Congestion management relief programme

The focus is to upgrade roads at pressure points in areas such as Kuils River, Durbanville, Belhar, Salt River, along the M3, Maitland, along Kommetjie Main Road and Diep River for both private vehicles and public transport. However, expanding road capacity alone will not solve congestion

in the long term: The more we increase road capacity to help alleviate traffic congestion, the more these roads will attract private vehicles. Therefore, the long-term solution is aimed at a modal shift to public transport. This will be achieved through developments such as the MyCiTi metro southeast corridor, which will go a long way towards relieving congestion. The City plans to invest R5,2 billion in expanding the MyCiTi service by 2025/26.

Apart from investment in public transport, behaviour change is required. This would include commuters working flexi-hours, travelling outside of peak periods, making use of lift clubs, working from home as often as possible, and opting for public transport services where these are available and accessible. There is no doubt that an efficient, reliable, safe and affordable passenger rail service will improve commuting and lower travel costs for commuters and the City.

Future-fit mobility requires an inter-modal, inter-operable public transport system. This would entail integrated routes and schedules for the different modes of transport – from passenger rail to buses and minibus-taxis – to facilitate a seamless transfer between modes, and the ability to use an integrated payment system across modes. The pursuit of a denser city with mixed-use intensification along key mobility routes is critical to improve operational efficiencies.

TRANSIT-ORIENTED DEVELOPMENT (TOD) STRATEGIC FRAMEWORK

A sprawling city with low-income households living on the periphery and having to travel long distances to work, coupled with high operational costs and poor integration of transport modes, exacerbates economic exclusion. Transit-oriented development (TOD) is an approach to integrated spatial and transport planning that intends to accelerate efforts to eradicate the legacy of apartheid segregation and to help improve equity and inclusivity. The City adopted its TOD Strategic Framework in March 2016.

TOD prioritises new developments with the right mix of land uses that produce or attract movement in the right places with the aim of balancing travel patterns across town. Some developments may require more of a particular land use (residential, retail, recreational, office or industrial) than others to help correct travel imbalances over time. Ideally, new developments should be strategically located around public transport where residents will have easy access to either rail or MyCiTi main routes as well as other public transport services.

Furthermore, TOD seeks to optimise the location of future residential areas for all income groups in relation to economic and work opportunities to cut down on travel distances and

times, ultimately reducing the cost of access for transport users. The benefits will be substantially greater for lower-income households, who currently spend a higher proportion of their income on transport due to the dispersed nature of these communities.

Public transport interchange improvement initiative

This initiative has seen the City make significant strides in enhancing its public transport infrastructure. The Somerset West public transport interchange (PTI) was completed in 2023/24. A number of other PTIs, such as Vuyani, Nolongile, Wynberg and Nonkqubela, are at different stages of completion, from planning and detailed design to procurement and implementation.

Currently, the City is focusing on interchanges, such as the major revamp of the Wynberg PTI, which aims to modernise and expand the facility to accommodate more commuters and improve traffic flow.

On the technology front, the City had implemented four smart technology installations at PTIs by the end of 2023/24. These advancements leverage artificial intelligence, machine learning and advanced analytics to enhance commuter safety and security. The benefits include free public WiFi, environmental monitoring, access control systems and the establishment of a transport data warehouse. The innovations are set to transform the commuter experience, making it safer and more efficient.

Minibus-taxi industry transition initiative

The current BRT rollout was initially aimed at altogether replacing the minibus-taxi industry with scheduled MyCiTi services. However, this approach proved financially unsustainable and operationally impractical. Consequently, the City has adopted a hybrid strategy in which minibus-taxis provide a feeder service to the MyCiTi main routes and stations, from where commuters can travel on to their end destinations. This new approach aims to capitalise on the strengths of the minibus-taxi industry to enhance service delivery in line with the Integrated Public Transport Network (IPTN) vision, while ensuring affordability. The hybrid model also supports the gradual transformation of the industry to integrate seamlessly with the City's IPTN service mix.

Due to the constrained financial climate and reduction in available funding, the City had to adjust its plans for the rollout of the MyCiTi metro southeast corridor. This change in circumstances also means that, in the short term, the City will focus on the establishment of one minibus-taxi vehicle



operating company (VOC), as opposed to the two originally envisaged, alongside the intended Golden Arrow Bus Services company. The City intends to contract with this VOC to operate the MyCiTi services along the metro southeast corridor on its behalf.

With the City's support, four out of the five affected minibus-taxi regions have formed regional companies, which will hold shares in the VOC. Discussions in the industry are ongoing to finalise the next layer of registrations that will put the actual VOC in place. Once the VOC has been established, the City will be able to commence with MyCiTi metro southeast corridor contract negotiations, which it hopes to do towards the end of 2024/25.

MINIBUS-TAXI TRANSFORMATION

In early 2024, the City launched its second transport operating company (TOC) pilot project with the CALTA minibus-taxi association in the Mitchells Plain region. Supported by the national Department of Transport, the pilot focuses on the four objectives of operational optimisation, automated fare collection, modernised virtual management, and a transport operating entity.

The collation of operational data is a critical underlying step in the TOC process. To this end, all CALTA's operational vehicles are fitted with smart cameras that record important passenger, driver and vehicle information. The outcome of these transformative pilots will pave the way for the City to initiate a phased rollout, with the ultimate aim of formalising the minibus-taxi industry across Cape Town. The City intends to pilot at least one more TOC project in 2024/25 to augment the results of previous studies.

PROGRAMME 12.2: RAIL IMPROVEMENT PROGRAMME

Programme at a glance

- ✓ Assist vulnerable residents affected by failing PRASA-operated rail
- ✓ Recognise the impact of failing rail on travel times and costs, job access and passenger numbers
- ✓ Advocate for devolution of rail functions to local entity



Material matters covered:

- ✓ Programme 12.2: Rail improvement programme
 - National rail devolution strategy

National rail devolution strategy

An efficient, reliable and safe passenger rail service is essential for Cape Town's economic growth and development. The City's ongoing rail feasibility study has found that a fully functional rail system would sustain 51 493 jobs and save low-income households R932 million annually.

The study, which is nearing completion, aims to determine the best business and ownership model for the City to potentially take over passenger rail management from PRASA. The preliminary financial analysis and impact assessment report, concluded in April 2023, highlights the significant economic benefits of a functional rail system, including an annual boost to the local economy of R11 billion (or 4% of the city's GDP).

A fully restored passenger rail system would save Cape Town over R81 billion, including:

- ✓ R31 billion in vehicle operating costs (fuel and maintenance);
- ✓ R30,7 billion in reduced congestion time;
- ✓ R11,1 billion in casualty costs relating to road accidents; and
- ✓ R8,7 billion in vehicle crash-related repairs.

PROGRAMME 12.3: BUS RAPID TRANSIT (BRT) PROGRAMME

Programme at a glance

- ✓ Commit to expanding Cape Town's public transport services
- ✓ Implement major BRT corridor that links Khayelitsha, Mitchells Plain, Claremont and Wynberg by 2027/28 (the MyCiTi metro southeast corridor)
- ✓ Focus on universal access, speed, safety and affordability
- ✓ BRT to support transit-oriented development and economic opportunities



Material matters covered:

- ✓ Programme 12.3: Bus rapid transit (BRT) programme
 - MyCiTi metro southeast corridor development
 - BRT service excellence initiative

MyCiTi metro southeast corridor development

MyCiTi represents Cape Town's approach to BRT, a system initially inspired by South American models and now a common urban mobility solution worldwide. The initiative received substantial support from National Government as a critical element of transportation infrastructure for the 2010 FIFA World Cup, laying the foundation for Cape Town's expanding BRT network.

PURPOSE AND SCOPE OF THE METRO SOUTHEAST CORRIDOR

The MyCiTi metro southeast corridor, or phase 2A as it is also known, is a significant step in Cape Town's broader IPTN vision. The project is designed to provide reliable, efficient and safe public transit to over 30 communities spanning Cape

Town's busiest routes, connecting residents from Khayelitsha and Mitchells Plain through to Wynberg and Claremont. The aim is to integrate these densely populated areas with Cape Town's economic and social hubs, improving mobility and accessibility for all residents.

Funded jointly by National Government and municipal ratepayers, the metro southeast corridor incorporates key transport planning policies, such as the National Land Transport Act 5 of 2009 and the City's Comprehensive Integrated Transport Plan. The priority routes in this development – primarily along Govan Mbeki Road – will leverage dedicated bus lanes and strategically placed stations to minimise travel times and improve connections to employment, education and recreation.

INFRASTRUCTURE AND URBAN UPGRADES

In addition to transportation enhancements, the project is a catalyst for broader urban regeneration, including the following:

- ✓ Roadway upgrades and intersections: Improved roadway surfaces, reconfigured intersections and expanded lanes for smoother traffic flow, especially at key intersections, are integral to reducing congestion and improving travel efficiency.
- ✓ NMT infrastructure: Dedicated pedestrian and cycling paths will create safer, more accessible corridors for non-motorised commuters.
- ✓ Public space enhancements: Landscaping, broader pavements and new street furniture will provide residents with a more pleasant urban experience. Enhanced streetlighting, signage and public art installations aim to increase safety and foster community pride.
- ✓ Depot construction: Ongoing depot construction on Spine Road in Khayelitsha and Mitchells Plain will support the service's operations and maintain an efficient, well-serviced fleet for reliable daily commutes.

BENEFITS FOR CAPE TOWN RESIDENTS AND THE ECONOMY

The MyCiTi metro southeast corridor will deliver numerous economic and social benefits, filling long-standing connectivity gaps in Cape Town's public transportation. The main benefits include the following:

- ✓ Improved access to economic opportunities: By linking residential areas with key economic hubs, the BRT system reduces the spatial barriers that have historically

restricted economic participation for many residents in the metro southeast. This enhanced mobility is expected to foster a more inclusive economy, enabling greater access to jobs, training and essential services.

- ✓ Enhanced social cohesion: The project promotes social integration by connecting communities across Cape Town, enabling residents from diverse areas to access shared spaces, events and recreational activities.
- ✓ Increased property values and development activity: Infrastructure improvements and enhanced connectivity tend to increase property values, attract new investments, encourage mixed-use development and spur business growth. This, in turn, is anticipated to create jobs, stimulate the local economy, and improve the overall standard of living.
- ✓ Environmental sustainability: The inclusion of environmentally friendly transit options, such as Euro6 buses and planned battery electric buses, aligns with Cape Town's green energy goal of reducing emissions, and sets a precedent for sustainable public transport in South Africa.

PROGRESS IN 2023/24

Construction on the corridor is currently under way in Lansdowne along Turfhall Road, in Hanover Park, in Manenberg and Philippi along Govan Mbeki Road, and in Mitchells Plain along AZ Berman Drive. Depot construction is under way on Spine Road in Khayelitsha and Mitchells Plain and should be completed next year.

BRT service excellence initiative

The development of a final, standardised VOC template continues, but has faced delays after the VOC prospectus had to be revised to mitigate against future challenges. The aim is to integrate lessons learned and best practices in public transport into a final framework template for VOCs.

The automated fare collection system achieved 96% uptime during MyCiTi's operational hours in the past year. Load-shedding does affect system uptime, but backup power at MyCiTi stations helps address disruptions.

A total of 16 MyCiTi buses were refurbished during the year.

In terms of passenger metrics, Dial-a-Ride recorded 55 629 passenger journeys in 2023/24. MyCiTi buses had an average of 1,05 passengers per kilometre scheduled, and recorded 19 335 446 passenger journeys.

Punctuality remains a strength for municipal bus services, with 73% of trips running within a window of two minutes early to five minutes late, as measured at various timing points in the system. Meanwhile, 82% of MyCiTi bus service stops are universally accessible, fulfilling the need for inclusive access.

The MyCiTi service now boasts 946 scheduled access points across central Cape Town and the Atlantic seaboard, enhancing network coverage.

PROGRAMME 12.4: TRAVEL DEMAND AND CONGESTION RELIEF PROGRAMME

Programme at a glance

- ✓ Recognise that congestion is costly in time, money and environmental impact and affects the efficiency of minibus-taxis and contracted buses
- ✓ Commit to improving public transport and non-motorised infrastructure
- ✓ Introduce targeted road capacity improvements to reduce travel time



Material matters covered:

- ✓ Programme 12.4: Travel demand and congestion relief programme
 - Targeted road capacity enhancement
 - Traffic signal efficiency
 - Sustainable transport initiative

The City is dedicated to minimising the time that residents spend in traffic through strategic road capacity improvements and measures designed to reduce travel demands, especially during peak hours. Below is an overview of the City's progress towards achieving these goals in 2023/24.

Targeted road capacity enhancement

The City aims to improve road efficiency and reduce travel times by expanding road capacity. To this end, new lanes are being constructed in Durbanville, Strand, Kuils River and Kommetjie, with more than 13 km of road lanes planned in these areas over multiple years.

Traffic signal efficiency

Enhancing the efficiency of traffic signals is crucial for smoother traffic flow and reduced delays. In this regard, the City installed 43 data collection stations and completed 12 fibre-optic cable installations in 2023/24.

Sustainable transport initiative

The City's congestion management relief programme is expected also to improve transport sustainability in Cape Town by upgrading roads at pressure points across town.

In a further bid to improve sustainability, 39 of the 42 MyCiTi stations have been fitted with back-up power to ensure that they remain operational during load-shedding. The remaining three stations are currently being rebuilt and will be fitted with emergency power once they become operational.

STRATEGIC OBJECTIVE 13: SAFE AND QUALITY ROADS FOR PEDESTRIANS, CYCLISTS AND VEHICLES

PROGRAMME 13.1: ROAD SAFETY AND MAINTENANCE PROGRAMME

Programme at a glance

- ✓ Prioritise a quality road network
- ✓ Ensure effective maintenance and upgrade strategies for roads and public transport
- ✓ Invest in non-motorised transport for safer pedestrian and cyclist travel
- ✓ Enhance access to public transport
- ✓ Focus on cleaner, carbon-neutral travel options



Climate Priority Programme



Material matters covered:

- ✓ Programme 13.1: Road safety and maintenance programme
 - Non-motorised transport (NMT) infrastructure expansion initiative
 - Transport infrastructure maintenance

Non-motorised transport (NMT) infrastructure expansion initiative

New NMT paths are being constructed in Kuils River, with more planned for Mitchells Plain, Khayelitsha and Heideveld towards the end of 2024/25.

Transport infrastructure maintenance

In 2023/24, maintenance efforts included:

- ✓ the resurfacing, rehabilitation of resealing of 231,14 km of roads;
- ✓ the completion of 97% of stormwater rehabilitation and improvement projects; and
- ✓ 1 480,4 m of improvements to informal-settlement tracks and surface drainage.

7.8 A RESILIENT CITY

WHY THE FOCUS ON A RESILIENT CITY?

A city's strength lies in its ability to adapt, overcome and thrive in the face of challenges. In an era of climate change, rapid technological change and global interconnectedness, building urban resilience is no longer just a strategic priority. It has become a necessity for ensuring a hopeful future for all residents. The City's Resilience Strategy is comprehensive, addressing environmental, economic and social vulnerabilities to create a robust urban ecosystem capable of withstanding and rebounding from various shocks and stresses.

At the core of the strategy is a dual focus on climate responsiveness and poverty reduction. The City is proactively adapting its basic services infrastructure to meet the challenges posed by climate change, while

simultaneously working to reduce Cape Town's carbon footprint through initiatives in the fields of energy security and public transport.

Recognising that poverty is the primary driver of vulnerability, the City is committed to fostering economic opportunities, including in emerging sectors relating to climate change response, to build household and community resilience from the ground up.

Drawing on lessons from recent crises – including the 2015–2018 drought, the Covid-19 pandemic, and large-scale fires and floods – the City is enhancing its disaster risk management capabilities and working to build resilience at the community level. This approach extends to improving overall public health and addressing environmental disparities to reduce vulnerability to future pandemics and enhance residents' overall wellbeing.

RESILIENCE OUTCOMES IN 2023/24



International recognition:
Won special mention in the Lee Kuan Yew World City Prize for efforts to build resilience to shock events



Climate strategy monitoring:
Maintained A-rating on CDP platform, achieved by only 13% of 930 cities scored globally



Public safety and volunteer initiatives: 616 public safety awareness sessions held (2022/23: 679)



Firefighting and flood alleviation: Fire Wise programme engaged around 50 000 participants; 41 flood alleviation projects initiated



New disaster risk management volunteers



Stormwater cleaning budget spend

STRATEGIC OBJECTIVE 14: A RESILIENT CITY

PROGRAMME 14.1: CLIMATE CHANGE PROGRAMME

Programme at a glance

- ✓ Recognise that climate change poses a major risk to Cape Town's environment, communities and economy
- ✓ Urgently act to safeguard the city and its residents
- ✓ Proactively identify climate risks in order to lessen the city's vulnerability to future climate-related challenges
- ✓ Use the opportunity to lead the shift to clean energy and water-sensitive urban planning



Material matters covered:

- ✓ Programme 14.1: Climate change programme
 - Climate change response planning and monitoring initiative

The City monitors its Climate Change Strategy and Action Plan by means of an annual progress review. Actions in this plan are closely tied to programmes identified as climate priority programmes in the IDP. In this way, climate action is seamlessly integrated with the City's overarching strategy, covering areas such as energy security, water programmes, public transport, waste management, heat response and more.

The City reports annually to the CDP,³⁷ a global climate change reporting platform, and has maintained an A-rating since the inception of the new rating system for cities in 2018. Only 13% of 930 cities scored globally achieved this rating in 2023, and Cape Town was the only African city to be recognised.

Ongoing collaboration with networks such as C40 and the Resilient Cities Network has enabled the City to secure climate finance and technical assistance for projects that

address climate challenges. This includes the City's work on green infrastructure for flood risk reduction and renewable energy in municipal buildings, funded through the German Agency for International Cooperation and the C40 Cities Finance Facility. Climate finance-related support was also secured through the Gates Foundation for an alternative sanitation pilot.

In the year in review, steps were taken to integrate climate risk into the City's project management and budget planning. This involved an assessment of both short-term and long-term capital projects to identify current climate investments and pinpoint areas that need further attention. Project managers have been issued with a guidebook in this regard, which will help strengthen the integration of climate response into future service delivery and projects.

Climate change response planning and monitoring initiative

The City's annual implementation review report of the Climate Change Action Plan tracks progress against the actions contained in the plan and monitors trends in indicators associated with the plan's goals. The 2022/23 report – the latest available edition – revealed that 54 actions (more than 50% of the plan) were categorised as "In implementation". Considering the long-term nature of this plan, this signals a positive trajectory. Maintaining the momentum on these actions in implementation, as well as moving actions from concept phase to implementation, is vitally important, particularly given the numerous challenges, from budget constraints to limited in-house expertise.

The focus in the past year has been on cost-neutral or cost-saving measures, or measures with key co-benefits such as energy security or economic growth. As the plan involves a high degree of uncertainty and various intersecting governmental functions, it calls for innovative solutions and increased collaboration. In addition, actions such as energy security, rail rehabilitation and coastal resilience are influenced by complex and evolving legislative frameworks.

In terms of infrastructure, various initiatives integrate climate risk into planning processes. Climate considerations are included in the City's spatial development frameworks at a municipal, district and local level, as well as in the project management system. A resilience assessment has been conducted for the City's ten-year capital project portfolio to identify areas requiring further intervention. A climate

³⁷ Previously known as the Carbon Disclosure Project.

budget tagging exercise has also been done for the three-year capital budget, setting the stage for tracking future spending on climate change initiatives. This comprehensive approach helps the City not only track, but also steer its climate change response effectively, with accountability and transparency at its core.

In 2023/24, the City also identified the need for a review and potential update of the Climate Change Hazard, Vulnerability and Risk Assessment for Cape Town to ensure that it remains valid. The review is currently under way with support from the Urban and Municipal Development Fund (UMDF), and an updated version of the assessment should be available by January 2025.

City recognised for its resilience-building initiatives

In June 2024, Cape Town earned global recognition at the World Cities Summit in Singapore, receiving a special mention for the Lee Kuan Yew World City Prize. This distinguished biennial award celebrates cities that excel in creating vibrant, sustainable and liveable urban environments. Cape Town's special mention came with the following citation: "Cape Town is recognised for its effective management of climate change and disaster impacts, addressing their implications for daily life and long-term sustainability. The City successfully navigated the severe water crisis from 2017 to 2018 and the Covid-19 pandemic, demonstrating an agile governance approach and delivering rapid, effective responses to these challenges."

PROGRAMME 14.2: DISASTER RISK REDUCTION AND RESPONSE PROGRAMME

Programme at a glance

- ✓ Be mindful that Cape Town faced both a major drought and the pandemic in five years, while smaller emergencies like flooding and fire are also frequent
- ✓ Acknowledge that risks are heightened by rapid urbanisation, climate change and increased vulnerability

- ✓ Recognise that disasters affect vulnerable groups most severely, requiring emergency preparedness
- ✓ Commit to strengthening risk assessment and disaster response
- ✓ Collaborate with partners to improve disaster relief effectiveness and reduce disaster risk in informal settlements

Climate Priority Programme



Material matters covered:

- ✓ Programme 14.2: Disaster risk reduction and response programme
 - Disaster management volunteer enhancement project
 - Major incident and disaster response coordination project
 - Enhanced firefighting initiative
 - Flood alleviation projects

Disaster risk reduction in Cape Town is guided by comprehensive development and strategic planning, which, in turn, is underpinned by disaster risk assessments. These assessments identify key hazards and vulnerabilities, and are complemented by the City's resilience building efforts, business continuity assessments and enterprise risk registers.

Annual safety campaigns focus on identified risks and vulnerable communities. To boost community resilience, a disaster management volunteer corps is maintained and expanded.

Operational plans, such as the Winter Readiness Task Team's focus on pre-season stormwater cleaning, involve coordinated efforts from various stakeholders to mitigate disaster risks.

2023/24 strategic achievements

- ✓ 616 public safety awareness and preparedness sessions held
- ✓ 124 new disaster risk management volunteers recruited
- ✓ 98% of stormwater cleaning budget spent

Disaster management volunteer enhancement project

Capital planning for upgrades to volunteer facilities is under way, guided by a ten-year expenditure plan. Training and equipment enhancements are continuously introduced, as determined through engagement with volunteer groups and assessments by the Disaster Risk Management Centre's volunteer management division. Equipment needs are similarly assessed with support from Disaster Logistics.

Major incident and disaster response coordination project

The City's Disaster Risk Management Centre (DRMC) responded to 20 major incidents in 2022/23, including fires in informal settlements and severe flooding. Other incidents involved severe weather impacts, water system disruptions, a three-day water shutdown, a nationwide taxi strike, and the declaration of a national state of disaster due to electricity constraints.

The Disaster Coordinating Team (DCT), comprising pre-identified stakeholders, was activated 19 times to align collaborative efforts on events ranging from stage 6 loadshedding to the nationwide taxi strike and the 2023 State of the Nation address. Overall, the DRMC managed 4 811 emergencies, including those requiring DCT activation.

Recently, drone technology has been used to support DCT efforts and enhance emergency decision-making during major incidents. Various early-warning systems have also proven effective in saving lives and properties. These include impact-based forecasting and various media such as radio, internet, email, WhatsApp, social media and loudhailers.

Enhanced firefighting initiative

Annual public education on fire risk is carried out jointly by DRMC and the Fire and Rescue Service, along with key stakeholders. The Fire Wise programme engaged around 50 000 participants, while the climate change programme reached 200 participants at five schools. More staff are receiving training in incident command and related courses to foster interservice collaboration during emergencies.

The City is investigating the feasibility of implementing a project to make informal structures fire-resistant by applying a product designed for this purpose. The pilot has the potential to drastically reduce the spread of fire in informal settlements.

In 2023/24, the City also continued to assist other municipalities in their firefighting efforts, as and when required. This included:

- ✓ assisting Overstrand Municipality with 17 firefighting appliances and 80 staff to fight fires and prevent loss to lives and property;
- ✓ assisting Drakenstein Municipality with four firefighting appliances and 24 staff when they declared a code red;³⁸ and
- ✓ deploying ten rescue technicians to George Municipality to conduct search and rescue for victims trapped beneath a collapsed building, and despatching two rescue cranes to help with rescue operations.

Flood alleviation projects

The City's professional service providers initiated 41 flood alleviation projects, 28 of which were active and in process in the reporting year. Progress on some of these projects included the following:

- ✓ **Sir Lowry's Pass river:** Section 33 process done; construction under way as per approved programme
- ✓ **Lourens River phase 1:** Team appointed; construction tender awarded; construction preparation under way
- ✓ **Lourens River phase 2:** Team appointed; physical scale model built; detailed design in process
- ✓ **Macassar:** Team appointed; feasibility report and stage gate complete
- ✓ **Geelsloot pond, Somerset West:** Team appointed; concept design done; detailed design 90% complete
- ✓ **Manenberg canal:** Team appointed; concept design done; detailed design 90% complete
- ✓ **Stormwater dams:** Team appointed; concept and detailed designs complete; repair licence received for some dams

³⁸ An emergency code used to indicate a fire or smoke incident that poses an immediate threat to safety.

PROGRAMME 14.3: INTEGRATED URBAN HEALTH PROGRAMME

Programme at a glance

- ✓ Enhance health outcomes by addressing the social determinants of health equity within the City's purview to create a healthier, more economically resilient Cape Town, better equipped to deal with future health challenges
- ✓ Incorporate health considerations into long-term City planning, policy development, service delivery and infrastructure projects
- ✓ Assess the impact of core City services (basic services, housing and cleanliness) on individual and community health



Material matters covered:

- ✓ Programme 14.3: Integrated urban health programme
 - Urban health monitoring initiative

Strategic achievements for 2023/24

- ✓ Official launch of City's urban health programme at the Partnership for Healthy Cities Summit hosted in Cape Town in March 2024
- ✓ Completion of research for the urban health monitoring initiative
- ✓ Establishment of Urban Health Steering Committee, comprising a multidisciplinary team who will be designing and developing the City's Urban Health Programme

Urban health monitoring initiative

The City is enhancing its capacity to monitor urban health in Cape Town by integrating health, environmental, economic and social data. The aim is to address health disparities and the underlying environmental factors contributing to them. To support this effort, independent, expert-led research has been commissioned and completed.

The research objective was to develop a conceptual framework for the design and implementation of an urban health monitoring programme in Cape Town. The framework is informed by literature and international examples to provide a robust theoretical foundation for the broader programme. It enhances the City's understanding of how not only its direct healthcare services, but all its other functions too can be leveraged to improve residents' health outcomes.

The newly established Urban Health Programme Steering Committee will determine the policies, actions and interventions required to address the social determinants of health equity. Guided by research, they will also develop a monitoring system to assess the impact of the programme's work.



TO
GET
HER.

7.9 A MORE SPATIALLY INTEGRATED AND INCLUSIVE CITY

WHY THE FOCUS ON SPATIAL INTEGRATION?

The City recognises that the legacy of apartheid spatial planning continues to affect Cape Town's urban fabric. The administration is actively working to address these historical injustices through strategic interventions in public transport, land use and urban development. This approach is as much about physical restructuring as it is about creating a city where all residents have equitable access to opportunities and services.

Central to the strategy is the City's focus on investment in public transport as well as the strategic release of City-owned land. The expansion of the BRT network, particularly in the metro southeast, is a critical component of the plan,

aiming to enhance mobility and connectivity for underserved communities.

In addition, the City is advocating for the revitalisation of passenger rail services in Cape Town, understanding its crucial role in efficient urban mobility and spatial integration. The transformation of vacant and underutilised public land into hubs of economic and social opportunity is another pivotal aspect, directly addressing the need for affordable housing and economic growth in well-located areas.

Through these initiatives, Cape Town is striving to create an urban environment that supports economic growth, while also promoting social inclusion. By providing adequate public services and assets to remove barriers to inclusion and wellbeing, the City is working to uplift vulnerable communities and create a more vibrant, integrated urban landscape.

SPATIAL INTEGRATION OUTCOMES IN 2023/24



Won a merit award at the Guangzhou International Awards for City Innovation



67% of district projects aligned with sector plans, with 14% identified as top priorities



6 603 people living on Cape Town's streets served (2022/23: 7 000)



Engaged with over 30 000 rough sleepers (2022/23: 51 000)



749 individuals transitioned off the streets



396 individuals participated in development programmes



608 EPWP work placements secured (2022/23: 880)



381 referrals for social grants and specialised care (2022/23: 1 124)



Operational facilities at Culemborg (central Cape Town) and Paint City (Bellville) providing dignified accommodation and support services



300 Construction of Ebenezer Safe Space in Green Point to open in August 2024 with space for 300 people



R230 million investment over three years to expand Safe Space shelters beyond central Cape Town and Bellville



STRATEGIC OBJECTIVE 15: A MORE SPATIALLY INTEGRATED AND INCLUSIVE CITY

PROGRAMME 15.1: SPATIAL INTEGRATION AND TRANSFORMATION PROGRAMME

Programme at a glance

- ✓ Ensure that the Municipal Spatial Development Framework (MSDF) provides the context for a comprehensive spatial vision guiding five-year implementation programmes
- ✓ Ensure coherent investment messaging between the MSDF and district spatial development frameworks
- ✓ Promote public-private investment through expanded local spatial development frameworks and mechanisms to facilitate business operations in targeted and preferred locations
- ✓ Balance land use to promote optimal economic growth and poverty reduction
- ✓ Guide housing, transport and infrastructure development, while safeguarding natural and agricultural assets
- ✓ Address spatial inefficiencies stemming from apartheid-era planning by optimising vacant and underutilised land
- ✓ Align local and district plans to support the City's strategic spatial transformation over a five-year period

 Climate Priority Programme

SDGs

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

10

REDUCED INEQUALITIES

11

SUSTAINABLE CITIES AND COMMUNITIES

Material matters covered:

- ✓ Programme 15.1: Spatial integration and transformation programme
 - Urban development planning and frameworks in Cape Town
 - Development enablement mechanisms initiative
 - Spatial strategy monitoring and evaluation project
 - District spatial development framework implementation initiative

Urban development planning and frameworks in Cape Town

Early in 2023, Council approved the MSDF and eight district plans, outlining priority investment areas for both government and the private sector. These plans translate the citywide vision into neighbourhood guidelines, aiming for sustainable, resilient and equitable urban growth. The product of collaboration among residents, organisations and businesses in Cape Town, the plans include implementation schedules with a particular focus on prioritised areas.

In 2023/24, Council approved local spatial development frameworks for Bellville, Philippi, Maitland and Gordon's Bay. These cascade the metropolitan and district vision down to the neighbourhood level in these areas. The local frameworks also contribute to the review of higher-order plans.

Council also confirmed that the next review of the MSDF and district plans will be presented in the first year following the approval of the IDP for the new term of office. Depending on the timing of the next local government elections, the review process is expected to commence in 2025/26. Meanwhile, the City is involved in various concurrent projects for the cyclical review of long-term planning products. Notably, the land use model is updated every three years to project potential future spatial patterns over a 20-year horizon. This information guides the engineering infrastructure masterplan as well as sector plan reviews, and informs the City's capital and operational budget planning processes.

Development enablement mechanisms initiative

Several enablement mechanisms have been identified in district spatial framework implementation plans. The following two have been prioritised for initial implementation due to their potentially significant impact:

Investigation into heritage exemption areas

The City identified and investigated seven areas where the Heritage Western Cape permitting process for buildings older than 60 years could be simplified through exemptions. The seven areas are Atlantis, Kuils River station, Airport Industria, Mitchells Plain town centre, Flamingo, Ottery/Lansdowne, and De Grendel (part of the Voortrekker Road corridor area). Buildings older than 60 years in these areas automatically trigger regulatory processes even though they are often not considered conservation-worthy heritage resources. By granting exemption, the goal is to reduce the regulatory burden and streamline planning applications, while heritage resources worthy of protection will still be preserved.

Progress to date: Heritage Western Cape issued official exemption notices for Airport Industria and Mitchells Plain in April 2024, while the remaining areas were approved in May. Once approved by Province, these areas will be gazetted and officially exempted.

Incentive overlay zone

Key areas for incentive overlay zoning were identified and thoroughly analysed. The rationale behind this initiative is to influence development in strategic priority zones.

Progress to date: The technical investigative report, operational protocol and engagement strategy relating to the incentive overlay zone were finalised in January 2024. The proposed Development Management Scheme parameters for the zoning have also been integrated into the Municipal Planning By-law amendment and review process. The amendment is currently being reviewed by the City's Spatial Planning and Environment Portfolio Committee.

Spatial strategy monitoring and evaluation project

The framework for spatial strategy monitoring and evaluation is premised on the three key strategies outlined in the MSDF and district plans. The primary objective is to report on the selected indicators, assessing the implementation status of spatial strategies in the spatial development frameworks.

Core indicators track changes in the built environment, including shifts in land use, changes in land use intensity and diversity, and variations in residential density. Additional indicators monitor urban growth, the location of government housing programmes, spatial distribution of capital expenditures, and changes in biodiversity or agricultural land resources.

The Spatial Trends Report is accessible to the public via the City's planning portal and is updated periodically as new data becomes available.

District spatial development framework implementation initiative

The Urban Planning and Design Department collaborates extensively with other City service departments to ensure synchronisation between district spatial development plans and infrastructure planning. This alignment is essential to achieve spatial strategy objectives and positively influence the City's fiscal decisions.

Initial investigations revealed that the majority of district projects (67%) are in harmony with sector plans, with 14% identified as top priorities.

In future, the City will engage with sector departments annually for monitoring and evaluation purposes. These interactions will involve progress updates and new proposals for prioritising annual infrastructure projects in district spatial development frameworks, also incorporating initiatives from local frameworks. This process, in turn, will tie into the review of the MSDF and district plans.

Spatial strategy monitoring and evaluation project

The framework for spatial strategy monitoring and evaluation is based on the three key strategies of the MSDF and district plans. Its main aim is to guide appropriate development types and locations. Core indicators will monitor changes in the built environment to assess the performance of the spatial plans and refine spatial policy.

The framework will also include datasets to understand spatial trends and adapt policy accordingly. To assess the MSDF's impact on urban change, further analysis involving socioeconomic and environmental factors will be required. This will be included in a proposed five-year evaluation process as part of the monitoring and evaluation framework.

District spatial development framework implementation initiative

Council approved the City's district spatial development frameworks and their associated implementation plans in January 2023. The Urban Planning and Design Department engaged with various other City service departments to ensure alignment between these plans and infrastructure planning. Proper alignment is crucial for achieving spatial

strategy objectives and positively influencing the City's fiscal decisions.

Preliminary investigations found that most district projects aligned with sector plans. However, additional work is needed to resolve prioritisation and consistency issues in departments.

Urban Planning and Design will have annual interactions with sector departments for purposes of monitoring and evaluation. These will include status updates and new proposals for annual infrastructure prioritisation in the district spatial development frameworks, while also incorporating projects from local frameworks. The process will form part of the annual review of the MSDF and the district plans.

PROGRAMME 15.2: SOCIAL INCLUSION AND WELLBEING PROGRAMME

Programme at a glance

- ✓ Boost social inclusion and wellbeing by understanding community challenges
- ✓ Reduce barriers through public services and support for the poor and vulnerable



Material matters covered:

- ✓ Programme 15.2: Social inclusion and wellbeing programme
 - People living on the street initiative
 - Food systems project

People living on the street initiative

According to the 2022 Census, Cape Town is home to 6 630 individuals who reside on the city's streets. They account for 68,04% of the homeless population in the Western Cape, and 11,9% of South Africa's homeless population.

The City's Street People Programme Unit is dedicated to reintegrating individuals living on the streets back into society through ongoing engagement with this community. In 2023/24, the City engaged with over 30 000 rough sleepers, successfully assisting 749 individuals in transitioning off the streets. Additionally, 396 individuals participated in development programmes, and 608 EPWP work placements were secured. The initiative also facilitated 381 referrals for social grants and specialised care.

Much of this progress is driven by the Safe Space transitional project, with operational facilities at Culemborg in central Cape Town and Paint City in Bellville. These spaces provide dignified accommodation, comfort and ablutions, and two meals daily. Clients benefit from on-site social workers, access to essential services such as ID cards and social grant assistance, family reunification support, substance and alcohol abuse treatment, skills training and potential job placements. Residents are also required to develop a personal development plan with support from social workers.

To further these efforts, the City plans to invest R230 million over three years to operate and expand Safe Space transitional shelters beyond central Cape Town and Bellville. The Executive Mayor has championed the construction of the Ebenezer Safe Space in Green Point to expand bed space availability for those willing to accept accommodation in these safe environments. It opened in July 2024 and accommodates 300 people.

Food systems project

The City aims for continuous improvement in its efforts to support food security, particularly during times of crisis.

This became especially important during the 2023 Western Cape taxi strike, which caused disruptions in food supply and led to shortages in certain areas. On the back of this crisis, the City signed a memorandum of understanding with the Consumer Goods Council of South Africa to strengthen cooperation during emergencies and ensure a stable food supply system.

Additionally, the City is collaborating with ICLEI and the AfriFoodlinks programme to better understand the food system and identify areas where support is needed, particularly for vulnerable communities. This includes pilot projects aimed at improving market spaces in Cape Town.

These efforts to build a more resilient food system were recognised in December 2023, when the City received a merit award at the Guangzhou International Awards for City Innovation.

7.10 A CAPABLE AND COLLABORATIVE CITY GOVERNMENT

WHY THE FOCUS ON A CAPABLE CITY GOVERNMENT?

A capable and collaborative local government is key to sustainable urban progress and citizens' continued wellbeing. In Cape Town, this vision translates into a multifaceted strategy that embraces modernisation, efficiency and resident empowerment. At its core is a concerted drive towards digital transformation, leveraging technology to enhance service delivery, improve transparency and facilitate meaningful citizen engagement. Financial sustainability underpins this approach, with the City

committed to good governance practices, data-driven decision-making, and zero tolerance for corruption.

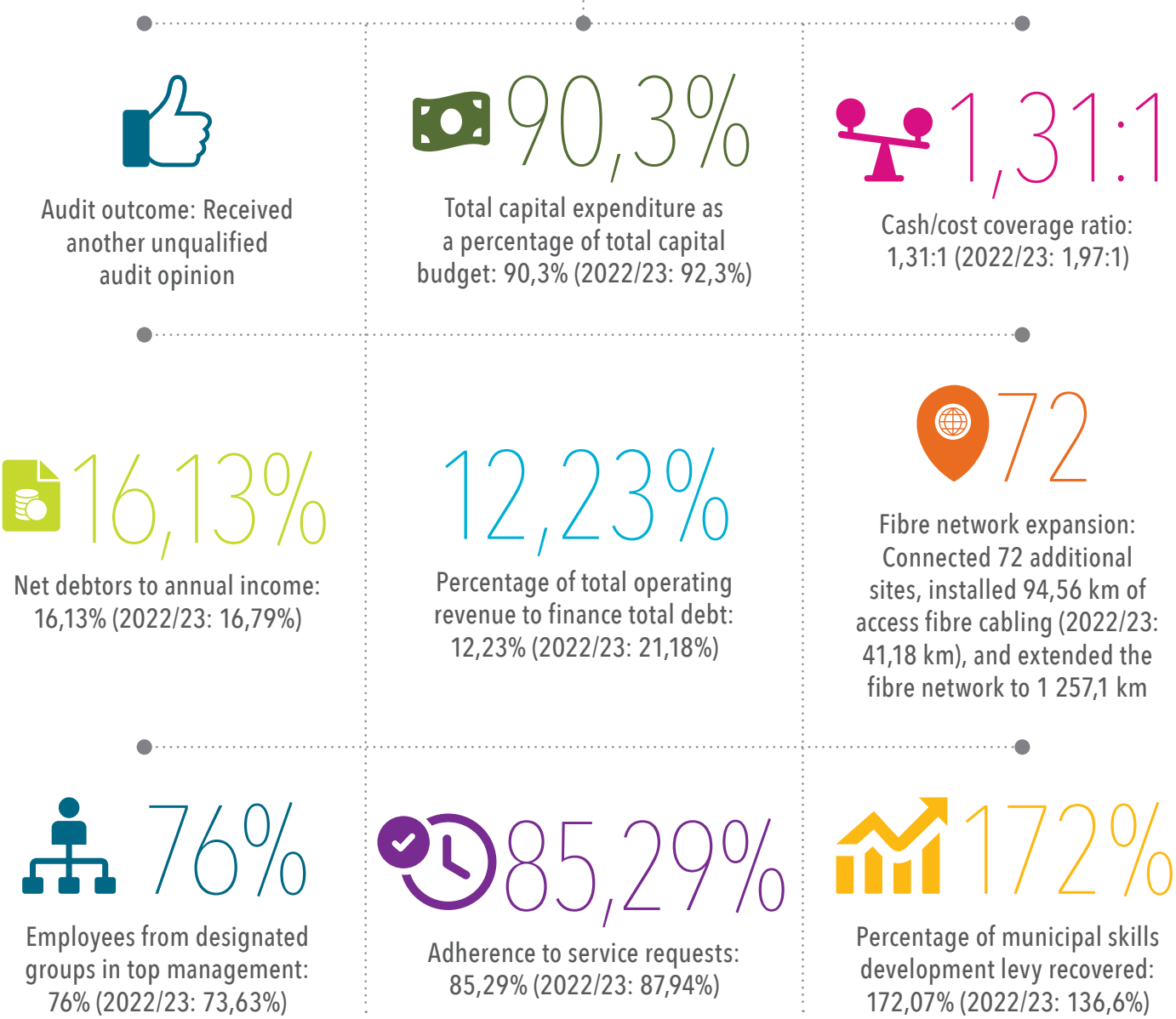
By optimising resource allocation through economic analysis and advanced analytics, the City maximises the positive impact of public funds, using it for the benefit of all residents.

Recognising the limitations of government resources, particularly in a low-growth economy, the City also actively fosters cross-sector partnerships. Collaboration with private enterprises, civil-society organisations and community groups amplifies impact, creating pathways for lasting and sustainable change.

CAPABLE CITY GOVERNMENT OUTCOMES IN 2023/24



CAPABLE CITY GOVERNMENT OUTCOMES IN 2023/24 (CONTINUED)



FINDINGS OF 2023/24 COMMUNITY SATISFACTION SURVEY

	2023/24 RATING	2022/23 RATING
Property valuations	3,1	3,2
Account services and payments	3,3	3,4
Customer relations	3,0	3,1
Public engagement and communication	3,0	3,1
Facilities management	3,1	3,1
Corporate communication	2,9	3,0

Rating scale: 1 = poor; 2 = fair; 3 = good; 4 = very good; 5 = excellent

STRATEGIC OBJECTIVE 16:
A CAPABLE AND COLLABORATIVE
CITY GOVERNMENT

PROGRAMME 16.1: OPERATIONAL
SUSTAINABILITY PROGRAMME

Programme at a glance

- ✓ Contain costs and deliver core mandates for long-term financial viability
- ✓ Maintain long-term fiscal health and administrative efficiency
- ✓ Establish robust internal administrative structures and processes



Material matters covered:

- ✓ Programme 16.1: Operational sustainability programme
 - Governance and financial sustainability
 - Effective supply chain management initiative

Key achievements in 2023/24

In 2023/24, a standout accomplishment for the City was its credit rating of Ba3/Aa3.za/P-1.za for both long-term and short-term assessments. This stable outlook was affirmed by independent rating agencies, highlighting the City's financial prudence and good governance. Such strong ratings not only reduce the interest on debt, thereby saving public money, but also underpin the City's ambitious ten-year infrastructure investment plans worth R120 billion.

In terms of human resource development, the City spent 101,39% of its Workplace Skills Plan budget. This strategic allocation aims to equip City staff through education, training and development, aligning with the administration's broader staffing strategies and individual employee growth plans.

The City demonstrated a high standard of public service, achieving 85,29% adherence to standards in response to service requests. These requests were attended to within approved timelines, in line with the City's commitment to serving Capetonians.

Governance and financial sustainability

Cape Town was the top-ranked metro in the Good Governance Africa Governance Performance Index (GPI) 2024. This index assesses metro, local and district municipalities across the five indicators of administration and governance, economic development, leadership and management, planning, monitoring and evaluation, and service delivery. Cape Town was the only metro to score four out of five in each category.

The GPI report highlights Cape Town's exceptional performance, especially in service delivery, which is the most heavily weighted category. The City also excelled in economic development, maintaining South Africa's lowest broad unemployment rate and adding 363 000 jobs since November 2021, according to the Stats SA's quarterly labour force survey for the fourth quarter of 2023.

This achievement reflects the City's commitment to building a city of hope and opportunity through job creation and poverty reduction. It also aligns with Cape Town's strong showing in other reports and indices, including the following:

- ✓ **Knights Sustainable Cities Index 2023:** Cape Town ranked as the top city in South Africa
- ✓ **Audit outcome 2022/23:** Clean audit
- ✓ **Moody's rating:** Received a strong credit rating with a stable outlook

Cape Town also leads in financial sustainability according to Ratings Afrika's Municipal Financial Sustainability Index. With its score of 70, Cape Town outperformed the next metro by 14 points. The City achieved a five-year high rating of 67 for infrastructure development and recorded the highest expenditure on repairs and maintenance, at 7% of revenue.

The City's R120 billion infrastructure investment over the next decade is set to surpass all other cities. The proposed R39,7 billion investment for the next three years is expected to create 130 000 jobs, with 75% of this to benefit lower-income households in 2024/25.

Effective supply chain management initiative

In 2023/24, the City paid 99,75% of its supplier invoices within 30 days (2022/23: 99,5%), supporting consistent cash flow for small and medium-sized businesses in its supply chain. Effective contract management and transparent tender processes enabled approximately R45 billion in spending (2022/23: R12,7 billion). An electronic invoice submission system is in place to further streamline payments. A range of data dashboards help improve internal oversight of supply chain management and contracting processes.

CAPE TOWN ACHIEVES VALUE FOR MONEY IN PROCUREMENT

The City published its first ever Procurement Transparency Report in 2023. Covering the 2021/22 period, the report shows that the City paid market-related prices, or prices below market-related rates, for 85% of the items and services it procured. This includes the price of 300 commodities used regularly in municipal operations. The full report can be accessed at <https://bit.ly/Value-for-money-report>.

PROGRAMME 16.2: MODERNISED AND ADAPTIVE CITY GOVERNMENT PROGRAMME

Programme at a glance

- ✓ Modernise processes and the workforce for increased resilience and efficiency
- ✓ Promote digital engagement to reduce travel for residents and employees
- ✓ Follow institutional framework for internal transformation and strategic implementation



Material matters covered:

- ✓ Programme 16.2: Modernised and adaptive city government programme
 - Broadband improvement project
 - Employee and customer digital enablement project
 - Core application refresh (CAR) programme

Broadband improvement project

The aim is to connect City buildings with fibre infrastructure, using either City fibre or leased connections, whichever proves to be the lowest-cost model. In the year in review, the City connected 72 additional sites, bringing the total number of connected sites to 444. Approximately 94,56 km of access fibre cabling was installed, extending the City's fibre network to a total of 1 257,1 km.

Employee and customer digital enablement project

The City is committed to enhancing its digital platforms to improve both employee and customer experiences. By expanding access to digital services and streamlining processes, the City aims to provide efficient, user-friendly solutions that meet the evolving needs of its workforce and residents. Recent developments are summarised below:

- ✓ **HR Everywhere Online (HeRO) mobile time and pay solution:** This solution is designed for employees with mobile devices out in the field. It offers 24/7 access to SAP Employee Self-Service functions such as leave management, electronic time tracking, payroll viewing, and e-training through video courses. Initially launched in September 2022 with pilots in the directorates of Safety and Security as well as Water and Sanitation, it has since expanded to other departments. In 2023/24, the number of HeRO users has grown to 4 556, including staff in departments such as Public Housing, Information and Knowledge Management, Fleet Management, Electricity Generation and Distribution, Recreation and Parks, Spatial Planning and Environmental Management, and Urban Waste Management.
- ✓ **Biometric system enhancements:** Significant investments have been made in a robust, touchless biometric clocking system to ensure accurate timekeeping and payroll management. Facial recognition devices have been deployed Citywide to handle approximately 20 000 clock-ins per week across 31 devices, amounting to about 1 040 000 clock-ins

annually. Some 1 600 fingerprint scanners further enhance attendance and payroll processing efficiency.

- ✓ **Streamlined declaration-of-interest project:** As part of the City's Stupid Rule initiative to boost operational efficiency, a new declaration-of-interest process was implemented on 1 July 2024. The streamlined process involves pre-populated forms, using data from previous years to reduce redundancy. This improves the user experience, enhances compliance, and supports the City's governance and reputation. This and other Stupid Rule initiatives demonstrate the City's commitment to accuracy, user satisfaction, transparency and integrity in public service.
- ✓ **Data analytics enhancements:** Data analytics enhancements are used extensively to manage the City's sick leave and overtime practices, ensuring optimal employee productivity and cost management.
- ✓ **Map functionality with pin drop:** A new map feature allows residents to plot fault locations using a pin drop, which is particularly useful in areas without exact street addresses, such as public open spaces and informal settlements.
- ✓ **City App:** The City App brings digital services closer to residents, offering features such as commenting on public participation issues, lodging service requests, receiving load-shedding alerts, accessing City news and event information, viewing service disruptions, and finding ward councillors' contact details.
- ✓ **Digital wayleave management system:** The process for applying for a wayleave in Cape Town has been transformed with the introduction of a new digital system. Previously marked by disparate departmental approaches and manual processing, the updated system streamlines and standardises the application process, enhancing efficiency and transparency. Launched in May 2024, the new system reduces the application steps from fifteen to six.

Core application refresh (CAR) programme

Heavily dependent on technology, the City's 13 directorates utilise three core software systems, namely SAP ERP (Systems, Applications, and Products in Data Processing), Microsoft solutions, and ESRI geospatial systems. The ongoing CAR programme will modernise these systems to ensure that the City can continue providing essential services and effectively meet residents' needs.

The key goals of CAR are to:

- ✓ replace the City's ageing IT assets, which will reach the end of their useful life by December 2027 (the City's so-called 'Digital Day Zero');
- ✓ ensure the stability of the City's revenue management and financial systems to be able to achieve clean financial audits;
- ✓ simplify interactions with the City's service providers and suppliers through digital platforms;
- ✓ enhance employee value with improved digital tools;
- ✓ increase data transparency for residents and establish the City as a data-driven, world-class entity; and
- ✓ offer residents enhanced digital services, allowing them to connect with the City from their homes, workplaces, community centres, libraries and other City facilities.

Approved by Council in June 2020, CAR outlines a ten-year roadmap for implementing new technologies up to 2030, followed by ongoing maintenance and support. Significant progress has been made, particularly following the Council resolution in March 2024 that endorsed the upgrade to SAP S/4 HANA for the core financial and operational system. This decision has enabled the CAR team to conduct extensive market research and align with best practice from organisations such as Gartner and SAP, while also learning from local peers. The future solution will address business needs, be user-friendly and comply with local regulations such as the Municipal Standard Chart of Accounts.

The programme has also initiated upgrades to the City's geospatial systems (ESRI) and is driving a transition from Microsoft Office 2016 to Office 365. The Office 365 upgrade began in September 2023, with a full organisation-wide rollout scheduled to commence in November 2024. These updates are expected to enhance employee productivity through improved automation and self-service platforms.

Additional CAR solutions will be introduced over the next two to five years, driving innovation with cutting-edge technologies and best practice.

PROGRAMME 16.3: EVIDENCE-BASED DECISION-MAKING PROGRAMME

Programme at a glance

- ✓ Enhance policy formulation and strategic planning for sound decisions
- ✓ Base all planning and budgeting on evidence for effective service delivery
- ✓ Leverage data analytics and data science for informed decision-making



Material matters covered:

- ✓ Programme 16.3: Evidence-based decision-making programme
 - Data project
 - Expanding AI capabilities

Data project

The City continues to harness data and digital tools to improve service delivery, streamline operations and make data-informed decisions, all while aligning with long-term planning and legal requirements.

Over the past few years, the administration has been transitioning towards becoming a data-led organisation, with significant strides made in turning administrative data into valuable business information. In October 2023, Council approved the City's first publicly available Data Strategy, building on the lessons learnt from the organisation's internal Data Strategy of 2019.

The new strategy positions Cape Town as a leader in data-driven service delivery and planning in Africa. It enables evidence-based decision-making, improves service management, and enhances public transparency through the use of the City's open data portal. The Data Strategy also ensures stronger governance and data security, with more

high-quality data sources made available for public analysis. Key partnerships, including ongoing support from the United Kingdom Foreign, Commonwealth and Development Office, have already helped build internal capacity and establish a dedicated Data Science team.

The City's open data portal serves as a vital resource for public access to municipal information, playing a crucial role in enhancing transparency and understanding of local government processes. The platform collects a wealth of information and data, which is then made freely available in accordance with the Open Data Policy. By opening up data in this way, the City empowers individuals, entrepreneurs and innovators to design new products and solutions. This, in turn, fosters economic growth, attracts investors and creates job opportunities.

For internal operations, the City has a spatial information portal, which is accessible via the intranet. This specialised platform provides staff with crucial spatial data, maps and themes such as air quality. The portal is compliant with geographic information systems policies and standards, enabling more informed and efficient decision-making in the City's various departments.

All these digital platforms showcase the City's commitment to data-driven good governance, both for public transparency and internal effectiveness.

2023/24 progress in data-driven service delivery

Several key projects aimed at using data to enhance service delivery, transparency and resource management were launched or expanded in the reporting year, delivering significant results:

- ✓ **Recreation and Parks costing model:** In partnership with the Recreation and Parks Department, the City developed a detailed costing model that provides insight into departmental expenses. This model supports improved financial planning and resource management, allowing for more strategic budget allocation and maintenance of green spaces.
- ✓ **Water disaggregation:** A collaboration with the Water and Sanitation Department has enabled real-time monitoring of water supply and billing. By disaggregating water data over time and space, the City can identify usage patterns, address discrepancies, and improve water resource management across town.
- ✓ **Non-revenue water analysis:** The City has introduced a method for tracking 'non-revenue water' – water that

is lost before reaching consumers. This data-driven approach allows the City to detect inefficiencies and reduce water wastage, resulting in more effective management of its precious water resources.

- ✓ **Automating public service disruption information:** An automated system has been developed that quickly informs residents about disruptions to essential services, such as water, electricity and waste collection. This project improves transparency and allows residents to plan for service interruptions more efficiently.
- ✓ **Organisational health and capacity:** The City has developed tools to assess and visualise organisational health and staff capacity. This enables continuous monitoring of departmental performance and resource allocation, ensuring that services are delivered effectively and that the City can respond to residents' needs.
- ✓ **Mini-substation project:** This project has improved the City's ability to monitor the health of its electricity mini-substations, identifying potential issues before they lead to outages.
- ✓ **Load-shedding overview and streamlined communication:** A collaboration between the Energy and Communications departments resulted in an easy-to-understand load-shedding overview. Streamlined communication processes have also improved the accuracy and speed of updates provided to residents, ensuring that they are well informed about electricity disruptions.
- ✓ **Ease-of-doing-business indicator data:** A data-sharing initiative provides external City stakeholders with access to the ease-of-doing-business indicators. The data allows businesses and investors to make informed decisions, promoting economic growth and collaboration across Cape Town.
- ✓ **Parking occupancy analytics:** This initiative optimises the use of the City's parking infrastructure, ensuring efficient management and utilisation of available spaces.

Expanding AI capabilities

The City is expanding its use of artificial intelligence (AI) to enhance service delivery and decision-making. Notable projects include the following:

- ✓ **Property change detection using satellite imagery:** By combining AI with satellite imagery, the City can automatically detect property changes across Cape Town. This innovation enhances the accuracy

and efficiency of property valuations and urban planning processes.

- ✓ **Policy searches:** The City is exploring the use of AI to help staff search and navigate City policies more effectively. As these AI-driven tools are expected to reduce the time it takes to find relevant policy information, this should improve decision-making.
- ✓ **Facilitating service requests:** Using AI solutions for the easier logging of service requests is also being investigated. The resultant reduced waiting times and improved transparency could enhance Capetonians' customer service experience.

Through these data-driven projects and the integration of AI, the City is taking significant steps towards becoming more resilient, transparent and citizen-focused. These efforts not only improve the efficiency of service delivery, but also strengthen the City's ability to respond to the evolving needs of its residents and stakeholders.

PROGRAMME 16.4: PROJECT PREPARATION AND DELIVERY PROGRAMME

Programme at a glance

- ✓ Drive organisational reforms for better execution of infrastructure projects
- ✓ Improve service delivery to residents through effective management



Material matters covered:

- ✓ Programme 16.4: Project preparation and delivery programme
 - Enhancements in project management methodology

Enhancements in project management methodology

The City has made significant strides in enhancing its project management methodology. Key improvements to the project lifecycle framework include infrastructure procurement, a

statutory requirement phase, and an execution readiness assessment. Updates to the project portfolio management (PPM) system continue, incorporating new SAP PPM features such as stage-gate automation and enhanced stakeholder management, which will improve real-time tracking and resource allocation.

To bolster team capabilities, a stage-gate training module is being developed, along with a resource analysis tool that uses PPM data for better resource optimisation. The City registered its internal project management training with the Engineering Council of South Africa and introduced new programme management guidelines. Moreover, maturity assessments were conducted to identify key goals, the Corporate Project, Programme and Portfolio Management (C3PM) operating model and project management guide were updated, and a study of capital expenditure project managers yielded valuable insights. Additional initiatives focused on standardising project documentation and refining existing guidelines and templates.

PROGRAMME 16.5: CITY FACILITIES AND PROPERTY OPTIMISATION PROGRAMME

Programme at a glance

- ✓ Tailor public facilities to community and staff needs
- ✓ Boost local investment through facility development
- ✓ Tackle unlawful land occupation with proactive measures
- ✓ Coordinate security for public land protection



Material matters covered:

- ✓ Programme 16.5: City facilities and property optimisation programme
 - Asset leverage project

Asset leverage project

This initiative involves a thorough assessment and reorganisation of the City's immovable assets to boost

service delivery and utilisation. The aim is to optimise Cape Town's assets to drive economic and community benefits. Assets not essential for municipal functions are identified for development opportunities.

Key highlights for 2023/24

- ✓ **Strategic asset portfolio management:** The City completed an evaluation of five strategic assets across the categories of historic, recreational, economic and social properties. From this evaluation, two high-value properties have been identified for redevelopment.
- ✓ **Heritage asset management:** An overview of City heritage assets was conducted to identify assets needing priority attention. Remedial work was carried out on the Sea Point fire station and Long Street baths. Moreover, a Commonwealth War Graves Commission memorial to the South African Native Labour Corps is being constructed in the Company's Garden.

PROGRAMME 16.6: ADVOCACY AND INTERGOVERNMENTAL RELATIONS PROGRAMME

Programme at a glance

- ✓ Collaborate with government and enterprises for infrastructure
- ✓ Engage with National Government for service delivery
- ✓ Advocate for more local power in electricity, policing and transport
- ✓ Prioritise international partnerships for the five-year plan



Material matters covered:

- ✓ Programme 16.6: Advocacy and intergovernmental relations programme
 - Enhancing service delivery through intergovernmental advocacy
 - Leveraging strategic international partnerships

Enhancing service delivery through intergovernmental advocacy

The City is dedicated to delivering high-quality services to its residents. However, at times, other government spheres or state organs hold decision-making power that affects City service delivery, yet is beyond the administration's direct control.

The advocacy programme promotes the use of intergovernmental forums and communication to collaborate with such other decision-makers, address barriers to improved services, and effectively advocate for practical and actionable change. Current examples of this advocacy include the City's efforts to obtain investigative powers for its law enforcement service, have national heritage legislation amended to reduce bureaucracy and better protect heritage assets, and secure the devolution of rail functions to the City.

Leveraging strategic international partnerships

Strategic international partnerships are used to enhance the City's global profile as a hub for economic, social and cultural activity. In this way, the City promotes job creation, stimulates private-sector growth, and encourages cooperation, partnership and innovation in local governance.

Highlights for 2023/24

- ✓ **Strengthened city-to-city relations:** Over the past year, the City facilitated around 30 in-person and virtual exchanges with various global cities, including Dubai, Perth, Nice, Shenzhen, Miami-Dade, Nairobi, Accra, Kigali, Rotterdam, Beijing, London, New York, Izmir and Rio de Janeiro. Additionally, Cape Town hosted the inaugural Mayoral International Water Reuse Conversation in December 2023. Here, city leaders from across the globe discussed the impact of direct and indirect water reuse in rapidly growing urban areas.
- ✓ **Mutually beneficial partnerships:** The City continued to leverage joint projects and capacity-building opportunities with international partners. These collaborations have enhanced leadership skills and facilitated improvements in public health, safety, security, climate resilience, and overall urban governance.

PROGRAMME 16.7: COMMUNITY ENGAGEMENT AND PARTNERSHIP PROGRAMME

Programme at a glance

- ✓ Emphasise public engagement for inclusive governance
- ✓ Involve residents in decisions
- ✓ Recognise partner strengths for better results
- ✓ Prioritise resident collaboration to tackle Cape Town's challenges
- ✓ Make Cape Town a city of hope through resident involvement



Material matters covered:

- ✓ Programme 16.7: Community engagement and partnership programme
 - Promoting community engagement through urban improvement
 - Enhancing community engagement through digital platforms and innovation challenges

Promoting community engagement through urban improvement

The City organised two key initiatives in the reporting period aimed at engaging communities, while enhancing and improving the Cape Town environment. The homelessness campaign foregrounded the issue of people living on the streets, along with the need to enhance Cape Town's cleanliness. The spring litter clean-up campaign, in turn, fostered a spirit of optimism and collaboration for a better city. Both campaigns featured advertisements, posters and various activations that encouraged action by residents, including donating to non-governmental organisations and the reporting of service delivery issues, vandalism and theft. By taking part in these initiatives, residents helped create a more vibrant and cooperative community.

Enhancing community engagement through digital platforms and innovation challenges

The City recognises that valuable ideas can come from a diverse range of stakeholders, including employees, residents, businesses, non-governmental organisations and civil society. To access and leverage these ideas, the City has enhanced its digital engagement efforts through improvements to its collaboration platform. This platform is part of a broader suite of digital channels available to the public.

The platform is designed to:

- ✓ promote engagement on a variety of topics;
- ✓ encourage innovative, design-led approaches to service delivery; and
- ✓ facilitate effective interaction with the public on issues that affect them.

It serves as a tool for crowdsourcing smart ideas from the community. Moreover, the platform supports public participation in developing draft by-laws, budgets, policies and strategies, fostering active dialogue between the City and its stakeholders

Highlights in 2023/24

- ✓ **Platform upgrades:** The City collaboration platform was redesigned with a more user-friendly interface and improved mobile compatibility. New features include real-time voting, comment threading, notifications, and AI tools that help identify key themes in submissions.
- ✓ **Community engagement:** Campaigns implemented on the platform included a road safety campaign, engagement regarding Cape Town's long-term plan 2050, and an Open Innovation campaign that invited ideas on road safety from the public.
- ✓ **Ideas and comments received:** Over 2 000 engagements were recorded across various campaigns, including comments, votes and submissions. Among others, more than 3 000 road safety ideas are being considered for incorporation into future policies and strategies.
- ✓ **Partnerships:** The City is working with local businesses, non-profit organisations and academic institutions to support and implement the ideas received via the collaboration platform.
- ✓ **Future plans:** Plans are in place to expand the platform and further integrate AI for idea management and public participation.



8. APPENDICES

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REPORTING ENTITY’S MANDATE

The City of Cape Town (hereinafter “the City” or “the Entity”) is a high-capacity, category A local authority established in terms of section 151 of the Constitution of the Republic of South Africa, 1996.

The principal activities of the City are to:

- provide democratic and accountable government to the local communities;
- ensure sustainable service delivery to communities;
- promote social and economic development;
- promote a safe and healthy environment; and
- encourage the involvement of communities and community organisations in the matters of local government.

The City’s operations are governed by the Local Government: Municipal Structures Act 117 of 1998, the Local Government: Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, and various other acts and regulations.

APPROVAL OF THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

I am responsible for the preparation of these consolidated annual financial statements for the year ended 30 June 2024, as set out on pages 186 to 352 in terms of section 126(1) of the Local Government: Municipal Finance Management Act 56 of 2003, and have accordingly signed the statements on behalf of the City.

I certify that the salaries, allowances and benefits of councillors as disclosed in note 39.2.2.1 to these consolidated annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, 1996, read with the Remuneration of Public Office Bearers Act 20 of 1998, and the Minister of Provincial and Local Government’s determination in accordance with this act.



Lungelo Mbandazayo
City Manager

REPORT OF THE AUDITOR-GENERAL TO WESTERN CAPE
PROVINCIAL PARLIAMENT AND THE COUNCIL OF THE
CITY OF CAPE TOWN

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

1. I have audited the consolidated and separate financial statements of the City of Cape Town and its subsidiaries (the group) set out on pages 186 to 321, which comprise the consolidated and separate statement of financial position as at 30 June 2024, consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the City of Cape Town as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the consolidated and separate financial statements section of my report.
4. I am independent of the City of Cape Town in accordance with the International Ethics Standards Board for Accountants’ *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

KEY AUDIT MATTERS

6. I have determined that there are no key audit matters to communicate in this audit report.

EMPHASIS OF MATTERS

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

MATERIAL IMPAIRMENTS

8. As disclosed in note 9 to the financial statements, the municipality provided impairment of receivables from exchange transactions of R5,48 billion (2022-23: R5,19 billion) and non-exchange transactions of R4 billion (2022-23: R3,67 billion).

MATERIAL LOSSES

9. As disclosed in note 41.3.2.3 to the financial statements, material electricity losses of R915 million (2022-23: R768 million) was incurred, which represents 11% (2022-23: 11,46%) of total electricity purchased.

SUBSEQUENT EVENTS

10. I draw your attention to note 40 in the financial statements. The municipality obtained a significant amount of external funding. The detail of the transaction is further described in the disclosure note. The matter was treated as a non-adjusting subsequent event.

IRREGULAR EXPENDITURE

11. As disclosed in note 41.3.2.1 to the financial statements, irregular expenditure of R634 million was incurred, mostly due to non-compliance with the supply chain management policy. The amount represents R368 million incurred in current year and R266 million relating to 2022-23.

OTHER MATTERS

12. I draw attention to the matters below. My opinion is not modified in respect of these matters.

UNAUDITED DISCLOSURE NOTE

13. In terms of section 125(2) (e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

UNAUDITED SUPPLEMENTARY SCHEDULES

14. The supplementary information set out on pages 322 to 252 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

15. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the GRAP and the requirements of the MFMA; and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

16. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the City of Cape Town's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

17. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

18. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report. This description, which is located at page 9 in the annexure, forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

19. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

20. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2024, for auditing. I selected development priorities that measure's the municipalities performance on its primary mandated functions and that are of significant national, community or public interest.

DEVELOPMENT PRIORITY	PAGE NUMBERS	PURPOSE
BASIC SERVICES	APR Annexure A Scorecard pages 358 to 363 APR Appendix B1 Circular 88 pages 412 to 419	Objective 2: Improved access to quality and reliable basic services Objective 3: End load shedding in Cape Town over time Objective 4: Well managed and modernised infrastructure to support economic growth
HOUSING	APR Annexure A Scorecard pages 364 to 367 APR Appendix B1 Circular 88 pages 420 to 423	Objective 7: Increased supply of affordable, well-located homes Objective 8: Safer, better-quality homes in informal settlements and backyards over time
TRANSPORT	APR Annexure A Scorecard pages 368 to 369 APR Appendix B1 Circular 88 pages 424 to 429	Objective 12: A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all Objective 13: Safe and quality roads for pedestrians, cyclists

21. I evaluated the reported performance information for the selected priorities against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

22. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

23. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

24. I did not identify any material findings on the reported performance information for the basic services, housing and transport.

OTHER MATTERS

25. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

26. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.
27. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report Annexure A Scorecard on pages 3 to 8, 10 to 11 and 14 to 15; Annexure A.2 Circular 88 on pages 2 to 10 (APR).

BASIC SERVICE PRIORITY

Targets achieved: 73% Budget spent: 95,3%		
KEY SERVICE DELIVERY INDICATOR NOT ACHIEVED	PLANNED TARGET	REPORTED ACHIEVEMENT
4.A – Sewer reticulations pipelines replaced (metres)	100 000	96 863
4.F – Service requests for no collection of refuse resolved within 3 days (%) (NKPI)	90%	61,06%
4.G – Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards (indicator EE1.13)	95%	72,80%

HOUSING

Targets achieved: 70% Budget spent: 97,9%		
KEY SERVICE DELIVERY INDICATOR NOT ACHIEVED	PLANNED TARGET	REPORTED ACHIEVEMENT
7.C – Formal housing serviced sites provided (number)	2 700	1 627
8.A – Informal settlement sites serviced (number)	1 220	1 124
HS1.12 Number of serviced sites	4 000	2 751

TRANSPORT PRIORITY

Targets achieved: 75% Budget spent: 93,8%		
KEY SERVICE DELIVERY INDICATOR NOT ACHIEVED	PLANNED TARGET	REPORTED ACHIEVEMENT
TR6.13 – Kilometres of new municipal road network	0,2	0

MATERIAL MISSTATEMENTS

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service, housing and transport. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

REPORT ON COMPLIANCE WITH LEGISLATION

29. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
30. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
31. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
32. I did not identify any material non-compliance with the selected legislative requirements.

OTHER INFORMATION IN THE ANNUAL REPORT

33. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
34. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
35. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
36. The other information I obtained prior to the date of this auditor's report is the draft annual report. The final annual report is expected to be made available to us after 30 November 2024.
37. When I do receive and read the final annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

- 38. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
- 39. I did not identify any significant deficiencies in internal control.

OTHER REPORTS

- 40. Investigations commissioned by the accounting officer is being performed concerning allegations of SCM non-compliance with laws and regulations within the Urban Waste Management directorate of the City of Cape Town. The period covered by the investigations is from 1 August 2006 to date. As at the date of this auditor’s report, the investigation was still ongoing and is expected to be concluded by 31 March 2025.

Auditor-General

Cape Town
11 December 2024



ANNEXURE TO THE AUDITOR’S REPORT

AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected priorities and on the municipality’s compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Municipal Finance Management Act 56 of 2003 (MFMA)	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(iii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(iii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(iii), 29(5)(b)(iii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a),56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1),96(b)

LEGISLATION	SECTIONS OR REGULATIONS
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1),31
National Environmental Management: Waste Act 59 of 2008	Section: 20(b)
National Water Act 36 of 1998	Section: 22(1)(b)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

MANAGEMENT COMMENTS AND CORRECTIVE ACTIONS TO BE INSTITUTED ON THE MATTERS RAISED IN THE REPORT OF THE AUDITOR- GENERAL

Management comments and corrective action to be instituted on the matters raised in the report of the Auditor-General to the Council on the consolidated annual financial statements of the City of Cape Town for the year ended 30 June 2024 in terms of section 121(4)(e) of the Local Government: Municipal Finance Management Act 56 of 2003.

The audit report is unqualified and contains no issues for which management comments and corrective actions are required. The items listed in the audit report under ‘emphasis of matters’ are self-explanatory and for the reader’s interest only.

REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE TO THE EXECUTIVE MAYOR, MAYORAL COMMITTEE AND COUNCIL OF THE CITY OF CAPE TOWN

FOR THE YEAR ENDED 30 JUNE 2024

The City of Cape Town has made a strategic commitment to be a well-governed City. This includes ensuring that there is effective oversight and monitoring of its governance structures. A core component of this oversight is to have an independent and competent Audit and Performance Audit Committee that is supported by Management and Councillors.

As required by Section 166 of the Local Government: Municipal Finance Management Act 56 of 2003 (hereafter referred to as “MFMA”), the Audit and Performance Audit Committee (hereafter referred to as “the committee” or “APAC”) is an independent statutory committee appointed by Council. APAC advises the Municipal Council, political office-bearers, accounting officer and management on matters relating to internal financial controls and internal audits, risk management, and accounting policies; as well as provide advice on the adequacy, reliability and accuracy of financial reporting and information within the City. In addition, the committee advises on performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act, and any other applicable legislation, performance evaluation, major forensic investigations and/or other issues referred to it by the municipality or municipal entity.

APAC has adopted a formal Terms of Reference that has been approved by the Executive Mayor together with the members of the Mayoral Committee (hereafter referred to as “MayCo”). The committee has conducted its affairs in compliance with its Terms of Reference and has discharged its responsibilities contained therein.

The committee is pleased to present its report for the financial year ended 30 June 2024

AUDIT AND PERFORMANCE AUDIT COMMITTEE MEMBERS' DETAILS AND MEETING ATTENDANCE

Four ordinary and four special committee meetings were held during the year. The ordinary meetings are held over two days consisting of three sessions. Session 1 covers audit and other matters, session 2 covers confidential matters, and session 3 covers performance matters.

The four special meetings covered the following:

- 2022/23 Annual Financial Statements
- Internal Audit’s Review of the 2022/23 Annual Financial Statements
- 2022/23 Annual Progress Report on Corporate Performance and Performance of the City’s Entities
- Cape Metropolitan Transport Fund’s Annual Financial Statements
- Draft Integrated Annual Report 2022/23
- In-committee discussion with the Auditor-General of South Africa (hereafter referred to as “AGSA”) on the 2022/23 audit outcomes
- 2023/24 Internal Audit Adjustment Audit Plan
- 2024/25 Internal Audit Strategic Operational Audit Plan
- 2023/24 Draft Service Delivery and Budget Implementation Plans and Business Plans for Office of the City Manager Departments
- 2024/25 Final Service Delivery and Budget Implementation Plans and Business Plans for Office of the City Manager Departments

Below is the summary of the tenure and qualifications, and meeting attendance of the members:

NAME	TENURE		QUALIFICATIONS	MEETING ATTENDANCE
Mr Mervyn Burton Chairperson ¹	1 Apr 2018 to 31 Mar 2021	1 Apr 2021 to 31 Mar 2024	B Compt (Hons)/CA(SA) / Executive Management Programme (UCT), Corporate Financial Strategy (INSEAD), ILPA(Health Benefits)	91,67%
Mr Tom Blok Chairperson ¹	1 Nov 2021 to 31 Oct 2024	1 Nov 2024 to 31 Oct 2027	B Acc / B Acc (Honours) / B Com (Honours) (Information Systems Management) / CA (SA) / Certified Director / CISA / CIA	100%
Mr Linda Nene	1 Nov 2018 to 31 Oct 2021	1 Nov 2021 to 31 Oct 2024	B Com (Acc) / Post Graduate Diploma in Management (Corporate Governance) / Masters in International Business / CCSA / General Internal Auditor / Fellow of the IIA SA / CRMA / C Prac (SA) / Risk Management Strategies in the Public Sector	100%
Dr Prittish Dala	1 Oct 2020 to 30 Sep 2023	1 Oct 2024 to 30 Sep 2026	PhD (Information Technology) / Masters (Information Technology) / BSc Hons (Computer Science) / Bachelor of Information Technology / CISA / CISM / CISSP / LA ISO / CGEIT / CRISC / CEH / CHFI / CDPSE	100%
Ms Sizo Mzizi	1 Oct 2020 to 30 Sep 2023	1 Oct 2024 to 30 Sep 2026	B Com Hons: Financial Management / BTech: Cost and Management Accounting / Post Graduate Diploma: Corporate Law / Post Graduate Certificate: Corporate Governance / Higher Diploma in Education / ACMA CGMA (CIMA) / ACG (ACGISA)	100%
Mr Raaghib Najjaar	1 Apr 2024 to 31 Mar 2027		CPA (USA Texas) / CIA (Certified Internal Auditor) / Hons B Compt/CTA / B Compt (Bachelor of Accounting Science) / Certified in Risk Management Assurance (IIA) / B.A. Social Science (Sociology of Development & Anthropology & African Studies in Political Economy)	100%

¹ Mr Tom Blok was appointed as the Chairperson by Council (C 79/03/24) after Mr Mervyn Burton’s 2nd term ended on 31 March 2024.

The meeting agendas are substantial and require diligent preparation by the Committee members. All members participate in the meetings with the highest levels of commitment, integrity, and objectivity. The APAC meetings are also attended by:

- Chief Audit Executive and relevant staff;
- Chief: Ethics and Forensic Services and relevant staff;
- Ombudsman and relevant staff;
- Director: Legal Services and relevant staff;
- MayCo Member: Finance;
- City Manager (or a representative of the Office of the City Manager);
- Members of the Executive Management Team (hereafter referred to as “EMT”);
- Representative from the AGSA; and
- Other officials (as required).

In addition to the planned meetings, the committee also meets quarterly with the City Manager and bi-annually with the Executive Mayor to discuss topical matters.

AUDIT AND PERFORMANCE AUDIT COMMITTEE RESPONSIBILITIES

The committee is pleased to report that it has fulfilled all its responsibilities arising from the Terms of Reference and the annual work plan for the year under review, including relevant legislative requirements and the requirements of Regulation 14 of the Municipal Planning and Performance Management Regulations.

The committee Chairperson succinctly, openly, and honestly reported the committee’s activities to MayCo and Council on a quarterly basis, with detailed approved minutes also being tabled at the Council meetings.

The committee’s Terms of Reference and Internal Audit’s Charter were updated and approved by the Executive Mayor and members of the MayCo during the year.

REVIEW AND EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The committee reviewed the annual financial statements prior to submission to the AGSA (the City’s external auditors) and discussed them with management. The committee did not have any unresolved matters with the annual financial statements at the time of submission for external audit.

The City has received an Unqualified Audit with no findings (“Clean Audit”) for the third year in a row. This is a true reflection of Good Governance across the City, and can only be achieved through focused attention, hard work and a culture of continuous improvement. APAC are proud to be part of this team.

PERFORMANCE MANAGEMENT

APAC reviews the quarterly reports submitted the Organisational Performance Management department (as required by Regulation 14 of the Municipal Planning and Performance Management Regulations), together with the performance audits done by Internal Audit. The committee focuses on economy, efficiency, effectiveness and the impact of key performance indicators and performance targets set by the municipality, as well as the risk to the City if targets are not attained. Although some matters were raised by the AGSA, these were not material enough to affect the current year’s “clean” audit status. Management monitors performance closely as part of their continued focus on service delivery.

RISK MANAGEMENT

The APAC Chairperson (or nominee) regularly attends the Risk Committee (“RiskCo”) meetings. The committee appreciates the way in which the City has embedded risk management processes in the City, while maintaining a focus on strategic and emerging risks. RiskCo assists in promoting the understanding of the value of risk management through the strategic “tone from the top” ethos, ongoing risk evaluation, and efforts to ensure cost-effective mitigation activities.

EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

The committee considered the work performed by Internal Audit on a quarterly basis and reviewed Internal Audit’s Annual Statement on Governance, Risk Management and Internal Control Processes within the City of Cape Town for the year ended 30 June 2024. The Internal Audit Annual Statement concluded that, consistent with the previous year, some improvement is needed in the City. This is an ongoing iterative process of continuous improvement of implementation and maintenance of controls. The committee is satisfied that while specific control weaknesses were identified, the controls evaluated are generally adequate, appropriate, and effective to provide reasonable assurance that risks are adequately managed. While these areas of weakness require the necessary management attention, it is emphasised that none of these matters were serious enough to negatively impact the Audit Opinion, nor for the committee to raise a specific concern in this report.

RESOLVING INTERNAL CONTROL FINDINGS

Internal Audit findings on follow-up audits shows an 89% reduction in recurring findings, which is well above the target of 75%. Follow-up audits are only done once management confirms that the recommendations or agreed actions have been implemented. Overall, management does ensure that actions are addressed, and APAC is satisfied that management is appropriately balancing its commitment to delivery and enhancement. This commitment is a further indicator of a well-run City and an Internal Audit department that is respected and valued. This is a positive reflection on the quality of work produced by Internal Audit and on the management’s commitment to quality and good governance.

INTERNAL AUDIT EFFECTIVENESS

The Internal Audit activities are carried out by an in-house department operating in terms of an Internal Audit Charter and an annually approved audit plan. There has been no compromise of the independence or objectivity of the function during the year under review. The Chief Audit Executive (CAE) reports functionally to the committee and administratively to the City Manager.

An external quality assessment of Internal Audit was completed for the year under review. The result is that the Internal Audit activity “Generally Conforms” to the Institute of Internal Auditors’ standards with regard to policies, procedures, practices and applicable legislative and regulatory requirements. Although this is the highest standard of achievement offered, recommendations for continuous improvement were received during the assessment and will be assessed and implemented as appropriate. APAC monitors progress against the implementation plan at the quarterly meetings.

COMBINED ASSURANCE

The Chief Audit Executive’s office is responsible for co-ordinating combined assurance. Good progress is being made in embedding combined assurance across the city. Maturing this function remains a work in progress and APAC regularly reviews progress against the annual plan. Combined Assurance under the auspices of Internal audit allows for better assurance planning, assurance gap analyses and coverage.

GOVERNANCE AND ETHICS

The committee continues to monitor key City-wide governance interventions required, such as the communication and monitoring of the Ethics branch, Office of the Ombudsman, and Compliance reporting and receives quarterly feedback on forensic, legal, financial misconduct, ombudsman case management progress and ethics cases. These initiatives are continuously evolving and maturing. Ethics is also a key focus of the City and growing awareness and understanding of the ethics message was evident in the year under review.

On a quarterly basis the committee receives feedback on the activities of the Municipal Public Accounts Committee. The committee annually submits a report to the Municipal Public Accounts Committee as part of the annual report oversight process.

DECLARATION OF INTERESTS’ PROCESS: MONITORING AND REPORTING OF CITY EMPLOYEES’ SUBMISSIONS

The Declaration of Interest submissions are monitored and reported on by the Ethics branch, working in co-operation with the line departments and EMT by means of monthly reporting via the City Manager Dashboard process, and quarterly reporting to EMT, where the completion status, as well as areas of prioritisation that required EMT attention, was highlighted. This is also a Key Operating Indicator on all department and directorate scorecards. The APAC monitors the submission status of the City employees’ declarations of interest through bi-annual reporting from the Ethics branch. The completion status for the 2023/24 financial year was 100% for level T14 and above. The number of Supply Chain Management (hereafter referred to as “SCM”) conflicted employees identified was addressed and reduced to zero by year end. The SCM conflicted list is provided by the SCM department. This list is continuously monitored and followed up by the Ethics branch in order to negate any AGSA findings at year-end.

MUNICIPAL ENTITIES

The committee plays an oversight and advisory role for the municipal entities, with the minutes of the respective audit committees being reviewed at the APAC meetings. Two members of the APAC have been appointed to the audit committees of both entities.

CONCLUSION

The committee is pleased with the continuing progress made by the City in improving and progressing in the areas outlined in this report.

APAC supports the City in implementing its vision and strategies, giving due consideration to the economic and social challenges facing the City and its residents. APAC is cognisant that sustainable service delivery in a vibrant, globally competitive and caring City must be underpinned by good governance and sound administration.

The committee wishes to express its appreciation to the management of the City, the AGSA and all the internal and specialised assurance providers who assist the committee in performing its functions effectively and efficiently.

Tom Blok

TOM BLOK

Chairperson: Audit and Performance Audit Committee

Date: 18 December 2024

GENERAL INFORMATION

AS AT 30 JUNE 2024

BANKERS	AUDITORS	REGISTERED OFFICE
Nedbank Limited 135 Rivonia Campus 135 Rivonia Road Sandown Sandton 2196 PO Box 1144 Johannesburg 2000	The Auditor-General of South Africa No 19 Park Lane Building Park Lane Century City 7441 Private Bag X1 Chempet 7442	City of Cape Town 12 Hertzog Boulevard Cape Town 8001 PO Box 655 Cape Town 8000

COUNCIL MEMBERS OF THE CITY OF CAPE TOWN

ALDERMEN/ALDERWOMEN

Andrews, EP	Justus, CR	Sotashe, X
Arendse, R	Kempthorne, ML	Thompson, TB
Basson, AJG	Limberg, XT	Twigg, GG
Brynard, CA	Moodley, S	Uys, TA
Chapple, PH	Neilson, ID	Van der Merwe, JFH
Fourie, GD	Nieuwoudt, MJ	Van der Rheede, A
Hill-Lewis, G	Pringle, SB	Vos, J
Jacobs, BM	Purchase, FA	
Jaftha, WD	Rossouw, SJ	
Jordaan, C	Smith, JP	

COUNCILLORS

Abbass, S	Christians, M	Helfrich, PG
Abrahams, F	Clarke, BR	Hendricks, A
Achmat, MF	Classen, GJ	Hendricks, P
Adams, A	Cottee, DG	Heynes, PC
Adams, R	Cupido, J	Higham, F
Adams, Y	Dambuza, M	Jackson, T
Addinall, AS	Davids, A	Jacobs, MR
Adonis, M	Davids, CO	Jacobson, PS
Adonis, N	Davids, R	Janse van Rensburg, C
Ah-Sing, FK	De Beer, AC	Jansen, AJ
Akim, WJ	De Vos, D	Jansen, EE
Anstey, E	De Vos, PW	Jansen van Vuuren, PJ
Badela, DE	Diniso, X	Jowell, N
Badroodien, ZA	Duka, SS	Kama, K
Barends, UM	East, PA	Kleinschmidt, MRH
Benadie, AM	Elyas, AZMI	Kleinsmith, ME
Benge, L	Esau, CJ	Kobeni, C
Berry, F	Francke, P	Kopman, NF
Bodin, K	Franklin, C	Kwebulana, AV
Booi, PN	Gabuza, A	Langenhoven, E
Booyesen, S	Gadeni, M	Lansdowne, A
Botha-Rossouw, FR	Ganger, R	Lasiti, U
Botya, NA	Gordon, GE	Liell-Cock, SP
Bresler, R	Gqada, T	Lightburn, AG
Cameron, R	Griesel, AJ	Little, SA
Cannon, R	Grose, NE	Lombard, FP
Carls, KR	Gungxe, LA	Lombi, N
Cassiem, MA	Gxasheka, KW	Loonat, H
Cerfontein, CS	Hansen, B	Louw, AC
Chitha, MN	Harris, W	Lubbe, BM
Christians, DJ	Haskin, GCR	Mabungani, M



COUNCIL MEMBERS OF THE CITY OF CAPE TOWN (CONTINUED)

COUNCILLORS (CONTINUED)

Madikane, EM	Ngcombolo, B	Sonyoka, LP
Majingo, BM	Ngubelanga, D	Sophazi, Z
Makuwa, MS	Nikelo, M	Southgate, KG
Malgas, GD	Nodliwa, S	Stacey, S
Mamkeli, S	Nqavashe, ML	Steenberg, CJ
Manuel, M	Ntshuntshe, L	Stevens, JN
Maqungwana, BB	Ntshweza, NA	Stuurman, N
Mare, K	Ntsodo, A	Sukers, NRE
Marman, PI	Nyamakazi, T	Sulelo, Z
Marr, MJ	Paige, GD	Swart, PS
Martin, L	Payiya, BL	Tagodien, R
Martlow, J	Peck, GC	Taliep, S
Masiu, DZ	Peter, XG	Tause, PP
Matanzima, V	Petersen, MJ	Temlett, M
Matutu, N	Phakade, L	Terblanche, HP
Maxiti, P	Philander, S	Tetani, A
Mazwi, L	Pimpi, TI	Thompson, SC
Mbandezi, S	Plaatjies, A	Timm, G
Mbiza, LN	Pophaim, CJ	Tyandela, NV
McFarlane, N	Potts, A	Van der Linde, SI
McKenzie, AP	Punt, CB	Van der Merwe, B
McMahon, IP	Qoba, ZL	Van der Ross, PE
Mei, B	Quintas, RM	Van Nelson, S
Mes, CM	Raise, MH	Van Reenen, B
Mills, JS	Raymond, FHL	Van Zyl, A
Mjuza, TM	Rigby, S	Viljoen, R
Mkutswana, MA	Satarien, N	Visagie, DA
Mohamed, Y	Sauls, FA	Visser, CL
Mokhathi, T	Sawant, E	Visser, J
Moses, AC	Sherry, I	Walker, FC
Mpengezi, T	Sibunzi, MM	Witbooi, JJ
Mqina, LM	Siebritz, CC	Woodman, J
Mvinjelwa, NC	Simangweni, L	Yeko, B
Mzolisa, PS	Solomons, FJ	Zumana, S
Ndamane, S	Somdaka, L	
Nelson, D	Sono, NP	

In the course of the reporting period, the following councillors ceased to be political office bearers:

COUNCILLORS

Adams, F	26/09/2023	Beneke, R	31/03/2024	Mthathi, PP	06/06/2024
Joachims, GV	03/10/2023	Kuhl, AE	31/03/2024	Marais, GP	10/06/2024
Joseph, M	03/10/2023	Solomon, J	31/03/2024	Makasi, N	12/06/2024
Wannenburgh, CMK	03/10/2023	August, SF	26/04/2024	Christie, K	13/06/2024
Booi, M	31/10/2023	Williams, N	26/04/2024	Frenchman, S	14/06/2024
Loonat, H	29/02/2024	Max, L	02/05/2024	Salie, S	27/06/2024
Little, SA	25/03/2024	Jacobs, DG	05/06/2024		

ALDERMEN/ALDERWOMEN

Watkyns, BRW	29/02/2024
Linde, E	13/06/2024



FINANCIAL STATEMENTS AND POLICIES

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

The Entity's significant accounting policies, which are in all material respects consistent with those applied in the previous year, unless specified otherwise, are set out below.

BASIS OF PRESENTATION

The financial statements have been prepared in accordance with the Generally Recognised Accounting Practices (GRAP), standards issued by the Accounting Standards Board (ASB) and approved by the Minister of Finance as effective in accordance with section 122(3) of the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003.

These financial statements have been prepared on an accrual basis of accounting and incorporate the historical cost convention as the basis of measurement, except where indicated otherwise.

The Entity has adopted Directive 5, as issued by the ASB, which outlines the GRAP reporting framework hierarchy. In the absence of an issued and effective standard of GRAP, accounting policies for material transactions, events or conditions have been developed using the principles set out in the "Standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors", read with Directive 5.

In preparing the financial statements, management has used assessments and estimates that are based on the best information available at the time of preparation.

GOING-CONCERN ASSUMPTION

These consolidated financial statements have been prepared based on a going-concern basis.

OFFSETTING

Assets and liabilities as well as revenue and expenses are not offset, except where it is required by a GRAP standard or where there is a legally enforceable right to offset the recognised amount and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

COMPARATIVE INFORMATION

When the presentation or classification of items in the financial statements is amended, comparative amounts are restated and the nature and reason for such reclassification are disclosed.

Where accounting errors have been identified and/or a change in accounting policy has been made in the current year, the correction is made retrospectively as far as is practicable, and the comparatives are restated accordingly.

FOREIGN-CURRENCY TRANSACTIONS

Transactions in foreign currencies are initially accounted for at the ruling exchange rate on the date of the transaction. Trade creditors denominated in foreign currency are reported at the statement of financial position date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from reporting of creditors at rates different from those at which they were initially recorded during the period, are recognised as income or expenses in the period during which they arise.

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the process of applying the Entity's accounting policies, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (CONTINUED)

GOING CONCERN

Included in management's assessment of the City's going-concern status are:

- key financial metrics;
- the general economic conditions and forecast;
- approved medium-term budgets; and
- the City's dependency on grants from National Government and the Western Cape Provincial Government (hereinafter "Province").

The improvement in business levels and profitability in the year under review for the CTICC allowed the company to generate its own cash resources, enabling the funding of operations and capital and to operate as a going concern. The Cape Town Stadium (RF) SOC Ltd (CTS), in turn, has implemented its commercial strategy and secured an anchor tenant, and its operations are funded by the City in terms of a service delivery agreement based on its approved budget, which contributes to the CTS's operational sustainability.

Based on all of the above, management has concluded that the going-concern assumption used in the compiling of its financial statements is appropriate.

MATERIALITY

Materiality is judged according to the size and nature of the item. The deciding factor is whether the omission or misstatement could, individually or collectively, influence users' decisions based on the annual financial statements.

In preparing the annual financial statements, materiality has been considered in:

- deciding what to report in the annual financial statements, and how to present it; and
- assessing the effect of omissions, misstatements and errors in the annual financial statements.

In assessing whether an item, transaction or event is material, specific thresholds for specific items, transactions and events, or aggregations thereof, have been developed. These thresholds are used to make decisions about the reporting of information (i.e. how to recognise, measure, present and disclose items, transactions and events) and serve as a margin of error or framework within which to assess misstatements and errors.

THRESHOLD FOR BUDGET INFORMATION

Variances between budget and actual amounts are regarded as material when the variance is:

- 10% or greater in the statement of financial position, the statement of financial performance, and the cash flow statement; and
- 5% or greater in capital expenditure.

All material differences are explained in note 38 to these consolidated financial statements.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (CONTINUED)

MATERIALITY (CONTINUED)

QUALITATIVE THRESHOLDS

The nature of an item, transaction or event is determined by its inherent characteristics, or the circumstances in which it was undertaken. Items, transactions or events may be considered material:

- if they relate to legal or regulatory requirements, e.g. specific disclosures required by legislation, restrictions on certain transactions or activities imposed by legislation, or breaches of legislation;
- if they constitute related-party transactions;
- depending on their regularity or frequency, e.g. a once-off transfer of funds to another entity in terms of legislation, or a ministerial directive;
- if they result in the reversal of a trend, e.g. changing a surplus to a deficit, or vice versa;
- if they are likely to result in a change in accounting policy;
- if they involve the commencement of a new function, or the reduction or discontinuation of an existing one;
- depending on the degree of estimation or judgement required to determine their value; and
- if they affect the going-concern assumption of the City.

The relative importance of these qualitative factors in determining materiality is a matter of professional judgement.

QUANTITATIVE THRESHOLDS

Quantitative materiality refers to the monetary value of items, transactions or events that are likely to influence users' decisions.

The quantitative materiality per transaction class for the year is as follows:

CLASS OF TRANSACTIONS	LEVEL OF MATERIALITY (R'000)
Revenue	315 435
Expenditure	302 888
Non-current assets	362 852
Current assets	104 163
Non-current liabilities	70 643
Current liabilities	75 203

The materiality calculation is based on the final approved 2023/24 adjustments budget of April 2024 for all classes of transactions.

Based on professional judgement, the overall quantitative value of materiality for the 2023/24 financial year is set at R275 million.

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (CONTINUED)

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

The cost of defined-benefit pension plans and other employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

IMPAIRMENT OF RECEIVABLES

The calculation in respect of the impairment of receivables is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments. Groups of debtors with similar credit risk characteristics are assessed for impairment, considering factors such as socioeconomic conditions, type of customer, the default period and service-specific payment histories.

The concentration of credit risk is limited, as the customer base is large and unrelated. Accordingly, management believes no further credit provisions are required in excess of the present allowance for doubtful debts.

INVENTORY

The City regards water as inventory at the point where it enters the City's purification network. However, raw water in dams and aquifers is not regarded as inventory, as it is not under the City's control. Control is defined as an entity's ability to access and regulate the benefits of an asset – an ability that the City does not always have in respect of natural resources.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

The calculation in respect of the impairment of property, plant and equipment (PPE) is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This was performed across all classes of property, plant and equipment.

As part of the impairment calculation of the CTICC building and asset under construction, management has estimated the recoverable amount by calculating the value-in-use of the cash-generating unit to which the asset belongs. In arriving at the value-in-use, management has had to make significant assumptions regarding expected future cash flows and discount rates, which are disclosed in note 2.

SIGNIFICANT DELAYS IN ASSETS UNDER CONSTRUCTION

The Entity regards delays in assets under construction of more than one year as significant.

RESIDUAL VALUE OF PROPERTY, PLANT AND EQUIPMENT

Management has determined that none of its infrastructural assets have any active market value, and the value of the amount at the end of their useful lives would therefore be insignificant.

USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTY AND INTANGIBLE ASSETS

The useful lives of assets are based on management's estimates. Management considers the impact of technology, service requirements and required return on assets to determine the optimum useful-life expectation, where appropriate. The estimated residual values of assets are also based on management's judgement on whether the assets will be sold, held indefinitely or used to the end of their useful lives, and what their condition will be at that time.

CAPITAL COMMITMENTS APPROVED AND CONTRACTED FOR CAPITAL EXPENDITURE

Capital commitments represent future capital expenditure, exclusive of VAT. The City is obligated to spend these amounts due to signed contracts with suppliers.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (CONTINUED)

MATERIAL LOSSES

Material losses are losses that occur due to factors other than normal production, and are regarded as material in accordance with the materiality thresholds above.

Losses that occur due to normal production are classified as production costs and factored into the City's tariffs. They, therefore, do not constitute material losses. If actual production losses exceed the budgeted production losses factored into the tariff, the difference is considered a material loss.

PROVISIONS AND CONTINGENT LIABILITIES

Management's judgement is required in recognising and measuring provisions, as well as measuring contingent liabilities, as set out in notes 14 and 35 respectively. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted where the effect of discounting is material.

Provision for the rehabilitation of landfill sites is determined based on the advice and judgement of qualified engineers. The valuation of the rehabilitation and post-monitoring costs involves making assumptions about discount rates, expected useful lives of the landfill sites, rehabilitation and post-monitoring periods, and future inflation increases. Due to the long-term nature of these obligations, such estimates are subject to significant uncertainty.

CASH AND NON-CASH-GENERATING ASSETS

The City is not a profit-oriented entity, as its primary objective is service delivery. Tariffs and charges are cost-reflective to ensure continued financial sustainability. No profit element is included in the determination of a tariff, although net positive cash inflows are achieved from electricity service charges. The City acquired an investment in an associate over which it has significant influence, with the strategic intent of promoting economic growth and job creation.

Management has determined that only the City's electricity assets and its investment in the associate meet the definition of cash-generating assets, and that the GRAP standard for the impairment of non-cash-generating assets will therefore apply to all other City assets.

The CTICC considers cash-generating assets to be those assets used to host events, being the company's core revenue stream.

PRINCIPAL-AGENT ARRANGEMENTS

Management's judgement is required in determining whether it has entered into a principal-agent arrangement, as set out in note 36. A principal-agent arrangement results from a binding arrangement in which one entity (an agent) undertakes transactions with third parties on behalf and for the benefit of another entity (the principal).

The assessment of whether an entity is a principal or an agent requires the entity to evaluate the rights and obligations of all parties to each binding arrangement so as to establish whether the transactions it undertakes with third parties are for the benefit of another entity or for its own.

SEGMENT REPORTING

In applying GRAP 18 segment reporting, management makes judgements with regard to the identification of reportable segments, as well as regarding what constitutes segment results. This enables users to evaluate the nature and financial effects of the activities in which the segment engages, and the economic environments in which it operates.

USE OF SIGNIFICANT JUDGEMENTS AND ESTIMATES (CONTINUED)

CONTROLLED ENTITIES

Management's judgement is required to determine whether it controls another entity. An entity controls another entity if, and only if, the entity has:

- power over the other entity;
- exposure, or rights, to variable benefits from its involvement with the other entity; and
- the ability to use its power over the other entity to affect the nature or amount of the benefits from its involvement with such other entity.

Power over the CTICC and CTS is obtained through voting rights based on the City's shares in these two entities. The existence and effect of potential voting rights that are currently exercisable or convertible without restriction are considered when assessing whether the City has power over these entities.

The City is exposed, or has rights, to variable benefits from its involvement with the CTICC and CTS by way of increases or decreases in the value of its investment in these entities, and in return on investment, such as dividends or other distributions.

The City's voting rights enable it to affect the nature and amount of its benefits through voting at shareholder meetings; and, therefore, the City controls the CTICC and CTS.

Management has concluded that the proportion of ownership interests held in the controlled entities equals the voting rights held by the City. None of the controlled entities have non-controlling interests that are material to the City.

ADOPTION OF NEW AND REVISED STANDARDS

STANDARDS, GUIDELINES AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

The following standards and pronouncements became effective and were adopted in the current year:

- Amendments to GRAP 1 on Presentation of Financial Statements
- GRAP 25 on Employee Benefits
- IGRAP 7 on the Limit on a Defined-Benefit Asset, Minimum Funding Requirements and Their Interaction
- IGRAP 21 on the Effect of Past Decisions on Materiality
- Improvements to Standards of GRAP (2020)
- Guideline on Accounting for Landfill Sites

The amendments to GRAP 1 include additional principles on the aggregation of line items, while the Improvements to Standards of GRAP achieves better alignment with international developments.

GRAP 25 introduces new reporting requirements, including changes to the presentation of defined-benefit plans and additional guidance on actuarial assumptions. In relation to GRAP 25, IGRAP 7 addresses how minimum funding requirements might affect the ability to reduce future contributions.

IGRAP 21 explains the implications of adopting accounting policies for material items based on the standards of GRAP, as well as applying alternative accounting treatments for immaterial items. It establishes the principle that adopting materiality and applying alternative accounting treatments are not in themselves errors or departures from the standards of GRAP. It further clarifies instances where errors may occur in applying materiality, and the circumstances that may lead to such errors.

The Guideline on Accounting for Landfill Sites has been used to formulate the City's accounting policies since 2018/19.

TO
GETHER.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

ADOPTION OF NEW AND REVISED STANDARDS (CONTINUED)

STANDARDS, GUIDELINES AND INTERPRETATIONS ADOPTED EARLY

The Entity has not early-adopted any GRAP standard that is not yet effective.

STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

At the date of submission of these financial statements, the following approved standards of GRAP and amendments to the standards of GRAP had been issued, but were not yet effective.

Annual periods commencing on or after 1 April 2024

There are no GRAP standards with effective dates on or after 1 April 2024.

Annual periods commencing on or after 1 April 2025

GRAP 104 on Financial Instruments

GRAP 104 was revised in 2021 so as to align with IPSAS 41 on Financial Instruments and IFRS 9 on Financial Instruments. IFRS 9 has substantially revised the way in which financial instruments are classified, how amortised cost is determined, and how and when financial assets are assessed for impairment, and has also overhauled the requirements for hedge accounting. The transitional provisions require adoption of the revised GRAP 104 standard in its entirety. Partial or incremental adoption is not permitted.

CONSOLIDATION

The Entity’s financial statements incorporate the financial statements of the controlling entity (City of Cape Town) and both its controlled entities (CTICC and CTS), presented as a single economic entity, and consolidated at the same reporting date as the parent entity.

CONTROLLED ENTITIES

Controlled entities are entities controlled by the Entity. Controlled entities are consolidated from the date that effective control is transferred to the Entity, and are no longer consolidated from the date that effective control ceases.

All intra-economic-entity transactions, balances and unrealised gains and losses are eliminated as part of the consolidated process. The interests of non-controlling shareholders in the consolidated equity and results of the economic entity are shown separately in the consolidated statement of financial position and statement of financial performance respectively. Losses applicable to the non-controlling interest in a controlled entity are allocated to the non-controlling interest, even if doing so causes the non-controlling interest to have a deficit balance. Investments in controlled entities are stated at cost less impairment losses in the separate financial statements of the Entity, with intra-economic-entity investments eliminated on consolidation.

INVESTMENT IN ASSOCIATE

An associate is an entity over which the City has significant influence and that is neither a controlled entity nor an interest in a joint venture. The investment in associate is accounted for by using the equity method from the date on which the entity in which the investment is made becomes an associate of the City. The investment is initially recognised at cost and is then increased or decreased to recognise the City’s share of the accumulated surplus or deficit generated subsequent to acquisition.

After application of the equity method, the City determines whether it is necessary to recognise any additional impairment loss in respect of the City’s net investment in an associate.

CONSOLIDATION (CONTINUED)

CONTROLLED ENTITIES (CONTINUED)

SIGNIFICANT INFLUENCE

Management’s judgement is required to determine whether the City holds significant influence over another entity. ‘Significant influence’ is the power to participate in the financial and operating policy decisions of the investee, yet without having control or joint control over those policies.

There is a rebuttable presumption that a shareholding in excess of 20%, but less than 50%, gives rise to significant influence. Management has concluded that the proportion of ownership interest held in the associate equals the voting rights held by the City.

IMPAIRMENT OF INVESTMENT IN ASSOCIATE

At each reporting date, the Entity assesses whether there is any indication that the investment in the associate may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of any impairment loss. This assessment is based on the difference between the carrying amount of the investment and the recoverable amount. The recoverable amount is determined as the higher of the asset’s fair value less costs to sell and its value-in-use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm’s-length transaction between knowledgeable, willing parties, less costs of disposal. The value-in-use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset as well as from its disposal at the end of its useful life.

HOUSING FUNDS

The housing development fund was established in terms of the Housing Act 107 of 1997.

HOUSING DEVELOPMENT FUND

Sections 15(5) and 16 of the Housing Act, which took effect on 1 April 1998, required the Entity to maintain a separate housing operating account. This legislated separate operating account is known as the housing development fund and is fully cash-backed.

In addition, section 14(4)(d)(iii)(aa), read with, inter alia, section 16(2) of the Housing Act, also requires that the net proceeds of any letting, sale or alienation of property previously financed from government housing funds be paid into a separate operating account, and be utilised by the Entity for housing development in accordance with the National Housing Policy.

UNREALISED HOUSING PROCEEDS

In order to comply with sections 14(4)(d)(i) and (iii) of the Housing Act, in terms of which all net proceeds need to be paid into the housing development fund, it was necessary to create a holding account that represents the unrealised funds due by long-term housing selling developments and sponsored loan debtors. This account is reduced when debtors are billed for their current loan repayments.

RESERVES

The Entity creates and maintains reserves in terms of specific requirements.

CAPITAL REPLACEMENT RESERVE (CRR)

In order to finance the acquisition of property, plant and equipment and other assets from internal sources, cash amounts are transferred from the accumulated surplus to the CRR.

The following guidelines are set for the creation and utilisation of the CRR:

- The cash funds that back up the CRR are invested until utilised.
- The CRR may only be utilised for purchasing items of property, plant and equipment, and not for their maintenance, unless otherwise directed by Council.
- Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR, and the accumulated surplus is credited by a corresponding amount.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

RESERVES (CONTINUED)

INSURANCE RESERVES

SELF-INSURANCE RESERVE

A general insurance reserve has been established and covers claims that may occur, subject to reinsurance where deemed necessary. Premiums are charged to the respective services, taking into account the claims history and replacement value of the insured assets.

Reinsurance premiums paid to external reinsurers are regarded as an expense, and are shown as such in the statement of financial performance. The net surplus/deficit on the insurance operating account is transferred to or from the insurance reserve via the statement of changes in net assets.

A viability valuation report is obtained each year to assess the adequacy of the insurance reserve at year-end.

COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES (COID) RESERVE

The City has been exempted from making contributions to the Compensation Commissioner for occupational injuries and diseases in terms of section 84 of the COID Act 130 of 1993.

The certificate of exemption issued by the Commissioner and prescribed by the COID Act requires the City to deposit cash and/or securities with the Commissioner, the market values of which in aggregate shall not be less than the capitalised value of the continuing liability of the City as at 31 December of each year.

The continuing liability is that of annual pensions, the capitalised value of which is determined on the basis of an actuarial determination prescribed by the Commissioner. A COID reserve has been established to equate to the value of the continuing liability. The market value of the securities is determined annually by the Commissioner, and the Entity is required to meet any shortfall in the aggregate value of the securities as at 31 December. Monthly pensions are funded by transferring funds from the reserve to the expense account in the statement of financial performance.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and accumulated impairment losses. Where PPE is acquired through non-exchange transactions, the cost is deemed to be the item's fair value on the date of acquisition.

Subsequent expenditure relating to PPE is capitalised if it is probable that future economic benefits or potential service delivery of the assets are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance, and is expensed.

The Entity maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain.

PPE is derecognised upon disposal, or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying value, and is recognised in the statement of financial performance.

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

DEPRECIATION RATES

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The residual value, depreciation method and useful life, if significant, are reassessed annually. If there is any indication of changes, the effect of such changes in estimate is accounted for on a prospective basis. The depreciation rates are based on the following estimated useful lives:

	YEARS		YEARS
Infrastructure		Other	
Roads and paving	10-50	Buildings	2-50
Electricity	15-50	Other vehicles	4-19
Water	15-50	Office equipment	2-16
Sewerage	15-50	Watercraft	5
Telecommunications	10-30	Bins and containers	5
		Landfill sites	8-51
Housing	30	Specialised vehicles	10-20
		Library books	1
Community		Furniture and fittings	2-15
Community and recreational facilities	20-50	Computer equipment	1-9
Security	5-10	Plant and equipment	2-19
		Living resources	5-12
		Service concession	3-50

Assets under construction are carried at cost. Depreciation of an asset commences when the asset is ready for its use as intended by management. Freehold land is not depreciable, as it has an indefinite useful life.

A living resource is a living animal that the City uses to deliver a mandated service.

INVESTMENT PROPERTIES

Investment properties are immovable land and/or buildings that are held to earn rental income and/or for capital appreciation. Investment property excludes owner-occupied property that is used in the production or supply of goods or services, or for administrative purposes, or property held to provide a social service.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Where investment properties are acquired through non-exchange transactions, the cost is deemed to be the item's fair value on the date of acquisition.

Investment property other than vacant land is depreciated on the straight-line basis over the useful lives of the assets, estimated at 20 to 50 years.

An investment property is derecognised upon disposal, or when it is permanently withdrawn from use, or when no future economic benefits or service potential are expected from its disposal. Any gain or loss arising from the retirement or disposal of investment property is included in the surplus or deficit in the period of such retirement or disposal.

Direct income and expenses arising from investment property are disclosed as part of general income and expenses, and are thus not disclosed separately, as they are not material.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

HERITAGE ASSETS

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance, and is held and preserved indefinitely for the benefit of present and future generations.

Heritage assets are stated at cost less accumulated impairment losses. Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition. Costs incurred to enhance or restore the heritage asset to preserve its indefinite useful life are capitalised as incurred. Day-to-day costs incurred to maintain a heritage asset are expensed.

Transfers to heritage assets are made only when the asset meets the definition of a heritage asset, and transfers from heritage assets are only made when the asset no longer meets the definition of a heritage asset. Transfers to and from heritage assets are done at the carrying amount of the assets transferred, at the date of transfer.

The gain or loss arising from the disposal or retirement of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying value, and is recognised in the statement of financial performance. Heritage assets are not depreciated.

INTANGIBLE ASSETS

An intangible asset is defined as an identifiable non-monetary asset without physical substance, held for use in the production or supply of goods or services, for rental to others or for administrative purposes.

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Where intangible assets are acquired through non-exchange transactions, the cost is deemed to be the item’s fair value on the date of acquisition.

The Entity recognises computer development software costs as intangible assets if the costs are clearly associated with an identifiable and unique system controlled by the Entity, and have a probable benefit exceeding one year. Direct costs include software development, employee costs and an appropriate portion of relevant overheads.

AMORTISATION RATES

Intangible assets are amortised on the straight-line basis over the useful lives of the assets. The residual value, amortisation method and useful life, if significant, are reassessed annually. If there is any indication of changes, the effect of such changes in estimate is accounted for on a prospective basis.

The amortised rates are based on the following estimated useful lives:

	YEARS
Acquisition of rights	8
Computer software	5-10

IMPAIRMENT OF NON-CASH-GENERATING ASSETS

At each reporting date, the Entity assesses whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the recoverable service amount of the asset is estimated to determine the extent of any impairment loss.

Intangible assets not yet available for use are tested for impairment annually if there is an indication that the asset may be impaired.

The recoverable service amount of a non-cash-generating asset is the higher of fair value less costs to sell and the value-in-use. The value-in-use is the present value of the remaining service potential of the asset, and is determined using the most appropriate of the depreciated replacement cost, restoration cost or service unit approach.

If the recoverable service amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. An impairment loss is recognised immediately in surplus or deficit.

IMPAIRMENT OF CASH-GENERATING ASSETS

At each reporting date, the Entity assesses whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the Entity estimates the recoverable amount of the asset.

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value-in-use.

The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm’s-length transaction between knowledgeable, willing parties, less costs of disposal.

The value-in-use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset as well as from its disposal at the end of its useful life.

RECOGNITION AND MEASUREMENT (INDIVIDUAL ASSET)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the Entity recognises a liability only to the extent required by the standards of GRAP.

After the recognition of an impairment loss, the depreciation or amortisation charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset’s revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

At each reporting date, a municipality assesses whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If so, the recoverable amounts of those assets are estimated. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

Impairment losses on financial assets measured at cost shall not be reversed.

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SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

IMPAIRMENT OF CASH-GENERATING ASSETS (CONTINUED)

COMPOSITION OF ESTIMATES OF FUTURE CASH FLOWS

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the Entity expects to obtain from the disposal of the asset in an arm's-length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

DISCOUNT RATE

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have been adjusted.

CASH AND CASH EQUIVALENTS

Cash includes cash on hand, cash held with banks, and call deposits. Cash equivalents are short-term bank deposits with a maturity of three months or less from inception, readily convertible to cash without significant change in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

INVENTORIES

Inventories consist of consumable stock, water and other goods held for use or resale. Inventories are initially measured at cost and subsequently valued at the lower of cost (determined on the weighted-average basis) and net realisable value. Where they are held for distribution or consumption at no charge, or for a nominal amount, inventories are subsequently valued at the lower of cost and current replacement value.

Cost of inventories comprises all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Where inventories are acquired through a non-exchange transaction, their cost is measured at their fair value as at the date of acquisition.

Redundant and slow-moving inventories are identified and written down to their estimated net realisable values or current replacement cost according to their age, condition and utility. Differences arising in the measurement of such inventories at the lower of cost and net realisable value or current replacement cost are recognised as an expense in the period during which the write-down or loss occurs.

The carrying amount of inventories is recognised as an expense in the period during which the inventories are consumed, sold, distributed or written off, unless the cost qualifies for capitalisation to the cost of another asset.

TAXATION

Taxation in the statement of financial performance for the year consists of current and deferred taxation.

Current taxation comprises of tax payable calculated on the basis of the estimated taxable income for the year, using the tax rates enacted at the reporting date, and any adjustment of tax payable for previous years.

Deferred taxation is provided on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and their tax base, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that, at the time of the transaction, affected neither accounting profit nor taxable surplus/deficit. The amount of deferred taxation provided is measured at the tax rates expected to apply to the period when the asset is released or the liability is settled, based on the tax rates/laws enacted or substantively enacted by the end of the reporting date.

Deferred taxation is charged to the statement of financial performance, except to the extent that it relates to a transaction that is recognised under net assets, in which case it is recognised under net assets. The effect of any changes in tax rates on deferred taxation is recognised in the statement of financial performance, except to the extent that it relates to items previously charged or credited to net assets.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences may be utilised. A deferred taxation asset is reduced as the realisation of the tax benefit becomes no longer probable.

GRANTS AND TRANSFERS

Grants and transfers received or receivable are recognised as assets when the resources that have been transferred to the Entity meet the definition and criteria for recognition as assets.

A corresponding liability is recognised to the extent that the grant and transfer recognised as an asset is subject to conditions that require that the City either consumes the future economic benefits or service potential of the asset as specified, or that in the event that the conditions are breached, the Entity returns such future economic benefits or service potential to the transferor. The liability is transferred to revenue when the conditions attached to the grants and transfers are met. Grants and transfers that are not subject to any conditions are recognised as revenue when the assets are initially recognised.

Interest earned on the investment of grants and transfers received is treated in accordance with the stipulations set out in the agreement for the receipt of the grant and transfer invested.

PROVISIONS

A provision is recognised when the Entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the statement of financial performance as a finance cost.

ENVIRONMENTAL REHABILITATION PROVISIONS

Estimated long-term environmental provisions, comprising rehabilitation of environmental damage and landfill site closure costs, are based on the Entity's policy, taking into account current technological, environmental and regulatory requirements.

The provision for rehabilitation is recognised as and when the environmental liability arises in terms of legislation. Changes in the measurement of existing environmental liabilities resulting from changes in the estimated timing or amount of the outflow of resources required to settle the obligation, or a change in the discount rate, shall be added to or deducted from the cost of the related asset in the current period. The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess shall be recognised immediately in surplus or deficit. Any unwinding of discount is charged to the statement of financial performance as a finance cost.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

EMPLOYEE BENEFITS

RETIREMENT BENEFIT PLANS

The Entity provides retirement benefits for its employees and councillors. Retirement benefits consist of defined-contribution plans and defined-benefit plans.

Defined-contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a fund, and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year during which they become payable.

Defined-benefit plans are post-employment benefit plans other than defined-contribution plans. The defined-benefit funds are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities. The contributions and lump sum payments are charged against income in the year during which they become payable.

The Entity does not apply defined-benefit accounting to the defined-benefit plans that are classified as multi-employer plans, as sufficient information is not available to apply the relevant principles. As a result, such plans are accounted for as defined-contribution plans.

POST-RETIREMENT MEDICAL AID: CONTINUED MEMBERS

The Entity provides post-retirement benefits by subsidising the medical-aid contributions of certain retired staff. According to the rules of the medical schemes with which the Entity is associated, a member of the scheme is entitled to remain a member in retirement. Therefore, the Entity will continue to subsidise medical-aid contributions in accordance with the provisions of the employee’s employment contract and the Entity’s decision on protected rights.

Post-retirement medical-aid contributions paid by the Entity, depending on the employee’s contract, could be 70% or a subsidy indicated on a sliding scale. In each case, the employee is responsible for the balance of post-retirement medical-aid contributions. External appointments after 15 December 2000 do not qualify for a post-retirement medical-aid subsidy. Only registered dependants on the medical scheme as at the date of the principal member’s retirement are allowed to continue as dependants after retirement. In the event of the death of the principal member, the remaining dependants and children continue to be subsidised, subject to the rules of the post-retirement medical scheme. These contributions are charged to the operating account when employees have rendered the service entitling them to the contribution.

The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation, together with adjustments for remeasurement, and past service costs.

Any unwinding of discount is charged to the statement of financial performance as an employee-related cost. Remeasurements are fully accounted for in the statement of financial performance in the year during which they occur. The projected unit credit method has been used to value the obligation.

EMPLOYEE BENEFITS (CONTINUED)

SHORT-TERM AND LONG-TERM EMPLOYEE BENEFITS

The cost of all short-term employee benefits is recognised in the period during which the employee renders the related service. The Entity recognises the expected cost of performance bonuses only when the Entity has a present legal or constructive obligation to make such payment, and if a reliable estimate can be made.

The Entity provides long-service leave to eligible employees, payable on completion of years of employment. The Entity’s liability is based on an actuarial valuation. Any unwinding of discount is charged to the statement of financial performance as an employee-related cost. Remeasurements of the long-term incentives are fully accounted for in the statement of financial performance. The projected unit credit method has been used to value the obligation.

FINANCIAL INSTRUMENTS

Financial instruments are recognised when the Entity becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. In the case of a financial instrument not subsequently measured at fair value through the statement of financial performance, transaction costs that are directly attributable to the acquisition or issue of the instrument are added to or deducted from the fair value, as appropriate on initial recognition.

Standard of GRAP 108 on statutory receivables does not require disclosure of the risk associated with these transactions. In the absence of such a requirement, the Entity has based its disclosure on standard of GRAP 104, which deals with financial instruments. The risk exposure for these transactions is disclosed under a separate category, “Statutory assets”, in note 1 to these financial statements.

NON-DERIVATIVE FINANCIAL ASSETS

The classification of financial assets depends on their nature and purpose, and is determined at the time of initial recognition.

INVESTMENTS AT FAIR VALUE

Non-derivative investments held without the positive intent or ability to hold to maturity. Subsequent to initial recognition, all changes to fair value are recognised through the statement of financial performance.

INVESTMENTS AT AMORTISED COST

Non-derivative investments with fixed or determinable payments and fixed maturity dates, which the Entity has the positive intent and ability to hold to maturity. Subsequent to initial recognition, such investments are measured at amortised cost using the effective interest method less any impairment.

INVESTMENTS AT COST

The City elected in its separate financial statements to account for its investments in controlled entities and associates as financial instruments.

Residual interests that do not have a quoted market price in an active market, and the fair value of which cannot be reliably measured. Subsequent to initial recognition, such investments are measured at cost less any impairment.

Financial assets other than those at fair value are assessed for indicators of impairment at the end of each reporting period. Impairment is considered when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. The impairment assessment is based on the difference between the carrying amount of the investment and the present value of the estimated future cash flows, discounted at the current market rate of return. In arriving at the estimated future cash flows, management made significant assumptions regarding future cash flows.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the Entity has transferred substantially all risks and rewards of ownership, or when the enterprise loses control of contractual rights that comprise the assets.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

FINANCIAL INSTRUMENTS (CONTINUED)

NON-DERIVATIVE FINANCIAL LIABILITIES

After initial recognition, the Entity measures all financial liabilities, including payables, at amortised cost, using the effective interest rate method. Financial liabilities include borrowings, other non-current liabilities (excluding provisions) and payables. Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs. Finance charges, including premiums payable, are accounted for on an accrual basis.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled, or when it expires.

DERIVATIVE FINANCIAL INSTRUMENTS

The Entity holds derivative financial instruments to hedge its foreign-currency risk exposures. Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss, as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and any changes are recognised in profit or loss.

PAYABLES

Payables are initially measured at fair value plus transactional cost, and are subsequently measured at amortised cost, using the effective interest rate method.

RECEIVABLES

Receivables that arise from contractual rights are classified as contractual receivables, while receivables that arise from the operation of law are classified as statutory receivables.

Contractual receivables are initially recognised at fair value plus transactional cost, which approximates amortised cost.

Statutory receivables are initially measured at the transaction amount of the corresponding exchange or non-exchange revenue transaction, and are subsequently measured at cost. Property rates are charged in terms of the Local Government: Municipal Property Rates Act 6 of 2004, and city improvement district (CID) levies and traffic fines in terms of the municipal by-laws. The transaction amounts are based on approved tariff structures. Statutory receivables are derecognised when the rights to the cash flows are settled, transferred, expired or waived.

Included in the contractual receivables from exchange transactions, specifically water, refuse and sewerage, are receivables from availability charges that should be presented as contractual receivables from non-exchange receivables. The revenue relating to these receivables has been correctly split between exchange and non-exchange service charges in note 19.

A provision for impairment of receivables is established when there is objective evidence that the Entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision for impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Interest is charged on overdue amounts.

Bad debts are written off in the year during which they are identified as irrecoverable, subject to approval by the appropriate delegated authority.

Amounts receivable within 12 months from the date of reporting are classified as current.

BUDGET INFORMATION

The annual budget figures have been prepared in accordance with the GRAP standards on an accrual basis, and are consistent with the accounting policies adopted by Council for the preparation of these financial statements.

The budget amounts are presented as a separate additional financial statement, called the statement of comparison of budget and actual amounts. Explanatory comments on material differences are provided in the notes to the financial statements.

Comparative information is not required for, and has therefore not been presented in, the statement of comparison of budget and actual amounts.

REVENUE RECOGNITION

Revenue is recognised net of indirect taxes, rebates and trade discounts, and consists primarily of rates, grants from National Government and Province, service charges, rentals, interest received and other services rendered. Revenue is recognised when it is probable that future economic benefits or services potential will flow to the Entity, and when these benefits can be reliably measured. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount. Revenue arising from the application of the approved tariff charges is recognised when the relevant service is rendered, by applying the relevant authorised tariff. This includes the issuing of licences and permits.

REVENUE FROM EXCHANGE TRANSACTIONS

Exchange transactions are transactions in which the Entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange.

Service charges are levied in terms of the approved tariffs.

Credit meters are read on a periodic basis, and revenue is recognised providing that the benefits can be measured reliably. Estimates of consumption are made every other month based on consumption history. Such estimated consumption is recognised as income when invoiced, and adjusted upon subsequent actual meter readings. An accrual based on a determined consumption factor is made for consumption not measured as at the end of the financial year.

Electricity services provided on a prepayment basis are recognised at the point of sale. An adjustment for an unutilised portion is made at year-end, based on the average consumption history.

Income in respect of housing rental and instalment sale agreements is accrued monthly.

Interest earned on investments is recognised in the statement of financial performance on a time-proportionate basis, which takes into account the effective yield on the investment. Interest may be transferred from the accumulated surplus to the housing development fund or the insurance reserve.

Interest earned on the following investments is not recognised in the statement of financial performance:

- Interest earned on trust funds is allocated directly to the fund.
- Interest earned on unutilised conditional grants is allocated directly to the creditor "Unspent conditional grants and receipts" if the grant conditions indicate, or where management has determined, that interest is payable to the funder.

Income for agency services, where the Entity acts as an agent, is recognised monthly once the income collected on behalf of principals is earned. The income is recognised in terms of the agency agreement.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The Entity has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Entity retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.
- The amount of revenue can be reliably measured.
- It is probable that economic benefits or service potential will flow to the Entity.
- The costs incurred or to be incurred in respect of the transaction can be reliably measured.

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SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

REVENUE RECOGNITION (CONTINUED)

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are transactions where the Entity received revenue from another entity without giving approximately equal value in exchange.

Revenue from rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Interest on unpaid rates is recognised on a time-proportionate basis with reference to the principal amount receivable and the interest rate applicable.

A composite rating system, charging different rate tariffs, is used. Rebates are granted to certain categories of ratepayers, and are deducted from revenue.

Revenue from traffic fines is recognised on the date of the offence.

Donations are recognised on a cash receipt basis or, where the donation is in the form of property, plant and equipment, when the risks or rewards of ownership have transferred to the Entity. Donations are measured at fair value.

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Local Government: Municipal Finance Management Act 56 of 2003, and is recognised when recovered from the responsible party.

CONSTRUCTION CONTRACTS

ARRANGEMENTS UNDERTAKEN IN TERMS OF THE NATIONAL HOUSING PROGRAMME

In March 2021, the City received level-2 accreditation under the National Housing Code for its participation in the National Housing Programme. This accreditation now means that the City serves as a project developer in terms of arrangements relating to the construction and transfer of houses to the beneficiaries of the National Housing Programme.

Grants received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

- a) the initial amount of revenue agreed in the contract; and
- b) variations in contract work, claims and incentive payments to the extent that:
 - i) it is probable that they will result in revenue; and
 - ii) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue based on the stage of completion of the contract activity at the reporting date. The stage of completion is assessed with reference to a review of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs that have been incurred and are likely to be recoverable.

CONSTRUCTION CONTRACTS (CONTINUED)

ARRANGEMENTS UNDERTAKEN IN TERMS OF THE NATIONAL HOUSING PROGRAMME (CONTINUED)

The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- a) Total contract revenue, if any, can be measured reliably.
- b) It is probable that the economic benefits or service potential associated with the contract will flow to the Entity.
- c) Both the contract costs to complete the contract and the stage of contract completion at the reporting date can be measured reliably.
- d) The contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

Costs incurred to implement the National Housing Programme are expensed as contract costs. Contract costs comprise:

- a) costs that relate directly to the specific contract;
- b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and
- c) such other costs as are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract from the date of securing the contract up to its final completion. Costs that cannot be attributed to contract activity or be allocated to a contract are excluded from the costs of a construction contract. Such costs include:

- a) general administration costs for which reimbursement is not specified in the contract;
- b) selling costs;
- c) research and development costs for which reimbursement is not specified in the contract; and
- d) depreciation of idle plant and equipment that is not used on a particular contract.

As with contract revenue, contract costs are recognised as expenses when the outcome of a construction contract can be estimated reliably, based on the stage of completion of the contract activity at the reporting date.

OTHER TRANSACTIONS RELATING TO HOUSING ARRANGEMENTS

Other transactions may also arise from the housing arrangements. These may fall within the ambit of GRAP 11: Construction Contracts, GRAP 9: Revenue from Exchange Transactions, GRAP 23: Revenue from Non-Exchange Transactions, or GRAP 109: Accounting by Principals and Agents.

- Income from grants pertaining to the planning and construction of civil services for a project is considered to be grants and subsidies in terms of GRAP 23: Revenue from Non-Exchange Transactions.
- Receipts directly attributable to the administration of beneficiaries are accounted for under operational revenue as housing services rendered in terms of GRAP 9: Revenue from Exchange Transactions.
- Receipts to register the title deed in the name of the beneficiary are regarded as receipts and payments on behalf of the beneficiaries in terms of GRAP 109: Accounting by Principals and Agents, which implies that the City is regarded as an agent.

SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

LEASES

THE ENTITY AS LESSEE

Operating leases are those where risks and rewards of ownership are not transferred to the lessee. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

THE ENTITY AS LESSOR

Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

GRANTS-IN-AID

The Entity transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the Entity does not:

- receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period during which the events giving rise to the transfer occurred.

BORROWING COSTS

Borrowing costs are recognised as an expense in the period during which they are incurred.

UNAUTHORISED, IRREGULAR, AND FRUITLESS AND WASTEFUL EXPENDITURE

Unauthorised, irregular, and fruitless and wasteful expenditure is accounted for as a capital or an operating expense in the financial statements and classified in accordance with the nature of the expense. Where recovered, it is subsequently accounted for as revenue.

The total amounts, nature and type of these expenses are disclosed in note 41.

SERVICES IN KIND

Services in kind are not recognised as revenue or assets, but the nature and type of major classes of services in kind are disclosed in note 21.

RELATED PARTIES

A related party is a person or an entity with the ability to control the Entity either individually or jointly, or the ability to exercise significant influence over the Entity, or vice versa.

Management is regarded as a related party, and comprises the councillors, Executive Mayor, Executive Deputy Mayor, Mayoral Committee (Mayco) members, City Manager and executive directors.

SEGMENT REPORTING

BASIS FOR SEGMENTATION

The City is a complex metropolitan municipality with a wide variety of goods and services managed by various business units. Operations are structured to achieve optimum service delivery, and the City produces various reports in which its activities are presented in a number of ways.

Segments are identified based on the Municipal Finance Management Act section 71 monthly budget statements, which executive management and Council review to make strategic decisions and monitor segment performance. The disclosure of information about segments in the budget statements is organised around the type of service delivered, and is presented in a standardised format. As such, it is considered appropriate for external reporting purposes to achieve the objectives of GRAP 18.

Segments are aggregated for reporting purposes where management considers the economic characteristics and nature of services as sufficiently similar to warrant aggregation. The components of each aggregated segment are explained under the description of segment operations.

Reportable segments are identified based on activities of the Entity that generate economic benefits or service potential, including internal services that contribute to achieving the Entity's objectives without necessarily generating net cash inflows.

ACCOUNTING POLICY AND MEASUREMENT BASIS

The accounting policies of the reportable segments are the same as the Entity's accounting policies.

Inter-segment pricing is determined on an arm's-length basis, similar to transactions with third parties. Inter-segment revenues are eliminated upon consolidation and reflected in the "Inter-segment offsetting" column of the segment report.

GEOGRAPHIC INFORMATION

All the Entity's operations are located in the Republic of South Africa, in the Cape Town area. Information to report on different geographic areas is not available, and the cost to develop this functionality would be excessive.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

ECONOMIC ENTITY			CITY OF CAPE TOWN	
Note	2024	2023	2024	2023
ASSETS				
Non-current assets	70 814 257	66 304 177	70 371 869	66 030 087
Property, plant and equipment	2 65 279 647	59 440 185	64 728 478	58 990 950
Heritage assets	3 10 340	10 268	10 340	10 268
Investment property	4 574 392	576 106	574 392	576 106
Intangible assets	5 839 499	737 340	835 011	733 844
Investments	6 3 895 480	5 390 288	4 223 415	5 718 223
Investment in associate	39.1 59 148	41 374	-	-
Long-term receivables	7 233	696	233	696
Deferred taxation	32.1 155 518	107 920	-	-
Current assets	21 523 639	20 589 695	21 281 622	20 416 991
Inventory	8 480 354	485 906	477 648	483 155
Receivables	9 8 133 760	7 460 949	8 053 642	7 400 919
From non-exchange transactions	3 115 441	3 234 609	3 119 340	3 237 826
From exchange transactions	5 018 319	4 226 340	4 934 302	4 163 093
Investments	6 5 260 680	4 375 085	5 260 680	4 375 085
Value-added tax	10 202 070	46 627	201 872	46 439
Taxation	1 480	663	-	-
Current portion of long-term receivables	7 205	612	205	612
Cash and cash equivalents	11 7 445 090	8 219 853	7 287 575	8 110 781
TOTAL ASSETS	92 337 896	86 893 872	91 653 491	86 447 078
LIABILITIES				
Non-current liabilities	10 400 311	12 244 597	10 400 311	12 244 597
Borrowings	12 4 093 807	5 630 840	4 093 807	5 630 840
Provisions	14 6 306 504	6 613 757	6 306 504	6 613 757
Current liabilities	14 140 171	12 624 801	13 972 147	12 478 340
Deposits	15 543 754	530 250	455 050	439 733
Provisions	14 1 853 019	1 713 711	1 845 184	1 709 921
Payables from exchange transactions	16 8 306 684	7 835 268	8 235 199	7 783 114
Unspent conditional grants and receipts	17 833 187	826 752	833 187	826 752
Current portion of borrowings	12 2 603 527	1 718 820	2 603 527	1 718 820
TOTAL LIABILITIES	24 540 482	24 869 398	24 372 458	24 722 937
NET ASSETS				
Total net assets	67 797 414	62 024 474	67 281 033	61 724 141
Housing development fund	18 278 974	307 275	278 974	307 275
Reserves	4 396 362	4 689 354	4 396 362	4 689 354
Accumulated surplus	62 769 982	56 739 794	62 605 697	56 727 512
Non-controlling interest	352 096	288 051	-	-
TOTAL NET ASSETS AND LIABILITIES	92 337 896	86 893 872	91 653 491	86 447 078

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

ECONOMIC ENTITY			CITY OF CAPE TOWN	
Note	2024	2023	2024	2023
REVENUE				
Exchange revenue	32 994 301	27 543 203	32 619 581	27 276 051
Service charges	19 29 301 834	24 296 283	29 312 992	24 295 205
Rental of letting stock and facilities	673 605	569 531	465 769	420 355
Finance income	20 1 917 312	1 742 634	1 902 872	1 735 432
Licences and permits	43 613	41 517	43 613	41 517
Agency services	278 170	276 684	278 170	276 684
Other income	21 626 852	529 863	463 250	420 167
Gains on disposal of property, plant and equipment	152 915	86 691	152 915	86 691
Non-exchange revenue	26 332 189	24 811 005	26 337 297	24 815 052
Service charges	19 42 379	50 856	42 379	50 856
Finance income	20 137 912	124 173	137 912	124 173
Other income	21 365 552	409 696	365 552	409 696
Property rates	22 11 981 351	11 241 382	11 986 459	11 245 429
Fuel levy	2 639 290	2 666 726	2 639 290	2 666 726
Fines, penalties and forfeits	1 910 360	1 984 419	1 910 360	1 984 419
Government grants and subsidies	23 8 774 667	7 990 614	8 774 667	7 990 614
Construction contracts	24 261 227	284 904	261 227	284 904
Public contributions	25 219 451	58 235	219 451	58 235
TOTAL REVENUE	59 326 490	52 354 208	58 956 878	52 091 103
EXPENDITURE				
Employee-related costs	26 17 200 102	15 335 108	17 107 335	15 260 879
Remuneration of councillors and board members	39.2.2.1 174 491	167 871	173 249	166 895
Impairment	27 2 798 535	3 010 962	2 900 067	3 040 034
Collection costs	286 886	205 056	285 373	203 676
Depreciation and amortisation expenses ¹	2, 4, 5 3 508 219	3 281 186	3 464 793	3 241 058
Finance costs	28 828 707	768 944	828 707	768 944
Bulk purchases ²	29 14 078 064	11 959 379	14 078 064	11 959 379
Contracted services	30 3 476 351	3 203 955	3 446 135	3 183 339
Grants and subsidies paid	296 008	315 052	329 204	348 248
General expenses ²	31 10 962 144	10 359 964	10 778 817	10 210 647
Losses on disposal of property, plant and equipment	8 242	4 564	8 242	4 564
TOTAL EXPENDITURE	53 617 749	48 612 041	53 399 986	48 387 663
NET SURPLUS FROM OPERATIONS				
Share of surplus/(deficit) in associate	39.1 17 774	13 341	5 556 892	3 703 440
Surplus from operations before taxation	5 726 515	3 755 508	5 556 892	3 703 440
Taxation	32.2 46 425	(19 173)	-	-
NET SURPLUS FROM OPERATIONS	5 772 940	3 736 335	5 556 892	3 703 440
Attributable to owners of the controlling entity	5 708 895	3 730 559		
Attributable to non-controlling interest	64 045	5 776		
SURPLUS FOR THE YEAR	5 772 940	3 736 335		

¹ See annexure B for more details.
² See notes 29 and 31 for more details.

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

ECONOMIC ENTITY						
	Housing development fund	Capital replacement reserve	Insurance reserves	Accumulated surplus	Non- controlling interest	Total
2023						
Balance as at 1 July 2022	312 820	4 434 807	633 188	52 625 049	282 275	58 288 139
Surplus for the year	-	-	-	3 730 559	5 776	3 736 335
Transfer to/(from)	1 804	808 408	(18 114)	(792 098)	-	-
Property, plant and equipment purchased	(7 349)	(1 168 935)	-	1 176 284	-	-
Balance as at 30 June 2023	307 275	4 074 280	615 074	56 739 794	288 051	62 024 474
2024						
Surplus for the year	-	-	-	5 708 895	64 045	5 772 940
Transfer (from)/to	(25 270)	944 370	(47 430)	(871 670)	-	-
Property, plant and equipment purchased	(3 031)	(1 189 932)	-	1 192 963	-	-
Balance as at 30 June 2024	278 974	3 828 718	567 644	62 769 982	352 096	67 797 414

CITY OF CAPE TOWN					
	Housing development fund	Capital replacement reserve	Insurance reserves	Accumulated surplus	Total
2023					
Balance as at 1 July 2022	312 820	4 434 807	633 188	52 639 886	58 020 701
Surplus for the year	-	-	-	3 703 440	3 703 440
Transfer to/(from)	1 804	808 408	(18 114)	(792 098)	-
Property, plant and equipment purchased	(7 349)	(1 168 935)	-	1 176 284	-
Balance as at 30 June 2023	307 275	4 074 280	615 074	56 727 512	61 724 141
2024					
Surplus for the year	-	-	-	5 556 892	5 556 892
Transfer (from)/to	(25 270)	944 370	(47 430)	(871 670)	-
Property, plant and equipment purchased	(3 031)	(1 189 932)	-	1 192 963	-
Balance as at 30 June 2024	278 974	3 828 718	567 644	62 605 697	67 281 033

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

ECONOMIC ENTITY			CITY OF CAPE TOWN	
Note	2024	2023	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES				
Cash receipts from ratepayers, government and other	53 622 700	46 883 270	53 289 675	46 603 682
Cash paid to suppliers and employees	(46 917 177)	(41 846 647)	(46 648 741)	(41 639 854)
Cash generated from operations	33 6 705 523	5 036 623	6 640 934	4 963 828
Finance income	33 2 006 729	1 824 243	1 992 741	1 817 833
Finance costs	33 (733 304)	(673 596)	(733 304)	(673 596)
Taxation	(1 990)	-	-	-
NET CASH FROM OPERATING ACTIVITIES	7 976 958	6 187 270	7 900 371	6 108 065
CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant and equipment and other	(8 852 410)	(6 698 427)	(8 824 051)	(6 671 739)
Proceeds on disposal of assets	186 534	134 080	186 319	133 778
Decrease in long-term receivables	1 013	5 974	1 013	5 974
Decrease/(increase) in investments	616 688	(518 278)	616 688	(518 278)
NET CASH FROM INVESTING ACTIVITIES	(8 048 175)	(7 076 651)	(8 020 031)	(7 050 265)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from borrowings	12 1 000 000	2 116 000	1 000 000	2 116 000
Repayment of borrowings	(1 685 895)	(1 358 162)	(1 685 895)	(1 358 162)
Capitalisation of borrowing costs	(17 651)	-	(17 651)	-
NET CASH FROM FINANCING ACTIVITIES	(703 546)	757 838	(703 546)	757 838
NET DECREASE IN CASH AND CASH EQUIVALENTS	(774 763)	(131 543)	(823 206)	(184 362)
Cash and cash equivalents at the beginning of the year	8 219 853	8 351 396	8 110 781	8 295 143
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11 7 445 090	8 219 853	7 287 575	8 110 781

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS – ECONOMIC ENTITY

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Note	Approved budget 38.1	Virements 38.2	Final budget 38.1	Actual per annual financial statements classification 38.3	Classification differences 38.4.1	Recognition differences 38.4.2	Actual per budget classification	Variance: Final budget and actual amounts	Actual per budget as a % of final budget amount
STATEMENT OF FINANCIAL POSITION										
38.5.1										
Total non-current assets		73 280 593	-	73 280 593	70 814 257	-	-	70 814 257	2 466 336	96,63
Total current assets		21 012 952	-	21 012 952	21 523 639	-	-	21 523 639	(510 687)	103,44
TOTAL ASSETS		94 293 545	-	94 293 545	92 337 896	-	-	92 337 896	1 955 649	98,15
Total non-current liabilities	i	14 129 132	-	14 129 132	10 400 311	-	-	10 400 311	3 728 821	73,61
Total current liabilities		15 168 468	-	15 168 468	14 140 171	-	-	14 140 171	1 028 297	93,22
TOTAL LIABILITIES		29 297 600	-	29 297 600	24 540 482	-	-	24 540 482	4 757 118	83,76
Total net assets		64 995 945	-	64 995 945	67 797 414	-	-	67 797 414	(2 801 469)	104,31
TOTAL NET ASSETS AND LIABILITIES		94 293 545	-	94 293 545	92 337 896	-	-	92 337 896	1 955 649	97,93
FINANCIAL PERFORMANCE										
38.5.2										
Property rates		11 857 238	-	11 857 238	11 981 351	-	-	11 981 351	(124 113)	101,05
Service charges		27 968 145	-	27 968 145	29 344 213	(805 026)	-	28 539 187	(571 042)	102,04
Investment revenue	i	1 380 555	-	1 380 555	2 055 224	(461 938)	-	1 593 286	(212 731)	115,41
Transfers recognised – operational		6 798 339	-	6 798 339	6 482 109	204 474	-	6 686 583	111 756	98,36
Other own revenue		12 632 585	-	12 632 585	6 723 553	6 317 527	-	13 041 080	(408 495)	103,23
Total revenue (excluding capital transfers and contributions)		60 636 862	-	60 636 862	56 586 450	5 255 037	-	61 841 487	(1 204 625)	101,99
Employee costs		18 489 170	(31 310)	18 457 860	17 200 102	279	-	17 200 381	1 257 479	93,19
Remuneration of councillors and board members		192 020	1 064	193 084	174 492	9 781	-	184 273	8 811	95,44
Debt impairment		2 923 730	-	2 923 730	2 798 535	(30 997)	-	2 767 538	156 192	94,66
Depreciation and asset impairment		3 591 136	-	3 591 136	3 508 219	30 995	-	3 539 214	51 922	98,55
Finance charges		900 201	(38 990)	861 211	828 707	1 265	-	829 972	31 239	96,37
Materials and bulk purchases		20 789 617	(46 853)	20 742 764	14 078 064	6 515 273	-	20 593 337	149 427	99,28
Transfers and grants	ii	410 441	(6 565)	403 876	296 008	30 614	-	326 622	77 254	80,87
Other expenditure		13 709 281	122 654	13 831 935	14 733 622	(1 506 548)	-	13 227 074	604 861	95,63
Total expenditure		61 005 596	-	61 005 596	53 617 749	5 050 662	-	58 668 411	2 337 185	96,17
Surplus/(deficit)		(368 734)	-	(368 734)	2 968 701	204 375	-	3 173 076	(3 541 810)	
Transfers recognised – capital		2 890 078	-	2 890 078	2 520 589	14 959	-	2 535 548	354 530	87,73
Contributions recognised – capital and contributed assets		-	-	-	219 451	(219 334)	-	117	(117)	
Surplus/(deficit) after capital transfers and contributions		2 521 344	-	2 521 344	5 708 741	-	-	5 708 741	(3 187 397)	
Taxation		3 174	-	3 174	46 425	-	-	46 425	(43 251)	
Surplus/(deficit) after taxation		2 518 170	-	2 518 170	5 755 166	-	-	5 755 166	(3 230 648)	
Share of surplus/(deficit) attributed to minorities		2 343	-	2 343	(64 045)	-	-	(64 045)	66 388	
Share of surplus in associate		-	-	-	17 774	-	-	17 774	(17 774)	
Surplus/(deficit) for the year		2 520 513	-	2 520 513	5 708 895	-	-	5 708 895	(3 182 034)	

	Note	Approved budget 38.1	Virements 38.2	Final budget 38.1	Actual per annual financial statements classification 38.3	Classification differences 38.4.1	Recognition differences 38.4.2	Actual per budget classification	Variance: Final budget and actual amounts	Actual per budget as a % of final budget amount
CASH FLOW STATEMENT										
38.5.3										
Net cash from operating	i	6 231 271	-	6 231 271	7 976 958	(15 317)	-	7 961 641	(1 730 370)	127,77
Net cash from investing	ii	(10 295 683)	-	(10 295 683)	(8 048 175)	-	-	(8 048 175)	(2 247 508)	78,17
Net cash from financing	iii	1 844 114	-	1 844 114	(703 546)	15 317	-	(688 229)	2 532 343	(37,32)
Net decrease in cash and cash equivalents		(2 220 298)	-	(2 220 298)	(774 763)	-	-	(774 763)	(1 445 535)	34,89
Cash/cash equivalents at year-end		5 939 077	-	5 939 077	7 445 090	-	-	7 445 090	(1 506 013)	125,36
CAPITAL EXPENDITURE										
38.6										
Community Services and Health	i	422 549	-	422 549	368 520	-	(77)	368 443	(54 106)	87,20
Corporate Services	ii	689 175	-	689 175	642 156	-	-	642 156	(47 019)	93,18
Economic Growth	iii	93 615	-	93 615	77 008	-	-	77 008	(16 607)	82,26
Energy	iv	1 218 331	-	1 218 331	1 109 601	-	-	1 109 601	(108 730)	91,08
Finance		64 824	-	64 824	64 131	-	-	64 131	(693)	98,93
Future Planning and Resilience		20 218	-	20 218	19 973	-	-	19 973	(245)	98,79
Human Settlements		985 447	-	985 447	959 185	-	-	959 185	(26 262)	97,34
Office of the City Manager		6 395	-	6 395	6 322	-	-	6 322	(73)	98,86
Safety and Security		447 865	-	447 865	444 415	-	(40)	444 375	(3 490)	99,22
Spatial Planning and Environment	v	313 868	-	313 868	252 541	-	-	252 541	(61 327)	80,46
Urban Mobility	vi	1 877 301	-	1 877 301	1 552 346	-	-	1 552 346	(324 955)	82,69
Urban Waste Management	vii	732 579	-	732 579	578 714	-	13 703	592 417	(140 162)	80,87
Water and Sanitation	viii	4 455 614	-	4 455 614	3 315 859	-	-	3 315 859	(1 139 755)	74,42
CTICC	ix	52 112	-	52 112	43 829	-	-	43 829	(8 283)	84,11
TOTAL		11 379 893	-	11 379 893	9 434 600	-	13 586	9 448 186	(1 931 707)	83,03

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS – CITY OF CAPE TOWN

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Note	Approved budget	Virements	Final budget	Actual per annual financial statements classification	Classification differences	Recognition differences	Actual per budget classification	Variance: Final budget and actual amounts	Actual per budget as a % of final budget amount
STATEMENT OF FINANCIAL POSITION										
38.5.1										
Total non-current assets		72 570 353	-	72 570 353	70 371 869	-	-	70 371 869	2 198 484	96,97
Total current assets		20 832 562	-	20 832 562	21 281 622	-	-	21 281 622	(449 060)	102,16
TOTAL ASSETS		93 402 915	-	93 402 915	91 653 491	-	-	91 653 491	1 749 424	98,13
Total non-current liabilities	i	14 128 646	-	14 128 646	10 400 311	-	-	10 400 311	3 728 335	73,61
Total current liabilities		15 040 538	-	15 040 538	13 972 147	-	-	13 972 147	1 068 391	92,90
TOTAL LIABILITIES		29 169 184	-	29 169 184	24 372 458	-	-	24 372 458	4 796 726	83,56
Total net assets		64 233 731	-	64 233 731	67 281 033	-	-	67 281 033	(3 047 302)	104,74
TOTAL NET ASSETS AND LIABILITIES		93 402 915	-	93 402 915	91 653 491	-	-	91 653 491	1 749 424	98,13
FINANCIAL PERFORMANCE										
38.5.2										
Property rates		11 857 238	-	11 857 238	11 986 459	-	-	11 986 459	(129 221)	101,09
Service charges		27 968 145	-	27 968 145	29 355 371	(805 026)	-	28 550 345	(582 200)	102,08
Investment revenue	i	1 369 275	-	1 369 275	2 040 784	(461 938)	-	1 578 846	(209 571)	115,31
Transfers recognised – operational		6 765 143	-	6 765 143	6 515 305	204 474	-	6 719 779	45 364	99,33
Other own revenue		12 237 218	-	12 237 218	6 318 919	6 317 527	-	12 636 446	(399 228)	103,26
Total revenue (excluding capital transfers and contributions)		60 197 019	-	60 197 019	56 216 838	5 255 037	-	61 471 875	(1 274 856)	102,12
Employee costs		18 396 070	(31 310)	18 364 760	17 107 335	279	-	17 107 614	1 257 146	93,15
Remuneration of councillors		190 784	1 064	191 848	173 249	9 781	-	183 030	8 818	95,40
Debt impairment		2 923 730	-	2 923 730	2 900 067	(30 997)	-	2 869 070	54 660	98,13
Depreciation and asset impairment		3 549 360	-	3 549 360	3 464 793	30 995	-	3 495 788	53 572	98,49
Finance charges		900 201	(38 990)	861 211	828 707	1 265	-	829 972	31 239	96,37
Materials and bulk purchases		20 735 215	(46 853)	20 688 362	14 078 064	6 515 273	-	20 593 337	95 025	99,54
Transfers and grants		400 894	(6 565)	394 329	329 204	30 614	-	359 818	34 511	91,25
Other expenditure		13 481 253	122 654	13 603 907	14 518 567	(1 506 548)	-	13 012 019	591 888	95,65
Total expenditure		60 577 507	-	60 577 507	53 399 986	5 050 662	-	58 450 648	2 126 859	96,49
Surplus/(deficit)		(380 488)	-	(380 488)	2 816 852	204 375	-	3 021 227	(3 401 715)	
Transfers recognised – capital	ii	2 890 078	-	2 890 078	2 520 589	14 959	-	2 535 548	354 530	87,73
Contributions recognised – capital and contributed assets		-	-	-	219 451	(219 334)	-	117	(117)	
Surplus after capital transfers and contributions		2 509 590	-	2 509 590	5 556 892	-	-	5 556 892	(3 047 302)	

	Note	Approved budget	Virements	Final budget	Actual per annual financial statements classification	Classification differences	Recognition differences	Actual per budget classification	Variance: Final budget and actual amounts	Actual per budget as a % of final budget amount
CASH FLOW STATEMENT										
38.5.3										
Net cash from operating	i	6 092 065	-	6 092 065	7 900 371	(15 317)	-	7 885 054	(1 792 989)	129,43
Net cash from investing	ii	(10 243 571)	-	(10 243 571)	(8 020 031)	-	-	(8 020 031)	(2 223 540)	78,29
Net cash from financing	iii	1 844 114	-	1 844 114	(703 546)	15 317	-	(688 229)	2 532 343	(37,32)
Net decrease in cash and cash equivalents		(2 307 392)	-	(2 307 392)	(823 206)	-	-	(823 206)	(1 484 186)	35,68
Cash/cash equivalents at year-end		5 803 389	-	5 803 389	7 287 575	-	-	7 287 575	(1 484 186)	125,57
CAPITAL EXPENDITURE										
38.6										
Community Services and Health	i	422 549	-	422 549	368 520	-	(77)	368 443	(54 106)	87,20
Corporate Services	ii	689 175	-	689 175	642 156	-	-	642 156	(47 019)	93,18
Economic Growth	iii	93 615	-	93 615	77 008	-	-	77 008	(16 607)	82,26
Energy	iv	1 218 331	-	1 218 331	1 109 601	-	-	1 109 601	(108 730)	91,08
Finance		64 824	-	64 824	64 131	-	-	64 131	(693)	98,93
Future Planning and Resilience		20 218	-	20 218	19 973	-	-	19 973	(245)	98,79
Human Settlements		985 447	-	985 447	959 185	-	-	959 185	(26 262)	97,34
Office of the City Manager		6 395	-	6 395	6 322	-	-	6 322	(73)	98,86
Safety and Security		447 865	-	447 865	444 415	-	(40)	444 375	(3 490)	99,22
Spatial Planning and Environment	v	313 868	-	313 868	252 541	-	-	252 541	(61 327)	80,46
Urban Mobility	vi	1 877 301	-	1 877 301	1 552 346	-	-	1 552 346	(324 955)	82,69
Urban Waste Management	vii	732 579	-	732 579	578 714	-	13 703	592 417	(140 162)	80,87
Water and Sanitation	viii	4 455 614	-	4 455 614	3 315 859	-	-	3 315 859	(1 139 755)	74,42
TOTAL		11 327 781	-	11 327 781	9 390 771	-	13 586	9 404 357	(1 923 424)	83,02

TO
GETHER.

SEGMENT REPORT

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2024													
	Water management	Wastewater management	Waste management	Energy sources	Municipal governance and administration	Community and public safety	Economic and environmental services	Inter-segment offsetting	TOTAL CITY OF CAPE TOWN	CTICC	CTS	Atlantis SEZ	Inter-company offsetting	TOTAL ECONOMIC ENTITY
STATEMENT OF FINANCIAL POSITION														
ASSETS														
Non-current assets	7 331 842	9 264 150	2 107 322	11 344 688	12 857 466	10 609 571	16 856 830	-	70 371 869	711 175	2 837	-	(271 624)	70 814 257
Current assets	1 135 205	633 078	257 424	2 209 147	16 369 408	582 624	94 736	-	21 281 622	431 853	23 352	-	(213 188)	21 523 639
TOTAL ASSETS	8 467 047	9 897 228	2 364 746	13 553 835	29 226 874	11 192 195	16 951 566	-	91 653 491	1 143 028	26 189	-	(484 812)	92 337 896
LIABILITIES														
Non-current liabilities	479 468	213 025	828 051	581 582	7 253 300	763 260	281 625	-	10 400 311	-	-	-	-	10 400 311
Current liabilities	2 197 349	2 684 601	267 344	3 070 902	3 237 991	998 705	1 515 255	-	13 972 147	149 279	33 102	-	(14 357)	14 140 171
TOTAL LIABILITIES	2 676 817	2 897 626	1 095 395	3 652 484	10 491 291	1 761 965	1 796 880	-	24 372 458	149 279	33 102	-	(14 357)	24 540 482
ADDITIONS TO PPE AND OTHER ASSETS	794 788	2 316 039	298 597	1 064 402	1 490 117	1 530 043	1 896 785	-	9 390 771	43 829	-	-	-	9 434 600
STATEMENT OF FINANCIAL PERFORMANCE														
REVENUE														
Exchange revenue	5 047 125	2 509 014	1 431 322	20 106 906	2 494 052	394 609	636 553	-	32 619 581	434 142	44 038	-	(103 460)	32 994 301
Service charges	4 876 513	2 407 433	1 373 833	19 948 138	159 440	79 418	468 217	-	29 312 992	31 406	6 307	-	(48 871)	29 301 834
Rental of letting stock and facilities	264	23	-	29	243 139	221 414	900	-	465 769	177 281	30 555	-	-	673 605
Finance income	161 542	62 208	40 037	36 059	1 582 691	5 244	15 091	-	1 902 872	12 815	1 625	-	-	1 917 312
Licences and permits	-	-	-	-	(22)	591	43 044	-	43 613	-	-	-	-	43 613
Income from agency services	-	-	-	-	264 128	14 042	-	-	278 170	-	-	-	-	278 170
Other income	8 565	39 321	17 404	120 206	113 617	56 442	107 695	-	463 250	212 640	5 551	-	(54 589)	626 852
Gains on disposal of PPE	241	29	48	2 474	131 059	17 458	1 606	-	152 915	-	-	-	-	152 915
Non-exchange revenue	527 580	1 170 327	616 311	373 383	17 264 367	4 160 296	2 225 033	-	26 337 297	-	42 540	-	(47 648)	26 332 189
Service charges	14 759	16 400	11 220	-	-	-	-	-	42 379	-	-	-	-	42 379
Finance income	-	-	-	-	137 912	-	-	-	137 912	-	-	-	-	137 912
Other income	-	-	-	-	100	-	365 452	-	365 552	-	9 344	-	(9 344)	365 552
Property rates	-	-	-	-	11 986 459	-	-	-	11 986 459	-	-	-	(5 108)	11 981 351
Fuel levy	-	-	-	-	2 639 290	-	-	-	2 639 290	-	-	-	-	2 639 290
Fines	1 897	611	9 051	830	6 212	1 879 426	12 333	-	1 910 360	-	-	-	-	1 910 360
Government grants and subsidies	510 924	1 150 294	596 040	372 553	2 490 535	2 009 468	1 644 853	-	8 774 667	-	-	-	-	8 774 667
Construction contracts	-	-	-	-	-	261 227	-	-	261 227	-	-	-	-	261 227
Public contributions	-	3 022	-	-	3 859	10 175	202 395	-	219 451	-	33 196	-	(33 196)	219 451
Inter-segment revenue	457 478	1 980 755	2 859 074	885 162	4 357 433	41 916	3 731	(10 585 549)	-	-	-	-	-	-
TOTAL REVENUE	6 032 183	5 660 096	4 906 707	21 365 451	24 115 852	4 596 821	2 865 317	(10 585 549)	58 956 878	434 142	86 578	-	(151 108)	59 326 490

SEGMENT REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2024													
	Water management	Wastewater management	Waste management	Energy sources	Municipal governance and administration	Community and public safety	Economic and environmental services	Inter-segment offsetting	TOTAL CITY OF CAPE TOWN	CTICC	CTS	Atlantis SEZ	Inter-company offsetting	TOTAL ECONOMIC ENTITY
EXPENDITURE	3 797 683	3 248 994	2 856 284	16 706 825	10 590 937	9 948 368	6 250 895	-	53 399 986	245 891	92 434	-	(120 562)	53 617 749
Employee-related costs	1 693 702	883 830	1 161 693	1 276 026	4 719 105	5 409 447	1 963 532	-	17 107 335	91 063	1 704	-	-	17 200 102
Remuneration of councillors	-	-	-	-	173 249	-	-	-	173 249	743	499	-	-	174 491
Impairment	532 383	195 421	117 609	127 198	466 496	1 449 736	11 224	-	2 900 067	(101 532)	-	-	-	2 798 535
Collection costs	5 441	2 286	2 059	-	186 590	88 997	-	-	285 373	-	1 513	-	-	286 886
Depreciation and amortisation expense	277 526	298 932	90 766	445 700	947 327	601 205	803 337	-	3 464 793	43 426	-	-	-	3 508 219
Finance costs	-	-	44 183	-	784 524	-	-	-	828 707	-	-	-	-	828 707
Bulk purchases	136 678	-	-	13 941 386	-	-	-	-	14 078 064	-	-	-	-	14 078 064
Contracted services	109 248	827 259	757 541	228 663	150 127	139 619	1 233 678	-	3 446 135	23 388	7 216	-	(388)	3 476 351
Grants and subsidies paid	27 767	450	-	1 900	164 172	33 196	101 719	-	329 204	-	-	-	(33 196)	296 008
General expenses	1 013 928	1 040 807	682 424	685 452	2 995 777	2 223 202	2 137 227	-	10 778 817	188 803	81 502	-	(86 978)	10 962 144
Loss on disposal of PPE	1 010	9	9	500	3 570	2 966	178	-	8 242	-	-	-	-	8 242
Inter-segment expenses	504 952	2 388 301	812 088	2 970 358	2 973 657	748 427	187 766	(10 585 549)	-	-	-	-	-	-
TOTAL EXPENDITURE	4 302 635	5 637 295	3 668 372	19 677 183	13 564 594	10 696 795	6 438 661	(10 585 549)	53 399 986	245 891	92 434	-	(120 562)	53 617 749
SURPLUS FROM OPERATIONS	1 729 548	22 801	1 238 335	1 688 268	10 551 258	(6 099 974)	(3 573 344)	-	5 556 892	188 251	(5 856)	-	(30 546)	5 708 741
Share of surplus in associate	-	-	-	-	-	-	-	-	-	-	-	17 774	-	17 774
Taxation	-	-	-	-	-	-	-	-	-	46 425	-	-	-	46 425
Attributable to non-controlling interest	-	-	-	-	-	-	-	-	-	(64 045)	-	-	-	(64 045)
NET SURPLUS FROM OPERATIONS	1 729 548	22 801	1 238 335	1 688 268	10 551 258	(6 099 974)	(3 573 344)	-	5 556 892	170 631	(5 856)	17 774	(30 546)	5 708 895

SEGMENT REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2023														
	Water management	Wastewater management	Waste management	Energy sources	Municipal governance and administration	Community and public safety	Economic and environmental services	Inter-segment offsetting	TOTAL CITY OF CAPE TOWN	CTICC	CTS	Atlantis SEZ	Inter-company offsetting	TOTAL ECONOMIC ENTITY	
STATEMENT OF FINANCIAL POSITION															
ASSETS															
Non-current assets	6 699 107	7 319 377	1 900 095	10 692 781	13 713 973	9 909 749	15 795 005	-	66 030 087	560 651	2 647	-	(289 208)	66 304 177	
Current assets	1 037 447	479 029	287 523	1 799 821	16 332 077	375 562	105 532	-	20 416 991	335 993	21 174	-	(184 463)	20 589 695	
TOTAL ASSETS	7 736 554	7 798 406	2 187 618	12 492 602	30 046 050	10 285 311	15 900 537	-	86 447 078	896 644	23 821	-	(473 671)	86 893 872	
LIABILITIES															
Non-current liabilities	194 378	104 279	880 184	603 959	9 299 879	857 674	304 244	-	12 244 597	-	-	-	-	12 244 597	
Current liabilities	2 004 210	2 242 011	202 656	2 905 869	2 715 279	1 010 876	1 397 439	-	12 478 340	137 571	24 878	-	(15 988)	12 624 801	
TOTAL LIABILITIES	2 198 588	2 346 290	1 082 840	3 509 828	12 015 158	1 868 550	1 701 683	-	24 722 937	137 571	24 878	-	(15 988)	24 869 398	
ADDITIONS TO PPE AND OTHER ASSETS	710 922	1 060 185	368 262	1 003 581	1 319 810	1 236 733	1 259 563	-	6 959 056	26 580	-	-	-	6 985 636	
STATEMENT OF FINANCIAL PERFORMANCE															
REVENUE															
Exchange revenue	4 163 404	2 113 418	1 349 044	16 563 694	2 139 143	355 157	592 191	-	27 276 051	278 101	50 728	-	(61 677)	27 543 203	
Service charges	4 009 107	2 018 816	1 296 223	16 389 724	85 824	67 253	428 258	-	24 295 205	28 076	10 423	-	(37 421)	24 296 283	
Rental of letting stock and facilities	207	24	-	27	215 948	203 367	782	-	420 355	120 604	28 572	-	-	569 531	
Finance income	145 923	54 918	37 805	32 680	1 444 816	4 118	15 172	-	1 735 432	5 595	1 607	-	-	1 742 634	
Licences and permits	-	-	-	-	7	296	41 214	-	41 517	-	-	-	-	41 517	
Income from agency services	-	-	-	-	262 347	14 337	-	-	276 684	-	-	-	-	276 684	
Other income	7 786	39 584	14 981	139 148	48 481	64 289	105 898	-	420 167	123 826	10 126	-	(24 256)	529 863	
Gains on disposal of PPE	381	76	35	2 115	81 720	1 497	867	-	86 691	-	-	-	-	86 691	
Non-exchange revenue	428 877	1 117 697	557 905	316 153	16 334 049	4 275 009	1 785 362	-	24 815 052	-	41 699	-	(45 746)	24 811 005	
Service charges	18 301	18 473	14 081	-	-	-	1	-	50 856	-	-	-	-	50 856	
Finance income	-	-	-	-	124 173	-	-	-	124 173	-	-	-	-	124 173	
Other income	-	-	-	-	93 515	-	316 181	-	409 696	-	8 503	-	(8 503)	409 696	
Property rates	-	-	-	-	11 245 429	-	-	-	11 245 429	-	-	-	(4 047)	11 241 382	
Fuel levy	-	-	-	-	2 666 726	-	-	-	2 666 726	-	-	-	-	2 666 726	
Fines	80	4	157	10	1 158	1 974 236	8 774	-	1 984 419	-	-	-	-	1 984 419	
Government grants and subsidies	410 496	1 099 220	543 667	316 143	2 202 436	2 007 237	1 411 415	-	7 990 614	-	-	-	-	7 990 614	
Construction contracts	-	-	-	-	-	284 904	-	-	284 904	-	-	-	-	284 904	
Public contributions	-	-	-	-	612	8 632	48 991	-	58 235	-	33 196	-	(33 196)	58 235	
Inter-segment revenue	427 986	1 611 190	2 600 239	724 779	3 269 431	31 099	14 125	(8 678 849)	-	-	-	-	-	-	
TOTAL REVENUE	5 020 267	4 842 305	4 507 188	17 604 626	21 742 623	4 661 265	2 391 678	(8 678 849)	52 091 103	278 101	92 427	-	(107 423)	52 354 208	

SEGMENT REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2023													
	Water management	Wastewater management	Waste management	Energy sources	Municipal governance and administration	Community and public safety	Economic and environmental services	Inter-segment offsetting	TOTAL CITY OF CAPE TOWN	CTICC	CTS	Atlantis SEZ	Inter-company offsetting	TOTAL ECONOMIC ENTITY
EXPENDITURE	3 180 923	2 744 692	2 785 202	14 445 462	9 704 203	9 929 742	5 597 439	-	48 387 663	237 761	95 919	-	(109 302)	48 612 041
Employee-related costs	1 204 115	687 114	1 069 292	1 114 654	4 464 164	4 981 098	1 740 442	-	15 260 879	72 692	1 537	-	-	15 335 108
Remuneration of councillors	-	-	-	-	166 895	-	-	-	166 895	628	348	-	-	167 871
Impairment	383 747	107 743	108 513	296 398	246 392	1 881 851	15 390	-	3 040 034	(29 072)	-	-	-	3 010 962
Collection costs	2 495	1 045	922	-	144 806	54 408	-	-	203 676	-	1 380	-	-	205 056
Depreciation and amortisation expense	263 652	247 101	78 694	416 082	848 791	634 467	752 271	-	3 241 058	40 128	-	-	-	3 281 186
Finance costs	-	-	57 196	-	711 748	-	-	-	768 944	-	-	-	-	768 944
Bulk purchases¹	147 220	-	-	11 812 159	-	-	-	-	11 959 379	-	-	-	-	11 959 379
Contracted services	89 660	704 276	766 536	205 500	137 762	124 451	1 155 154	-	3 183 339	13 733	7 251	-	(368)	3 203 955
Grants and subsidies paid	27 324	450	-	2 350	169 622	33 196	115 306	-	348 248	-	-	-	(33 196)	315 052
General expenses¹	1 062 615	996 948	704 027	597 995	2 811 563	2 218 669	1 818 830	-	10 210 647	139 652	85 403	-	(75 738)	10 359 964
Loss on disposal of PPE	95	15	22	324	2 460	1 602	46	-	4 564	-	-	-	-	4 564
Inter-segment expenses	351 210	1 822 520	701 007	2 454 052	2 571 118	651 534	127 408	(8 678 849)	-	-	-	-	-	-
TOTAL EXPENDITURE	3 532 133	4 567 212	3 486 209	16 899 514	12 275 321	10 581 276	5 724 847	(8 678 849)	48 387 663	237 761	95 919	-	(109 302)	48 612 041
SURPLUS FROM OPERATIONS	1 488 134	275 093	1 020 979	705 112	9 467 302	(5 920 011)	(3 333 169)	-	3 703 440	40 340	(3 492)	-	1 879	3 742 167
Share of surplus in associate	-	-	-	-	-	-	-	-	-	-	-	13 341	-	13 341
Taxation	-	-	-	-	-	-	-	-	-	(19 173)	-	-	-	(19 173)
Attributable to non-controlling interest	-	-	-	-	-	-	-	-	-	(5 776)	-	-	-	(5 776)
NET SURPLUS FROM OPERATIONS	1 488 134	275 093	1 020 979	705 112	9 467 302	(5 920 011)	(3 333 169)	-	3 703 440	15 391	(3 492)	13 341	1 879	3 730 559

¹ See notes 29 and 31 for more details.

SEGMENT REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

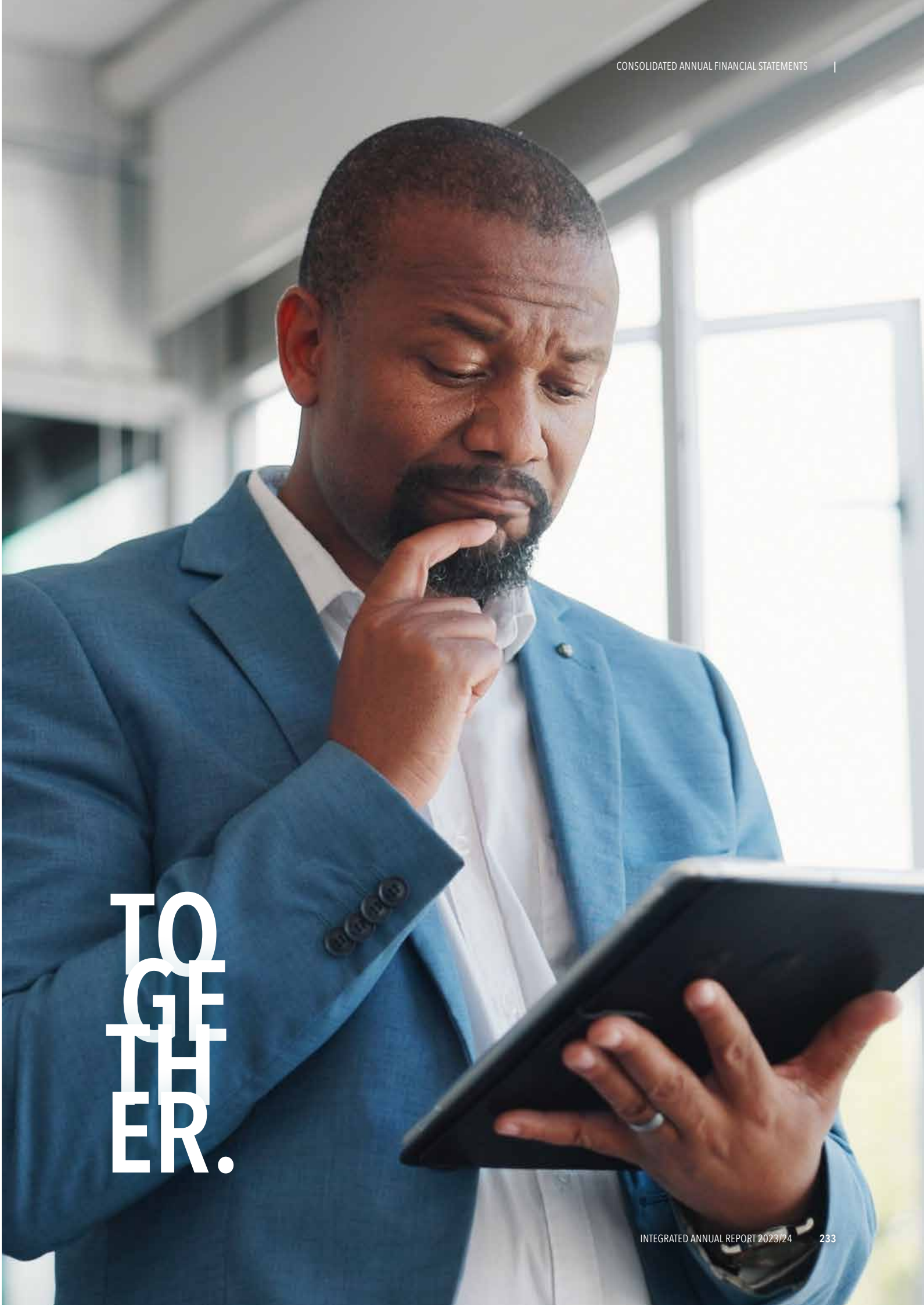
DESCRIPTION OF SEGMENTS AND PRINCIPAL ACTIVITIES

The following summary describes the principal activities and operations of each reportable segment.

REPORTABLE SEGMENTS	PRINCIPAL ACTIVITIES AND OPERATIONS
Water management	Providing residents, business and industry with clean, safe and reliable drinking water. This entails many diverse activities, from the management of water catchment areas and water storage, to distribution.
Wastewater management	Treating wastewater and safely disposing of it back into the environment.
Waste management	Collecting and disposing of waste in a safe manner, as required by legislation. Ensuring the general cleanliness of the city's streets, public spaces, beaches and rivers.
Energy sources	Distributing electricity to residential, commercial and industrial customers in Cape Town, and providing the link between Eskom and electricity consumers. Constructing and maintaining the equipment that transforms the power supply for consumers' needs.
Municipal governance and administration	All aspects of governance and the centralised financial administration of the City. Various transactions are managed and administered centrally.
Community and public safety	Community and social services, sport and recreation facilities, crime prevention, traffic enforcement, public housing and health. These activities are performed by various departments with aligned objectives.
Economic and environmental services	Urban planning and development, transport, road maintenance and environmental protection. These activities are performed by various departments with aligned objectives.
CTICC	Providing facilities to host conferences and conventions, with the objective of promoting Cape Town as a tourism city.
CTS	Managing and operating Cape Town Stadium on behalf of the City. The vision is to provide a world-class facility for the hosting of major sports events and become the premium venue of choice.

CENTRALLY INCURRED ASSETS, LIABILITIES, REVENUE AND EXPENDITURE

Value-added tax (VAT), cash, investments, borrowings and unspent grants have not been allocated to individual segments, as these are managed centrally by the City's Treasury Department. Similarly, external interest relating to cash, investments or borrowings is not allocated to individual segments. All these items are allocated to the "Municipal governance and administration" segment.



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT

Exposure to currency, interest rate, liquidity and credit risk arises in the normal course of the Entity's operations. This note presents information about the Entity's exposure to each of the above risks, the policies and processes for measuring and managing risk, as well as the Entity's management of capital. Further quantitative disclosures are included throughout these financial statements.

The accounting policy for financial instruments was applied to the following statement of financial position items:

	ECONOMIC ENTITY			
	Amortised cost	Fair value	Total carrying amount	Fair value
2024				
Financial assets				
Investments	2 145 941	7 010 219	9 156 160	9 175 606
Long-term receivables	438	-	438	438
Contractual receivables	4 484 939	-	4 484 939	4 484 939
Cash and cash equivalents	5 793 802	1 651 288	7 445 090	7 445 090
TOTAL	12 425 120	8 661 507	21 086 627	21 106 073
Statutory assets				
Receivables	3 198 319	-	3 198 319	3 198 319
2023				
Financial assets				
Investments	2 965 088	6 800 285	9 765 373	9 736 315
Long-term receivables	1 308	-	1 308	1 308
Contractual receivables ¹	3 944 226	-	3 944 226	3 944 226
Cash and cash equivalents	7 124 721	1 095 132	8 219 853	8 219 853
TOTAL	14 035 343	7 895 417	21 930 760	21 901 702
Statutory assets				
Receivables ¹	3 384 781	-	3 384 781	3 384 781

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R171,02 million was reclassified from contractual to statutory.

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

	CITY OF CAPE TOWN				
	Amortised cost	Fair value	Cost	Total carrying amount	Fair value
2024					
Financial assets					
Investments	2 145 941	7 010 219	327 935	9 484 095	9 503 541
Long-term receivables	438	-	-	438	438
Contractual receivables	4 408 581	-	-	4 408 581	4 408 581
Cash and cash equivalents	5 636 287	1 651 288	-	7 287 575	7 287 575
TOTAL	12 191 247	8 661 507	327 935	21 180 689	21 200 135
Statutory assets					
Receivables	3 199 138	-	-	3 199 138	3 199 138
2023					
Financial assets					
Investments	2 965 088	6 800 285	327 935	10 093 308	10 064 250
Long-term receivables	1 308	-	-	1 308	1 308
Contractual receivables ¹	3 886 117	-	-	3 886 117	3 886 117
Cash and cash equivalents	7 015 649	1 095 132	-	8 110 781	8 110 781
TOTAL	13 868 162	7 895 417	327 935	22 091 514	22 062 456
Statutory assets					
Receivables ¹	3 386 284	-	-	3 386 284	3 386 284

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R169,31 million was reclassified from contractual to statutory.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

	ECONOMIC ENTITY		
	Amortised cost	Total carrying amount	Fair value
2024			
Non-derivative financial liabilities			
Borrowings	6 697 334	6 697 334	6 608 708
Payables	7 019 362	7 019 362	7 019 362
TOTAL	13 716 696	13 716 696	13 628 070
Derivative financial liabilities			
Forward exchange contracts	4 247	4 247	4 247
2023			
Non-derivative financial liabilities			
Borrowings	7 349 660	7 349 660	7 288 882
Payables	6 302 969	6 302 969	6 302 969
TOTAL	13 652 629	13 652 629	13 591 851
Derivative financial liabilities			
Forward exchange contracts	-	-	-
	CITY OF CAPE TOWN		
	Amortised cost	Total carrying amount	Fair value
2024			
Non-derivative financial liabilities			
Borrowings	6 697 334	6 697 334	6 608 708
Payables	6 947 877	6 947 877	6 947 877
TOTAL	13 645 211	13 645 211	13 556 585
Derivative financial liabilities			
Forward exchange contracts	4 247	4 247	4 247
2023			
Non-derivative financial liabilities			
Borrowings	7 349 660	7 349 660	7 288 882
Payables	6 250 815	6 250 815	6 250 815
TOTAL	13 600 475	13 600 475	13 539 697
Derivative financial liabilities			
Forward exchange contracts	-	-	-



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

1.1 FAIR VALUES

The following table analyses financial instruments carried at fair value at the end of the reporting period, by level of fair-value hierarchy. The different levels are based on the extent to which quoted prices are used in the calculation of the fair value of the financial instruments, and have been defined as follows:

Level 1: Fair values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

Level 2: Fair values are calculated using valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Fair values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data, and the unobservable inputs have a significant effect on the instrument's valuation. Also, this category includes instruments that are valued based on quoted prices for similar instruments, where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.



1. FINANCIAL RISK MANAGEMENT (CONTINUED)

1.1 FAIR VALUES (CONTINUED)

	ECONOMIC ENTITY			
	Level 1	Level 2	Level 3	Total
2024				
Financial assets				
Investments	2 542 338	4 467 881	-	7 010 219
Cash and cash equivalents	-	1 651 288	-	1 651 288
TOTAL	2 542 338	6 119 169	-	8 661 507
Financial liabilities				
Borrowings	6 697 334	-	-	6 697 334
Derivative financial liabilities				
Forward exchange contracts	4 247	-	-	4 247
2023				
Financial assets				
Investments	2 549 121	4 251 164	-	6 800 285
Cash and cash equivalents	-	1 095 132	-	1 095 132
TOTAL	2 549 121	5 346 296	-	7 895 417
Financial liabilities				
Borrowings	7 349 660	-	-	7 349 660
Derivative financial liabilities				
Forward exchange contracts	-	-	-	-
CITY OF CAPE TOWN				
	Level 1	Level 2	Level 3	Total
	Level 1	Level 2	Level 3	Total
2024				
Financial assets				
Investments	2 542 338	4 467 881	-	7 010 219
Cash and cash equivalents	-	1 651 288	-	1 651 288
TOTAL	2 542 338	6 119 169	-	8 661 507
Financial liabilities				
Borrowings	6 697 334	-	-	6 697 334
Derivative financial liabilities				
Forward exchange contracts	4 247	-	-	4 247
2023				
Financial assets				
Investments	2 549 121	4 251 164	-	6 800 285
Cash and cash equivalents	-	1 095 132	-	1 095 132
TOTAL	2 549 121	5 346 296	-	7 895 417
Financial liabilities				
Borrowings	7 349 660	-	-	7 349 660
Derivative financial liabilities				
Forward exchange contracts	-	-	-	-

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

1.2 LIQUIDITY RISK

Liquidity risk is the risk of the Entity not being able to meet its obligations as they fall due. The Entity's approach to managing liquidity risk is to ensure that sufficient cash is available to meet its expected operating expenses and liabilities when due, without incurring unacceptable losses or risking damage to the Entity's reputation. This is achieved by using cash flow forecasts.

The following are contractual liabilities of which interest is included in borrowings:

	ECONOMIC ENTITY			
	Up to 1 year	1-5 years	>5 years	Total
2024				
Non-derivative financial liabilities	10 298 823	3 149 370	3 397 143	16 845 336
Borrowings	3 279 461	3 149 370	3 397 143	9 825 974
Capital repayments	2 603 527	1 819 203	2 274 604	6 697 334
Interest	675 934	1 330 167	1 122 539	3 128 640
Payables	7 019 362	-	-	7 019 362
Derivative liabilities	4 247	-	-	4 247
Forward exchange contracts	4 247	-	-	4 247
TOTAL	10 303 070	3 149 370	3 397 143	16 849 583

	CITY OF CAPE TOWN			
	Up to 1 year	1-5 years	>5 years	Total
2024				
Non-derivative financial liabilities	10 227 338	3 149 370	3 397 143	16 773 851
Borrowings	3 279 461	3 149 370	3 397 143	9 825 974
Capital repayments	2 603 527	1 819 203	2 274 604	6 697 334
Interest	675 934	1 330 167	1 122 539	3 128 640
Payables	6 947 877	-	-	6 947 877
Derivative liabilities	4 247	-	-	4 247
Forward exchange contracts	4 247	-	-	4 247
TOTAL	10 231 585	3 149 370	3 397 143	16 778 098

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

1.3 CREDIT RISK

Credit risk is the risk of financial loss to the Entity if customers or counterparties to financial instruments fail to meet their contractual obligations, and arises principally from the Entity's investments, receivables, and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 30 June was as follows:

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Financial assets	21 086 627	21 930 760	20 852 754	21 763 579
Investments	9 156 160	9 765 373	9 156 160	9 765 373
Long-term receivables – see note 7	438	1 308	438	1 308
Contractual receivables ¹	4 484 939	3 944 226	4 408 581	3 886 117
Cash and cash equivalents	7 445 090	8 219 853	7 287 575	8 110 781
Statutory assets				
Receivables ¹	3 198 319	3 384 781	3 199 138	3 386 284
TOTAL	24 284 946	25 315 541	24 051 892	25 149 863

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R171,02 million was reclassified from contractual to statutory.

INVESTMENTS, AND CASH AND CASH EQUIVALENTS

The Entity limits its exposure to credit risk by investing with only reputable financial institutions that have a sound credit rating, and within specific guidelines set in accordance with Council's approved investment policy. Consequently, the Entity does not consider there to be any significant exposure to credit risk.

LONG-TERM RECEIVABLES

Loans were granted and are managed in accordance with policies and regulations as set out in note 7. The associated interest rates and repayments are clearly defined and, where appropriate, the Entity obtains certain suitable forms of security when granting loans. Allowances for impairment are made in certain instances. No further loans have been awarded.

RECEIVABLES

Receivables are amounts owing by consumers, and are presented net of impairment losses. The Entity has a credit risk policy in place, and the exposure to credit risk is monitored on an ongoing basis. The Entity is compelled in terms of its constitutional mandate to provide all its residents with basic minimum services, without recourse to an assessment of creditworthiness. The objectives, policies and processes for managing and measuring the Entity's risk during the year in review have remained stable. The Entity's strategy for managing risk is inherent in its credit control and debt collection as well as tariff policy measures, which include encouraging residents to install prepaid electricity meters. In certain instances, a deposit is required for new service connections.

The Entity's maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position. The Entity has no significant concentration of credit risk, with exposure spread over multiple consumers and not concentrated in any particular sector or geographic area. The Entity establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. The outstanding amounts of the ten largest trade debtors represent R276,40 million (2023: R238,42 million). The average credit period on services rendered is 30 days from date of invoice. Interest is raised at prime plus 1% on any unpaid accounts after the due date. Receivables are provided for based on estimated irrecoverable amounts, as explained in the accounting policy. Additional information relating to the analysis of receivables is given in note 9.

Payments on accounts of consumer debtors who are unable to pay due to an adverse change in their circumstances are renegotiated as part of an ongoing customer relationship. Traffic fines can be disputed in writing, which can lead to a renegotiated fine.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

1.4 CAPITAL MANAGEMENT

The primary objective of managing the Entity’s capital is to ensure that there is sufficient cash available to support the Entity’s funding requirements, including capital expenditure, so that the Entity remains financially sound. This is done by means of the following key ratios:

- **Cost coverage ratio**, which is used to calculate the Entity’s ability to meet its monthly operating commitments from cash and short-term investments without collecting any additional revenue during that month.
- **Net-debt-to-income ratio**, which is used to determine the affordability of total borrowings to be funded from operating revenue.

1.5 PRICE RISK

The Entity is exposed to price risk because of investments held by the Entity and classified as financial instruments carried at fair value. The Entity is not exposed to commodity price risk. To manage its price risk arising from investments, the Entity diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Entity. The exposure to price risk is not material to the Entity and, consequently, is not elaborated on any further.

1.6 MARKET RISK

Market risk is the risk that changes in market prices such as interest rates and foreign-exchange rates may affect the Entity’s income or the value of its financial instrument holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on the risk.

1.6.1 INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The Entity’s exposure to the risk of changes in market rates relates primarily to the Entity’s investments with floating interest rates.

The effective rates on financial instruments as at 30 June 2024 were as follows:

MATURITY OF INTEREST-BEARING ASSETS/LIABILITIES

	ECONOMIC ENTITY				
	Weighted average interest rate %	1 year or less	1–5 years	>5 years	Total
Financial assets					
Investments	8,66	6 911 967	3 867 763	27 718	10 807 448
Cash and cash equivalents	9,67	5 793 802	-	-	5 793 802
TOTAL		12 705 769	3 867 763	27 718	16 601 250
Financial liabilities					
Borrowings	10,15	2 603 527	1 819 203	2 274 604	6 697 334

1. FINANCIAL RISK MANAGEMENT (CONTINUED)

1.6 MARKET RISK (CONTINUED)

1.6.1 INTEREST RATE RISK (CONTINUED)

MATURITY OF INTEREST-BEARING ASSETS/LIABILITIES (CONTINUED)

	CITY OF CAPE TOWN				
	Weighted average interest rate %	1 year or less	1–5 years	>5 years	Total
Financial assets					
Investments	8,66	6 911 967	3 867 763	27 718	10 807 448
Cash and cash equivalents	9,67	5 636 287	-	-	5 636 287
TOTAL		12 548 254	3 867 763	27 718	16 443 735
Financial liabilities					
Borrowings	10,15	2 603 527	1 819 203	2 274 604	6 697 334

SENSITIVITY ANALYSIS

Financial assets

As at 30 June 2024, if the weighted average interest rate at that date had been 100 basis points higher, with all other variables held constant, the fair-value impact on the statement of financial performance would have been R152,54 million (2023: R182,04 million), with the opposite effect if the interest rate had been 100 basis points lower. The sensitivity analysis is performed by dividing the total investment interest earned for the year by the average interest rate earned to give the effect of a one-percent movement in interest rates.

Financial liabilities

As at 30 June 2024, if the interest rate on the Nedbank loan 830021027 at that date had been 100 basis points higher, with all other variables held constant, the fair-value impact on the statement of financial performance would have been R0,247 million (2023: nil) with the opposite effect if the interest rate had been 100 basis points lower. The sensitivity analysis is performed by computing the difference between the year’s interest expense on the Nedbank loan at the current rate of 10,342% and at a rate of 1% higher/lower.

1.6.2 CURRENCY RISK

The Entity is exposed to foreign-currency risk through the importation of goods and services, either directly or indirectly, via the award of contracts to local importers. The Entity manages any material direct exposure to foreign-currency risk by entering into forward exchange contracts. The Entity manages its indirect exposure by requiring the local importer to take out a forward exchange contract at the time of procurement so as to predetermine the rand value of the contracted goods or services.

SENSITIVITY ANALYSIS

Financial liability

As at 30 June 2024, if the foreign-exchange rate at that date had been 5% higher, with all other variables held constant, the surplus for the year would have been R8,7 million less due to the changes in the carrying value of the foreign-exchange liability at the reporting date, with the opposite effect if the foreign exchange rate had been 5% lower.

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FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

2. PROPERTY, PLANT AND EQUIPMENT

ECONOMIC ENTITY						
	As at 30 June 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Land and buildings	7 042 023	(2 373 199)	4 668 824	6 631 233	(2 339 027)	4 292 206
Infrastructure	66 533 167	(21 293 857)	45 239 310	59 950 037	(19 500 212)	40 449 825
Community	5 881 560	(2 123 638)	3 757 922	5 637 906	(1 998 328)	3 639 578
Other	15 686 368	(8 871 068)	6 815 300	14 212 705	(8 145 343)	6 067 362
Living resources	1 312	(802)	510	1 088	(882)	206
Service concession	6 376 347	(3 537 693)	2 838 654	6 336 966	(3 318 665)	3 018 301
Housing rental stock	3 437 764	(1 478 637)	1 959 127	3 436 277	(1 463 570)	1 972 707
TOTAL	104 958 541	(39 678 894)	65 279 647	96 206 212	(36 766 027)	59 440 185

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Disposals	Depreciation	Impairment	Carrying value
As at 30 June 2024							
Land and buildings	4 292 206	61 273	279 995	(86)	(42 906)	78 342	4 668 824
Infrastructure	40 449 825	(25 533)	6 608 388	(33)	(1 793 337)	-	45 239 310
Community	3 639 578	32 568	210 539	-	(124 763)	-	3 757 922
Other	6 067 362	(88 342)	1 938 878	(39 178)	(1 056 820)	(6 600)	6 815 300
Living resources	206	-	340	-	(36)	-	510
Service concession	3 018 301	(3)	47 041	(168)	(226 517)	-	2 838 654
Housing rental stock	1 972 707	(14 823)	112 171	(2 341)	(108 587)	-	1 959 127
TOTAL	59 440 185	(34 860)	9 197 352	(41 806)	(3 352 966)	71 742	65 279 647

(See annexure B for more details.)

As at 30 June 2023

Land and buildings	4 212 606	71 100	120 467	(29 881)	(97 196)	15 110	4 292 206
Infrastructure	36 897 654	133 895	5 051 478	(788)	(1 632 414)	-	40 449 825
Community	3 646 282	(3 256)	118 562	-	(121 645)	(365)	3 639 578
Other	5 866 423	(273 869)	1 449 867	(19 689)	(954 559)	(811)	6 067 362
Living resources	383	-	2	(10)	(169)	-	206
Service concession	3 235 768	-	11 545	-	(225 784)	(3 228)	3 018 301
Housing rental stock	2 000 201	5 006	76 690	(1 579)	(107 611)	-	1 972 707
TOTAL	55 859 317	(67 124)	6 828 611	(51 947)	(3 139 378)	10 706	59 440 185

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

CITY OF CAPE TOWN						
	As at 30 June 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Land and buildings	5 605 843	(1 429 167)	4 176 676	5 203 457	(1 307 785)	3 895 672
Infrastructure	66 533 167	(21 293 857)	45 239 310	59 950 037	(19 500 212)	40 449 825
Community	5 881 560	(2 123 638)	3 757 922	5 637 906	(1 998 328)	3 639 578
Other	15 473 277	(8 716 998)	6 756 279	14 001 658	(7 986 997)	6 014 661
Living resources	1 312	(802)	510	1 088	(882)	206
Service concession	6 376 347	(3 537 693)	2 838 654	6 336 966	(3 318 665)	3 018 301
Housing rental stock	3 437 764	(1 478 637)	1 959 127	3 436 277	(1 463 570)	1 972 707
TOTAL	103 309 270	(38 580 792)	64 728 478	94 567 389	(35 576 439)	58 990 950

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Disposals	Depreciation	Impairment	Carrying value
As at 30 June 2024							
Land and buildings	3 895 672	61 273	262 634	(46)	(18 461)	(24 396)	4 176 676
Infrastructure	40 449 825	(25 533)	6 608 388	(33)	(1 793 337)	-	45 239 310
Community	3 639 578	32 568	210 539	-	(124 763)	-	3 757 922
Other	6 014 661	(88 342)	1 917 768	(39 003)	(1 042 205)	(6 600)	6 756 279
Living resources	206	-	340	-	(36)	-	510
Service concession	3 018 301	(3)	47 041	(168)	(226 517)	-	2 838 654
Housing rental stock	1 972 707	(14 823)	112 171	(2 341)	(108 587)	-	1 959 127
TOTAL	58 990 950	(34 860)	9 158 881	(41 591)	(3 313 906)	(30 996)	64 728 478

(See annexure B for more details.)

As at 30 June 2023

Land and buildings	3 830 479	71 100	111 018	(29 754)	(73 110)	(14 061)	3 895 672
Infrastructure	36 897 654	133 895	5 051 478	(788)	(1 632 414)	-	40 449 825
Community	3 646 282	(3 256)	118 562	-	(121 645)	(365)	3 639 578
Other	5 816 273	(273 869)	1 434 840	(19 514)	(942 258)	(811)	6 014 661
Living resources	383	-	2	(10)	(169)	-	206
Service concession	3 235 768	-	11 545	-	(225 784)	(3 228)	3 018 301
Housing rental stock	2 000 201	5 006	76 690	(1 579)	(107 611)	-	1 972 707
TOTAL	55 427 040	(67 124)	6 804 135	(51 645)	(3 102 991)	(18 465)	58 990 950

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

ASSETS UNDER CONSTRUCTION

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
Carrying value	2024	2023	2024	2023
Land and buildings	5 965	2 711	-	-
Infrastructure	6 975 037	5 054 844	6 975 037	5 054 844
Community	228 388	74 666	228 388	74 666
Other	572 941	283 365	572 941	283 365
Service concession	10 715	228	10 715	228
TOTAL	7 793 046	5 415 814	7 787 081	5 413 103
PPE projects				
Significantly delayed				
Infrastructure	476 527	365 135	476 527	365 135
Community	359	1 279	359	1 279
Other	12 299	2 191	12 299	2 191
TOTAL	489 185	368 605	489 185	368 605
The significant delays in the current year mainly relate to delays in the completion of work at various informal settlements and housing projects worth R295,98 million, the new Hout Bay and Noordhoek low-voltage depots worth R44,39 million, and the extension of the Vissershok landfill site worth R110,93 million.				
Halted				
Infrastructure	182 776	157 598	182 776	157 598
Community	359	359	359	359
Other	-	19 037	-	19 037
TOTAL	183 135	176 994	183 135	176 994
The halted projects in the current year mainly relate to civil unrest at informal settlements and housing projects worth R182,78 million.				

CAPITAL COMMITMENTS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
Approved and contracted-for capital expenditure	2024	2023	2024	2023
Infrastructure	9 228 049	9 257 528	9 228 049	9 257 528
Community	22 861	21 448	22 861	21 448
Other	222 301	86 310	216 012	81 677
TOTAL	9 473 211	9 365 286	9 466 922	9 360 653

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

REPAIRS AND MAINTENANCE

An amount of R3,83 billion (2023: R3,70 billion) was spent during the year in review. In determining this amount, the Entity has exclusively disclosed amounts charged by service providers.

RESIDUAL VALUE

During the current financial year, the Entity reviewed the estimated useful lives and residual values of PPE, where appropriate – see note 37.

IMPAIRMENT OF NON-CASH-GENERATING ASSETS

The recoverable amount of impaired assets is R142,78 million (2023: R26,28 million). Impairment losses arise mainly from damage to movable and immovable assets due to accidents and protest actions, storm damage, as well as impairment of land purchased for social housing purposes.

NON-LIVING RESOURCES

The Entity is responsible for the following non-living resources that do not meet the definition of an asset:

- Water in dams and reservoirs: Once treated, water is disclosed as inventory in note 8, and revenue for the sale of treated water is disclosed as service charges in note 19.
- Nature reserves, parks and the coastline: The entrance fees for these areas are not material.

SERVICE CONCESSION ASSETS

The City has made service concession arrangements with three operators on the MyCiTi integrated rapid transit (IRT) system as well as with the CTS. The assets involved are IRT buses, related depots and the CTS. However, the City does retain full control over the nature and extent of the services that the operators must perform.

IMPAIRMENT OF CASH-GENERATING ASSETS

The value-in-use amount of R483,1 million (2023: R380,3 million) for the CTICC 1 and CTICC 2 buildings combined exceeded the current carrying value of R380,4 million (2023: R351,1 million) for the relevant assets in that cash-generating unit. As a result, an impairment reversal of R102,7 million (2023: R29,1 million) was recognised at the reporting date.

Significant assumptions applied in arriving at the value-in-use are set out below:

- The restrictions imposed on the use of the facility and site in terms of the lease agreement and the memorandum of incorporation.
- The CTICC does not own the land on which the convention centre is constructed.
- The lack of an active market between a willing buyer and a willing seller, through an arm's-length transaction, based on which to determine the value of the convention centre.
- As a result of the above, the value-in-use of the cash-generating unit can only be attributed to the present value of the future cash flows generated through the convention centre itself. The recovery of operations following the lifting of the Covid-19 lockdown regulations has had a positive impact on current and future cash flows from the cash-generating unit and potentially points to an impairment reversal.
- No residual value could be attached to the convention centre at the end of its useful life due to its disposal being highly unlikely, with no reliable basis for measuring the disposal value.
- The value-in-use was estimated using a discounted flow model that incorporated approved budget figures for a three-year projection period. Cash flows were forecast for an additional four years, assuming revenue growth of 5,2% (2023: 5,5–6,0%).
- A discount rate of 14,38% (2023: 14,74%) was used. This was calculated using the risk-free rate of 10,06% (2023: 10,51%) associated with the ten-year government bond, adjusted by 4,32 (2023: 4,23) percentage points to take into account the company's long-term borrowing cost of 9,75% (2023: 9,75%), a beta coefficient of 0,76 (2023: 0,76), as well as a market risk premium of 6,10% (2023: 6,10%) for uncertainty regarding the timing and extent of future cash flows.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

3. HERITAGE ASSETS

	ECONOMIC ENTITY					
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Paintings and museum items	10 340	-	10 340	10 268	-	10 268

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Disposals	Carrying value
AS AT 30 JUNE 2024					
Paintings and museum items	10 268	-	77	(5)	10 340

(See annexure B for more details.)

As at 30 June 2023

Paintings and museum items	10 268	-	-	-	10 268
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Heritage assets are held at cost, as it is impracticable to determine their fair value.

	CITY OF CAPE TOWN					
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Paintings and museum items	10 340	-	10 340	10 268	-	10 268

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Disposals	Carrying value
AS AT 30 JUNE 2024					
Paintings and museum items	10 268	-	77	(5)	10 340

(See annexure B for more details.)

As at 30 June 2023

Paintings and museum items	10 268	-	-	-	10 268
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NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

4. INVESTMENT PROPERTY

ECONOMIC ENTITY						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Land and buildings	642 643	(68 251)	574 392	642 643	(66 537)	576 106

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Depreciation	Disposals	Carrying value
AS AT 30 JUNE 2024						
Land and buildings	576 106	-	-	(1 714)	-	574 392

(See annexure B for more details.)

As at 30 June 2023

Land and buildings	577 820	-	-	(1 714)	-	576 106
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CITY OF CAPE TOWN						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Cost price	Accumulated depreciation	Carrying value	Cost price	Accumulated depreciation	Carrying value
Land and buildings	642 643	(68 251)	574 392	642 643	(66 537)	576 106

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Depreciation	Disposals	Carrying value
AS AT 30 JUNE 2024						
Land and buildings	576 106	-	-	(1 714)	-	574 392

(See annexure B for more details.)

As at 30 June 2023

Land and buildings	577 820	-	-	(1 714)	-	576 106
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REPAIRS AND MAINTENANCE

An amount of R0,05 million (2023: R0,36 million) was spent during the year in review. In determining this amount, the Entity has exclusively disclosed amounts charged by service providers.

5. INTANGIBLE ASSETS

	ECONOMIC ENTITY					
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Cost price	Accumulated amortisation	Carrying value	Cost price	Accumulated amortisation	Carrying value
Acquisition of rights	561 443	(561 071)	372	561 441	(556 433)	5 008
Computer software	2 009 063	(1 169 936)	839 127	1 763 434	(1 031 102)	732 332
TOTAL	2 570 506	(1 731 007)	839 499	2 324 875	(1 587 535)	737 340

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Amortisation	Disposals	Carrying value
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AS AT 30 JUNE 2024

Acquisition of rights	5 008	-	-	(4 636)	-	372
Computer software	732 332	18 577	237 171	(148 903)	(50)	839 127
TOTAL	737 340	18 577	237 171	(153 539)	(50)	839 499

(See annexure B for more details.)

As at 30 June 2023

Acquisition of rights	16 283	-	-	(11 275)	-	5 008
Computer software	610 450	93 682	157 025	(128 819)	(6)	732 332
TOTAL	626 733	93 682	157 025	(140 094)	(6)	737 340

Included in computer software above are assets under construction of R107,08 million (2023: R27,58 million). This includes development to the value of R1,95 million (2023: nil) on which there was a significant delay.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

5. INTANGIBLE ASSETS (CONTINUED)

CITY OF CAPE TOWN						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Cost price	Accumulated amortisation	Carrying value	Cost price	Accumulated amortisation	Carrying value
Acquisition of rights	561 443	(561 071)	372	561 441	(556 433)	5 008
Computer software	1 998 769	(1 164 130)	834 639	1 752 784	(1 023 948)	728 836
TOTAL	2 560 212	(1 725 201)	835 011	2 314 225	(1 580 381)	733 844

RECONCILIATION

	Opening balance	Transfers/ adjustments	Additions	Amortisation	Disposals	Carrying value
Acquisition of rights	5 008	-	-	(4 636)	-	372
Computer software	728 836	18 577	231 813	(144 537)	(50)	834 639
TOTAL	733 844	18 577	231 813	(149 173)	(50)	835 011

(See annexure B for more details.)

As at 30 June 2023

Acquisition of rights	16 283	-	-	(11 275)	-	5 008
Computer software	605 317	93 682	154 921	(125 078)	(6)	728 836
TOTAL	621 600	93 682	154 921	(136 353)	(6)	733 844

CAPITAL COMMITMENTS

Approved and contracted-for capital expenditure	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Intangible assets	3 870	-	3 870	-
TOTAL	3 870	-	3 870	-

6. INVESTMENTS

	ECONOMIC ENTITY		
	Amortised cost	Fair value	Total
AS AT 30 JUNE 2024			
RSA Government stock	51 332	-	51 332
Guaranteed investment instruments	1 859 336	-	1 859 336
Other fixed deposits	5 563 927	-	5 563 927
Deposits held with fund managers	-	8 661 507	8 661 507
Net investments	7 474 595	8 661 507	16 136 102
Transferred to current investments	(2 094 609)	(3 166 071)	(5 260 680)
Transferred to cash and cash equivalents – see note 11	(5 328 654)	(1 651 288)	(6 979 942)
TOTAL	51 332	3 844 148	3 895 480

As at 30 June 2023

RSA Government stock	52 058	-	52 058
Guaranteed investment instruments	2 805 762	-	2 805 762
Other fixed deposits	6 730 312	-	6 730 312
Deposits held with fund managers	-	7 895 417	7 895 417
Net investments	9 588 132	7 895 417	17 483 549
Transferred to current investments	(1 235 876)	(3 139 209)	(4 375 085)
Transferred to cash and cash equivalents – see note 11	(6 623 044)	(1 095 132)	(7 718 176)
TOTAL	1 729 212	3 661 076	5 390 288

CITY OF CAPE TOWN				
	Amortised cost	Fair value	Cost	Total
AS AT 30 JUNE 2024				
RSA Government stock	51 332	-	-	51 332
Guaranteed investment instruments	1 859 336	-	-	1 859 336
Other fixed deposits	5 414 426	-	-	5 414 426
Deposits held with fund managers	-	8 661 507	-	8 661 507
Shares in: Atlantis SEZ Company SOC Ltd	-	-	56 500	56 500
CTICC	-	-	884 998	884 998
	7 325 094	8 661 507	941 498	16 928 099
Provision for impairment	-	-	(613 563)	(613 563)
Net investments	7 325 094	8 661 507	327 935	16 314 536
Transferred to current investments	(2 094 609)	(3 166 071)	-	(5 260 680)
Transferred to cash and cash equivalents – see note 11	(5 179 153)	(1 651 288)	-	(6 830 441)
TOTAL	51 332	3 844 148	327 935	4 223 415

As at 30 June 2023

RSA Government stock	52 058	-	-	52 058
Guaranteed investment instruments	2 805 762	-	-	2 805 762
Other fixed deposits	6 630 447	-	-	6 630 447
Deposits held with fund managers	-	7 895 417	-	7 895 417
Shares in: Atlantis SEZ Company SOC Ltd	-	-	56 500	56 500
CTICC	-	-	884 998	884 998
	9 488 267	7 895 417	941 498	18 325 182
Provision for impairment	-	-	(613 563)	(613 563)
Net investments	9 488 267	7 895 417	327 935	17 711 619
Transferred to current investments	(1 235 876)	(3 139 209)	-	(4 375 085)
Transferred to cash and cash equivalents – see note 11	(6 523 179)	(1 095 132)	-	(7 618 311)
TOTAL	1 729 212	3 661 076	327 935	5 718 223

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

6. INVESTMENTS (CONTINUED)

GUARANTEED INVESTMENT INSTRUMENTS

A total of R1,86 billion (2023: R2,80 billion) has been ring-fenced for the repayment of long-term liabilities – see note 12.

COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES (COID) INVESTMENTS

In terms of the COID Act 130 of 1993, the Compensation Commissioner (Department of Labour) is required to hold investments and guarantees as security for the City's liabilities under the act. The amounts constitute RSA Government stock (bonds) of R51,33 million (2023: R52,06 million) and cash-backed guarantees of R153,56 million (2023: R107,27 million).

7. LONG-TERM RECEIVABLES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Exchange transactions				
Other	36 256	36 371	36 256	36 371
Provision for impairment	(36 131)	(36 156)	(36 131)	(36 156)
	125	215	125	215
Housing selling developments	349	1 247	349	1 247
Provision for impairment	(36)	(154)	(36)	(154)
	313	1 093	313	1 093
	438	1 308	438	1 308
Transferred to current receivables	(205)	(612)	(205)	(612)
TOTAL	233	696	233	696
Reconciliation of impairment provision				
Balance at beginning of the year	36 310	39 104	36 310	39 104
Contribution from provisions	(143)	(2 794)	(143)	(2 794)
Balance as at 30 June	36 167	36 310	36 167	36 310

7. LONG-TERM RECEIVABLES (CONTINUED)

7.1 OTHER

SPORTING BODIES

To facilitate the development of sporting facilities, loans were historically issued to provide the necessary financial assistance. These loans attract interest at a rate of 3,63–12% per annum, and are repayable over a maximum period of 20 to 40 years.

HOUSING LAND SALE

The long-term loan to the Khayelitsha Community Trust (KCT) (sale of portion 1 to 3, erf 58856) is repayable over 18 years. Annual payments are received, with the final payment due in 2024.

PUBLIC ORGANISATIONS

Loans to public organisations were granted in terms of the National Housing Policy. At present, these loans attract interest at 1%, and are repayable over 30 years. With the implementation of the Municipal Finance Management Act (MFMA) and the Housing Act, no further loans have been awarded.

LITIGATION DEBTORS

The City is currently in a dispute with a service provider regarding an outstanding claim.

7.2 HOUSING SELLING DEVELOPMENT LOANS

Housing loans were historically granted to qualifying individuals in terms of the National Housing Policy. These loans currently attract interest at 11,75% (2023: 10,50%) per annum, and are repayable over 20 years. The interest rate is determined by Council policy.

The gross debt has decreased due to the implementation of the ownership regularisation programme, which helps raise awareness of the enhanced extended discount benefit scheme. This scheme assists qualifying beneficiaries and occupants with subsidies to accelerate the transfer of their properties.

8. INVENTORY

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Consumable stock	349 536	363 443	346 830	360 692
Water	46 300	41 692	46 300	41 692
Other goods held for use/resale	84 518	80 771	84 518	80 771
TOTAL	480 354	485 906	477 648	483 155

Inventory to the value of R0,47 million (2023: R3,90 million) was scrapped during the year, and R837,62 million (2023: R754,15 million) was expensed. Refer to note 29 for bulk water purchases.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024
All amounts indicated in Rand thousands (R’000)

9. RECEIVABLES

ECONOMIC ENTITY						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
FROM NON-EXCHANGE TRANSACTIONS	7 124 302	(4 008 861)	3 115 441	6 905 276	(3 670 667)	3 234 609
Statutory	7 100 516	(4 008 861)	3 091 655	6 884 424	(3 670 667)	3 213 757
Property rates debtors	3 719 715	(1 395 556)	2 324 159	3 878 457	(1 151 400)	2 727 057
City improvement district (CID) levies	92 302	(23 432)	68 870	89 826	(18 947)	70 879
Government subsidies	304 000	-	304 000	178 052	-	178 052
Traffic fines	2 984 499	(2 589 873)	394 626	2 738 089	(2 500 320)	237 769
Contractual	23 786	-	23 786	20 852	-	20 852
Other receivables ¹	23 786	-	23 786	20 852	-	20 852
FROM EXCHANGE TRANSACTIONS	10 498 407	(5 480 088)	5 018 319	9 422 598	(5 196 258)	4 226 340
Statutory	106 664	-	106 664	171 024	-	171 024
Other receivables ¹	106 664	-	106 664	171 024	-	171 024
Contractual	10 391 743	(5 480 088)	4 911 655	9 251 574	(5 196 258)	4 055 316
Electricity	2 889 718	(772 844)	2 116 874	2 402 009	(646 525)	1 755 484
Water	3 128 234	(2 039 329)	1 088 905	2 932 067	(1 936 411)	995 656
Sewerage	1 295 778	(763 603)	532 175	1 207 684	(728 916)	478 768
Refuse	749 350	(518 851)	230 499	812 827	(552 294)	260 533
Housing rental stock	1 002 399	(922 616)	79 783	961 868	(899 738)	62 130
Housing selling stock	224 426	(210 967)	13 459	220 951	(207 199)	13 752
Other receivables ¹	651 336	(251 878)	399 458	582 226	(225 175)	357 051
Payments made in advance	450 502	-	450 502	131 942	-	131 942
TOTAL	17 622 709	(9 488 949)	8 133 760	16 327 874	(8 866 925)	7 460 949

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R171,02 million was reclassified from contractual to statutory.

As at 30 June 2024, the receivables balance included an amount of R163,81 million (2023: R139,75 million) owed by National Government and Province.

RECONCILIATION OF IMPAIRMENT PROVISION

2024

Balance at beginning of the year
Contributions to provisions
Transfers from provisions
Bad debts written off
Balance as at 30 June

2023

Balance at beginning of the year
Contributions to provisions
Transfers from provisions
Bad debts written off
Balance as at 30 June

Non-exchange statutory	Exchange contractual	TOTAL
3 670 667	5 196 258	8 866 925
1 742 669	1 108 451	2 851 120
(6 478)	-	(6 478)
(1 397 997)	(824 621)	(2 222 618)
4 008 861	5 480 088	9 488 949
3 590 442	4 467 115	8 057 557
1 945 692	1 032 961	2 978 653
(1 769)	-	(1 769)
(1 863 698)	(303 818)	(2 167 516)
3 670 667	5 196 258	8 866 925

9. RECEIVABLES (CONTINUED)

ANALYSIS OF RECEIVABLES’ AGE IN DAYS FROM NON-EXCHANGE TRANSACTIONS

ECONOMIC ENTITY (CONTINUED)						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory	3 719 715	(1 395 556)	2 324 159	3 878 457	(1 151 400)	2 727 057
Property rates debtors	3 719 715	(1 395 556)	2 324 159	3 878 457	(1 151 400)	2 727 057
Not past due date	1 769 055	-	1 769 055	1 917 314	-	1 917 314
Past due						
0–90	407 811	(32 317)	375 494	495 421	(14 759)	480 662
91–180	167 161	(36 949)	130 212	219 672	(50 017)	169 655
181–365	278 527	(191 550)	86 977	275 274	(114 752)	160 522
365+	1 097 161	(1 134 740)	(37 579)	970 776	(971 872)	(1 096)
CID levies	92 302	(23 432)	68 870	89 826	(18 947)	70 879
Not past due date	45 364	(1 057)	44 307	39 522	(1 320)	38 202
Past due						
0–90	13 524	(315)	13 209	17 230	(576)	16 654
91–180	4 315	(101)	4 214	10 793	(360)	10 433
181–365	7 735	(180)	7 555	7 414	(248)	7 166
365+	21 364	(21 779)	(415)	14 867	(16 443)	(1 576)
Government subsidies	304 000	-	304 000	178 052	-	178 052
Not past due date	304 000	-	304 000	178 052	-	178 052
Traffic fines	2 984 499	(2 589 873)	394 626	2 738 089	(2 500 320)	237 769
Past due						
0–90	389 105	(315 421)	73 684	422 394	(374 545)	47 849
91–180	387 388	(314 028)	73 360	350 918	(311 165)	39 753
181–365	710 845	(576 233)	134 612	671 129	(595 102)	76 027
365+	1 497 161	(1 384 191)	112 970	1 293 648	(1 219 508)	74 140
Contractual	23 786	-	23 786	20 852	-	20 852
Other receivables	23 786	-	23 786	20 852	-	20 852
Not past due date	23 786	-	23 786	20 852	-	20 852
Contractual	23 786	-	23 786	20 852	-	20 852
TOTAL	7 124 302	(4 008 861)	3 115 441	6 905 276	(3 670 667)	3 234 609

The negative “Net balance” in the 365+ category represents payments received in respect of government accounts that have yet to be allocated to the respective service charge debt.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

9. RECEIVABLES (CONTINUED)

ANALYSIS OF RECEIVABLES' AGE IN DAYS FROM EXCHANGE TRANSACTIONS

ECONOMIC ENTITY (CONTINUED)						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory						
Other receivables ¹	106 664	-	106 664	171 024	-	171 024
Not past due date	106 664	-	106 664	171 024	-	171 024
	106 664	-	106 664	171 024	-	171 024
Contractual						
Electricity	2 889 718	(772 844)	2 116 874	2 402 009	(646 525)	1 755 484
Not past due date	1 467 045	-	1 467 045	1 112 668	-	1 112 668
Past due						
0-90	474 827	(10 122)	464 705	429 112	(3 852)	425 260
91-180	98 388	(21 129)	77 259	81 406	(12 585)	68 821
181-365	257 669	(158 788)	98 881	235 920	(94 466)	141 454
365+	591 789	(582 805)	8 984	542 903	(535 622)	7 281
Water	3 128 234	(2 039 329)	1 088 905	2 932 067	(1 936 411)	995 656
Not past due date	515 833	-	515 833	386 963	-	386 963
Past due						
0-90	351 503	(37 865)	313 638	318 883	(27 331)	291 552
91-180	222 357	(83 389)	138 968	231 576	(83 428)	148 148
181-365	330 960	(227 581)	103 379	331 944	(180 187)	151 757
365+	1 707 581	(1 690 494)	17 087	1 662 701	(1 645 465)	17 236
Sewerage	1 295 778	(763 603)	532 175	1 207 684	(728 916)	478 768
Not past due date	271 233	-	271 233	77 054	-	77 054
Past due						
0-90	165 137	(12 495)	152 642	282 536	(9 738)	272 798
91-180	87 952	(30 521)	57 431	93 517	(29 822)	63 695
181-365	126 181	(83 472)	42 709	125 123	(64 469)	60 654
365+	645 275	(637 115)	8 160	629 454	(624 887)	4 567

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R171,02 million was reclassified from contractual to statutory.

9. RECEIVABLES (CONTINUED)

ANALYSIS OF RECEIVABLES' AGE IN DAYS FROM EXCHANGE TRANSACTIONS (CONTINUED)

ECONOMIC ENTITY (CONTINUED)						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Contractual (continued)						
Refuse	749 350	(518 851)	230 499	812 827	(552 294)	260 533
Not past due date	88 311	-	88 311	77 634	-	77 634
Past due						
0-90	81 851	(8 096)	73 755	106 099	(10 459)	95 640
91-180	50 039	(16 529)	33 510	63 004	(24 961)	38 043
181-365	86 765	(57 359)	29 406	98 628	(55 271)	43 357
365+	442 384	(436 867)	5 517	467 462	(461 603)	5 859
Housing rental stock	1 002 399	(922 616)	79 783	961 868	(899 738)	62 130
Not past due date	-	-	-	-	-	-
Past due						
0-90	174 872	(130 594)	44 278	135 769	(105 153)	30 616
91-180	27 545	(20 571)	6 974	44 132	(34 180)	9 952
181-365	112 681	(84 150)	28 531	95 619	(74 057)	21 562
365+	687 301	(687 301)	-	686 348	(686 348)	-
Housing selling stock	224 426	(210 967)	13 459	220 951	(207 199)	13 752
Not past due date	-	-	-	-	-	-
Past due						
0-90	8 721	(1 584)	7 137	8 928	(1 783)	7 145
91-180	1 002	(104)	898	1 812	(248)	1 564
181-365	6 091	(667)	5 424	5 808	(765)	5 043
365+	208 612	(208 612)	-	204 403	(204 403)	-
Other receivables ¹	651 336	(251 878)	399 458	582 226	(225 175)	357 051
Not past due date	301 852	(1 351)	300 501	264 707	(419)	264 288
Past due						
0-90	42 407	(1 593)	40 814	39 540	(2 654)	36 886
91-180	18 908	(2 538)	16 370	5 887	(1 421)	4 466
181-365	51 698	(14 749)	36 949	61 137	(13 383)	47 754
365+	236 471	(231 647)	4 824	210 955	(207 298)	3 657
Payments made in advance	450 502	-	450 502	131 942	-	131 942
Not past due date	450 502	-	450 502	131 942	-	131 942
	10 391 743	(5 480 088)	4 911 655	9 251 574	(5 196 258)	4 055 316
TOTAL	10 498 407	(5 480 088)	5 018 319	9 422 598	(5 196 258)	4 226 340
TOTAL RECEIVABLES	17 622 709	(9 488 949)	8 133 760	16 327 874	(8 866 925)	7 460 949

The negative "Net balance" in the 365+ category represents payments received in respect of government accounts that have yet to be allocated to the respective service charge debt.

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R171,02 million was reclassified from contractual to statutory.



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GETHER.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

9. RECEIVABLES (CONTINUED)

CITY OF CAPE TOWN						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
FROM NON-EXCHANGE TRANSACTIONS	7 128 201	(4 008 861)	3 119 340	6 908 493	(3 670 667)	3 237 826
Statutory	7 104 415	(4 008 861)	3 095 554	6 887 641	(3 670 667)	3 216 974
Property rates debtors	3 723 614	(1 395 556)	2 328 058	3 881 674	(1 151 400)	2 730 274
City improvement district (CID) levies	92 302	(23 432)	68 870	89 826	(18 947)	70 879
Government subsidies	304 000	-	304 000	178 052	-	178 052
Traffic fines	2 984 499	(2 589 873)	394 626	2 738 089	(2 500 320)	237 769
Contractual	23 786	-	23 786	20 852	-	20 852
Other receivables	23 786	-	23 786	20 852	-	20 852
FROM EXCHANGE TRANSACTIONS	10 413 039	(5 478 737)	4 934 302	9 358 932	(5 195 839)	4 163 093
Statutory	103 584	-	103 584	169 310	-	169 310
Other receivables ¹	103 584	-	103 584	169 310	-	169 310
Contractual	10 309 455	(5 478 737)	4 830 718	9 189 622	(5 195 839)	3 993 783
Electricity	2 889 718	(772 844)	2 116 874	2 402 009	(646 525)	1 755 484
Water	3 128 234	(2 039 329)	1 088 905	2 932 067	(1 936 411)	995 656
Sewerage	1 295 778	(763 603)	532 175	1 207 684	(728 916)	478 768
Refuse	749 350	(518 851)	230 499	812 827	(552 294)	260 533
Housing rental stock	1 002 399	(922 616)	79 783	961 868	(899 738)	62 130
Housing selling stock	224 426	(210 967)	13 459	220 951	(207 199)	13 752
Other receivables ¹	573 627	(250 527)	323 100	523 698	(224 756)	298 942
Payments made in advance	445 923	-	445 923	128 518	-	128 518
TOTAL	17 541 240	(9 487 598)	8 053 642	16 267 425	(8 866 506)	7 400 919

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R169,31 million was reclassified from contractual to statutory.

As at 30 June 2024, the receivables balance included an amount of R163,81 million (2023: R139,75 million) owed by National Government and Province.

9. RECEIVABLES (CONTINUED)

RECONCILIATION OF IMPAIRMENT PROVISION

CITY OF CAPE TOWN (CONTINUED)			
	Non-exchange statutory	Exchange contractual	TOTAL
2024			
Balance at beginning of the year	3 670 667	5 195 839	8 866 506
Contributions to provisions	1 742 669	1 107 519	2 850 188
Transfers from provisions	(6 478)	-	(6 478)
Bad debts written off	(1 397 997)	(824 621)	(2 222 618)
Balance as at 30 June	4 008 861	5 478 737	9 487 598
2023			
Balance at beginning of the year	3 590 442	4 466 503	8 056 945
Contributions to provisions	1 945 692	1 032 961	2 978 653
Transfers from provisions	(1 769)	-	(1 769)
Bad debts written off	(1 863 698)	(303 625)	(2 167 323)
Balance as at 30 June	3 670 667	5 195 839	8 866 506

ANALYSIS OF RECEIVABLES’ AGE IN DAYS FROM NON-EXCHANGE TRANSACTIONS

	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory						
Property rates debtors	3 723 614	(1 395 556)	2 328 058	3 881 674	(1 151 400)	2 730 274
Not past due date	1 772 954	-	1 772 954	1 920 531	-	1 920 531
Past due						
0–90	407 811	(32 317)	375 494	495 421	(14 759)	480 662
91–180	167 161	(36 949)	130 212	219 672	(50 017)	169 655
181–365	278 527	(191 550)	86 977	275 274	(114 752)	160 522
365+	1 097 161	(1 134 740)	(37 579)	970 776	(971 872)	(1 096)
CID levies	92 302	(23 432)	68 870	89 826	(18 947)	70 879
Not past due date	45 364	(1 057)	44 307	39 522	(1 320)	38 202
Past due						
0–90	13 524	(315)	13 209	17 230	(576)	16 654
91–180	4 315	(101)	4 214	10 793	(360)	10 433
181–365	7 735	(180)	7 555	7 414	(248)	7 166
365+	21 364	(21 779)	(415)	14 867	(16 443)	(1 576)
Government subsidies	304 000	-	304 000	178 052	-	178 052
Not past due date	304 000	-	304 000	178 052	-	178 052

The negative “Net balance” in the 365+ category represents payments received in respect of government accounts that have yet to be allocated to the respective service charge debt.

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FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

9. RECEIVABLES (CONTINUED)

ANALYSIS OF RECEIVABLES’ AGE IN DAYS FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory (continued)						
Traffic fines	2 984 499	(2 589 873)	394 626	2 738 089	(2 500 320)	237 769
Past due						
0–90	389 105	(315 421)	73 684	422 394	(374 545)	47 849
91–180	387 388	(314 028)	73 360	350 918	(311 165)	39 753
181–365	710 845	(576 233)	134 612	671 129	(595 102)	76 027
365+	1 497 161	(1 384 191)	112 970	1 293 648	(1 219 508)	74 140
	7 104 415	(4 008 861)	3 095 554	6 887 641	(3 670 667)	3 216 974
Contractual						
Other receivables	23 786	-	23 786	20 852	-	20 852
Not past due date	23 786	-	23 786	20 852	-	20 852
	23 786	-	23 786	20 852	-	20 852
TOTAL	7 128 201	(4 008 861)	3 119 340	6 908 493	(3 670 667)	3 237 826

ANALYSIS OF RECEIVABLES’ AGE IN DAYS FROM EXCHANGE TRANSACTIONS

	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Statutory						
Other receivables¹	103 584	-	103 584	169 310	-	169 310
Not past due date	103 584	-	103 584	169 310	-	169 310
	103 584	-	103 584	169 310	-	169 310
Contractual						
Electricity	2 889 718	(772 844)	2 116 874	2 402 009	(646 525)	1 755 484
Not past due date	1 467 045	-	1 467 045	1 112 668	-	1 112 668
Past due						
0–90	474 827	(10 122)	464 705	429 112	(3 852)	425 260
91–180	98 388	(21 129)	77 259	81 406	(12 585)	68 821
181–365	257 669	(158 788)	98 881	235 920	(94 466)	141 454
365+	591 789	(582 805)	8 984	542 903	(535 622)	7 281
Contractual (continued)						

9. RECEIVABLES (CONTINUED)

ANALYSIS OF RECEIVABLES’ AGE IN DAYS FROM EXCHANGE TRANSACTIONS (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Water	3 128 234	(2 039 329)	1 088 905	2 932 067	(1 936 411)	995 656
Not past due date	515 833	-	515 833	386 963	-	386 963
Past due						
0–90	351 503	(37 865)	313 638	318 883	(27 331)	291 552
91–180	222 357	(83 389)	138 968	231 576	(83 428)	148 148
181–365	330 960	(227 581)	103 379	331 944	(180 187)	151 757
365+	1 707 581	(1 690 494)	17 087	1 662 701	(1 645 465)	17 236
	1 295 778	(763 603)	532 175	1 207 684	(728 916)	478 768
Sewerage						
Not past due date	271 233	-	271 233	77 054	-	77 054
Past due						
0–90	165 137	(12 495)	152 642	282 536	(9 738)	272 798
91–180	87 952	(30 521)	57 431	93 517	(29 822)	63 695
181–365	126 181	(83 472)	42 709	125 123	(64 469)	60 654
365+	645 275	(637 115)	8 160	629 454	(624 887)	4 567
	749 350	(518 851)	230 499	812 827	(552 294)	260 533
Refuse						
Not past due date	88 311	-	88 311	77 634	-	77 634
Past due						
0–90	81 851	(8 096)	73 755	106 099	(10 459)	95 640
91–180	50 039	(16 529)	33 510	63 004	(24 961)	38 043
181–365	86 765	(57 359)	29 406	98 628	(55 271)	43 357
365+	442 384	(436 867)	5 517	467 462	(461 603)	5 859
	1 002 399	(922 616)	79 783	961 868	(899 738)	62 130
Housing rental stock						
Not past due date	-	-	-	-	-	-
Past due						
0–90	174 872	(130 594)	44 278	135 769	(105 153)	30 616
91–180	27 545	(20 571)	6 974	44 132	(34 180)	9 952
181–365	112 681	(84 150)	28 531	95 619	(74 057)	21 562
365+	687 301	(687 301)	-	686 348	(686 348)	-
	224 426	(210 967)	13 459	220 951	(207 199)	13 752
Housing selling stock						
Not past due date	-	-	-	-	-	-
Past due						
0–90	8 721	(1 584)	7 137	8 928	(1 783)	7 145
91–180	1 002	(104)	898	1 812	(248)	1 564
181–365	6 091	(667)	5 424	5 808	(765)	5 043
365+	208 612	(208 612)	-	204 403	(204 403)	-

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R169,31 million was reclassified from contractual to statutory.

The negative "Net balance" in the 365+ category represents payments received in respect of government accounts that have yet to be allocated to the respective service charge debt.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

9. RECEIVABLES (CONTINUED)

ANALYSIS OF RECEIVABLES’ AGE IN DAYS FROM EXCHANGE TRANSACTIONS (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)						
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Gross balance	Allowance for impairment	Net balance	Gross balance	Allowance for impairment	Net balance
Contractual (continued)						
Other receivables¹	573 627	(250 527)	323 100	523 698	(224 756)	298 942
Not past due date	231 949	-	231 949	215 195	-	215 195
Past due						
0–90	37 296	(1 593)	35 703	32 929	(2 654)	30 275
91–180	16 213	(2 538)	13 675	3 482	(1 421)	2 061
181–365	51 698	(14 749)	36 949	61 137	(13 383)	47 754
365+	236 471	(231 647)	4 824	210 955	(207 298)	3 657
Payments made in advance	445 923	-	445 923	128 518	-	128 518
Not past due date	445 923	-	445 923	128 518	-	128 518
	10 309 455	(5 478 737)	4 830 718	9 189 622	(5 195 839)	3 993 783
TOTAL	10 413 039	(5 478 737)	4 934 302	9 358 932	(5 195 839)	4 163 093
TOTAL RECEIVABLES	17 541 240	(9 487 598)	8 053 642	16 267 425	(8 866 506)	7 400 919

¹ Comparative: The VAT refund is classified as a statutory receivable. As a result, the comparative amount of R169,31 million was reclassified from contractual to statutory.

The “Not past due date” category represents customers who have not exceeded the 30-day credit period granted by the City to pay their municipal accounts.

10. VALUE-ADDED TAX (VAT)

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
VAT receivable	630 093	528 560	626 851	526 010
Total VAT payable	(428 023)	(481 933)	(424 979)	(479 571)
VAT payable	(411 715)	(484 651)	(408 671)	(482 289)
Impairment adjustment	(16 308)	2 718	(16 308)	2 718
TOTAL	202 070	46 627	201 872	46 439

The VAT liability was impaired as a result of impairment against debtors. The City is registered for VAT on the payment basis.

11. CASH AND CASH EQUIVALENTS (BANK AND CASH)

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Amortised cost	5 793 802	7 124 721	5 636 287	7 015 649
Bank balance¹	392 052	495 040	384 253	486 048
Year-end accruals	887	1 423	887	1 423
Cash on hand and in transit	72 209	5 214	71 994	4 999
Call and short-term deposits – see note 6	5 328 654	6 623 044	5 179 153	6 523 179
Fair value – see note 6	1 651 288	1 095 132	1 651 288	1 095 132
Call and short-term deposits	1 620 875	1 074 769	1 620 875	1 074 769
Bank accounts managed by fund managers¹	30 413	20 363	30 413	20 363
TOTAL	7 445 090	8 219 853	7 287 575	8 110 781

¹ See annexure C for more details.

12. BORROWINGS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Marketable bonds	2 431 595	3 743 303	2 431 595	3 743 303
Concessionary loans	3 280 840	3 606 357	3 280 840	3 606 357
Other loans	984 899	-	984 899	-
Subtotal – see annexure A for more details	6 697 334	7 349 660	6 697 334	7 349 660
Transferred to current liabilities	(2 603 527)	(1 718 820)	(2 603 527)	(1 718 820)
TOTAL	4 093 807	5 630 840	4 093 807	5 630 840

A total of R1,86 billion (2023: R2,80 billion) has been ring-fenced for the repayment of long-term liabilities – see note 6.

MARKETABLE BONDS	2 431 595	3 743 303	2 431 595	3 743 303
Marketable bonds	2 431 595	3 743 303	2 431 595	3 743 303
In terms of the City's domestic medium-term note (DMTN) programme registered on the Johannesburg Stock Exchange (JSE) Limited, unsecured bonds totalling R2,35 billion are listed on the JSE. The two municipal bonds bear interest at fixed rates of 10,17% and 11,16% per annum respectively. Interest is payable semi-annually for both bonds. Capital will be redeemed by way of a bullet repayment on the final redemption date for CCT03, and by way of semi-annual capital redemptions for CCT04 (green bond). The municipal bonds are repayable on 15 March 2025 (CCT03) and 17 July 2027 (CCT04). A guaranteed investment instrument has been established with a financial institution, namely Liberty Group Limited, for the repayment of CCT03 by a once-off lump sum payment. Municipal bond CCT02 was repaid on 12 June 2024, using a guaranteed investment instrument from Rand Merchant Bank.				

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

12. BORROWINGS (CONTINUED)

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
CONCESSIONARY LOANS	3 280 840	3 606 357	3 280 840	3 606 357
Agence Française de Développement (AFD)	2 540 257	2 793 937	2 540 257	2 793 937
An unsecured loan received in the 2013 financial year, bearing interest at an average fixed rate of 5,76% per annum, as well as a loan received in the 2023 financial year, bearing interest at a fixed rate of 11,30% per annum, both repayable semi-annually in equal instalments of capital, with interest payable on the reducing balance. The first loan will be fully paid on 31 March 2028, and the second on 30 April 2038. Nominal value as at 30 June 2024 was R2,61 billion (2023: R2,91 billion).				
KfW Development Bank	740 583	812 420	740 583	812 420
An unsecured fixed-term concessionary loan, bearing interest at a fixed rate of 8,107% per annum, repayable semi-annually in equal instalments of capital, with interest payable on the reducing balance. This loan was received in three tranches: the first two during the 2019 financial year, and the third during the 2020 financial year. It will be fully paid on 15 November 2033. Nominal value as at 30 June 2024 was R816 million (2023: R902 million).				
OTHER LOANS	984 899	-	984 899	-
Nedbank Limited	984 899	-	984 899	-
A new unsecured loan, bearing interest at a variable rate, repayable semi-annually in equal instalments of capital, with interest payable on the reducing balance. The interest rate is reset every six months from the loan inception date. The interest rate applicable at 30 June 2024 was 10,34%. This loan is to be drawn in three tranches: the first tranche (R1 billion) was received on 21 June 2024, the second (R1 billion) will be received on 21 August 2024, and the third (R1,5 billion) on 23 December 2024. A loan fee amounting to R17,6 million was capitalised to the loan balance. This loan will be fully paid on 21 June 2039.				
TOTAL – see annexure A for more details	6 697 334	7 349 660	6 697 334	7 349 660

For more details about short-term debt facilities available to the Entity, see annexure C.

In compliance with paragraph 7.3(g) of the JSE listing requirements, Mr H Robbins, in his capacity as Manager: Treasury of City of Cape Town, has been appointed as the City's debt officer with effect from 12 October 2021.

In compliance with paragraph 7.16 of the JSE listing requirements, the City has no loans or procurement transactions with any related parties, domestic prominent influential persons or prescribed officers as defined by the JSE debt listing requirements.

13. RETIREMENT BENEFIT INFORMATION

The Entity makes provision for post-retirement benefits to eligible councillors and employees who belong to different pension schemes. These funds are governed by the Pension Funds Act 24 of 1956, and include both defined-benefit (DB) and defined-contribution (DC) schemes. Contributions of R1,74 billion (2023: R1,61 billion) to the DB and DC schemes are expensed as incurred during the year in review.

These schemes are subject to a triennial, biennial or annual actuarial valuation, as set out below.

13. RETIREMENT BENEFIT INFORMATION (CONTINUED)

13.1 DEFINED-BENEFIT SCHEMES

LA RETIREMENT FUND (MULTI-EMPLOYER FUND)

The last statutory actuarial valuation of the fund was performed as at 30 June 2022. An interim funding basis valuation at 30 June 2023 indicated an overall sound financial position with a R226,29 million surplus and an overall funding level of 106,9% at year-end.

SOUTH AFRICAN LOCAL AUTHORITIES (SALA) PENSION FUND (MULTI-EMPLOYER FUND)

The last statutory valuation of the fund at 1 July 2021 revealed a deficit of R2,08 billion and a funding level of 85,5%, having deteriorated since its previous statutory valuation at 1 July 2018, which indicated a deficit of R601,2 million and a funding level of 96%. That was prior to the approval of a scheme of arrangement (SOA) between the fund and all participating employers. The SOA required all participating employers to contribute an additional 2% per annum over the next five to six years to restore the fund to financial soundness.

An interim valuation performed at 1 July 2022 showed further deterioration, with a funding level of 84,2%. The conclusion was reached that there was no viable SOA that would meet the requirements as set out in the financial soundness notice. The board of the fund is considering options for the possible funding of the deficit.

13.2 DEFINED-CONTRIBUTION SCHEMES

- LA Retirement Fund (multi-employer fund)
- SALA Pension Fund (multi-employer fund)
- Cape Retirement Fund for Local Authorities (multi-employer fund)
- Municipal Councillors' Pension Fund (multi-employer fund)
- National Fund for Municipal Workers (multi-employer fund)
- Municipal Workers' Retirement Fund (multi-employer fund)
- Cape Town International Convention Centre Company SOC Limited (RF) Provident Fund

13.3 DEFINED-BENEFIT AND DEFINED-CONTRIBUTION SCHEME

CAPE MUNICIPAL PENSION FUND

The last statutory actuarial valuation of the fund was performed as at 30 June 2021. An interim actuarial valuation of the fund was performed at 30 June 2023, which certified it as being in a financially sound position.

	DB section	DC section	Total
In-service members	123	9 050	9 173
Pensioners	1 844	2 791	4 635
Membership as at 30 June 2023	1 967	11 841	13 808

	2023 R'million	2022 R'million
Past-service position: DB section	3 317	3 479
DC section	16 112	14 409
Total liabilities	19 429	17 888
Assets valued at market value	19 689	17 929
Actuarial surplus	194	37

The actuarial surplus is mainly attributable to the DB in-service members, and is not refundable to the employer.

Key financial assumptions	2023 %	2022 %
Actual employer contribution: DB section	20,25	20,25
DC section	18,00	18,00
Net discount rate: Pre-retirement	3,52	2,62
Post-retirement	4,52	3,62
Normal retirement age	65 years	65 years

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

14. PROVISIONS

	ECONOMIC ENTITY					
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Non-current	Current	Total	Non-current	Current	Total
Environmental rehabilitation	414 321	120 897	535 218	432 891	120 897	553 788
Long-service leave benefits	671 501	116 084	787 585	673 681	129 334	803 015
Post-retirement healthcare benefits	5 213 830	388 036	5 601 866	5 497 251	331 845	5 829 096
Leave and other provisions	6 852	1 228 002	1 234 854	9 934	1 131 635	1 141 569
TOTAL	6 306 504	1 853 019	8 159 523	6 613 757	1 713 711	8 327 468

MOVEMENT FOR THE YEAR

	Environmental rehabilitation	Long-service benefits	Post-retirement healthcare benefits	Leave and other provisions	Total
Opening balance	553 788	803 015	5 829 096	1 141 569	8 327 468
Service costs	-	64 369	56 427	260	121 056
Interest costs	44 183	89 077	721 056	1 425	855 741
Payments/utilised	(49 050)	(110 107)	(321 950)	(185 563)	(666 670)
Additional provision raised	-	-	-	1 429 011	1 429 011
Reversals	-	-	-	(1 206 766)	(1 206 766)
Actuarial gains	-	(58 769)	(682 763)	(3 100)	(744 632)
Remeasurement	(13 703)	-	-	58 018	44 315
TOTAL	535 218	787 585	5 601 866	1 234 854	8 159 523

	CITY OF CAPE TOWN					
	AS AT 30 JUNE 2024			As at 30 June 2023		
	Non-current	Current	Total	Non-current	Current	Total
Environmental rehabilitation	414 321	120 897	535 218	432 891	120 897	553 788
Long-service benefits	671 501	116 084	787 585	673 681	129 334	803 015
Post-retirement healthcare benefits	5 213 830	388 036	5 601 866	5 497 251	331 845	5 829 096
Leave and other provisions	6 852	1 220 167	1 227 019	9 934	1 127 845	1 137 779
TOTAL	6 306 504	1 845 184	8 151 688	6 613 757	1 709 921	8 323 678

MOVEMENT FOR THE YEAR

	Environmental rehabilitation	Long-service benefits	Post-retirement healthcare benefits	Leave and other provisions	Total
Opening balance	553 788	803 015	5 829 096	1 137 779	8 323 678
Service costs	-	64 369	56 427	260	121 056
Interest costs	44 183	89 077	721 056	1 425	855 741
Payments/utilised	(49 050)	(110 107)	(321 950)	(181 423)	(662 530)
Additional provision raised	-	-	-	1 420 826	1 420 826
Reversed	-	-	-	(1 206 766)	(1 206 766)
Actuarial gains	-	(58 769)	(682 763)	(3 100)	(744 632)
Remeasurements	(13 703)	-	-	58 018	44 315
TOTAL	535 218	787 585	5 601 866	1 227 019	8 151 688



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

14. PROVISIONS (CONTINUED)

14.1 ENVIRONMENTAL REHABILITATION

In terms of the Entity's licensing stipulations for waste landfill sites, provision is made for the estimated cost of rehabilitating waste sites for the portion of land used or contaminated at the reporting date. The provision has been determined based on an independent valuation performed by a firm of consulting engineers on 30 June 2024.

Key cost parameters	2024	2023
Estimated dates of reaching full capacity	Between 2030 and 2041	Between 2018 and 2044
Estimated post-closure rehabilitation time	4 years	4 years
Post-closure monitoring period	30 years	30 years
Average estimated annual inflation rate	5,28%	7,22%
Discount rate at the average borrowing rate	12,12%	12,48%

14.2 LONG-SERVICE BENEFITS

An actuarial valuation has been performed of the Entity's liability for vested long-service benefits to which employees may become entitled upon completion of ten years' service and every five years thereafter. The provision is utilised when eligible employees receive the value of the vested benefits.

DISCOUNT RATE

The nominal and real-zero curves were used to determine the discount rates and consumer price index (CPI) assumptions for the respective periods.

Key financial assumptions	2024	2023
Discount rate	Yield curve	Yield curve
Consumer price index	Difference between nominal and real-yield curves	Difference between nominal and real-yield curves
Salary increase	Equal to CPI + 1%	Equal to CPI + 1%

14.3 POST-RETIREMENT DEFINED HEALTHCARE BENEFITS

An actuarial valuation has been performed of the Entity's liability in respect of healthcare benefits to its eligible retirees and retrenched employees. The provision is utilised when eligible employees receive the value of the vested benefits.

The contributions paid are actual contributions paid by the Entity, and the unrecognised actuarial gains and losses have been adjusted accordingly to take into account the difference between the estimated contribution payments determined by the actuary and the actual contributions paid to members by the Entity.

For past service of in-service and retired employees, the Entity recognises and provides for the actuarially determined present value of post-retirement medical-aid employer contributions on an accrual basis, using the projected unit credit method.

The members of medical schemes entitled to a post-employment medical scheme subsidy as at 30 June 2024 constituted 4 289 (2023: 4 867) in-service members and 7 117 (2023: 7 065) pensioners.

It was assumed that the employer's healthcare arrangements and subsidy policy would remain as outlined in the accounting policy, and that the level of benefits and contributions would remain unchanged, with the exception of inflationary adjustments. Implicit in this approach is the assumption that current levels of cross-subsidisation from in-service members to retiree members within the medical scheme are sustainable and will continue.

It is further assumed that the subsidy will continue for eligible members and their spouses until the last survivor's death.

14. PROVISIONS (CONTINUED)

14.3 POST-RETIREMENT HEALTHCARE DEFINED BENEFITS (CONTINUED)

CONTINUATION OF MEMBERSHIP

It is assumed that 100% of in-service members entitled to a post-retirement subsidy retiring from the Entity will remain on the employer's healthcare arrangements.

FAMILY PROFILE

Family profile was based on actual data and, therefore, no assumptions had to be made.

PLAN ASSETS

Currently, no long-term assets are set aside in respect of the employer's post-employment healthcare liability.

DISCOUNT RATE

The fund benefit liability to the City as at 30 June 2024 has been discounted at a rate determined on the basis of the nominal and real-zero curves.

Key financial assumptions	2024	2023
Discount rate	Yield curve	Yield curve
Consumer price index	Difference between nominal and real-yield curves	Difference between nominal and real-yield curves
Healthcare cost inflation rate	CPI + 2%	CPI + 2%

	Change in assumption	Liability	Interest costs	Service costs
Sensitivity analysis				
Assumptions used				
Healthcare inflation	1% decrease	5 092 220	697 116	43 571
	1% increase	6 190 892	847 584	58 475
Post-retirement mortality	20% decrease	6 072 281	831 345	54 439
	20% increase	5 219 227	714 554	47 003

14.4 LEAVE AND OTHER PROVISIONS

The majority of the provisions is for annual leave that accrues to employees monthly, subject to certain conditions. The provision of R1,12 billion (2023: R1,06 billion) is an estimate of the amount due to staff as at the financial year-end, based on the value of statutory and non-statutory leave.

15. DEPOSITS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Services deposits	426 282	416 918	426 282	416 918
Rental and other deposits	117 472	113 332	28 768	22 815

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

16. PAYABLES FROM EXCHANGE TRANSACTIONS

TOTAL	543 754	530 250	455 050	439 733
	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Trade and other creditors	6 990 719	6 274 075	6 919 234	6 221 921
Payments received in advance	1 287 322	1 532 299	1 287 322	1 532 299
Funds administered on behalf of third parties	28 643	28 894	28 643	28 894
TOTAL	8 306 684	7 835 268	8 235 199	7 783 114

Payables are non-interest-bearing and are normally settled on 30-day terms, except for retentions, which are settled in terms of the contract agreement.

Payments received in advance are non-interest-bearing and normally settled on 30-day terms.

17. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Conditional grants from other spheres of government	501 446	368 146	501 446	368 146
National Government	183 125	122 012	183 125	122 012
Province	318 321	246 134	318 321	246 134
Other conditional receipts	331 741	458 606	331 741	458 606
Public contributions	331 741	458 606	331 741	458 606
TOTAL	833 187	826 752	833 187	826 752

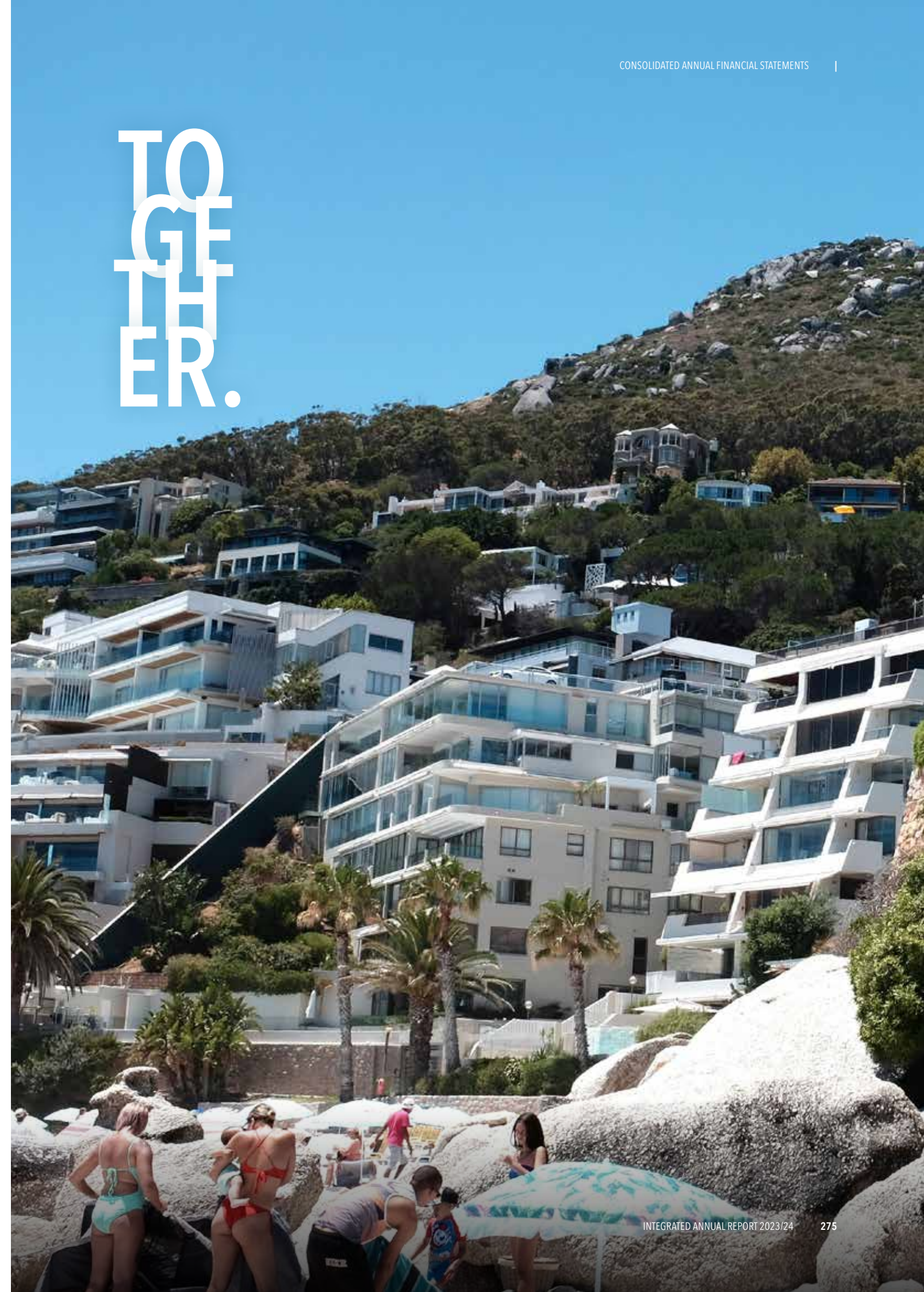
URBAN SETTLEMENTS DEVELOPMENT GRANT (USDG)

The first USDG tranche of R239,4 million, which should have been received on 19 July 2023 as per the approved payment schedule, was delayed, without any reason provided. The City submitted correspondence in this regard to the national Department of Human Settlements (NDHS), but received no response. The funds were received on 17 August 2023.

INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT (ISUPG)

The first ISUPG tranche of R95,8 million, which should have been released on 24 July 2023 as per the approved payment schedule, was delayed, without any reason provided. The City submitted correspondence in this regard to the national Department of Human Settlements (NDHS), but received no response. NDHS issued an amended payment schedule on 17 August 2023, stipulating a new transfer date of 22 August 2023. The funds were received on 22 August 2023.

See notes 23, 24, 25 and annexure D for more details of grants from National Government and Province, as well as public contributions.



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

18. HOUSING DEVELOPMENT FUND

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Realised housing proceeds				
Balance at beginning of the year	309 283	311 741	309 283	311 741
Income	24 155	16 258	24 155	16 258
Interest	27 147	21 008	27 147	21 008
Expenditure	(78 823)	(39 724)	(78 823)	(39 724)
Balance at end of the year	281 762	309 283	281 762	309 283
Unrealised housing proceeds				
Balance at beginning of the year	(2 008)	1 079	(2 008)	1 079
Long-term loans realised	(924)	(5 880)	(924)	(5 880)
Transfer to impairment provision – selling schemes	144	2 793	144	2 793
Balance at end of the year	(2 788)	(2 008)	(2 788)	(2 008)
TOTAL	278 974	307 275	278 974	307 275

Unrealised housing proceeds represent loan repayments not yet due in terms of the debtor's loan agreement.

19. SERVICE CHARGES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Exchange transactions	29 301 834	24 296 283	29 312 992	24 295 205
Electricity	19 793 584	16 259 939	19 833 703	16 289 642
Water	4 768 667	3 922 451	4 773 938	3 926 582
Sewerage	2 391 146	2 004 358	2 391 146	2 004 358
Refuse	1 186 131	1 151 156	1 186 518	1 151 523
ICASA ECNS licence	25 715	26 566	25 715	26 566
Other	1 136 591	931 813	1 101 972	896 534
Non-exchange transactions	42 379	50 856	42 379	50 856
Water	14 757	18 296	14 757	18 296
Sewerage	16 401	18 473	16 401	18 473
Refuse	11 221	14 087	11 221	14 087
TOTAL	29 344 213	24 347 139	29 355 371	24 346 061

20. FINANCE INCOME

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Exchange transactions	1 917 312	1 742 634	1 902 872	1 735 432
External investments	1 666 112	1 499 076	1 651 672	1 491 874
Outstanding debtors	324 026	288 014	324 026	288 014
Transferred interest to conditional grants	(72 826)	(44 456)	(72 826)	(44 456)
Non-exchange transactions				
Outstanding debtors	137 912	124 173	137 912	124 173
TOTAL	2 055 224	1 866 807	2 040 784	1 859 605

21. OTHER INCOME

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Exchange transactions	626 852	529 863	463 250	420 167
Development contributions	265 402	283 368	265 402	283 368
Other income	318 697	234 631	155 095	124 935
Gains on foreign-exchange transactions	2 482	517	2 482	517
Fair-value adjustments	40 271	11 347	40 271	11 347
Non-exchange transactions	365 552	409 696	365 552	409 696
City improvement districts (CIDs)	365 452	316 181	365 452	316 181
Emergency relief donations	100	-	100	-
Fair-value adjustments	-	93 515	-	93 515
TOTAL	992 404	939 559	828 802	829 863

The City received services in kind to an estimated value of R26,73 million (2023: R7,73 million) in the form of volunteers.

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FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

22. PROPERTY RATES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Actual				
Residential, commercial and other	13 960 088	12 721 432	13 965 196	12 725 479
Income forgone	(1 978 737)	(1 480 050)	(1 978 737)	(1 480 050)
TOTAL	11 981 351	11 241 382	11 986 459	11 245 429
Valuations per category				
Agriculture	7 101 674	7 141 156	7 101 674	7 141 156
Business and commercial	202 996 622	264 730 908	202 996 622	264 730 908
Industrial	88 062 218	91 421 546	88 062 218	91 421 546
Mining	236 490	218 373	236 490	218 373
Multiple purpose	39 933 855	11 946 907	39 933 855	11 946 907
Organ of state (public service purposes)	31 286 807	33 377 692	31 286 807	33 377 692
Public benefit organisation	4 985 312	5 362 533	4 985 312	5 362 533
Public service infrastructure	5 659 776	8 319 917	5 659 776	8 319 917
Residential	1 323 821 890	1 197 723 748	1 323 821 890	1 197 723 748
Vacant land	30 742 444	34 536 515	30 742 444	34 536 515
Place of worship	-	12 202	-	12 202
Cemeteries and crematoria; animal shelters; local community museums; nature conservation land	681 901	615 446	681 901	615 446
Properties owned by not-for-profit organisations	3 344 954	2 889 976	3 344 954	2 889 976
Specified religious purposes	17 420 949	-	17 420 949	-
Miscellaneous	19 606 702	-	19 606 702	-
TOTAL valuation at commencement of financial year	1 775 881 594	1 658 296 919	1 775 881 594	1 658 296 919

The general valuation roll of 2022 took effect on 1 July 2023 and will be in place for at least the next three financial years. The 2022 roll is based on market-related values as at 1 July 2022.

Property valuation adjustments, such as supplementary valuations, objection valuations and Valuation Appeal Board decisions, are processed continuously. Municipal rates are levied daily in terms of the provisions of the rates policy, which makes provision for rebates and exemptions.

The first supplementary valuation roll to the 2022 general valuation roll was prepared in accordance with the requirements of the legislation and was certified on 28 June 2024.

23. GOVERNMENT GRANTS AND SUBSIDIES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Unconditional grants	4 575 296	4 106 985	4 575 296	4 106 985
Conditional grants	4 460 598	4 168 533	4 460 598	4 168 533
National Government	3 329 328	2 960 597	3 329 328	2 960 597
Province	1 131 270	1 207 936	1 131 270	1 207 936
Total grants	9 035 894	8 275 518	9 035 894	8 275 518
Housing construction revenue	(261 227)	(284 904)	(261 227)	(284 904)
TOTAL	8 774 667	7 990 614	8 774 667	7 990 614
Analysis of government grants and subsidies				
Operating	6 515 305	6 171 454	6 515 305	6 171 454
Capital	2 520 589	2 104 064	2 520 589	2 104 064
TOTAL	9 035 894	8 275 518	9 035 894	8 275 518

24. CONSTRUCTION CONTRACTS

HOUSING CONTRACTS

Revenue and expenses at year-end were as follows:

	ECONOMIC ENTITY			
	2024		2023	
	Revenue	Expenses	Revenue	Expenses
Emergency Housing Programme	102	102	18 998	18 998
Enhanced People's Housing Process	39 324	39 324	118 672	118 672
Integrated Residential Development Programme	221 801	221 801	147 234	147 234
TOTAL	261 227	261 227	284 904	284 904

In progress

	Debtors outstanding	Advances received	Retentions
As at 30 June 2024			
Emergency Housing Programme	24 735	(127)	-
Enhanced People's Housing Process	-	(31 410)	-
Integrated Residential Development Programme	215 881	(6 560)	(7 571)
TOTAL	240 616	(38 097)	(7 571)
As at 30 June 2023			
Emergency Housing Programme	24 735	(754)	-
Enhanced People's Housing Process	-	(32 882)	(3 641)
Integrated Residential Development Programme	79 056	(10 262)	-
TOTAL	103 791	(43 898)	(3 641)

TO
GETHER.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

24. CONSTRUCTION CONTRACTS (CONTINUED)

HOUSING CONTRACTS (CONTINUED)

Revenue and expenses at year-end were as follows (continued):

	CITY OF CAPE TOWN			
	2024		2023	
	Revenue	Expenses	Revenue	Expenses
Emergency Housing Programme	102	102	18 998	18 998
Enhanced People’s Housing Process	39 324	39 324	118 672	118 672
Integrated Residential Development Programme	221 801	221 801	147 234	147 234
TOTAL	261 227	261 227	284 904	284 904

In progress

	Debtors outstanding	Advances received	Retentions
As at 30 June 2024			
Emergency Housing Programme	24 735	(127)	-
Enhanced People’s Housing Process	-	(31 410)	-
Integrated Residential Development Programme	215 881	(6 560)	(7 571)
TOTAL	240 616	(38 097)	(7 571)

As at 30 June 2023

Emergency Housing Programme	24 735	(754)	-
Enhanced People’s Housing Process	-	(32 882)	(3 641)
Integrated Residential Development Programme	79 056	(10 262)	-
TOTAL	103 791	(43 898)	(3 641)

25. PUBLIC CONTRIBUTIONS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Unconditional	1 610	123	1 610	123
Conditional	217 841	58 112	217 841	58 112
Contributed assets	117	835	117	835
Other	217 724	57 277	217 724	57 277
TOTAL	219 451	58 235	219 451	58 235

26. EMPLOYEE-RELATED COSTS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Salaries, wages and allowances	17 023 355	15 868 829	16 930 588	15 794 600
Contributions and benefits paid: current provisions	13 499	(164)	13 499	(164)
Contributions: post-retirement and long-service benefits	187 982	(507 148)	187 982	(507 148)
Current service costs	121 056	147 226	121 056	147 226
Interest costs	811 558	860 242	811 558	860 242
Actuarial gains	(744 632)	(1 514 616)	(744 632)	(1 514 616)
	17 224 836	15 361 517	17 132 069	15 287 288
Expenditure recharged to capital projects	(24 734)	(26 409)	(24 734)	(26 409)
TOTAL	17 200 102	15 335 108	17 107 335	15 260 879

27. IMPAIRMENT

Receivables	2 870 277	3 021 668	2 869 071	3 021 569
Property, plant and equipment	(71 742)	(10 706)	30 996	18 465
TOTAL	2 798 535	3 010 962	2 900 067	3 040 034

28. FINANCE COSTS

Borrowings	784 524	711 748	784 524	711 748
Unwinding of discount	44 183	57 196	44 183	57 196
TOTAL	828 707	768 944	828 707	768 944

29. BULK PURCHASES

Electricity	13 941 386	11 812 158	13 941 386	11 812 158
Water ¹	136 678	147 221	136 678	147 221
TOTAL	14 078 064	11 959 379	14 078 064	11 959 379

¹ Comparative: Water levies are classified as general expenses. As a result, the comparative amount of R138,92 million was reclassified from bulk purchases to general expenses.

30. CONTRACTED SERVICES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Transportation services	1 121 397	1 068 047	1 121 397	1 068 047
Refuse removal services	534 659	479 532	534 659	479 532
Sewerage services	804 975	685 639	804 975	685 639
Electrical services	334 565	295 147	325 001	286 357
Waste haulage services	213 524	251 491	213 524	251 491
Other services	467 231	424 099	446 579	412 273
TOTAL	3 476 351	3 203 955	3 446 135	3 183 339

Contracted services are mandated services in terms of the Local Government: Municipal Structures Act 117 of 1998, a municipal by-law or the Integrated Development Plan (IDP) that the municipality is expected to have the capacity and expertise to deliver, but are being outsourced instead.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

31. GENERAL EXPENSES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Auditor remuneration	28 605	21 346	27 017	19 991
CID levies	354 489	306 696	354 489	306 696
Consultants	960 429	859 998	947 022	848 452
Electricity – Eskom service areas	225 943	184 249	223 447	184 003
Fair-value adjustments	16 459	14 211	16 459	14 211
Indigent relief	171 404	139 094	171 404	139 094
Loss on foreign-exchange transactions	5 106	819	5 254	604
Inventory: scrapping	466	3 897	466	3 897
Telecommunications	333 333	288 705	316 449	272 483
Building contractors	2 481 880	2 394 381	2 474 008	2 387 049
Fuel	550 647	608 634	547 821	602 714
Minor tools and equipment	756 442	678 137	697 218	636 288
Security services	1 441 833	1 297 752	1 422 131	1 279 003
Servicing of vehicles and equipment	684 854	729 941	675 210	720 753
Other expenditure ¹	2 952 186	2 836 164	2 902 354	2 799 469
	10 964 076	10 364 024	10 780 749	10 214 707
Contributions to/(from) provisions	1 329	(559)	1 329	(559)
	10 965 405	10 363 465	10 782 078	10 214 148
Expenditure recharged to capital projects	(3 261)	(3 501)	(3 261)	(3 501)
TOTAL	10 962 144	10 359 964	10 778 817	10 210 647

¹ Comparative: Water levies are classified as general expenses. As a result, the comparative amount of R138,92 million was reclassified from bulk purchases to general expenses.

32. TAXATION

32.1 DEFERRED TAXATION

CTICC

Deferred income taxes are calculated on all temporary differences, using a tax rate of 27% (2023: 27%).

At beginning of the year	(107 920)	(127 093)
Temporary differences	(47 598)	19 173
At end of the year	(155 518)	(107 920)

32.2 TAXATION

Statement of financial performance charge

CTICC	(46 425)	19 173
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33. CASH GENERATED FROM OPERATIONS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Surplus from operations before taxation	5 726 515	3 755 508	5 556 892	3 703 440
Adjustment for:	4 691 381	4 128 647	4 777 930	4 134 443
Contributed assets	(117)	(7 714)	(117)	(7 714)
Contribution to provisions	(198 425)	(875 603)	(202 470)	(879 393)
Depreciation and amortisation	3 508 219	3 281 186	3 464 793	3 241 058
Fair-value adjustment	(23 812)	(90 651)	(23 812)	(90 651)
Gains and losses on disposal of assets	(144 673)	(82 127)	(144 673)	(82 127)
Impairment	2 798 261	3 010 863	2 900 067	3 040 034
Inventory scrapping	466	3 897	466	3 897
Unrealised foreign-exchange gains	(4 247)	-	(4 247)	-
Shares of loss in associate	(17 774)	(13 341)	-	-
Finance income	(2 055 224)	(1 866 807)	(2 040 784)	(1 859 605)
Cash transactions	(2 006 729)	(1 824 243)	(1 992 741)	(1 817 833)
Non-cash transactions	(48 495)	(42 564)	(48 043)	(41 772)
Finance costs	828 707	768 944	828 707	768 944
Cash transactions	733 304	673 596	733 304	673 596
Non-cash transactions	95 403	95 348	95 403	95 348
Operating surplus before working capital changes	10 417 896	7 884 155	10 334 822	7 837 883
Decrease/(increase) in inventories	8 285	(84 201)	8 240	(83 419)
Increase in receivables	(3 475 436)	(3 434 808)	(3 454 868)	(3 429 172)
Increase in unspent conditional grants and receipts	6 435	48 768	6 435	48 768
Increase/(decrease) in deposits	13 504	(34 252)	15 317	(48 145)
(Decrease)/increase in payables	(90 692)	744 089	(94 553)	724 111
Decrease in net VAT	(174 469)	(87 128)	(174 459)	(86 198)
CASH GENERATED FROM OPERATIONS	6 705 523	5 036 623	6 640 934	4 963 828

34. OPERATING LEASE COMMITMENTS

34.1 THE ENTITY AS LESSEE

Future minimum lease payments under non-cancellable operating leases

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Buildings	54 732	53 384	54 732	53 384
Payable within one year	37 831	34 318	37 831	34 318
Payable within two to five years	16 901	19 066	16 901	19 066
Radio masts	336	728	336	728
Payable within one year	219	567	219	567
Payable within two to five years	117	161	117	161
TOTAL	55 068	54 112	55 068	54 112

Minimum lease payments recognised as an expense during the period amounted to R54,43 million (2023: R48,17 million). Leased premises are contracted for remaining periods of between one and four years, with renewal options available in certain instances.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

34. OPERATING LEASE COMMITMENTS (CONTINUED)

34.2 THE ENTITY AS LESSOR

Future minimum lease income under non-cancellable operating leases

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Buildings				
Receivable within one year	151 387	105 990	151 387	105 990
Receivable within two to five years	498 708	297 824	498 708	297 824
Receivable after five years	986 597	688 543	986 597	688 543
TOTAL	1 636 692	1 092 357	1 636 692	1 092 357

The Entity lets properties under operating leases. Property rental income earned during the year was R135,72 million (2023: R114,74 million). The tenants maintain the properties at their cost.

The impact of charging the escalations in operating leases on a straight-line basis over the term of the lease has been a decrease of R0,12 million in current-year income.

35. CONTINGENT LIABILITIES

35.1 DISPUTES

Claims by various parties are currently in dispute, and are subject to mediation or litigation. The potential extent of the liability cannot be determined, but a provisional estimate for the City based on management assessment is R713,74 million (2023: R187,24 million).

35.2 OUTSTANDING INSURANCE CLAIMS

The estimated liability for insurance claims amounts to R284,05 million (2023: R287,86 million). The estimated amount is based on quotations, medical reports and letters of demand received. The merits must still be determined, and could result in a lesser or greater amount.

36. PRINCIPAL-AGENT ARRANGEMENTS

36.1 PRINCIPAL ARRANGEMENTS

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
COLLECTION AGENTS				
Prepaid electricity				
Cigicell, Ontec, Flash and Sandulela are service providers who serve as agents for the City in the third-party sale of prepaid electricity. All payments are made directly to the City, and the service provider invoices the City for commission payable.				
Commission paid to the agents	62 468	61 622	62 468	61 622
Municipal accounts and fines				
The City also has service providers who serve as third-party agents for the payment of the City's municipal accounts and traffic fines. All payments are paid into the third-party agents' bank accounts, and are then transferred to the City the next day. The agents invoice the City for commission payable and the reimbursement of bank costs.				
Commission paid to the agent	56 502	59 926	56 502	59 926
36.2 AGENT ARRANGEMENTS				
MOTOR VEHICLE REGISTRATION SERVICES				
Agent for Province's Department of Mobility				
The City acts as an agent for Province's Department of Mobility, providing motor vehicle registration services on its behalf.				
Reconciliation of amounts payable to the department				
Balance owing at the beginning of year	-	-	-	-
Revenue received on behalf of principal (includes commission)	1 362 252	1 400 908	1 362 252	1 400 908
Revenue recognised by City as agency fee (includes VAT)	(303 730)	(301 716)	(303 730)	(301 716)
Revenue paid over to the principal	(1 058 522)	(1 099 192)	(1 058 522)	(1 099 192)
Balance owing at the end of year	-	-	-	-

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

36. PRINCIPAL-AGENT ARRANGEMENTS (CONTINUED)

36.2 AGENT ARRANGEMENTS (CONTINUED)

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
LICENSING SERVICES				
Agent for Province's Department of Mobility				
The City acts as an agent for Province's Department of Mobility, providing licensing services on its behalf.				
Reconciliation of amounts payable to the department				
Balance owing at the beginning of year	-	-	-	-
Revenue received on behalf of principal (includes commission)	37 312	37 741	37 312	37 741
Revenue recognised by City as agency fee (includes VAT)	(16 469)	(16 472)	(16 469)	(16 472)
Revenue paid over to the principal	(20 843)	(21 269)	(20 843)	(21 269)
Balance owing at the end of year	-	-	-	-
COLLECTION AGENTS				
Agent for the Road Traffic Infringement Agency				
The City started acts as an agent for the Road Traffic Infringement Agency, collecting traffic fines issued by other municipalities in terms of the Administrative Adjudication of Road Traffic Offences (AARTO) Act 46 of 1998. The City earns commission on all payments collected.				
Reconciliation of amounts payable to the department				
Balance owing at the beginning of year	-	272	-	272
Revenue received on behalf of principal (includes commission)	1 915	1 944	1 915	1 944
Revenue recognised by City as agency fee (includes VAT)	(57)	(66)	(57)	(66)
Revenue paid over to the principal	(1 858)	(2 150)	(1 858)	(2 150)
Balance owing at the end of year	-	-	-	-
Agent for the Department of Justice and Constitutional Development				
The City acts as an agent for the national Department of Justice and Constitutional Development, collecting contempt-of-court fines imposed on traffic fine offenders who fail to appear in court. The City does not derive any revenue from this function.				
Reconciliation of amounts payable to the department				
Balance owing at the beginning of year	-	-	-	-
Revenue received on behalf of principal	70 147	26 372	70 147	26 372
Revenue paid over to the principal	(70 147)	(26 372)	(70 147)	(26 372)
Balance owing at the end of year	-	-	-	-



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

37. CHANGE IN ESTIMATES

ANNUAL REVIEW OF ASSETS’ USEFUL LIVES AND RESIDUAL VALUES

The City’s annual review of the useful lives of assets resulted in an increase of R3,88 million (2023: R9,47 million) in the depreciation charge to the statement of financial performance. The annual update of the residual values of assets and other depreciation corrections, in turn, resulted in a decrease of R74,00 million (2023: R19,51 million) in the depreciation charge to the statement of financial performance. It is impracticable to estimate the effect of these changes on future periods.

During the reporting year, the CTICC assessed the estimated useful lives of all its assets, and made revisions where necessary. The change in estimates was required, as the identified items were approaching the end of their useful lives, and management had determined that the assets, being in a good condition and well maintained, would still be in use for an extended period beyond the reporting date. The net effect of the changes in the current year was a reduction of R2,43 million (2023: R2,68 million) in the current depreciation charge. The effect on future years will be a corresponding overall increase in the depreciation charge.

38. BUDGET INFORMATION

PRESENTATION OF STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The presentation format adopted for the statement of comparison of budget and actual amounts is based on the Municipal Budget Reporting and Regulation table B1, Adjustments budget summary, as well as table B5, Adjustments budget capital expenditure by vote, as included in the published budget.

38.1 APPROVED AND FINAL BUDGET

The approved budget presented is the most recent adjustments budget approved by Council.

The final budget presented is the most recently approved budget adjusted for virements, and has not been formally reapproved by Council.

38.2 VIREMENTS

The changes from the approved to the final budget are the result of virements in terms of Council-approved policy.

38. BUDGET INFORMATION (CONTINUED)

38.3 FINANCIAL STATEMENTS CLASSIFICATION

The actual amounts presented in the column “Actual per annual financial statements classification” correlate with the actual amounts presented in the statement of financial position, the statement of financial performance and the cash flow statement. They have been aggregated, disaggregated or grouped to correspond with the budget line-item descriptions.

The reconciliation in the table below illustrates that the budget and the financial statements amounts correspond for total revenues. The total expenses and net cash flows from operating activities, investing activities and financing activities all directly correlate with the line items in the financial statements.

	ECONOMIC ENTITY	CITY OF CAPE TOWN
	2024	2024
Total revenue (excluding capital transfers and contributions)	56 586 450	56 216 838
Transfers recognised – capital	2 520 589	2 520 589
Contributions recognised – capital and contributed assets	219 451	219 451
Total revenue per statement of financial performance	59 326 490	58 956 878

38.4 BUDGET DIFFERENCES

The Municipal Standard Chart of Accounts (mSCOA) format and classification of the budget schedules as issued by National Treasury are not fully aligned with the standards of GRAP, hence the disparity in classification between the budget and the annual financial statements.

The reconciliations below illustrate the classification and recognition differences between the budget and the financial statements amounts for total revenues, total expenses and net cash flows from operating activities, investing activities and financing activities.

38.4.1 CLASSIFICATION DIFFERENCES

	ECONOMIC ENTITY	CITY OF CAPE TOWN
	2024	2024
FINANCIAL PERFORMANCE		
Total revenue (excluding capital transfers and contributions)	56 586 450	56 216 838
Inventory consumed: mSCOA classification	5 050 662	5 050 662
Public contributions: operating (conditional)	202 765	202 765
Public contributions (unconditional)	1 610	1 610
Budget	61 841 487	61 471 875
Total expenditure	53 617 749	53 399 986
Inventory consumed: mSCOA classification	5 050 662	5 050 662
Budget	58 668 411	58 450 648
Surplus before capital transfers and contributions	2 968 701	2 816 852
Public contributions: operating (conditional)	202 765	202 765
Public contributions (unconditional)	1 610	1 610
Budget	3 173 076	3 021 227
Transfers recognised – capital	2 520 589	2 520 589
Public contributions: capital (conditional)	14 959	14 959
Budget	2 535 548	2 535 548

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

38. BUDGET INFORMATION (CONTINUED)

38.4 BUDGET DIFFERENCES (CONTINUED)

38.4.1 CLASSIFICATION DIFFERENCES (CONTINUED)

	ECONOMIC ENTITY	CITY OF CAPE TOWN
	2024	2024
FINANCIAL PERFORMANCE (CONTINUED)		
Contributions recognised – capital and contributed assets	219 451	219 451
Public contributions: capital (conditional)	(14 959)	(14 959)
Public contributions: operating (conditional)	(202 765)	(202 765)
Public contributions (unconditional)	(1 610)	(1 610)
Budget	117	117
CASH FLOW STATEMENT		
Net cash from operating	7 976 958	7 900 371
Increase in deposits	(15 317)	(15 317)
Budget	7 961 641	7 885 054
Net cash from financing	(703 546)	(703 546)
Increase in deposits	15 317	15 317
Budget	(688 229)	(688 229)

38.4.2 RECOGNITION DIFFERENCES

	ECONOMIC ENTITY	CITY OF CAPE TOWN
	2024	2024
Capital expenditure per financial statement	9 434 600	9 390 771
Landfill site provision estimate	13 703	13 703
Contributed assets	(117)	(117)
Budget	9 448 186	9 404 357

38.5 EXPLANATION OF VARIANCES GREATER THAN 10%: FINAL BUDGET AND ACTUAL AMOUNTS

38.5.1 STATEMENT OF FINANCIAL POSITION

LIABILITIES

- i) Total non-current liabilities
- The variance is because of a better-than-expected cash position, which resulted in the City not having to raise the full extent of its loans budgeted for the year. An amount of R2,5 billion was not taken up.

38.5.2 STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

- i) Investment revenue
- The variance is because of higher interest rates on short-term and call accounts in the course of the 2023/24 financial year, resulting in higher-than-estimated interest revenue returns.

38. BUDGET INFORMATION (CONTINUED)

38.5 EXPLANATION OF VARIANCES GREATER THAN 10%: FINAL BUDGET AND ACTUAL AMOUNTS (CONTINUED)

38.5.2 STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED)

EXPENDITURE

- ii) Transfers and grants
- Energy

The variance is the result of the reclassification of non-exchange revenue recognised through grants and donations to exchange revenue.
- Spatial Planning and Environment

The variance is because of poor contractor performance and the resultant termination of construction tender 344Q/2021/22, as well as the cancellation of tender 413Q/2022/23 due to restrictive eligibility criteria.
- Urban Mobility

The variance is largely the result of numerous high-value, complex construction contracts underperforming due to technical challenges, project dependencies and contractor performance on-site. In addition, site security issues made contractors hesitant to participate in construction work packages in certain areas, and resulted in one contractor abandoning the site and the contract in question being terminated.

38.5.3 CASH FLOW STATEMENT

- i) Net cash from operating
- The variance is the result of higher-than-expected finance income, and savings from suppliers and employees.
- ii) Net cash from investing
- The variance is because of a lower-than-expected actual capital spend. However, the underspend was offset by better-than-expected investment performance.
- iii) Net cash from financing
- The variance is attributed to a R1 billion loan drawdown instead of the R3,5 billion loan that was anticipated.

38.6 EXPLANATION OF VARIANCES GREATER THAN 5%: FINAL BUDGET AND ACTUAL AMOUNTS

Capital expenditure

- i) Community Services and Health
- The variance is largely because of professional services underperforming, as well as the late award of two critical tenders, which subsequently struggled to meet the work outputs. In addition, some items were not delivered on time due to supplier constraints.
- ii) Corporate Services
- The variance is predominantly the result of unspent contingencies, the cancellation of five core application refresh (CAR) tenders, and the rephasing of the CAR financial tender by six months.
- iii) Economic Growth
- The variance is because of unspent contingencies, as well as the halting of work on the upgrade to the track infrastructure at Green Point athletics stadium due to moisture found in the track shock pad. An alternative approach was explored, which led to the decision to remove the shock pad and replace the track with a complete polyurethane system. The work suspension was lifted, and work on-site only resumed on 24 June 2024, leaving insufficient time to complete all the works by 30 June 2024.
- iv) Energy
- The variance is largely the result of extortion and shooting incidents, vendor disputes regarding contract price adjustments, supplier constraints, poor contractor performance, the unutilised contingency provision for construction projects, and cost savings on completed projects.
- v) Spatial Planning and Environment
- The variance is predominantly the result of poor contractor performance, termination of construction tender 344Q/2021/22, the cancellation of tenders, lengthy land acquisition processes, community interference, extortion, and ongoing legal issues with tender 27Q/2022/23.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

38. BUDGET INFORMATION (CONTINUED)

38.6 EXPLANATION OF VARIANCES GREATER THAN 5%: FINAL BUDGET AND ACTUAL AMOUNTS (CONTINUED)

Capital expenditure (continued)

vi) Urban Mobility

The variance is largely because of numerous high-value, complex construction contracts underperforming due to technical challenges, project dependencies and contractor performance on-site. In addition, site security issues made contractors hesitant to participate in construction work packages in certain areas, and resulted in one contractor abandoning the site and the contract in question being terminated. Furthermore, a significant component of the variance is made up of unspent contingency provisions.

vii) Urban Waste Management

The variance is largely the result of unspent contingencies, a protracted dispute regarding a contract price adjustment that now requires a contract amendment in terms of section 116 of the MFMA, a backlog in the testing of landfill liners (done independently and externally), and the delay by the successful bidder in securing a bank guarantee.

viii) Water and Sanitation

The variance is predominantly because of unspent contingencies. Additional factors that contributed to the variance include delays in tender approval, an extended tender evaluation period, late delivery of materials and mechanical and electrical equipment, delays in obtaining wayleaves, the need to adjust drilling positions, contractor non-compliance with technical specifications, refusal of work packages, delays caused by hard-rock excavation, and attempted extortion.

ix) CTICC

The variance is the result of projects that commenced or, in many instances, were contracted in the current year, but will only be completed in the next financial year because of delays in deliveries of supplies and equipment. The CTICC board at its May 2024 meeting approved management's request to carry over the committed funds to the 2024/25 financial year.



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

39. RELATED-PARTY DISCLOSURES

39.1 MUNICIPAL AND OTHER ENTITIES

During the year, in the ordinary course of business, transactions between the City and the following entities occurred under terms and conditions that were no more favourable than those entered into with third parties in arm’s-length transactions.

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
CTICC				
The CTICC was established for Cape Town to become host to national and international conferences, with the objective of creating jobs, driving the local economy, and promoting Cape Town as a tourism city.				
Percentage owned			72,70%	72,70%
Arm’s-length transactions for the year				
Receivables			3 899	3 217
Payables			-	672
Deposits			1 162	1 234
Service charges			39 167	28 609
Rental of letting stock and facilities			2 790	2 571
The City is leasing to the CTICC the land on which CTICC 1 (erf 263) and CTICC 2 (erf 270) are built, on the following terms:				
- Erf 263 for a period of 99 years, commencing on 1 December 2001, at a nominal rental amount of R100 per annum - Erf 270 for a period of 30 years, commencing on 31 October 2012 after the signing of the second addendum, at a nominal rental amount of R5 000 per annum				
CAPE TOWN STADIUM (RF) SOC LTD (CTS)				
The CTS municipal entity was established to manage and operate the stadium on behalf of the City. The vision of the stadium is to achieve worldwide recognition as a facility for the hosting of major sports events, and to become the premium venue of choice.				
Percentage owned			100%	100%
Arm’s-length transactions for the year				
Receivables			8 808	11 895
Payables			7 845	4 641
Service charges			12 021	10 291
Other income			20 980	24 254
Grants and subsidies paid			33 196	33 196
The City is the sole shareholder in the CTS, which started operating as a municipal entity on 1 February 2018. The City is the holder of 100 ordinary shares issued with no par value.				
The City is leasing to the CTS erf 2188, Green Point, being the stadium precinct, for an initial period of 50 years commencing on 13 November 2019, with the option of renewal for an additional 49 years, at a nominal rental amount of R100 per annum.				

39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.1 MUNICIPAL AND OTHER ENTITIES (CONTINUED)

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
CAPE METROPOLITAN TRANSPORT FUND (CMTF)				
The CMTF was created in terms of section 18 of the Urban Transport Act 78 of 1977. The administration of the CMTF vests with the City. The principal activity of the CMTF is to fund the planning and provision of adequate urban transport facilities and all incidental matters.				
Administrator				
Arm’s-length transactions for the year				
Funds held on behalf of CMTF	27 523	27 865	27 523	27 865
Transfers	7 219	5 590	7 219	5 590
Interest paid	2 425	1 817	2 425	1 817
Revenue collected	4 595	4 556	4 595	4 556

ATLANTIS SPECIAL ECONOMIC ZONE COMPANY (SOC) LTD

Atlantis Special Economic Zone Company (SOC) Ltd (Atlantis SEZ) is a state-owned entity listed as a schedule 3D entity in terms of section 47(2) of the Public Finance Management Act. Its purpose is to develop a green technology special economic zone (SEZ) in close collaboration with the national Department of Trade, Industry and Competition (DTIC), Wesgro, the City, and Province’s Department of Economic Development and Tourism.

On 31 March 2022, the City acquired 45,4% of the Atlantic SEZ’s issued ordinary no-par-value shares in an asset-for-shares transaction. The 83 no-par-value shares were acquired by way of transfer of the following three properties valued at R56,50 million:

- Portion of remainder Cape farm 1183 and remainder farm 4-93, located on the corner of Dassenberg Street and Charel Uys Drive, Atlantis Industrial, 221 500 m² in extent (purchase price: R13,28 million)
- Portion of Cape farm 1183-4-1 bounded by Gideon Basson Road and Neil Hare Road, Atlantis Industrial, 386 500 m² in extent (purchase price: R23,18 million)
- Portion of remainder erf 171, portion of remainder erf 277, erf 254 and erf 246, all located along Neil Hare Road, Atlantis Industrial, 386 500 m² in extent (purchase price: R20,03 million)

The investment is carried at cost, amended for the City’s share in the entity’s profit or loss for the period in review.

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
As at 30 June				
Carrying amount				
Opening balance	41 374	28 033		
Share of surplus/(deficit)	17 774	13 341		
TOTAL	59 148	41 374		
The value of the shares was independently determined and agreed by both parties. There were no other related-party transactions between the City and Atlantis SEZ apart from the sale of land in exchange for shares.				
Percentage owned	45,4%	45,4%	45,4%	45,4%
Atlantis SEZ has a financial year-end of 31 March. The company has provided the City with its management accounts for the period 1 April to 30 June.				

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39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.1 MUNICIPAL AND OTHER ENTITIES (CONTINUED)

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
AGGREGATE FINANCIAL INFORMATION				
Statement of financial position				
Total assets	189 745	185 047		
Total liabilities	78 962	93 826		
Total net assets	110 783	91 221		
Statement of financial performance				
Total revenue	68 271	60 082		
Total expenditure	29 082	30 667		
Surplus/(deficit) for the period	39 189	29 415		
Statement of other comprehensive income				
Share of surplus/(deficit) in associate	17 774	13 341		



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39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.2 EXECUTIVE MANAGEMENT

39.2.1 RELATED-PARTY TRANSACTIONS WITH CLOSE FAMILY MEMBERS OF EXECUTIVE MANAGEMENT

No members of City management have significant influence over the financial or operating policies of the municipal entities.

The following reported transactions occurred on an arm's-length basis between the City and close family members of key management staff members.

39.2.1.1 COUNCILLORS

AS AT 30 JUNE 2024		
Name	Nature of relation	Key management
VREDEKLOOF CID	Spouse	Cllr C Brynard
Arm's-length transactions for the year		
Transfers in terms of Vredeklloof CID memorandum of agreement		4 864
Amount owing		-
AFRIVEST BUSINESS SOLUTIONS	Child	Cll R Davids
Arm's-length transactions for the year		
Rendering of services		169
Amount owing		-
AFRIWORLD BUSINESS SOLUTIONS	Child	Cllr R Davids
Arm's-length transactions for the year		
Rendering of services		12 480
Amount owing		4 817

As at 30 June 2023

Name	Nature of relation	Key management
VREDEKLOOF CID	Spouse	Cllr C Brynard
Arm's-length transactions for the year		
Transfers in terms of Vredeklloof CID memorandum of agreement		4 782
Amount owing		-

39.2.1.2 EXECUTIVE DIRECTORS

AS AT 30 JUNE 2024		
Name	Nature of relation	Key management
EMPIRE	Sister-in-law	V Botto
Arm's-length transactions for the year		
Rendering of service		349
Amount owing		-
PRICEWATERHOUSECOOPERS (PWC)	Wife	L Manus
Arm's-length transactions for the year		
Rendering of service		29 520
Amount owing		14 765

39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.2 EXECUTIVE MANAGEMENT (CONTINUED)

39.2.1 RELATED-PARTY TRANSACTIONS WITH CLOSE FAMILY MEMBERS OF EXECUTIVE MANAGEMENT (CONTINUED)

39.2.1.2 EXECUTIVE DIRECTORS (CONTINUED)

AS AT 30 JUNE 2024 (CONTINUED)		
Name	Nature of relation	Key management
FAIRBRIDGES, WERTHEIM BECKER ATTORNEYS	Daughter	K Nassiep
Arm's-length transactions for the year		
Rendering of service		34 959
Amount owing		1 821

As at 30 June 2023

Name	Nature of relation	Key management
EMPIRE	Sister-in-law	V Botto
Arm's-length transactions for the year		
Rendering of service		559
Amount owing		17

39.2.2 REMUNERATION OF EXECUTIVE MANAGEMENT

39.2.2.1 REMUNERATION OF COUNCILLORS AND BOARD MEMBERS

SUMMARY OF REMUNERATION BENEFITS

	Annual salary	Car allowance	Social contribution	Subtotal	Retroactive salary increase ¹	Total
2024						
Mayco members	14 085	20	360	14 465	441	14 906
Councillors	149 929	227	3 047	153 203	5 140	158 343
	164 014	247	3 407	167 668	5 581	173 249
Controlled entities: board members	1 242	-	-	1 242	-	1 242
TOTAL	165 256	247	3 407	168 910	5 581	174 491

	Annual salary	Car allowance	Social contribution	Subtotal	Retroactive salary increase ¹	Total
2023						
Mayco members	12 771	19	400	13 190	-	13 190
Councillors	144 908	218	2 839	147 965	5 740	153 705
	157 679	237	3 239	161 155	5 740	166 895
Controlled entities: board members	976	-	-	976	-	976
TOTAL	158 655	237	3 239	162 131	5 740	167 871

¹ As at 30 June 2024, the Minister for Cooperative Governance and Traditional Affairs had not yet proclaimed a salary increase for councillors for the period 1 July 2023 to 30 June 2024. An amount of R5,03 million was provided for the expected increase and included in note 14.

Councillors are remunerated according to the Remuneration of Public Office Bearers Act 20 of 1998. As councillors have only collective executive powers for planning, directing and controlling the activities of the City, their remuneration is not disclosed individually, but in aggregate.

There are 231 councillor positions, whose aggregate remuneration amounted to R164,01 million for the period in review. The average remuneration per councillor is R0,73 million (2023: R0,70 million) per annum.

Mayco members have such individual executive powers as granted by their delegation. Therefore, their remuneration is disclosed individually in the table on the following page.

A full list of councillors is disclosed on page 183.

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39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.2 EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2 REMUNERATION OF EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2.1 REMUNERATION OF COUNCILLORS (CONTINUED)

MAYORAL COMMITTEE MEMBERS REMUNERATION

ANALYSIS OF REMUNERATION BENEFITS

	Annual salary	Car allowance	Social contribution	Total
2024				
Executive Mayor; Future Planning and Resilience				
Ald G Hill-Lewis	1 545	-	-	1 545
Deputy Mayor; Spatial Planning and Environment				
Cllr E Andrews	1 256	-	-	1 256
Economic Growth				
Ald J Vos	1 185	-	-	1 185
Finance				
Cllr S Mbandezi	1 057	-	129	1 186
Corporate Services				
Ald T Uys	1 185	-	-	1 185
Community Services and Health				
Cllr P van der Ross	1 185	-	-	1 185
Energy				
Cllr B van Reenen	1 185	-	-	1 185
Human Settlements				
Cllr CJ Pophaim	997	-	-	997
Safety and Security				
Ald JP Smith	1 063	20	103	1 186
Urban Mobility				
Cllr R Quintas	1 185	-	-	1 185
Urban Waste Management				
Ald G Twigg	1 057	-	128	1 185
Water and Sanitation				
Cllr ZA Badroodien	1 185	-	-	1 185
TOTAL	14 085	20	360	14 465

39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.2 EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2.1 REMUNERATION OF COUNCILLORS (CONTINUED)

MAYORAL COMMITTEE MEMBERS REMUNERATION (CONTINUED)

ANALYSIS OF REMUNERATION BENEFITS (CONTINUED)

	Annual salary	Car allowance	Social contribution	Total
2023				
Executive Mayor; Future Planning and Resilience				
Ald G Hill-Lewis	1 487	-	-	1 487
Deputy Mayor; Spatial Planning and Environment				
Cllr E Andrews	1 209	-	-	1 209
Economic Growth				
Ald J Vos	1 141	-	-	1 141
Finance				
Cllr S Mbandezi	1 018	-	123	1 141
Corporate Services				
Ald T Uys	1 141	-	-	1 141
Community Services and Health				
Cllr P van der Ross	1 141	-	-	1 141
Energy				
Cllr B van Reenen	1 141	-	-	1 141
Human Settlements				
Cllr M Booï	753	-	54	807
Safety and Security				
Ald JP Smith	1 023	19	99	1 141
Urban Mobility				
Cllr R Quintas	1 141	-	-	1 141
Urban Waste Management				
Ald G Twigg	1 018	-	124	1 142
Water and Sanitation				
Cllr ZA Badroodien	558	-	-	558
TOTAL	12 771	19	400	13 190



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All amounts indicated in Rand thousands (R'000)

39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.2 EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2 REMUNERATION OF EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2.2 REMUNERATION OF EXECUTIVE DIRECTORS

ANALYSIS OF REMUNERATION BENEFITS

	Bonus	Annual salary	Relocation and car allowance	Social contribution	Travel and subsistence	Total
2024						
City Manager						
L Mbandazayo	362	3 630	-	436	59	4 487
Community Services and Health						
Z Mandlana	-	2 591	-	213	-	2 804
Corporate Services						
E Sass	283	3 035	-	426	20	3 764
Energy						
KM Nassiep	-	3 151	222	2	23	3 398
Economic Growth						
R Gelderbloem	150	2 705	-	334	31	3 220
Finance						
K Jacoby	397	3 011	150	300	41	3 899
Future Planning and Resilience						
G Morgan	198	2 715	-	223	35	3 171
Human Settlements						
NZ Gqiba	-	3 193	-	2	32	3 227
Safety and Security Services						
V Botto	210	2 552	-	382	-	3 144
Spatial Planning and Environment						
R McGaffin	-	2 802	-	2	11	2 815
Urban Mobility						
D Campbell	-	2 774	-	265	30	3 069
Urban Waste Management						
NP Mayisela ¹	-	808	-	78	-	886
L Mdunyelwa	-	2 314	109	381	-	2 804
Water and Waste						
LAV Manus ²	-	1 252	70	74	-	1 396
E Hugo ¹	-	349	19	42	-	410
M Webster ³	-	317	7	29	-	353
	1 600	37 199	577	3 189	282	42 847
CTICC						
Chief executive officer: TM Motlhabane	-	2 864	-	-	-	2 864
Key management: four staff members	-	7 695	-	-	-	7 695
CTS						
Chief executive officer: G Woodburn ⁴	-	1 182	-	170	-	1 352
Chief executive officer: L de Reuck ⁵	-	943	-	102	-	1 045
Key management: one staff member	-	1 703	-	-	-	1 703
TOTAL	1 600	51 586	577	3 461	282	57 506

¹ Acted as executive director in the course of the year

² Appointed during the year

³ Contract terminated during the year

⁴ Appointed as chief executive officer in the course of the year

⁵ Retired as chief executive officer in the course of the year

39. RELATED-PARTY DISCLOSURES (CONTINUED)

39.2 EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2 REMUNERATION OF EXECUTIVE MANAGEMENT (CONTINUED)

39.2.2.2 REMUNERATION OF EXECUTIVE DIRECTORS (CONTINUED)

ANALYSIS OF REMUNERATION BENEFITS (CONTINUED)

	Bonus	Annual salary	Relocation and car allowance	Social contribution	Travel and subsistence	Total
2023						
City Manager						
L Mbandazayo	229	3 861	-	419	18	4 527
Community Services and Health						
Z Mandlana ^{1,2}	-	2 465	-	199	-	2 664
Corporate Services						
E Sass	192	3 121	-	429	-	3 742
Energy						
KM Nassiep	-	3 172	222	2	56	3 452
Economic Growth						
R Gelderbloem	-	2 625	-	210	26	2 861
Finance						
K Jacoby	320	2 988	173	295	-	3 776
Future Planning and Resilience						
G Morgan	-	2 840	-	217	3	3 060
Human Settlements						
NZ Gqiba	-	3 074	-	2	8	3 084
Safety and Security Services						
V Botto	-	2 706	-	370	17	3 093
Spatial Planning and Environment						
R McGaffin ¹	-	2 185	-	2	-	2 187
E Naude ²	-	342	33	49	-	424
Urban Mobility						
D Campbell	-	2 648	-	252	25	2 925
Urban Waste Management						
L Mdunyelwa ^{1,3}	-	1 820	91	309	-	2 220
R Keraan ²	-	297	44	3	-	344
Water and Waste						
M Webster	-	2 489	88	337	14	2 928
	741	36 633	651	3 095	167	41 287
CTICC						
Chief executive officer: TM Motlhabane	-	2 455	-	-	-	2 455
Key management: seven staff members	-	6 009	-	-	-	6 009
CTS						
Chief executive officer: L de Reuck	-	2 087	-	286	-	2 373
Key management: one staff member	-	1 537	-	-	-	1 537
TOTAL	741	48 721	651	3 381	167	53 661

¹ Appointed on 01/09/2022

² Acted as executive director in the course of the year

³ Acted as executive director without compensation in the course of the year

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All amounts indicated in Rand thousands (R’000)

40. EVENTS AFTER REPORTING DATE

NON-ADJUSTING EVENT

On 3 July 2024, the City signed a loan agreement with the International Finance Corporation (IFC) in which it was agreed that R2,8 billion would be made available for disbursement to the City at a date to be determined during the 2024/25 financial year. The interest rate applicable to the loan (IFC’s ZAR fixed base rate + 1,60% margin) will be fixed closer to the disbursement date. In terms of the loan agreement, the City is also required to be pay an upfront fee of R28 million.

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS

41.1 POLITICAL PARTIES’ ARREARS

Included in the debtors’ arrears is an amount of R35 820,60 (2023: R10 937,77) outstanding for more than 90 days, owed by the representative political parties to the Entity.

41.2 BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) ACT

Information on compliance with the B-BBEE Act is included in the annual report under “Appendix G: B-BBEE compliance performance report”.

41.3 MUNICIPAL FINANCE MANAGEMENT ACT

41.3.1 SECTION 124(1)(B)

41.3.1.1 DISCLOSURE CONCERNING COUNCILLORS’ MUNICIPAL ACCOUNTS IN ARREARS

2024

During the **financial year**, the following councillors were in arrears for more than 90 days, but have since paid their accounts:

- Mamkeli, S
- Van Nelson, S

As at 30 June 2024, no councillors’ rates and services accounts were in arrears for 90 days or more.

2023

During the **financial year**, the following councillors were in arrears for more than 90 days, but have since paid their accounts:

- Adams, Y
- Addinall, AS
- Botya, NM
- Petersen, MJ

As at 30 June 2023, no councillors’ rates and services accounts were in arrears for 90 days or more.

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.3 MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)

41.3.2 SECTION 125

41.3.2.1 IRREGULAR EXPENDITURE

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Opening balance	51 633	232 636	51 633	232 636
Prior year: adjustment	(60)	(8 225)	(60)	(8 225)
	51 573	224 411	51 573	224 411
Expenditure incidents identified in the current year, relating to:	634 262	11 989	634 262	11 989
Current year	367 805	2 421	367 805	2 421
Prior year	266 457	9 568	266 457	9 568
	685 835	236 400	685 835	236 400
Resolved by Council	(59 719)	(184 767)	(59 719)	(184 767)
Closing balance	626 116	51 633	626 116	51 633
INCIDENTS				
Legal services procurement not in terms of supply chain management (SCM) regulations	130	271	130	271
Expenditure incurred after contract expiry	8 418	4 720	8 418	4 720
Non-compliance with City's SCM policy, SCM regulations and sections 33, 111 and 116(3) of the MFMA	625 714	6 998	625 714	6 998
TOTAL	634 262	11 989	634 262	11 989
Irregular expenditure is disclosed inclusive of VAT.				

A potential fraud risk was identified concerning allegations of non-compliance with laws and regulations within the Urban Waste Management directorate, specifically related to community-based refuse collection and area cleaning in informal settlements for the City of Cape Town. The matter is under investigation by the Ethics and Forensic Services Department and has also been reported to SAPS. The City will assess the recommendations and the impact of any fruitless, wasteful, and irregular expenditure once the forensic investigation reports is finalised.

41.3.2.2 FRUITLESS AND WASTEFUL EXPENDITURE

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Opening balance	12 313	12 712	12 313	12 712
Prior year: adjustment	-	(22)	-	(22)
	12 313	12 690	12 313	12 690
Expenditure incidents identified in the current year, relating to:	-	593	-	593
Current year	-	123	-	123
Prior year	-	470	-	470
	12 313	13 283	12 313	13 283
Resolved by Council	(12 313)	(970)	(12 313)	(970)
Closing balance	-	12 313	-	12 313
INCIDENTS				
Other	-	31	-	31
Interest	-	31	-	31
Duplicate/overpayments	-	531	-	531
TOTAL	-	593	-	593

Fruitless and wasteful expenditure is disclosed inclusive of VAT.



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41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.3 MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)

41.3.2 SECTION 125 (CONTINUED)

41.3.2.3 MATERIAL LOSSES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
Water losses	112 539	103 724	112 539	103 724
In the current year, the material losses were 5,90% (2023: 6,54%). These are predominantly due to unauthorised usage and metering inaccuracies.				
Electricity losses	633 187	585 601	633 187	585 601

In the current year, the energy losses were 11,00% (2023: 11,46%). These losses are the result of system operation, theft and vandalism. The production losses amounted to R914,54 million (2023: R767,79 million).



41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.3 MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)

41.3.2 SECTION 125 (CONTINUED)

41.3.2.4 OTHER COMPULSORY DISCLOSURES

	ECONOMIC ENTITY			
	South African Local Government Association (SALGA) contributions	Audit fees	Pay-as-you-earn (PAYE) and Unemployment Insurance Fund (UIF)	Pension and medical aid
AS AT 30 JUNE 2024				
Opening balance	(17 663)	-	210 974	385 493
Subscriptions/fees	17 663	32 414	2 827 563	4 932 132
Amount paid: current year	-	(32 301)	(2 600 579)	(4 515 948)
in advance	(18 900)	-	-	-
previous years	-	-	(210 974)	(385 493)
Balance unpaid (included in payables)	(18 900)	113	226 984	416 184
As at 30 June 2023				
Opening balance	(16 370)	215	193 981	358 100
Subscriptions/fees	16 370	24 146	2 602 637	4 530 219
Amount paid: current year	-	(24 146)	(2 391 663)	(4 144 726)
in advance	(17 663)	-	-	-
previous years	-	(215)	(193 981)	(358 100)
Balance unpaid (included in payables)	(17 663)	-	210 974	385 493

	CITY OF CAPE TOWN			
	South African Local Government Association (SALGA) contributions	Audit fees	Pay-as-you-earn (PAYE) and Unemployment Insurance Fund (UIF)	Pension and medical aid
AS AT 30 JUNE 2024				
Opening balance	(17 663)	-	210 974	385 493
Subscriptions/fees	17 663	30 826	2 827 154	4 922 296
Amount paid: current year	-	(30 713)	(2 600 170)	(4 506 112)
in advance	(18 900)	-	-	-
previous years	-	-	(210 974)	(385 493)
Balance unpaid (included in payables)	(18 900)	113	226 984	416 184
As at 30 June 2023				
Opening balance	(16 370)	215	193 981	358 100
Subscriptions/fees	16 370	22 791	2 602 295	4 522 268
Amount paid: current year	-	(22 791)	(2 391 321)	(4 136 775)
in advance	(17 663)	-	-	-
previous years	-	(215)	(193 981)	(358 100)
Balance unpaid (included in payables)	(17 663)	-	210 974	385 493

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All amounts indicated in Rand thousands (R'000)

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS

41.4.1 DEVIATIONS AND MINOR BREACHES

	ECONOMIC ENTITY		CITY OF CAPE TOWN	
	2024	2023	2024	2023
In terms of section 36 of the municipal SCM regulations, any deviation from SCM policy needs to be approved by the accounting officer and noted by Council. The awards listed below have been approved by the accounting officer or his/her delegate (SCM director) and noted by Council.				
Deviations: Municipal SCM regulation 36(1)(a)	1 126 645	159 254	1 102 751	139 424
Emergency	27 422	1 922	27 422	1 922
Single provider	1 042 353	57 108	1 036 653	51 067
Exceptional case (impractical or impossible)	56 870	100 224	38 676	86 435
Minor breaches: Municipal SCM regulation 36(1)(b)	707 795	382 633	707 795	381 044
Minor breaches by an official or committee acting in terms of its delegated powers or duties, which is purely of a technical nature.	707 795	382 633	707 795	381 044
TOTAL deviation/minor breaches approved by the accounting officer or his/her delegated authority, noted by Council and board members	1 834 440	541 887	1 810 546	520 468

All deviations considered by the accounting officer are processed in terms of the SCM regulations and the SCM policy. This process entails being assessed by the delegated authority in terms of the stipulated criteria for emergency procurement, availability from only one provider, exceptional circumstances where it is impracticable or impossible to follow the official procedure, or correction of minor technical breaches.

All minor breaches are considered by the delegated authority and processed in terms of the SCM regulations and the SCM policy. Minor breaches are not an indication of tender irregularities or fraud. Minor breaches are purely of technical nature and does impact the outcome or fairness of the award.

The annual financial statements disclose rates-based deviations/minor breaches at zero value as the value of the award is not quantifiable on the date the award was approved by the delegated authority.

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE

In terms of section 45 of the municipal SCM regulations, any award above R2 000 to family of employees in the service of the state must be disclosed in the consolidated annual financial statements. The following is a list as recorded on the declaration-of-interest form:

ECONOMIC ENTITY		
Connected person	Position held in State	2024
CITY	SEE DETAILS IN THE CITY OF CAPE TOWN SCHEDULE	2 098 814
CTICC		
AT CATERING		
M BRINK	DOCTOR AT RED CROSS CHILDREN'S HOSPITAL	3 236
EPI CREATIVE (PTY) LIMITED		
N CROUCH	SA MEDICAL RESEARCH	2 729
ALVEO WATER (PTY) LTD		
Y DANIELS	WESTERN CAPE GOVERNMENT EDUCATION DEPARTMENT: SCHOOL FINANCE AND RECORDS OFFICER	1 076
NEDBANK LIMITED		
MA MATOOANE AND JK NETSHITENZHE	PROJECT MANAGER, EKURHULENI METROPOLITAN MUNICIPALITY AND DIRECTOR AT THE DEPARTMENT OF ENERGY	782
ADCORP BLU		
K MOHULATSE	DEPARTMENT OF EDUCATION: DEPUTY CHIEF EDUCATION SPECIALIST	22 998
FUTURE PERFECT CORPORATION CC		
P NAIDOO	PROJECT MANAGER, CITY OF CAPE TOWN	4 009
BIDVEST PROTEA COIN (PTY) LIMITED		
E SELEPE	CITY OF TSHWANE	4 003
		38 833
GRAND TOTAL		2 137 480

AWARDS TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE CITY AND OTHER STATE ENTITIES

CITY OF CAPE TOWN		
Connected person	Position held in State	2024
ACG ARCHITECTS (PTY) LTD		375
E MOHAMED	CITY HEAD	
AFRIVEST BUSINESS SOLUTIONS		169
R DAVIDS	CITY COUNCILLOR	
AFRIWORLD BUSINESS SOLUTIONS (PTY) LTD		9 203
R DAVIDS	CITY COUNCILLOR	
ANLO PRINT AND MAIL CC		417
N TAYLOR	CITY PROJECT ADMINISTRATOR	
ATHLONE AUTO TRANSMISSIONS		3 796
N JOSEPH	WESTERN CAPE GOVERNMENT: CHIEF DIRECTOR	

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

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All amounts indicated in Rand thousands (R'000)

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
BARAKA IT SOLUTIONS (PTY) LTD		99 209
E NTSHABELE	DEPARTMENT OF LABOUR	
BAREND S F		122
T BAREND S	CITY SAP INTEGRATION SPECIALIST	
BERGSTAN SOUTH AFRICA CONSULTING		15 114
JR BEUKES	DEPARTMENT OF SOCIAL DEVELOPMENT: SENIOR SOCIAL WORKER	
K CASO	DEPARTMENT OF EDUCATION: DEPUTY PRINCIPAL	
BOB C IMPORT/EXPORT AGENCIES CC		1 320
C PADIACHY	CITY HR CLERK	
BOWMAN GILFILLAN INC (LEGAL)		1 646
J VAN DEN HEUVEL	DEPARTMENT OF JUSTICE: MAGISTRATE	
E STEYN	WESTERN CAPE HIGH COURT: JUDGE	
L BOZALEK	WESTERN CAPE HIGH COURT: JUDGE	
M DE VILLERS	CSIR: MANAGER	
C DYER	NATIONAL DEPARTMENT OF EDUCATION: DEPUTY DIRECTOR	
M VAN AARDT	BARAGWANATH HOSPITAL COMPLEX: DOCTOR	
B MALOPE-KGOKONG	NHLS: NATIONAL MANAGER	
L NTOMBIFUTHI	DEPARTMENT OF BASIC EDUCATION: EDUCATOR	
M NYALI	DEPARTMENT OF EDUCATION: TEACHER	
J ODENDAL	ARMSCOR SOC LTD: SENIOR MANAGER TECHNICAL	
C RODRIGUES	WCPP: SENIOR IT AND DIGITAL OFFICER	
T SASS	CITY HEAD COMPLIANCE AND PROBITY	
G MORGAN	CITY EXECUTIVE DIRECTOR: FUTURE PLANNING AND RESILIENCE	
S MAMABOLO	INDEPENDENT ELECTORAL COMMISSION: CHIEF ELECTORAL OFFICER	
A VISSER	CITY MANAGER: WASTE WATER	
BSP CONSULTING ENGINEERS (PTY) LTD		1 561
A PLAATJIES	TYGERSIG PRIMARY SCHOOL: TEACHER	
C&A FRIEDLANDER INCL		12 082
A BELL	DEPARTMENT OF HIGHER EDUCATION & TRAINING	
C & M CONSULTING ENGINEERS		2 314
CB NGELE	SOUTH AFRICAN WEATHER SERVICES: TECNICIAN	

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
CAPE TRUCK AND VAN		7 717
T DUKWE	CITY PRINCIPAL PROFESSIONAL OFFICER	
CLUVER MARKOTTER INC		6 303
AJK PECARARO	WESTERN CAPE DEPARMENT OF HEALTH	
F GEYSER	OFFICE OF THE DIRECTOR PUBLIC PROSECUTION	
CONLOG		11 897
N MOODLEY	DEPARTMENT OF HEALTH: DIRECTOR	
CSM CONSULTING SERVICES (PTY) LTD		595
A VANCOILLIE	DEPARTMENT OF PLANNING: CHIEF TOWN REGIONAL PLANNER	
DESIGNTEC PRINTING CC		1 032
M MSHWESHWE	CITY MANAGER ACCESS TO INFORMATION	
DS GXILISHE		172
B GXILISHE	DEPARTMENT OF AGRICULTURE AND FISHERIES	
S GXILISHE	WESTERN CAPE DEPARTMENT OF EDUCATION	
EMPA STRUCTURES		26 088
G PETERSON	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
EPI USE AFRICA (PTY) LTD		14 333
E JANSE VAN RENSBURG	ROAD ACCIDENT FUND: SENIOR MANAGER	
ERNST AND YOUNG ADVISORY SERVICES		136 073
MM MAKHAKHE	GAUTENG DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
E MOTSAMAI	GAUTENG DEPARTMENT OF EDUCATION: MANAGER	
N MORRISON	DEPARTMENT OF DEFENCE: BOOKKEEPER	
S SOOBRAMONEY	ESKOM: SAP ANALYST	
K MOSEGEDI	CITY OF TSHWANE: INTERNAL AUDITOR	
P POTGIETER	TRANSNET: MEDICALLY BOARDED (PREVIOUSLY REGIONAL FINANCE MANAGER)	
B NKASELA	NATIONAL DEPARTMENT OF PUBLIC WORKS: ASSISTANT DIRECTOR	
K GOBARDAN	DEPARTMENT OF HIGHER EDUCATION AND TRAINING: MINISTERIAL TASK TEAM MEMBER	
T MASELA	SOUTH AFRICAN RESERVE BANK: EXECUTIVE HEAD	
SV SOLMS	UNIVERSITY OF JOHANNESBURG: HEAD OF DEPARTMENT	
RA BRADLEY	UNIVERSITY OF THE WITWATERSRAND: SENIOR LECTURER	
K SIBANYONI	BARAGWANATH HOSPITAL: OCCUPATIONAL THERAPIST	
EVERY FLUSH TOILET HIRE		100
N STIMELA	SOUTH AFRICAN POLICE SERVICES	

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41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
EXECUTIVE SAFETY SERVICE CC		377
T VISAGIE	CITY ADMINISTRATOR CLERK	
FAYDIES CORPORATE GIFTS		5 303
MF VOTERSEN	CITY MANAGER FINANCE	
FG JACOBS TRANSPORT CC		4 639
M FLAGG	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
C POOLE	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
FIKELELA LABOUR SERVICES		5 774
D JOSEPH	NATIONAL ASSEMBLY: MEMBER OF PARLIAMENT	
G NKOMO INCORPORATED		225
M NKOMO	NATIONAL PROSECUTING AUTHORITY: STATE PROSECUTOR	
GIBB		53 738
C HERING	DEAPRTMENT OF TRANSPORT AND PUBLIC WORKS: ENGINEER	
C CLARK	ESKOM: TECHNICIAN	
A PETERSEN	DEPARTMENT OF EDUCATION: SUBJECT SPECIALIST	
D ALLDERMAN	DEPARTMENT OF EDUCATION: TEACHER	
A MOON	CITY HEAD BUSINESS CONTINUITY	
T GQOBO	ETHEKWINI MUNICIPALITY: CIVIL ENGINEERING TECHNICIAN	
D O'REILLY	SAPS: WARRANT OFFICER	
S JAFTA	EASTERN CAPE DEPARTMENT OF TRANSPORT: ASSISTANT MANAGER	
N MKHIZE	DEAPRTMENT OF WATER AFFAIRS: ACCOUNTING CLERK	
A BRINK	DEPARTMENT OF HEALTH: MEDICAL PRACTITIONER	
I BRINK	DEPARTMENT OF EDICATION: TEACHER	
L CLOETE	DEPARTMENT OF HIGHER EDUCATION AND TRAINING: LECTURER	
N NIACKER	DEPARTMENT OF TRANSPORT: SENIOR ADMINISTRATOR CLERK	
J GOOCH	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: HEAD OF DEPARTMENT	
GENLUX LIGHTING A DIVISION OF ACTOM		4 082
T LUBBE	GAUTENG EDUCATION DEPARTMENT: TEACHER	
I NEL	CITY PRINCIPAL PROFESSIONAL OFFICER	

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
GREENRO SOLUTIONS (PTY) LTD		18 424
N THABENG	SOUTH AFRICAN POLICE SERVICE: FORENSIC ANALYST	
HAIDO ENTERPRISES (PTY) LTD		5
A MALAHLELA	CITY SENIOR PROFESSIONAL OFFICER	
HAYES INCORPORATED		2 194
F AKHERWARAY	CITY SUPPORT ASSISTANT	
HENRY FAGAN CONSULTING ENGINEERS AN		2 065
P NAIDOO	GAUTENG DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
HEROLD GIE ATTORNEYS		5 373
K MEYER	CITY SENIOR CLERK	
HITACHI ENERGY SOUTH AFRICA (PTY) LTD		20 338
G DU BOURG	RIVONIA PRIMARY SCHOOL: TEACHER	
HOWDEN PROJECTS		8 300
Z CHINGWARU	DEPARTMENT OF HEALTH: MANAGER	
IAN DICKIE & CO (PTY) LTD		22
D SAMUELS	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
IKAMVA ENTREPRENUERSHIP DEVELOPMENT		46
T MOUTON	DEPARTMENT OF HEALTH CAPE WINELANDS: HEALTH INSPECTOR	
IKAPA RETICULATION AND FLOW CC		42 458
C DAVIDS	WESTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
IMMEX WASTE		20 449
A DORFING	DEPARTMENT OF EDUCATION: SPEECH THERAPIST	
INDECON INSTRUMENTATION		5 165
L BARNARD	DEPARTMENT OF EDUCATION: TEACHER	
INNOVATIVE TRANSPORT SOLUTIONS		32 663
D PRETORIUS	PRASA: CHIEF OPERATING OFFICER	
NA KHENA	CSIR: ENGINEER	
M VAN DER MERWE	CITY CLINICAL MEDICAL OFFICER	
ISUZU TRUCK CENTRE		563 374
S GOVENDER	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
E JACOBS	CITY PROJECT ADMINISTRATOR	
IX ENGINEERS		3 058
RJ MASHEGANA	DEPARTMENT OF HEALTH: NURSE	

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41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
KALEIDOSCOPE EDUCATIONAL SERVICES		1 794
A ADAMS	CITY SENIOR PROFESSIONAL OFFICER	
KEMANZI (PTY) LTD		7 451
J DU TOIT	CITY TRAFFIC INSPECTOR	
KEMP EN GENOTE		7 804
MC WILLIAMS	STELLENBOSCH MUNICIPALITY: LEGAL ADVISOR	
DR OCTOBER	CAPE AGULHAS MUNICIPALITY	
KEPTRA TRADING		1 392
R MARAIS	WESTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
LEIBRANDT TRAINING ACADEMY CC		146
H BENJAMIN	CORRECTIONAL SERVICES: PSYCHOLOGIST	
LEVENDAL ATTORNEYS		1 297
K NDHLOVU	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LIKHONA LETHU SERVICES		92
Z RAFU	SOUTH AFRICAN POLICE SERVICES	
LILIAN4ZONKE		528
F MONK	CITY SUB-COUNCIL MANAGER	
NL MONK	CITY SCM: SENIOR CLERK	
LUKISWA TRADERS		49
L LUCAS	PROVINCIAL TREASURY: INTERN	
LUKHONZI CONSULTING ENGINEERS		41 243
G KENNEDY	SOUTH AFRICAN POLICE SERVICES: CHIEF ADMINISTRATOR CLERK	
M & C CLEVELAND A DIVISION OF ACTOM		60 318
I NEL	DEPARTMENT OF ENERGY: HEAD	
T LUBBE	GAUTENG EDUCATION DEPARTMENT: TEACHER	
MAGUGA ATTORNEYS INC		3 845
KJ MGEGWANA	SOUTH AFRICAN POLICE SERVICE: SENIOR ADMINISTRATOR	
MALHERBE TUBB FOURE INC T/A MHI ATTORNEY		795
J ROSSOUW	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ROADS RIGHTS	

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
MAYATS ATTORNEYS		396
T MAYAT	WESTERN CAPE DEPARTMENT OF HEALTH: DOCTOR	
NCC ENVIRONMENTAL SERVICES (PTY) LTD		15 850
C RHODA	CITY TRANSPORT	
NEOTERIC TRADING SERVICES		975
AA JACOBS	CAPE AGULHAS MUNICIPALITY: DIRECTOR OF INFRASTRUCTURE SERVICES	
NYATIKAZI ENTERPRISE		3 839
Z MBONGO	COLLEGE OF CAPE TOWN: HR MANAGER	
ONE STOP DRIVING SCHOOL (PTY) LTD		93
C JONAS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
PARKERS BUS SERVICE		38
RM PARKER	WESTERN CAPE DEPARTMENT OF EDUCATION: ACTING DEPUTY PRINCIPAL	
PEGASYS		109 748
P GREY	CITY PROFESSIONAL OFFICER	
B WESTON	DEPARTMENT OF WATER AND SANITATION: SCIENTIFIC MANAGER	
PSA AFRICA (PTY) LTD		3 729
T FROST	DEPARTMENT OF JUSTICE (DURBAN)	
RED ANT SECURITY RELOCATION AND EVICTION		51 322
N LESIELA	MOGALE CITY LOCAL MUNICIPALITY	
REEDS BELLVILLE		53
S GOVENDER	RANDPARK HIGH SCHOOL: TEACHER	
REEDS N1 CITY		619
S GOVENDER	RANDPARK HIGH SCHOOL: TEACHER	
RISK RELEASE (PTY) LTD		379
A DAMONS	CITY SPECIALIST CLERK	
ROYAL HASKONINGDHV (PTY) LTD		1 705
S SITHOLE	CITY OF JOHANNESBURG: ASSOCIATE DIRECTOR	
SBANISAMAGALWENI		118
L MLAMBO	CITY PHARMACIST ASSISTANT	
STEDONE DEVELOPMENT		48 308
L DUBE	DEPARTMENT OF TREASURY: CLERK	
SMART CIVIL CONSTRUCTION		12 818
N MOLEFE	CITY HEAD DEBT MANAGEMENT SERVICES	

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41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
SUCCIDO ENTERPRISES		1 828
L KRAMM	PRASA: ADMINISTRATOR	
TEMPUS DYNAMICS		352
M MVALO	CITY PROFESSIONAL OFFICER	
THE M		202
A HANGONE	NATIONAL PORTS AUTHORITY: CHIEF MARINE ENGINEER	
THE OIL CENTRE		4 048
LB MDYOGOLO	NTWASAHLOBO PRIMARY SCHOOL: TEACHER	
TOXSOLUTIONS KITS AND SERVICES CC		1 064
G PEARSON	RAND WATER: SENIOR EDUCATION ADVISOR	
TRANSPORT TELEMATICS AFRICA (PTY) LTD		237
JJE GROENEWALD	WESTERN CAPE PROVINCIAL GOVERNMENT: TRANSPORT AND PUBLIC WORKS	
TJEKA TRAINING MATTERS (PTY) LTD		2 159
B NTLANTI	MACCASAR CLINIC	
M TOUA	GAUTENG EDUCATION	
TRIDENTCHEM (PTY) LTD		3 394
GMT FEBRUARY	WESTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
UNAKO HOLDINGS (PTY) LTD		6
T VAPI	DEPARTMENT OF CORRECTIONAL SERVICES: OFFICER	
VAN DER SPUY & PARTNERS		882
M VAN ZYL	WESTERN CAPE DEPARTMENT OF EDUCATION: HEADMISTRESS	
VONDO TRADING CC		48
N NEVONDO	NATIONAL DEPARTMENT: HUMAN SETTLEMENT	
WEBBER WENTZEL		11 971
J ABRAHAM	DEPARTMENT OF EDUCATION: SECRETARY	
C TRUTER	DEPARTMENT OF EDUCATION: SCHOOL PRINCIPAL	
AM TRUTER	WEST COAST EDUCATION DISTRICTS: CHIEF EDUCATION SPECIALIST	
E WATSON	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION: BOARD MEMBER	
JCL SMIT	BEAUFORT WEST MUNICIPALITY: DIRECTOR	

41. DISCLOSURES IN TERMS OF LAW AND REGULATIONS (CONTINUED)

41.4 SUPPLY CHAIN MANAGEMENT REGULATIONS (CONTINUED)

41.4.2 BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE (CONTINUED)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2024
WEBBER WENTZEL (CONTINUED)		
B THEMBEKILE	DEPARTMENT OF EDUCATION: SCHOOL PRINCIPAL	
K NONYANE	PETRO SA: TECHNICIAN	
A SMITH	SAA: CABIN CREW MEMBER	
S QOLOHLE	NATIONAL TREASURY: DIRECTOR	
H PRINSLOO	DEVELOPMENT BANK OF SOUTHERN AFRICA: RISK ANALYST	
B WATSON	INDEPENDENT NON EXECUTIVE DIRECTOR OF PIC	
T MTHEMBU	RAND WATER: CIVIL ENGINEER	
N DIAS	WESTERN CAPE DEPARTMENT OF THE PREMIER: STATE LAW ADVISOR	
WRP CONSULTING ENGINEERS (PTY) LTD		1 083
EK MAMPHITHA	SABC: SYSTEMS ADMINISTRATOR	
ZANA MANZI SERVICES (PTY) LTD		285 909
G LUTHULI	DESMOND TUTU CHILD AND YOUTH CARE CENTRE: HEAD	
ZUTARI (PTY) LTD		259 177
HC AHLSCHLAGER	SIU: LEGAL REPRESENTATIVE	
K NADASEN	DEPARTMENT OF PUBLIC WORKS: DIRECTOR	
MR MARQUES	DEPARTMENT OF INTERNAL AFFAIRS: DIRECTOR	
TJ NDALA	DEPARTMENT OF EDUCATION: SCHOOL PRINCIPAL	
U JUGWANTH	DEPARTMENT OF SPORTS, ARTS AND CULTURE: DEPUTY DIRECTOR	
GRAND TOTAL		2 098 814

See annexure F for the 2023 list.

ANNEXURE A: SCHEDULE OF EXTERNAL BORROWINGS

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	Contractual interest rate (NACS) %	Loan ID	Redeemable in financial year	Balance as at 30 June 2023	Received during the year	Capitalised during the year	Net interest accrual during the year	Concessionary loan adjustment	Redeemed/ written off during the year	Balance as at 30 June 2024
CITY OF CAPE TOWN										
MARKETABLE BONDS										
Municipal Bond CCT02	11,615	830016003	2024	1 207 236	-	-	(7 236)	-	(1 200 000)	-
Municipal Bond CCT03	11,160	830017007	2025	2 065 505	-	-	-	-	-	2 065 505
Municipal Bond CCT04 (green bond)	10,170	830019504	2028	470 562	-	-	(4 472)	-	(100 000)	366 090
TOTAL MARKETABLE BONDS¹				3 743 303	-	-	(11 708)	-	(1 300 000)	2 431 595
CONCESSIONARY LOANS										
AFD	5,763	830018500	2028	189 837	-	-	(676)	4 679	(40 000)	153 840
AFD	5,730	830018516	2028	189 685	-	-	(672)	4 726	(40 000)	153 739
AFD	5,755	830018530	2028	189 804	-	-	(675)	4 690	(40 000)	153 819
AFD	5,800	830018523	2028	185 087	-	-	(662)	4 505	(38 961)	149 969
KfW	8,107	830020016	2034	812 420	-	-	(877)	14 907	(85 867)	740 583
AFD	11,300	830020507	2038	2 039 524	-	-	20 919	9 514	(141 067)	1 928 890
TOTAL CONCESSIONARY LOANS				3 606 357	-	-	17 357	43 021	(385 895)	3 280 840
OTHER LOANS										
Nedbank	10,342	830021027	2039	-	1 000 000	(17 680)	2 550	-	29	984 899
TOTAL OTHER LOANS				-	1 000 000	(17 680)	2 550	-	29	984 899
TOTAL				7 349 660	1 000 000	(17 680)	8 199	43 021	(1 685 866)	6 697 334

¹ Guaranteed investment instruments have been established with two financial institutions, namely Rand Merchant Bank and Liberty Group Limited, for the repayment of CCT02 and CCT03 respectively by once-off lump sum payments.



ANNEXURE B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AND OTHER ASSETS – ECONOMIC ENTITY

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

	COST						ACCUMULATED DEPRECIATION						Carrying value
	Opening balance	Transfers/ adjustments	Additions ¹	Impairments	Disposals	Closing balance	Opening balance	Transfers/ adjustments	Depreciation/ amortisation	Impairments	Disposals	Closing balance	
Land and buildings													
Assets under construction	2 711	-	3 254	-	-	5 965	-	-	-	-	-	-	5 965
Vacant land	1 564 373	808	203 080	-	(46)	1 768 215	(320 300)	-	-	(23 897)	-	(344 197)	1 424 018
Land and buildings	5 064 149	138 262	73 661	-	(8 229)	5 267 843	(2 018 727)	(77 797)	(42 906)	102 239	8 189	(2 029 002)	3 238 841
	6 631 233	139 070	279 995	-	(8 275)	7 042 023	(2 339 027)	(77 797)	(42 906)	78 342	8 189	(2 373 199)	4 668 824
Infrastructure													
Assets under construction	5 054 844	(1 979 271)	3 899 464	-	-	6 975 037	-	-	-	-	-	-	6 975 037
Telecommunications	1 663 288	39 497	249 182	-	(1 093)	1 950 874	(647 675)	(294)	(125 773)	-	1 060	(772 682)	1 178 192
Drains	2 014 521	74 350	48 026	-	-	2 136 897	(735 864)	-	(76 226)	-	-	(812 090)	1 324 807
Roads	17 407 157	232 485	394 117	-	-	18 033 759	(6 207 490)	(456)	(591 149)	-	-	(6 799 095)	11 234 664
Beach improvements	206 614	25 590	18 912	-	-	251 116	(57 758)	-	(6 631)	-	-	(64 389)	186 727
Sewerage mains and purification	8 531 098	1 267 592	465 339	-	-	10 264 029	(3 042 908)	-	(258 625)	-	-	(3 301 533)	6 962 496
Security	2 271 293	37 961	340 766	-	(9)	2 650 011	(1 180 529)	(484)	(195 145)	-	9	(1 376 149)	1 273 862
Electricity peak-load equipment and mains	13 259 935	145 134	695 572	-	-	14 100 641	(4 317 895)	(143)	(308 376)	-	-	(4 626 414)	9 474 227
Water mains and purification	7 617 196	94 712	354 550	-	-	8 066 458	(2 765 074)	-	(201 042)	-	-	(2 966 116)	5 100 342
Reservoirs – water	1 924 091	37 794	142 460	-	-	2 104 345	(545 019)	-	(30 370)	-	-	(575 389)	1 528 956
	59 950 037	(24 156)	6 608 388	-	(1 102)	66 533 167	(19 500 212)	(1 377)	(1 793 337)	-	1 069	(21 293 857)	45 239 310
Community assets													
Assets under construction	74 666	(3 072)	156 794	-	-	228 388	-	-	-	-	-	-	228 388
Parks and gardens	368 488	3 404	1 993	-	-	373 885	(113 761)	1	(12 400)	-	-	(126 160)	247 725
Libraries	356 998	749	82	-	-	357 829	(115 799)	-	(6 419)	-	-	(122 218)	235 611
Recreational facilities	1 589 610	988	21 443	-	-	1 612 041	(778 897)	(1 319)	(50 288)	-	-	(830 504)	781 537
Civic buildings	3 248 144	31 046	30 227	-	-	3 309 417	(989 871)	771	(55 656)	-	-	(1 044 756)	2 264 661
	5 637 906	33 115	210 539	-	-	5 881 560	(1 998 328)	(547)	(124 763)	-	-	(2 123 638)	3 757 922
Other assets													
Assets under construction	283 365	(77 282)	366 858	-	-	572 941	-	-	-	-	-	-	572 941
Buildings and land	1 249	-	-	-	-	1 249	(1 249)	-	-	-	-	(1 249)	-
Landfill sites	1 719 903	(28 621)	(4 253)	-	-	1 687 029	(825 762)	909	(44 720)	-	-	(869 573)	817 456
Furniture, fittings and equipment	1 671 050	10 953	173 728	-	(41 526)	1 814 205	(1 183 084)	(807)	(129 570)	-	37 771	(1 275 690)	538 515
Bins and containers	78 087	-	6 959	-	(267)	84 779	(62 806)	-	(5 695)	-	245	(68 256)	16 523
Emergency equipment	81 872	(2 270)	753	-	(6 008)	74 347	(66 644)	1 324	(6 209)	-	5 593	(65 936)	8 411
Motor vehicles and watercraft	2 976 688	(20)	496 221	-	(123 429)	3 349 460	(1 371 167)	-	(300 758)	(4 583)	106 063	(1 570 445)	1 779 015
Plant and equipment	1 531 817	4 349	230 920	-	(13 365)	1 753 721	(1 091 269)	450	(115 581)	-	11 306	(1 195 094)	558 627
Specialised vehicles	3 067 173	583	384 859	-	(64 760)	3 387 855	(1 324 450)	(13)	(190 778)	(2 017)	52 310	(1 464 948)	1 922 907
Computer equipment	2 801 501	2 508	282 833	-	(126 060)	2 960 782	(2 218 912)	(405)	(263 509)	-	122 949	(2 359 877)	600 905
	14 212 705	(89 800)	1 938 878	-	(375 415)	15 686 368	(8 145 343)	1 458	(1 056 820)	(6 600)	336 237	(8 871 068)	6 815 300

ANNEXURE B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AND OTHER ASSETS – ECONOMIC ENTITY (CONTINUED)

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R’000)

	COST						ACCUMULATED DEPRECIATION						Carrying value
	Opening balance	Transfers/ adjustments	Additions ¹	Impairments	Disposals	Closing balance	Opening balance	Transfers/ adjustments	Depreciation/ amortisation	Impairments	Disposals	Closing balance	
Living resources													
Animals	1 088	-	340	-	(116)	1 312	(882)	-	(36)	-	116	(802)	510
	1 088	-	340	-	(116)	1 312	(882)	-	(36)	-	116	(802)	510
Service concession assets													
Assets under construction	228	(229)	10 716	-	-	10 715	-	-	-	-	-	-	10 715
Cape Town Stadium	4 865 812	105	16 030	-	(380)	4 881 567	(2 480 178)	121	(181 034)	-	376	(2 660 715)	2 220 852
Buses and depots	1 470 926	-	20 295	-	(7 156)	1 484 065	(838 487)	-	(45 483)	-	6 992	(876 978)	607 087
	6 336 966	(124)	47 041	-	(7 536)	6 376 347	(3 318 665)	121	(226 517)	-	7 368	(3 537 693)	2 838 654
Housing rental stock	3 436 277	(93 404)	112 171	-	(17 280)	3 437 764	(1 463 570)	78 581	(108 587)	-	14 939	(1 478 637)	1 959 127
TOTAL PPE	96 206 212	(35 299)	9 197 352	-	(409 724)	104 958 541	(36 766 027)	439	(3 352 966)	71 742	367 918	(39 678 894)	65 279 647
Heritage assets													
Paintings and museum items	10 268	-	77	-	(5)	10 340	-	-	-	-	-	-	10 340
	10 268	-	77	-	(5)	10 340	-	-	-	-	-	-	10 340
Investment property													
Vacant land	518 142	-	-	-	-	518 142	-	-	-	-	-	-	518 142
Land and buildings	124 501	-	-	-	-	124 501	(66 537)	-	(1 714)	-	-	(68 251)	56 250
	642 643	-	-	-	-	642 643	(66 537)	-	(1 714)	-	-	(68 251)	574 392
Intangible assets													
Assets under construction	27 575	(18 110)	71 998	-	-	81 463	-	-	-	-	-	-	81 463
Acquisition of rights	561 441	2	-	-	-	561 443	(556 433)	(2)	(4 636)	-	-	(561 071)	372
Computer software	1 735 859	36 262	165 173	-	(9 694)	1 927 600	(1 031 102)	425	(148 903)	-	9 644	(1 169 936)	757 664
	2 324 875	18 154	237 171	-	(9 694)	2 570 506	(1 587 535)	423	(153 539)	-	9 644	(1 731 007)	839 499
TOTAL OTHER	2 977 786	18 154	237 248	-	(9 699)	3 223 489	(1 654 072)	423	(155 253)	-	9 644	(1 799 258)	1 424 231
GRAND TOTAL PPE AND OTHER	99 183 998	(17 145)	9 434 600	-	(419 423)	108 182 030	(38 420 099)	862	(3 508 219)	71 742	377 562	(41 478 152)	66 703 878

¹ See note 38 for more details.

ANNEXURE B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AND OTHER ASSETS – CITY OF CAPE TOWN

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	COST						ACCUMULATED DEPRECIATION						Carrying value
	Opening balance	Transfers/ adjustments	Additions ¹	Impairments	Disposals	Closing balance	Opening balance	Transfers/ adjustments	Depreciation/ amortisation	Impairments	Disposals	Closing balance	
Land and buildings													
Vacant land	1 564 373	808	203 080	-	(46)	1 768 215	(320 300)	-	-	(23 897)	-	(344 197)	1 424 018
Land and buildings	3 639 084	138 990	59 554	-	-	3 837 628	(987 485)	(78 525)	(18 461)	(499)	-	(1 084 970)	2 752 658
	5 203 457	139 798	262 634	-	(46)	5 605 843	(1 307 785)	(78 525)	(18 461)	(24 396)	-	(1 429 167)	4 176 676
Infrastructure													
Assets under construction	5 054 844	(1 979 271)	3 899 464	-	-	6 975 037	-	-	-	-	-	-	6 975 037
Telecommunications	1 663 288	39 497	249 182	-	(1 093)	1 950 874	(647 675)	(294)	(125 773)	-	1 060	(772 682)	1 178 192
Drains	2 014 521	74 350	48 026	-	-	2 136 897	(735 864)	-	(76 226)	-	-	(812 090)	1 324 807
Roads	17 407 157	232 485	394 117	-	-	18 033 759	(6 207 490)	(456)	(591 149)	-	-	(6 799 095)	11 234 664
Beach improvements	206 614	25 590	18 912	-	-	251 116	(57 758)	-	(6 631)	-	-	(64 389)	186 727
Sewerage mains and purification	8 531 098	1 267 592	465 339	-	-	10 264 029	(3 042 908)	-	(258 625)	-	-	(3 301 533)	6 962 496
Security	2 271 293	37 961	340 766	-	(9)	2 650 011	(1 180 529)	(484)	(195 145)	-	9	(1 376 149)	1 273 862
Electricity peak-load equipment and mains	13 259 935	145 134	695 572	-	-	14 100 641	(4 317 895)	(143)	(308 376)	-	-	(4 626 414)	9 474 227
Water mains and purification	7 617 196	94 712	354 550	-	-	8 066 458	(2 765 074)	-	(201 042)	-	-	(2 966 116)	5 100 342
Reservoirs – water	1 924 091	37 794	142 460	-	-	2 104 345	(545 019)	-	(30 370)	-	-	(575 389)	1 528 956
	59 950 037	(24 156)	6 608 388	-	(1 102)	66 533 167	(19 500 212)	(1 377)	(1 793 337)	-	1 069	(21 293 857)	45 239 310
Community assets													
Assets under construction	74 666	(3 072)	156 794	-	-	228 388	-	-	-	-	-	-	228 388
Parks and gardens	368 488	3 404	1 993	-	-	373 885	(113 761)	1	(12 400)	-	-	(126 160)	247 725
Libraries	356 998	749	82	-	-	357 829	(115 799)	-	(6 419)	-	-	(122 218)	235 611
Recreational facilities	1 589 610	988	21 443	-	-	1 612 041	(778 897)	(1 319)	(50 288)	-	-	(830 504)	781 537
Civic buildings	3 248 144	31 046	30 227	-	-	3 309 417	(989 871)	771	(55 656)	-	-	(1 044 756)	2 264 661
	5 637 906	33 115	210 539	-	-	5 881 560	(1 998 328)	(547)	(124 763)	-	-	(2 123 638)	3 757 922
Other assets													
Assets under construction	283 365	(77 282)	366 858	-	-	572 941	-	-	-	-	-	-	572 941
Buildings and land	1 249	-	-	-	-	1 249	(1 249)	-	-	-	-	(1 249)	-
Landfill sites	1 719 903	(28 621)	(4 253)	-	-	1 687 029	(825 762)	909	(44 720)	-	-	(869 573)	817 456
Furniture, fittings and equipment	1 626 875	10 953	165 299	-	(40 718)	1 762 409	(1 146 277)	(807)	(125 557)	-	36 965	(1 235 676)	526 733
Bins and containers	78 087	-	6 959	-	(267)	84 779	(62 806)	-	(5 695)	-	245	(68 256)	16 523
Emergency equipment	81 872	(2 270)	753	-	(6 008)	74 347	(66 644)	1 324	(6 209)	-	5 593	(65 936)	8 411
Motor vehicles and watercraft	2 884 501	(20)	489 593	-	(112 176)	3 261 898	(1 313 020)	-	(294 955)	(4 583)	94 983	(1 517 575)	1 744 323
Plant and equipment	1 531 817	4 349	230 920	-	(13 365)	1 753 721	(1 091 269)	450	(115 581)	-	11 306	(1 195 094)	558 627
Specialised vehicles	3 067 173	583	384 859	-	(64 760)	3 387 855	(1 324 450)	(13)	(190 778)	(2 017)	52 310	(1 464 948)	1 922 907
Computer equipment	2 726 816	2 508	276 780	-	(119 055)	2 887 049	(2 155 520)	(405)	(258 710)	-	115 944	(2 298 691)	588 358
	14 001 658	(89 800)	1 917 768	-	(356 349)	15 473 277	(7 986 997)	1 458	(1 042 205)	(6 600)	317 346	(8 716 998)	6 756 279

ANNEXURE B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AND OTHER ASSETS – CITY OF CAPE TOWN (CONTINUED)

AS AT 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	COST						ACCUMULATED DEPRECIATION						Carrying value
	Opening balance	Transfers/ adjustments	Additions ¹	Impairments	Disposals	Closing balance	Opening balance	Transfers/ adjustments	Depreciation/ amortisation	Impairments	Disposals	Closing balance	
Living resources													
Animals	1 088	-	340	-	(116)	1 312	(882)	-	(36)	-	116	(802)	510
	1 088	-	340	-	(116)	1 312	(882)	-	(36)	-	116	(802)	510
Service concession assets													
Assets under construction	228	(229)	10 716	-	-	10 715	-	-	-	-	-	-	10 715
Cape Town Stadium	4 865 812	105	16 030	-	(380)	4 881 567	(2 480 178)	121	(181 034)	-	376	(2 660 715)	2 220 852
Buses and depots	1 470 926	-	20 295	-	(7 156)	1 484 065	(838 487)	-	(45 483)	-	6 992	(876 978)	607 087
	6 336 966	(124)	47 041	-	(7 536)	6 376 347	(3 318 665)	121	(226 517)	-	7 368	(3 537 693)	2 838 654
Housing rental stock	3 436 277	(93 404)	112 171	-	(17 280)	3 437 764	(1 463 570)	78 581	(108 587)	-	14 939	(1 478 637)	1 959 127
TOTAL PPE	94 567 389	(34 571)	9 158 881	-	(382 429)	103 309 270	(35 576 439)	(289)	(3 313 906)	(30 996)	340 838	(38 580 792)	64 728 478
Heritage assets													
Paintings and museum items	10 268	-	77	-	(5)	10 340	-	-	-	-	-	-	10 340
	10 268	-	77	-	(5)	10 340	-	-	-	-	-	-	10 340
Investment property													
Vacant land	518 142	-	-	-	-	518 142	-	-	-	-	-	-	518 142
Land and buildings	124 501	-	-	-	-	124 501	(66 537)	-	(1 714)	-	-	(68 251)	56 250
	642 643	-	-	-	-	642 643	(66 537)	-	(1 714)	-	-	(68 251)	574 392
Intangible assets													
Assets under construction	27 575	(18 110)	71 998	-	-	81 463	-	-	-	-	-	-	81 463
Acquisition of rights	561 441	2	-	-	-	561 443	(556 433)	(2)	(4 636)	-	-	(561 071)	372
Computer software	1 725 209	36 396	159 815	-	(4 114)	1 917 306	(1 023 948)	291	(144 537)	-	4 064	(1 164 130)	753 176
	2 314 225	18 288	231 813	-	(4 114)	2 560 212	(1 580 381)	289	(149 173)	-	4 064	(1 725 201)	835 011
TOTAL OTHER	2 967 136	18 288	231 890	-	(4 119)	3 213 195	(1 646 918)	289	(150 887)	-	4 064	(1 793 452)	1 419 743
GRAND TOTAL PPE AND OTHER	97 534 525	(16 283)	9 390 771	-	(386 548)	106 522 465	(37 223 357)	-	(3 464 793)	(30 996)	344 902	(40 374 244)	66 148 221

¹ See note 38 for more details.

ANNEXURE C: DISCLOSURE OF BANK ACCOUNTS AND INVESTMENTS IN TERMS OF SECTION 125(2)(A) AND (B) OF THE MFMA

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2024	2023	2022
CITY OF CAPE TOWN			
BANK ACCOUNTS HELD WITH			
Nedbank			
Main bank	384 253	486 048	275 930
Salary bank	-	-	-
Cashier's bank	-	-	-
General income bank (primary)	-	-	-
IRT bank	-	-	-
Amortised cost	384 253	486 048	275 930
ABSA			
IRT bank	-	-	-
Amortised cost	-	-	-
Amortised cost – see note 11	384 253	486 048	275 930
CONTROLLED ENTITIES			
BANK ACCOUNTS			
CTICC			
ABSA Bank – current	23	28	2
ABSA Bank – CTICC east – current	-	-	-
ABSA Bank – exh serv – current	-	-	4
ABSA Bank Treasury	-	-	-
ABSA Bank – Convenco	-	-	-
Nedbank – CTICC main current	1 362	1 526	1 432
Nedbank – CTICC payroll	27	19	17
Nedbank – CTICC east	1	2	6
Nedbank – CTICC merchant services	974	5	16
Nedbank – CTICC e-commerce	1	-	-
Amortised cost	2 388	1 580	1 477
CTS			
Nedbank – current account	5 411	7 412	5 518
TOTAL BANK BALANCES – see note 11	392 052	495 040	282 925

	2024	2023	2022
CITY OF CAPE TOWN			
BANK ACCOUNTS MANAGED BY FUND MANAGERS			
FNB			
City of Cape Town	497	675	180
City of Cape Town	162	214	66
City of Cape Town	991	6 517	15 857
City of Cape Town	1 614	3 596	2 328
City of Cape Town	4 813	4 549	9 626
City of Cape Town	908	860	1 227
City of Cape Town	258	204	215
City of Cape Town	20 564	329	1 717
City of Cape Town	143	194	136
City of Cape Town	463	3 225	9
Fair value – see note 11	30 413	20 363	31 361
CONTROLLED ENTITIES			
INVESTMENT ACCOUNTS			
CTICC			
Stanlib – bank	36 130	21 566	8 825
Investec – bank	8 415	15 663	10 520
ABSA Bank – call deposit	-	-	-
Nedgroup – money market fund	30 186	13 804	7 094
Nedgroup – corporate money market	31 301	18 843	7 812
ABSA Bank – call account	-	-	174
ABSA Bank – CTICC money market fund	42 783	25 432	12 010
Nedbank – CTICC daily call deposit	686	4 557	2 544
Amortised cost	149 501	99 865	48 979

ANNEXURE C: DISCLOSURE OF BANK ACCOUNTS AND INVESTMENTS IN TERMS OF SECTION 125(2)(A) AND (B) OF THE MFMA (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

SHORT-TERM DEBT FACILITIES

The City had the following short-term debt facilities with its main banker:

	2024	2023
General banking facility	800 000	800 000
Guarantee facility (cash-covered)	150 000	150 000
Guarantee facility (non-cash-covered)	30 000	30 000
Letter of credit	16 000	16 000
Business travel card	2 000	2 000

The short-term debt facilities are reviewed annually and can be explained as follows:

GENERAL BANKING FACILITY

This facility allows the City quick access to funds should an immediate drawdown into the City's bank account be required.

GUARANTEE FACILITY (CASH-COVERED)

Through this facility, the bank guarantees a payment to a beneficiary on behalf of the client to meet the obligations between the client and the beneficiary. The facility is cash-covered, which means that the client provides cash cover, which is held in an interest-bearing investment account and is then ceded to the bank.

GUARANTEE FACILITY (NON-CASH-COVERED)

Through this facility, the bank guarantees a payment to a beneficiary on behalf of the client to meet the obligations between the client and the beneficiary. There is no cash required in this instance.

LETTER OF CREDIT

A letter of credit is a document issued by the bank, assuring payment to a seller of goods or services, provided that certain documents have been presented to the bank. The documents should prove that the seller has performed the duties specified by an underlying contract, and that the goods/ services have been supplied as agreed. In return for these documents, the beneficiary receives payment from the bank that issued the letter.

BUSINESS TRAVEL CARD

The travel card facility is used for all the City's travel expenses (airfares, hotel and accommodation, car hire, travel agent fees, forex, etc.) as the main, cost-effective and reliable card payment solution from the City's main banker. A credit facility is loaded onto the account/card.



ANNEXURE D: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF THE MFMA

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

NATIONAL AND PROVINCE GRANT FUNDS										
Description	Source	Balance unspent at beginning of the year ¹	Conditions met – transferred to revenue				Interest earned	Amounts to be claimed	Balance unspent at the end of the year ¹	
			Current-year receipts	Adjustments	Operating	Capital				
NATIONAL GOVERNMENT										
Accreditation: Development Support	Human Settlements	(293)	-	-	-	-	-	-	(293)	
City Public Employment Programme (PEP)	National Treasury	-	(168 258)	(42 695)	209 716	1 237	-	-	-	
Department of Environmental Affairs and Tourism	Forestry, Fisheries and the Environment	(94)	-	-	56	-	-	-	(38)	
Dido Valley – Luyolo Land Claim	Human Settlements	-	-	11 759	-	-	-	(11 759)	-	
DME – INEP	Energy	(5)	-	-	-	-	-	-	(5)	
Energy Efficiency Electricity Demand Side Management	Energy	-	(9 000)	38	887	8 075	-	-	-	
Expanded Public Works Incentive Grant	National Treasury	-	(59 093)	183	58 910	-	-	-	-	
Finance Management Grant	National Treasury	-	(1 000)	-	1 000	-	-	-	-	
Informal Settlements Upgrading Partnership	Human Settlements	(56 639)	(608 546)	79 395	21 009	564 781	-	-	-	
Infrastructure Skills Development	National Treasury	-	(9 920)	6	9 315	599	-	-	-	
Municipal Disaster Recovery Grant	Cooperative Governance	(30)	-	-	-	-	-	-	(30)	
Municipal Disaster Recovery Grant Flood Intervention	Cooperative Governance	-	(4 450)	534	3 559	-	-	-	(357)	
National Skills Fund	Higher Education and Training	(9 754)	-	8 534	1 220	-	-	-	-	
Neighbourhood Development Programme	National Treasury	-	(67 632)	48 329	-	19 303	-	-	-	
Philippi Agri-Hub	General Budget Support Allocation	-	-	134	-	-	-	(134)	-	
Programme and Project Preparation Support	National Treasury	-	(68 877)	1 707	67 170	-	-	-	-	
Public Transport Network Grant	Transport	(17 681)	(1 777 845)	936 941	428 074	408 921	-	-	(21 590)	
Public Transport Network Grant – BFI	Transport	-	-	(826 070)	-	729 390	-	-	(96 680)	
Restructuring Grant – Seed Funding	National Treasury	(173)	-	-	-	-	-	-	(173)	
Urban Settlements Development Grant	National Treasury	(36 563)	(938 100)	116 174	37 791	757 168	-	-	(63 530)	
TOTAL DORA ALLOCATION		(121 232)	(3 712 721)	334 969	838 707	2 489 474	-	(11 893)	(182 696)	

NATIONAL AND PROVINCE GRANT FUNDS							
Description	Source	Balance unspent at beginning of the year ¹	Conditions met – transferred to revenue			Interest earned	Balance unspent at the end of the year ¹
			Current-year receipts	Adjustments	Operating	Capital	
National Skills Fund: Interest account		(635)	-	-	1 147	-	(272)
Natural Resource Management: Interest account		(13)	-	-	-	-	(14)
Smart Living Handbook: Interest account		(132)	-	-	-	(11)	(143)
TOTAL INTEREST EARNED		(780)	-	-	1 147	(796)	(429)
TOTAL NATIONAL GOVERNMENT TRANSFERS AND GRANTS		(122 012)	(3 712 721)	334 969	839 854	2 489 474	(796) (11 893) (183 125)
PROVINCE							
ABET Adult Education	Education	(4)	-	-	-	-	(4)
Atlantis Kanonkop Phase 2 Top Structures	Infrastructure (Human Settlements)	-	-	-	2 248	-	(2 248)
Belhar Pentech 340 Top Structures	Infrastructure (Human Settlements)	-	-	2 823	8 709	-	(11 532)
Delft – The Hague Phase 2 (896)	Infrastructure (Human Settlements)	-	-	5 238	-	-	(5 238)
Edward Road Energy Efficient Project	Infrastructure (Human Settlements)	(4 692)	-	-	-	(419)	(5 111)
Edward Street: Grassy Park Development	Infrastructure (Human Settlements)	-	-	(14 439)	1 828	-	(12 611)
EHP: Langa, Rondevlei, Joe Slovo	Infrastructure (Human Settlements)	(754)	-	627	-	-	(127)
Eradication of Registration Backlog	Infrastructure (Human Settlements)	(8)	-	-	-	-	(8)
Financial Management Capability Grant Treasury	Treasury	(5)	-	-	-	-	(5)
Fisantekraal Garden Cities (RDP 4 672 Units)	Infrastructure (Human Settlements)	-	-	436	-	-	(436)
Fisantekraal, Greenville, Phase 3	Infrastructure (Human Settlements)	-	-	374	-	-	(374)
Government Grant Community Development Workers	WCG Local Government	(13)	(1 018)	-	998	-	(33)
Greenville Housing Phase 4 Tops	Infrastructure (Human Settlements)	-	-	67 575	98 494	-	(166 069)
Gugulethu Housing Infill Project	Infrastructure (Human Settlements)	(5 580)	-	-	3 799	-	(1 781)
Happy Valley – Phase 2 Top Structures	Infrastructure (Human Settlements)	(65)	-	65	-	-	-
Harare Infill Housing	Infrastructure (Human Settlements)	-	-	31 899	334	-	(32 233)

ANNEXURE D: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF THE MFMA (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024
All amounts indicated in Rand thousands (R'000)

NATIONAL AND PROVINCE GRANT FUNDS							
Description	Source	Balance unspent at beginning of the year ¹	Conditions met – transferred to revenue			Interest earned	Balance unspent at the end of the year ¹
			Current-year receipts	Adjustments	Operating	Capital	
Hazendal Infill – Top Structures	Infrastructure (Human Settlements)	(66)	-	-	-	-	(66)
Heideveld Housing Infill	Infrastructure (Human Settlements)	(1 491)	-	-	-	-	(1 491)
HIV/AIDS Community-Based Response Projects	Health	(11 769)	(266 639)	-	265 179	-	(13 229)
Housing Settlements Development Grant	Infrastructure (Human Settlements)	(41 905)	(269 583)	208 008	-	-	(103 480)
IDA Projects: Urban Engineering	Infrastructure (Human Settlements)	-	-	24 735	-	(24 735)	-
IDA- Freedom Park Ottery	Infrastructure (Human Settlements)	-	-	-	102	(102)	-
Informal Settlements	Infrastructure (Human Settlements)	(459)	(1 500)	176	1 385	-	(398)
Jakkalsvlei Canal Upgrading	Infrastructure (Human Settlements)	(10 427)	-	-	-	-	(10 427)
K9 Unit	Community Safety	(2)	-	2	-	-	-
Khayelitsha Site C Subsidies	Infrastructure (Human Settlements)	(6 258)	-	-	-	(559)	(6 817)
Kleinvlei Phase 2	Infrastructure (Human Settlements)	(396)	-	396	-	-	-
Law Enforcement Officers	Community Safety	(463)	-	-	-	-	(463)
Law Enforcement Officers	Community Safety	(195)	(4 666)	166	4 467	(72)	(300)
Law Enforcement Officers – LEAP	Community Safety	(27 996)	(331 661)	27 604	308 479	(6 287)	(6 288)
Library Service: Procurement Periodicals and Newspapers	Cultural Affairs and Sport	(121)	(5 658)	-	5 779	(21)	(21)
Library Service Replacement Funding	Cultural Affairs and Sport	-	(928)	-	-	927	(5)
Library Metro Grant	Cultural Affairs and Sport	(146)	(5 573)	-	9	5 616	(336)
Macassar BNG Housing Project	Infrastructure (Human Settlements)	-	-	(95 627)	63 887	-	(31 740)
Mahama Infill	Infrastructure (Human Settlements)	-	-	-	323	-	-
Maroela Housing (South)	Infrastructure (Human Settlements)	(12 782)	-	(3 472)	24 133	-	-
Metropolitan Land Transport Fund	Transport and Public Works	(19 916)	(23 132)	19 780	18 634	(180)	(4 814)
Morkel's Cottage Strand Housing Project	Infrastructure (Human Settlements)	(1 071)	-	-	-	-	(1 071)
Morningstar Infill IRDP	Infrastructure (Human Settlements)	(55)	-	-	6	-	(49)
Municipal Library Support Fund	Cultural Affairs and Sport	(1)	-	-	-	-	(1)

NATIONAL AND PROVINCE GRANT FUNDS							
Description	Source	Balance unspent at beginning of the year ¹	Conditions met – transferred to revenue			Interest earned	Balance unspent at the end of the year ¹
			Current-year receipts	Adjustments	Operating	Capital	
NHBRC Enrolment Fees	Infrastructure (Human Settlements)	(1 234)	-	(36 414)	24 550	-	(13 098)
Nutrition Supplement Programme	Health	-	(6 140)	976	5 908	-	(744)
People's Housing Process Project	Infrastructure (Human Settlements)	(32 885)	-	(26 202)	30 615	(2 938)	(31 410)
Philippi East Phase 5	Infrastructure (Human Settlements)	(567)	-	-	-	-	(567)
Pooke se Bos Housing Project	Infrastructure (Human Settlements)	-	-	(582)	-	-	(582)
Public Library Fund	Cultural Affairs and Sport	(2 091)	(53 826)	-	55 803	(901)	(1 015)
Sir Lowry's Pass HSDG Project	Infrastructure (Human Settlements)	(1 835)	-	(14 043)	28 917	-	(13 039)
Somerset West Housing Project	Infrastructure (Human Settlements)	(953)	-	-	-	-	(953)
TB Crisis Plan	Health	(18 556)	(43 780)	-	31 363	-	(30 973)
Title Deeds Restoration	Infrastructure (Human Settlements)	-	(9 014)	-	5 314	-	(3 700)
Tourism Safety Law Enforcement Unit	Community Safety	-	(2 000)	-	2 000	-	-
Vaccines	Health	(23 828)	(91 424)	-	81 124	-	(34 128)
Valhalla Park Integrated Housing Project	Infrastructure (Human Settlements)	-	-	-	737	(737)	-
Vrygrond	Infrastructure (Human Settlements)	(18)	-	18	-	-	-
WC Finance Management Capacity Grant (FMCG)	Treasury	(3)	(1 200)	-	203	999	(15)
WCED SRT Programme	Education Department	(17 524)	-	-	17 328	(1 008)	(1 204)
WCG – Municipal Accreditation and Capacity Building Grant	Infrastructure (Human Settlements)	-	(7 500)	-	7 500	-	-
TOTAL PROVINCE TRANSFERS AND GRANTS							
		(246 134)	(1 125 242)	200 119	1 100 155	31 115	(318 321)
Analysis of grants and subsidies							
Total National Government transfers and grants		(122 012)	(3 712 721)	334 969	839 854	2 489 474	(183 125)
Total Province transfers and grants		(246 134)	(1 125 242)	200 119	1 100 155	31 115	(318 321)
		(368 146)	(4 837 963)	535 088	1 940 009	2 520 589	(501 446)

¹ The balance unspent at the beginning and end of the year excludes VAT.

ANNEXURE E: APPROPRIATION STATEMENT (RECONCILIATION: BUDGET AND IN-YEAR PERFORMANCE) – ECONOMIC ENTITY

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2023/24						2023/24					2022/23			
	Original budget	Budget adjustments (i.t.o. s 28 and s 31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s 31 of the MFMA)	Virement (i.t.o. Council-approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget	Reported unauthorised expenditure	Expenditure authorised i.t.o. s 32 of the MFMA	Balance to be recovered	Restated audited outcome
FINANCIAL PERFORMANCE															
Property rates	11 857 238	-	11 857 238	-	-	11 857 238	11 981 351	-	-	101	101	-	-	-	-
Service charges	27 821 663	146 482	27 968 145	-	-	27 968 145	28 539 187	-	-	102	103	-	-	-	-
Investment revenue	1 197 802	182 753	1 380 555	-	-	1 380 555	1 593 286	-	-	115	133	-	-	-	-
Transfers recognised – operational	6 842 756	(44 417)	6 798 339	-	-	6 798 339	6 686 583	-	-	98	98	-	-	-	-
Other own revenue	11 290 753	1 341 832	12 632 585	-	-	12 632 585	13 041 080	-	-	103	116	-	-	-	-
Total revenue (excluding capital transfers and contributions)	59 010 212	1 626 650	60 636 862	-	-	60 636 862	61 841 487	-	-	102	105	-	-	-	-
Employee costs	18 483 288	5 882	18 489 170	-	(31 310)	18 457 860	17 200 381	-	-	93	93	-	-	-	-
Remuneration of councillors	192 212	(192)	192 020	-	1 064	193 084	184 273	-	-	95	96	-	-	-	-
Debt impairment	2 321 520	602 210	2 923 730	-	-	2 923 730	2 767 538	-	-	95	119	-	-	-	-
Depreciation and asset impairment	5 856 461	(2 265 325)	3 591 136	-	-	3 591 136	3 539 214	-	-	99	60	-	-	-	-
Finance charges	945 367	(45 166)	900 201	-	(38 990)	861 211	829 972	-	-	96	88	-	-	-	-
Materials and bulk purchases	20 089 107	700 510	20 789 617	-	(46 853)	20 742 764	20 593 337	-	-	99	103	-	-	-	-
Transfers and grants	381 362	29 079	410 441	-	(6 565)	403 876	326 622	-	-	81	86	-	-	-	-
Other expenditure	11 234 402	2 474 879	13 709 281	-	122 654	13 831 935	13 227 074	-	-	96	118	-	-	-	-
Total expenditure	59 503 719	1 501 877	61 005 596	-	-	61 005 596	58 668 411	-	-	96	99	-	-	-	-
Surplus/(deficit)	(493 507)	124 773	(368 734)	-	-	(368 734)	3 173 076	-	-	(861)	(643)	-	-	-	-
Transfers recognised – capital	2 776 159	113 919	2 890 078	-	-	2 890 078	2 535 548	-	-	88	91	-	-	-	-
Contributions recognised – capital and contributed assets	-	-	-	-	-	-	117	-	-	-	-	-	-	-	-
Surplus/(deficit) after capital transfers and contributions	2 282 652	238 692	2 521 344	-	-	2 521 344	5 708 741	-	-	226	250	-	-	-	-
Taxation	(7 916)	11 090	3 174	-	-	3 174	46 425	-	-	1 463	(586)	-	-	-	-
Surplus/(deficit) after taxation	2 274 736	249 782	2 524 518	-	-	2 524 518	5 755 166	-	-	228	-	-	-	-	-
Share of surplus/(deficit) attributed to minorities	(6 957)	9 300	2 343	-	-	2 343	(64 045)	-	-	(2 733)	921	-	-	-	-
Share of surplus/(deficit) of associate	-	-	-	-	-	-	17 774	-	-	-	-	-	-	-	-
Surplus/(deficit) for the year	2 267 779	259 082	2 526 861	-	-	2 526 861	5 708 895	-	-	226	252	-	-	-	-
CAPITAL EXPENDITURE AND FUNDS SOURCES															
Transfers recognised – capital	2 690 358	105 418	2 795 776	-	-	2 795 776	2 513 385	-	-	90	93	-	-	-	-
Public contributions and donations	85 801	8 501	94 302	-	-	94 302	66 133	-	-	70	77	-	-	-	-
Borrowing	6 500 000	(3 000 000)	3 500 000	-	-	3 500 000	2 544 486	-	-	73	39	-	-	-	-
Internally generated funds	1 758 710	3 231 105	4 989 815	-	-	4 989 815	4 324 182	-	-	87	246	-	-	-	-
Total sources of capital funds	11 034 869	345 024	11 379 893	-	-	11 379 893	9 448 186	-	-	83	86	-	-	-	-
CASH FLOWS															
Net cash from (used) operating	6 313 975	(82 704)	6 231 271	-	-	6 231 271	7 961 641	-	-	128	126	-	-	-	-
Net cash from (used) investing	(10 065 061)	(230 622)	(10 295 683)	-	-	(10 295 683)	(8 048 175)	-	-	78	80	-	-	-	-
Net cash from (used) financing	4 851 848	(3 007 734)	1 844 114	-	-	1 844 114	(688 229)	-	-	(37)	(14)	-	-	-	-
Cash/cash equivalents at the year-end	8 604 723	(2 665 646)	5 939 077	-	-	5 939 077	7 445 090	-	-	125	87	-	-	-	-
Net decrease in cash and cash equivalents	1 100 762	(3 321 060)	(2 220 298)	-	-	(2 220 298)	(774 763)	-	-	35	(70)	-	-	-	-

ANNEXURE E: APPROPRIATION STATEMENT (RECONCILIATION: BUDGET AND IN-YEAR PERFORMANCE) – CITY OF CAPE TOWN

FOR THE YEAR ENDED 30 JUNE 2024

All amounts indicated in Rand thousands (R'000)

	2023/24						2023/24					2022/23			
	Original budget	Budget adjustments (i.t.o. s 28 and s 31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s 31 of the MFMA)	Virement (i.t.o. Council-approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget	Reported unauthorised expenditure	Expenditure authorised i.t.o. s 32 of the MFMA	Balance to be recovered	Restated audited outcome
FINANCIAL PERFORMANCE															
Property rates	11 857 238	-	11 857 238	-	-	11 857 238	11 986 459	-	-	101	101	-	-	-	-
Service charges	27 821 663	146 482	27 968 145	-	-	27 968 145	28 550 345	-	-	102	103	-	-	-	-
Investment revenue	1 193 514	175 761	1 369 275	-	-	1 369 275	1 578 846	-	-	115	132	-	-	-	-
Transfers recognised – operational	6 809 560	(44 417)	6 765 143	-	-	6 765 143	6 719 779	-	-	99	99	-	-	-	-
Other own revenue	10 948 944	1 288 274	12 237 218	-	-	12 237 218	12 636 446	-	-	103	115	-	-	-	-
Total revenue (excluding capital transfers and contributions)	58 630 919	1 566 100	60 197 019	-	-	60 197 019	61 471 875	-	-	102	105	-	-	-	-
Employee costs	18 392 798	3 272	18 396 070	-	(31 310)	18 364 760	17 107 614	-	-	93	93	-	-	-	-
Remuneration of councillors	190 901	(117)	190 784	-	1 064	191 848	183 030	-	-	95	96	-	-	-	-
Debt impairment	2 321 520	602 210	2 923 730	-	-	2 923 730	2 869 070	-	-	98	124	-	-	-	-
Depreciation and asset impairment	5 814 685	(2 265 325)	3 549 360	-	-	3 549 360	3 495 788	-	-	98	60	-	-	-	-
Finance charges	945 367	(45 166)	900 201	-	(38 990)	861 211	829 972	-	-	96	88	-	-	-	-
Materials and bulk purchases	20 048 940	686 275	20 735 215	-	(46 853)	20 688 362	20 593 337	-	-	100	103	-	-	-	-
Transfers and grants	371 815	29 079	400 894	-	(6 565)	394 329	359 818	-	-	91	97	-	-	-	-
Other expenditure	11 005 901	2 475 352	13 481 253	-	122 654	13 603 907	13 012 019	-	-	96	118	-	-	-	-
Total expenditure	59 091 927	1 485 580	60 577 507	-	-	60 577 507	58 450 648	-	-	96	99	-	-	-	-
Surplus	(461 008)	80 520	(380 488)	-	-	(380 488)	3 021 227	-	-	(794)	(655)	-	-	-	-
Transfers recognised – capital	2 776 159	113 919	2 890 078	-	-	2 890 078	2 535 548	-	-	88	91	-	-	-	-
Contributions recognised – capital and contributed assets	-	-	-	-	-	-	117	-	-	-	-	-	-	-	-
Surplus/(deficit) after capital transfers and contributions	2 315 151	194 439	2 509 590	-	-	2 509 590	5 556 892	-	-	221	240	-	-	-	-
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus for the year	2 315 151	194 439	2 509 590	-	-	2 509 590	5 556 892	-	-	221	240	-	-	-	-
CAPITAL EXPENDITURE AND FUNDS SOURCES															
Transfers recognised – capital	2 690 358	105 418	2 795 776	-	-	2 795 776	2 513 385	-	-	90	93	-	-	-	-
Public contributions and donations	85 801	8 501	94 302	-	-	94 302	66 133	-	-	70	77	-	-	-	-
Borrowing	6 500 000	(3 000 000)	3 500 000	-	-	3 500 000	2 544 486	-	-	73	39	-	-	-	-
Internally generated funds	1 711 530	3 226 173	4 937 703	-	-	4 937 703	4 280 353	-	-	87	250	-	-	-	-
Total sources of capital funds	10 987 689	340 092	11 327 781	-	-	11 327 781	9 404 357	-	-	83	86	-	-	-	-
CASH FLOWS															
Net cash from (used) operating	6 256 640	(164 575)	6 092 065	-	-	6 092 065	7 885 054	-	-	129	126	-	-	-	-
Net cash from (used) investing	(10 017 881)	(225 690)	(10 243 571)	-	-	(10 243 571)	(8 020 031)	-	-	78	80	-	-	-	-
Net cash from (used) financing	4 851 848	(3 007 734)	1 844 114	-	-	1 844 114	(688 229)	-	-	(37)	(14)	-	-	-	-
Cash/cash equivalents at the year-end	8 545 973	(2 742 584)	5 803 389	-	-	5 803 389	7 287 575	-	-	126	85	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	1 090 607	(3 397 999)	(2 307 392)	-	-	(2 307 392)	(823 206)	-	-	36	(75)	-	-	-	-

ANNEXURE F: BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE – 2023

All amounts indicated in Rand thousands (R’000)

ECONOMIC ENTITY		
Connected person	Position held in State	2023
CITY	CONSULT CITY OF CAPE TOWN SCHEDULE FOR DETAILS.	2 112 849
CTICC		
AT CATERING		
M BRINK	DOCTOR AT RED CROSS CHILDREN’S HOSPITAL	906
EPI CREATIVE (PTY) LIMITED		
N CROUCH	SA MEDICAL RESEARCH COUNCIL	1 874
K2021999469 (PTY) LTD		
T HARRIS	FORMER CHIEF EXECUTIVE OF WESGRO	160
NEDBANK LIMITED		
MA MATOOANE AND JK NETSHITENZHE	PROJECT MANAGER, EKURHULENI METROPOLITAN MUNICIPALITY, AND DIRECTOR AT DEPARTMENT OF ENERGY	160
ADCORP BLU		
K MOHULATSE	DEPARTMENT OF EDUCATION: DEPUTY CHIEF EDUCATION SPECIALIST	1 754
FUTURE PERFECT CORPORATION CC		
P NAIDOO	CITY OF CAPE TOWN: PROJECT MANAGER	1 306
PALMAN DISTRIBUTION		
IC PALMIERY	WAYED COMMITTEE REPRESENTATIVE	1 439
BIDVEST PROTEA COIN (PTY) LIMITED		
E SELEPE	CITY OF TSHWANE	1 375
		8 974
GRAND TOTAL		2 121 823

AWARDS TO FAMILY OF EMPLOYEES IN SERVICE OF THE CITY AND OTHER STATE ENTITIES

CITY OF CAPE TOWN		
Connected person	Position held in State	2023
AAE CATERING		821
Y EBRAHIM	CITY REGIONAL OPERATIONS MANAGER	
AFRIVEST BUSINESS SOLUTIONS		1 794
R DAVIDS	CITY COUNCILLOR	
AFRIWORLD BUSINESS SOLUTIONS (PTY) LTD		12 480
R DAVIDS	CITY COUNCILLOR	
AGL BUILDING REPAIRS AND MAINTENANCE		146
G ELLOKER	CITY ADMINISTRATIVE OFFICER	
ANLO PRINT & MAIL CC		441
N TAYLOR	CITY ADMINISTRATIVE OFFICER	
BAREND S F		30
T BAREND S	CITY SAP DEVELOPER	
BOB C IMPORT/EXPORT AGENCIES CC		1 057
C PADIACHY	CITY CLERK	

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
BOWMAN GILFILLAN INC (LEGAL AND LAND)		4 459
T SASS	CITY HEAD COMPLIANCE AND PROBITY	
A VISSER	CITY MAINTENANCE MANAGER (WASTEWATER)	
	OTHER STATE ENTITIES	
H BEN-DAVID	SOUTH AFRICAN AIRWAYS: CAPTAIN	
L BOZALEK	WESTERN CAPE HIGH COURT: JUDGE	
HIJ CARIM	DEPARTMENT OF BASIC EDUCATION: DEPUTY PRINCIPAL	
M DE VILLIERS	CSIR: PROJECT AND PROCESS MANAGER (HUMAN RESOURCES)	
C DYER	NATIONAL DEPARTMENT OF EDUCATION: DEPUTY DIRECTOR COMMUNICATIONS	
N LUMEZA	DEPARTMENT OF BASIC EDUCATION: EDUCATOR	
B MALOPE-KGOKONG	NATIONAL HEALTH LABORATORY SERVICE: NATIONAL MANAGER	
G MELLE M	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
T MTSHALI	KWAZULU-NATAL DEPARTMENT OF EDUCATION: DEPUTY PRINCIPAL	
LWS NGUBANE	DEPARTMENT OF BASIC EDUCATION: EDUCATOR	
M NYALI	EASTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
J ODENDAL	ARMSCOR SOC LTD: SENIOR MANAGEMENT (TECHNICAL)	
C RODRIGUES	SOUTH AFRICAN POLICE SERVICES: FORENSIC ANALYST	
B SEPUBA	GAUTENG DEPARTMENT OF FINANCE: SPECIALIST RECRUITER	
E STEYN	WESTERN CAPE HIGH COURT: JUDGE	
E TIPRU	CITY POWER SAP ENGINEERING SERVICES: SENIOR APPLICATION ANALYST	
M VAN AARDT	BARAGWANATH HOSPITAL COMPLEX: DOCTOR	
J VAN DE HEUVEL	DEPARTMENT OF JUSTICE: MAGISTRATE	
S ZONDO	CITY OF JOHANNESBURG: OPERATIONS MANAGER	
CHARMLU BUILDERS		86
C ABSOLOM	CITY ADMINISTRATIVE CLERK	
COMPUTER SPECIALISTS (PTY) LTD		605
N ORRIE	CITY SENIOR SUPERINTENDENT (WASTEWATER)	
CPR TRUCK REPAIRS		293
B MANUEL	CITY ADMINISTRATIVE OFFICER	
DESIGNTEC PRINTING CC		908
M MSHWESHWE	CITY MANAGER ACCESS TO INFORMATION	
EAS INFRASTRUCTURE ENGINEERS		11 758
J BROWN	CITY HUMAN SETTLEMENTS COORDINATOR	
FAYDIES CORPORATE GIFTS		4 458
MF VOTERSEN	CITY FINANCE MANAGER	

ANNEXURE F: BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE – 2023 (CONTINUED)

All amounts indicated in Rand thousands (R'000)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
GIBB		38 519
A MOON	CITY HEAD BUSINESS CONTINUITY	
	<u>OTHER STATE ENTITIES</u>	
D ALLDERMAN	EASTERN CAPE DEPARTMENT OF EDUCATION: TEACHER	
I BRINK	FREE STATE DEPARTMENT OF EDUCATION: TEACHER	
GIBB (CONTINUED)		
C CLARK	ESKOM: INSTRUMENT TECHNICIAN	
L CLOETE	DEPARTMENT OF HIGHER EDUCATION AND TRAINING: LECTURER	
J GOOCH	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: HEAD OF DEPARTMENT	
C HERING	DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ELECTRICAL ENGINEER	
S JAFTA	EASTERN CAPE DEPARTMENT OF TRANSPORT: ASSISTANT MANAGER	
N MKHIZE	NATIONAL DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT: ACCOUNTING CLERK	
D O'REILLY	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
A PETERSEN	DEPARTMENT OF EDUCATION: SUBJECT SPECIALIST	
S SINGH	DEPARTMENT OF EDUCATION: HUMAN RESOURCE OFFICER	
HAYES INCORPORATED		1 567
F AKHERWARAY	CITY SUPPORT ASSISTANT	
HEROLD GIE ATTORNEYS		6 507
K MEYER	CITY SENIOR CLERK	
INNOVATIVE TRANSPORT SOLUTIONS		27 331
M VAN DER MERWE	CITY CLINICAL MEDICAL OFFICER	
ISIDIMA CIVILS (PTY) LTD		1 084
S MANUEL	CITY ADMINISTRATIVE OFFICER	
ISUZU TRUCK CENTRE		261 171
E JACOBS	CITY SENIOR CLERK	
ITHALOMSO (PTY) LTD		109 584
S FUMBA	CITY GIS ADMINISTRATOR	
KALEIDOSCOPE EDUCATIONAL SERVICES		1 018
A ADAMS	CITY SENIOR PROFESSIONAL OFFICER SPATIAL PLANNING AND DEVELOPMENT	
A ADAMS	CITY SENIOR PROFESSIONAL OFFICER PUBLIC TRANSPORT OPERATIONS	
KEMANZI (PTY) LTD		6 079
J DU TOIT	CITY TRAFFIC INSPECTOR	
LILIAN4ZONKE		286
F MONK	CITY SUBCOUNCIL MANAGER	
N MONK	CITY EPWP CLERK	

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
	<u>OTHER STATE ENTITIES</u>	
N JANTJIES	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LYNERS		2 012
A POTGIETER	CITY PROFESSIONAL OFFICER URBAN MOBILITY	
MARKET TOYOTA CULEMBORG		42
E JACOBS	CITY SENIOR CLERK	
NCC ENVIRONMENTAL SERVICES (PTY) LTD		31 634
C RHODA	CITY MANAGER INVASIVE SPECIES PROGRAMME	
PEGASYS		69 195
P GREY	CITY PROFESSIONAL OFFICER	
	<u>OTHER STATE ENTITIES</u>	
D QUIN	NATIONAL PROSECUTING AUTHORITY: SENIOR CRIME ANALYST	
E WARAMBWA	MUNICIPAL INFRASTRUCTURE SUPPORT AGENT: PROFESSIONAL ENGINEER	
B WESTON	DEPARTMENT OF WATER AND SANITATION: SCIENTIFIC MANAGER	
REEDS BELLVILLE		381
E JACOBS	CITY SENIOR CLERK	
REEDS CLAREMONT		338
E JACOBS	CITY SENIOR CLERK	
REEDS N1 CITY		427
E JACOBS	CITY SENIOR CLERK	
RNR AMBITION		13
C DE VOS	CITY RECREATION AND PARKS WORKER (KOGEL BAY RESORT)	
RR MARINE ENGINEERING		3
S FRYDIE	CITY TECHNICAL ASSISTANT	
SAN BUILDING MAINTENANCE CC		11 211
B ASCOTT	CITY FINANCIAL COORDINATOR	
SANCCOB		456
P CILLIERS	CITY SAP ERP ANALYST	
	<u>OTHER STATE ENTITIES</u>	
L ROBERTS	DEPARTMENT OF AGRICULTURE: STATE VETERINARIAN	
SMART CIVIL CONSTRUCTION		9 878
N MOLEFE	CITY HEAD DEBT MANAGEMENT SERVICES	
SR CIVIL CONTRACTORS (PTY) LTD		3 151
E DE WET	CITY SENIOR FLEET OFFICER	
SUNSHINE HELLO DESIGN		15
MS MAROOF	CITY PROFESSIONAL OFFICER CUSTOMER RELATIONS	

ANNEXURE F: BIDS AWARDED TO FAMILY OF EMPLOYEES
IN THE SERVICE OF THE STATE – 2023 (CONTINUED)

All amounts indicated in Rand thousands (R’000)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
TEMPUS DYNAMICS		1 632
M MVALO	CITY PROFESSIONAL OFFICER EXPENDITURE	
TRAFFIC MANAGEMENT TECHNOLOGIES		116 403
G ASPELING	CITY PRINCIPAL MECHANICAL ENGINEER	
WEBBER WENTZEL		18 542
N DIAS	CITY SENIOR LEGAL ADVISOR	
P COETZEE	TSHWANE METRO POLICE DEPARTMENT: COMMANDER COLONEL	
WEBBER WENTZEL (continued)	OTHER STATE ENTITIES (CONTINUED)	
J ABRAHAM	LORRAINE PRIMARY SCHOOL: SECRETARY	
J BOTHA	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
B MAHLANGU	SCHOOL PRINCIPAL	
P MASEDI	CITY OF JOHANNESBURG: PERFORMANCE MANAGER	
K NONYANE	PETRO SA: SENIOR PLANNING TECHNICIAN	
H PRINSLOO	DEVELOPMENT BANK OF SOUTHERN AFRICA: PRINCIPAL RISK ANALYST	
S QOLOHLE	NATIONAL TREASURY: DIRECTOR	
A SMIT	SOUTH AFRICAN AIRWAYS: SENIOR CABIN CREW MEMBER	
JCL SMIT	BEAUFORT WEST MUNICIPALITY: DIRECTOR	
A TRUTER	WEST COAST EDUCATION DISTRICT: CHIEF EDUCATION SPECIALIST	
C TRUTER	NEWTON PRIMARY SCHOOL: PRINCIPAL	
P VAN DEN BRINK	WESGRO: PROJECT MANAGER	
B WATSON	PUBLIC INVESTMENT CORPORATION: DIRECTOR	
YIZA APHA TRADING		443
A KELLAND	CITY SENIOR CLERK	
Subtotal		758 258

AWARDS TO FAMILY OF EMPLOYEES IN SERVICE OF THE OTHER STATE ENTITIES

CITY OF CAPE TOWN		
Connected person	Position held in State	2023
ASEP ELECTRICAL		8 340
Z SEPTEMBER	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
ATHLONE AUTO TRANSMISSIONS		2 017
N JOSEPH	WESTERN CAPE DEPARTMENT OF ECONOMIC DEVELOPMENT: CHIEF DIRECTOR	
BERGSTAN SOUTH AFRICA CONSULTING		2 087
JR BEUKES	DEPARTMENT OF SOCIAL DEVELOPMENT	
BOKAMOSO ENTERPRISE SOLUTIONS		226
M THOBEJANE	DEPARTMENT OF LAND AFFAIRS AND RURAL DEVELOPMENT	

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
BRAINPLAY		165
GJ PIETERSE	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
BSP CONSULTING ENGINEERS (PTY) LTD		4 605
A PLAATJIES	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
C & A FRIEDLANDER INC		5 556
AW BELL	DEPARTMENT OF HIGHER EDUCATION AND TRAINING	
C & M CONSULTING ENGINEERS		3 101
CB NGELE	SA WEATHER SERVICES: TECHNICIAN	
CLUVER MARKOTTER INC		4 879
F GEYSER	NATIONAL DEPARTMENT OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT	
J HESS	WESTERN CAPE EDUCATION DEPARTMENT	
A PECORARO	WESTERN CAPE DEPARTMENT OF HEALTH	
CNP PROJECTS (PTY) LTD		106
C PILLAY	SOUTH AFRICAN NATIONAL DEFENCE FORCE: CHAPLAIN	
COEUR INVESTMENTS		20
P BELL	WESTERN CAPE DEPARTMENT OF CULTURAL AFFAIRS AND SPORTS: SPORTS FACILITATOR	
CONLOG		6 820
N MOODLEY	DEPARTMENT OF HEALTH: DIRECTOR	
COURTESY MANAGEMENT (PTY) LTD		605
F KHOSA	LIMPOPO DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: ASSISTANT DIRECTOR (RISK)	
CSM CONSULTING SERVICES (PTY) LTD		632
A VANCOILLIE	WESTERN CAPE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING: CHIEF TOWN AND REGIONAL PLANNER	
CSV CONSTRUCTION		500 321
M DAVIDS	PROVINCIAL GOVERNMENT: TRAINING POST	
C SNELL	LENTEGEUR HOSPITAL: INTERN	
V VAN DER HEEVER	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
DS GXILISHE		66
B GXILISHE	DEPARTMENT OF AGRICULTURE AND FISHERIES	
S GXILISHE	WESTERN CAPE EDUCATION DEPARTMENT	
ELEMENT CONSULTING ENGINEERS		6 984
R ROSSOUW	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
EPI USE AFRICA (PTY) LTD		17 217
J ALBERTS	GAUTENG EDUCATION DEPARTMENT: DEPUTY PRINCIPAL	
E JANSE VAN RENSBURG	ROAD ACCIDENT FUND: SENIOR OFFICE MANAGER TO CHIEF OPERATING OFFICER	

ANNEXURE F: BIDS AWARDED TO FAMILY OF EMPLOYEES
IN THE SERVICE OF THE STATE – 2023 (CONTINUED)

All amounts indicated in Rand thousands (R’000)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
EMPA STRUCTURES (PTY) LTD		20 400
G PETERSEN	WESTERN CAPE EDUCATION DEPARTMENT	
EMPIRE		559
B BOTTO	WORCESTER HOSPITAL: MEDICAL INTERN	
ERNST AND YOUNG ADVISORY SERVICES		82 630
M MAKHAKHE	GAUTENG DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
DF MAREE	JOHANNESBURG MUNICIPALITY: MANAGER	
K MAREE	NATIONAL TREASURY: ACTING ACCOUNTANT GENERAL	
N MORRISON	PRETORIA MILITARY SPORTS CLUB: BOOKKEEPER	
E MOTSAMAI	GAUTENG DEPARTMENT OF EDUCATION: MANAGER	
DP NATHOO	GAUTENG DEPARTMENT OF HEALTH: REGISTRAR	
N PANDAY	GAUTENG DEPARTMENT OF HEALTH: PHARMACIST	
EVERY FLUSH TOILET HIRE		96
N STIMELA	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
FG JACOBS TRANSPORT CC		5 800
H POOLE	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
FIKELELA LABOUR SERVICES		4 098
D JOSEPH	MEMBER OF PARLIAMENT	
G NKOMO INCORPORATED		107
M NKOMO	DEPARTMENT OF JUSTICE: STATE PROSECUTOR	
GREENRO SOLUTIONS (PTY) LTD		15 190
N THABENG	SOUTH AFRICAN POLICE SERVICE: FORENSIC ANALYST	
HOWDEN PROJECTS		5 405
Z CHINGWARA	DEPARTMENT OF HEALTH: DEPUTY DIRECTOR	
IAN DICKIE & CO (PTY) LTD		1 652
D SAMUALS	SOUTH AFRICAN POLICE SERVICE: WARRANT OFFICER	
IKAMVA YOUTH ENTREPRENEURSHIP DEVELOPMENT		235
T MOUTON	CAPE WINELANDS MUNICIPALITY: HEALTH INSPECTOR	
IKAPA RETICULATION CC		51 880
C DAVIDS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
S DAVIDS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
IMMEX WASTE		21 191
A DORFLING	EASTERN CAPE DEPARTMENT OF EDUCATION: EDUCATION THERAPIST	
INDECON INSTRUMENTATION		272
L BARANARD	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
IX ENGINEERS		1 443
RJ MASHEGANA	GAUTENG DEPARTMENT OF HEALTH: NURSE	
JC ACTIVE ELECTRICAL		11
C VAN VENT	WESTERN CAPE DEPARTMENT OF HEALTH	
JG AFRIKA (PTY) LTD		53 734
R MAHARAJ	UMNGENI WATER: PLANNER	
JVZ CONSTRUCTION (PTY) LTD		46
R MATTHEE	NATIONAL DEPARTMENT OF CORRECTIONAL SERVICES: SECURITY OFFICER	
KEMP EN GENOTE		3 533
M WILLIAMS	STELLENBOSCH MUNICIPALITY: LEGAL ADVISOR	
KEPTRA TRADING		1 791
R MARAIS	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LENTEC TRAINING ACADEMY		190
ATHESEN	WESTERN CAPE DEPARTMENT OF HEALTH: RADIOLOGIST	
LIKHONA LETHU SERVICES		2 773
Z RAFU	SOUTH AFRICAN POLICE SERVICE: FORENSIC ANALYST	
LJA CONSTRUCTION CC		3 889
L MCKRIEL	WESTERN CAPE EDUCATION DEPARTMENT: TEACHER	
LUKHOZI CONSULTING ENGINEERS		59 055
G KENNEDY	SOUTH AFRICAN POLICE SERVICE: CHIEF ADMINISTRATION CLERK	
MAGUGA ATTORNEYS INC.		583
K MGENGWANA	SOUTH AFRICAN POLICE SERVICE: SENIOR ADMINISTRATOR	
MALHERBE TUBB FAURE INC T/A MHI ATTORNEY		2 279
J ROSSOUW	NATIONAL DEPARTMENT OF TRANSPORT AND PUBLIC WORKS: ADMINISTRATIVE OFFICER	
NEOTERIC TRADING SERVICES		346
A JACOBS	CAPE AGULHAS MUNICIPALITY: DIRECTOR INFRASTRUCTURE SERVICES	
NORTON ROSE FULBRIGHT SOUTH AFRICA		903
G ADAMS	DEPARTMENT OF EDUCATION: DEPUTY PRINCIPAL	
S CLAY	PARKTOWN GIRLS HIGH SCHOOL: TEACHER	
E MAUBANE	SOUTH AFRICAN POLICE SERVICE: HUMAN RESOURCES ADMINISTRATOR	
F NONHLANHLA	DEPARTMENT OF JUSTICE: TELECOMMUNICATIONS OPERATOR	
C SUNPATH	DEPARTMENT OF HEALTH: MEDICAL DOCTOR	
H SUNPATH	DEPARTMENT OF HEALTH: CHIEF TECHNICAL ADVISOR	
PISTON POWER CHEMICALS (PTY) LTD		11 869
N ANDHEE	KWAZULU-NATAL EDUCATION DEPARTMENT: EDUCATOR	

ANNEXURE F: BIDS AWARDED TO FAMILY OF EMPLOYEES IN THE SERVICE OF THE STATE – 2023 (CONTINUED)

All amounts indicated in Rand thousands (R’000)

CITY OF CAPE TOWN (CONTINUED)		
Connected person	Position held in State	2023
PSA AFRICA (PTY) LTD		5 787
T FROST	DEPARTMENT OF JUSTICE	
C HECTOR	QUALITY ASSESSOR	
M HECTOR	MEDICAL DOCTOR	
RED ANT SECURITY RELOCATION AND EVICTION		54 787
N LESIELA	MOGALE CITY LOCAL MUNICIPALITY: DESIGN AND DEVELOPMENT PRACTITIONER	
ROYAL HASKONINGDHV (PTY) LTD		233
L DIALDLA	DEPARTMENT OF HEALTH: DEPUTY DIRECTOR	
T SITHOLE	CITY OF JOHANNESBURG: ASSOCIATE DIRECTOR	
STEDONE DEVELOPMENTS		53 921
L DUBE	DEPARTMENT OF TRANSPORT: CLERK	
SUCCIDO ENTERPRISES		237
L KRAMM	ADMINISTRATOR	
TERRATECH		317
AJM PRETORIUS	UNIVERSITY OF JOHANNESBURG	
THE OIL CENTRE		5 066
LB MDYOGOLO	DEPARTMENT OF EDUCATION: EDUCATOR	
TJEKA TRAINING MATTERS (PTY) LTD		40 077
B NLANTLI	DEPARTMENT OF HEALTH	
TOXSOLUTIONS KITS AND SERVICES CC		843
G PEARSON	RAND WATER: SENIOR EDUCATION ADVISOR	
TRANSPORT TELEMATICS AFRICA		32 873
JJE GROENEWALD	PROVINCIAL GOVERNMENT WESTERN CAPE: TRANSPORT AND PUBLIC WORKS	
TRIDENTCHEM (PTY) LTD		2 619
GMT FEBRUARY	WESTERN CAPE EDUCATION DEPARTMENT: EDUCATOR	
UNAKO HOLDINGS (PTY) LTD		28
T VAPI	DEPARTMENT OF CORRECTIONAL SERVICES	
VONDO TRADING		12 782
N NEVONDO	DEPARTMENT OF HUMAN SETTLEMENTS	
ZUTARI (PTY) LTD		229 314
HC AHLSCHLAGER	SPECIAL INVESTIGATING UNIT: LEGAL REPRESENTATIVE	
K NADASEN	NATIONAL DEPARTMENT OF PUBLIC WORKS: DIRECTOR	
Subtotal		1 354 591
GRAND TOTAL		2 112 849

APPENDIX G: ABBREVIATIONS USED IN THESE FINANCIAL STATEMENTS

AARTO	Administrative Adjudication of Road Traffic Offences	JSE	Johannesburg Stock Exchange
AFD	Agence Française de Développement	KCT	Khayelitsha Community Trust
AGSA	Auditor-General of South Africa	Mayco	Mayoral Committee
ASB	Accounting Standards Board	MFMA	Local Government: Municipal Finance Management Act
ATNS	Air Traffic and Navigation Services	mSCOA	Municipal Standard Chart of Accounts
CAR	core application refresh (project)	NACS	nominal annual compounded semi-annually
CCT	City of Cape Town	NDHS	National Department of Human Settlements
CID(s)	city improvement district	NHLS	National Health Laboratory Service
CMTF	Cape Metropolitan Transport Fund	PAYE	pay-as-you-earn
COID	compensation for occupational injuries and diseases	PCDR	Public Contributions Donations Reserve
CPI	consumer price index	PFMA	Public Finance Management Act
CRR	capital replacement reserve	PPE	property, plant and equipment
CSIR	Council for Scientific and Industrial Research	PRASA	Passenger Rail Agency of South Africa
CTICC	Cape Town International Convention Centre Company (RF) SOC Limited	Province	Western Cape Provincial Government
CTS	Cape Town Stadium (RF) SOC Limited	RTMC	Road Traffic Management Corporation
DB	defined benefit (scheme)	SAA	South African Airways
DC	defined-contributions (scheme)	SABC	South African Broadcasting Corporation
DMTN	domestic medium-term note	SALA	South African Local Authorities (Pension Fund)
DTIC	Department of Trade, Industry and Competition	SALGA	South African Local Government Association
ECNS	Africa electronic communications network service	SANDF	South African National Defence Force
EPWP	Expanded Public Works Programme	SAP	Systems, Applications and Products
ERP	Enterprise Resource Planning	SARS	South African Revenue Services
FNB	First National Bank	SASSA	South African Social Security Agency
GRAP	Generally Recognised Accounting Practice	SCM	Supply Chain Management (Department)
ICASA	Independent Communications Authority of South Africa	SEZ	special economic zone
IDP	Integrated Development Plan	SIU	Special Investigating Unit
IGRAP	Interpretation of the Standards of Generally Recognised Accounting Practice	SOA	scheme of arrangement
IRT	integrated rapid transit	UIF	Unemployment Insurance Fund
ISUPG	Informal Settlements Upgrading Partnership Grant	USDG	Urban Settlements Development Grant
		VAT	value-added tax
		WCCP	Western Cape Provincial Parliament

8.2 APPENDICES B: ANNUAL PERFORMANCE REPORTS

Appendix B1: Annual performance reports

2023/24 annual performance management report – City of Cape Town

Definitions for 2023/243 annual performance management report – City of Cape Town

2022-2027 Circular 88 outcomes scorecard

Defintions for 2022-2027 Circular 88 outcomes scorecard

2022-2027 Circular 88 output scorecard

Definitions for 2022-2027 Circular 88 output scorecard

2022-2027 Circular 88 compliance scorecard

Definitions for 2022-2027 Circular 88 compliance scorecard

356

376

386

398

408

434

450

462

Appendix B2: Annual performance reports – entities

2023/24 annual performance management report – CTICC

Definitions for 2023/24 annual performance management report – CTICC

2023/24 annual performance management report – Cape Town Stadium

Definitions for 2023/24annual performance management report – Cape Town Stadium

474

478

480

482

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
PRIORITY: ECONOMIC GROWTH										
1. INCREASED JOBS AND INVESTMENT IN THE CAPE TOWN ECONOMY	1.A Building plans (<500 m²) approved within 30 days (%)	96%	70,3%				96%	79,85%		Spatial Planning and Environment R McGaffin
		Reason for variance: The variance resulted from system enhancements (system migration from DAMS1 to DAMS2) in February/March 2023. The new system resulted in some residual data migration challenges, which also affected data reporting. Remedial action: Enterprise Resource Planning and Development Management were addressing residual data migration issues, and it was expected that these would be resolved before reporting commenced for quarter 1 of 2023/24.					Reason for variance: The enhancements and upgrades to the City's Development Application Management System (DAMS) and the associated data migration process have presented ongoing challenges, which continued to affect reporting. Additionally, in February 2024, a change to the amendment process on the upgraded DAMS2 system affected the recording of amendment submission dates. This adjustment has had a negative impact on reported figures earlier this financial year, contributing to a failure to meet the established year-end target. Both of these reasons for underperformance are largely system-driven and are within the City's control to remedy. Remedial action: Processes are being reviewed to address residual system issues and conclude the project.			
	1.B Building plans (>500 m²) approved within 60 days (%)	96%	74%				96%	90,35%		Spatial Planning and Environment R McGaffin
		Reason for variance: The variance resulted from system enhancements (system migration from DAMS1 to DAMS2) in February/March 2023. The new system resulted in some residual data migration challenges, which also affected data reporting. Remedial action: Enterprise Resource Planning and Development Management were addressing residual data migration issues, and it was expected that these would be resolved before reporting commenced for quarter 1 of 2023/24.					Reason for variance: The enhancements and upgrades to the City's Development Application Management System (DAMS) and the associated data migration process have presented ongoing challenges, which continued to affect reporting. Additionally, in February 2024, a change to the amendment process on the upgraded DAMS2 system affected the recording of amendment submission dates. This adjustment has had a negative impact on reported figures earlier this financial year, contributing to a failure to meet the established year-end target. Both of these reasons for underperformance are largely system-driven and are within the City's control to remedy. Remedial action: Processes are being reviewed to address residual system issues and conclude the project.			
	1.C Percentage of revenue clearance certificates issued within ten working days from receipt of completed application (LED 3.21)	93%	99,73%				93%	99,87%		Finance K Jacoby
		Reason for variance: Above target Remedial action: Maintain the momentum.					Reason for variance: Above target Remedial action: Keep up the momentum and ensure continuous improvement.			
	1.D Council-approved informal trading plans developed or revised (number)	8	8				7	7		Economic Growth R Gelderbloem
		Reason for variance: On target Remedial action: Maintain the momentum.					Reason for variance: On target Remedial action: Keep up the momentum and ensure continuous improvement.			
	1.E Average time taken to finalise informal trading permits (LED 3.12)	New	New	New			40	41		Economic Growth R Gelderbloem
		Reason for variance: N/A Remedial action: N/A					Reason for variance: The City experienced major technical problems with the IT system governing the work flow of permit approvals, with some work not flowing for over a month. The issue was reported to Enterprise Resource Planning, and applications had to be suspended while they addressed the problem. A system enhancement also resulted in a delay of a few weeks. Remedial action: Several in-depth analyses have been conducted on the current system, highlighting significant opportunities for improvement. The Department is confident that an overhaul will enhance its effectiveness and customer centricity. The City is in the process of redesigning the application system to enhance efficiency.			
	1.F Number of work opportunities created through public employment programmes (including EPWP, the Community Work Programme and others) (LED 1.21)	35 000	43 230				35 000	43 962		Urban Waste Management P Mayisela
		Reason for variance: Participant turnover rate was high, which resulted in new participants being employed. This, in turn, caused the project to provide more work opportunities than initially planned. Remedial action: Maintain the momentum.					Reason for variance: Line departments employed a higher-than-expected number of EPWP workers for project implementation. Remedial action: Keep up the momentum and ensure continuous improvement.			

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET													
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR			
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS				
PRIORITY: BASIC SERVICES													
2. IMPROVED ACCESS TO QUALITY AND RELIABLE BASIC SERVICES	2.A Taps provided in informal settlements (number) (NKPI)	700	769				700	811		Water and Sanitation L Manus			
		Reason for variance: Above target					Reason for variance: Additional requests were received from newly formed areas, and certain tap types (Ecogator) were also condemned and had to be replaced.						
		Remedial action: Maintain the momentum.					Remedial action: Keep up the momentum and ensure continuous improvement.						
	2.B Toilets provided in informal settlements (number) (NKPI)	2 500	5 215				3 000	6 486		Water and Sanitation L Manus			
		Reason for variance: Factors that contributed to the toilet provision total were the priority of providing toilets as an emergency relief measure to recently invaded areas, the ongoing provision of additional toilets, and the condemnation and replacement of toilets that reached the end of their lifespan. Portable flush toilets issued on a single household basis were used extensively because of their lower unit cost compared to other sanitation typologies, such as chemical and full flush toilets.									Reason for variance: Additional requests were received from newly formed areas, and some portable flush toilets reached the end of their lifespan and were condemned and replaced.		
		Remedial action: Maintain the momentum.									Remedial action: Keep up the momentum and ensure continuous improvement.		
	2.C Percentage of recognised informal settlements receiving basic waste removal services (ENV 3.11)	99%	99,78%				99%	99,84%		Urban Waste Management P Mayisela			
		Reason for variance: Above target									Reason for variance: Above target		
		Remedial action: Maintain the momentum.									Remedial action: Keep up the momentum and ensure continuous improvement.		
	2.D Subsidised electricity connections installed (number) (NKPI)	1 500	2 440				1 500	1 578		Energy K Nassiep			
		Reason for variance: The target was exceeded because certain meter installations that were intended to be finalised in 2021/22 were only carried out in 2022/23. Further contributing factors were good contractor performance, minimal interference from communities, and project managers being adequately equipped to execute implementation-ready projects (materials availability, etc.).									Reason for variance: Above target		
		Remedial action: Maintain the momentum.									Remedial action: Keep up the momentum and ensure continuous improvement.		
3. END LOAD-SHEDDING IN CAPE TOWN OVER TIME	3.A Capacity of additional approved grid-tied installations from alternative energy sources (SSEG) in megavolt ampere (MVA)	5 MVA	6,84 MVA		10 MVA	28,76 MVA		Energy K Nassiep					
		Reason for variance: Target exceeded. The results were customer-driven.							Reason for variance: The uptake of SSEG surpassed expectations.				
		Remedial action: Maintain the momentum.							Remedial action: Keep up the momentum and ensure continuous improvement.				
	3.B Load-shedding level variance (%)	40%	14,02%		16%	20,42%		Energy K Nassiep					
		Reason for variance: An exceptionally high number of load-shedding incidents							Reason for variance: Above target				
		Remedial action: The lifespan of the Steenbras pumped storage scheme (which provides Cape Town with cost-effective hydroelectricity) is being extended, and the procurement of battery energy system storage is under way.							Remedial action: Keep up the momentum and ensure continuous improvement.				

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
4. WELL-MANAGED AND MODERNISED INFRASTRUCTURE TO SUPPORT ECONOMIC GROWTH	4.A Sewer reticulation pipelines replaced (metres)	50 000	55 164				100 000	96 863		Water and Sanitation L Manus
		Reason for variance: The overperformance was attributed to proactive planning, spreading the programme's projects throughout the available framework tenders and advertising timeously to secure contractors' resources and prevent a stop-start approach. The dedicated sewer replacement project managers appointed to the Planning, Design and Projects Section through the Mayor's priority plan also made a significant contribution. They were able to focus solely on investigations, design and execution of both proactive and reactive sewer replacement projects. Thanks to the additional resources, the Department had an additional projects list with ready-to-advertise projects for when additional budget became available. Remedial action: Maintain the momentum.					Reason for variance: The variance is predominantly due to exhausted contractor capacity on the available term tenders. Furthermore, due to safety concerns beyond the City's control, works projects that were located in high-risk areas were rejected. The rejected projects were replaced or readvertised after community engagements, although the delay and time lost had a knock-on effect on target achievement. Remedial action: The City has proactively advertised all planned projects for 2024/25 in line with the target of replacing 100 000 m of sewer reticulation pipeline. The targeted meterage should be achieved by June 2025.			
	4.B Compliance with drinking-water quality standards (%)	99%	99,18%				99%	99,26%		Water and Sanitation L Manus
		Reason for variance: Above target Remedial action: Maintain the momentum.					Reason for variance: Above target Remedial action: Keep up the momentum and ensure continuous improvement.			
	4.C Total augmented water capacity in megalitres per day (MLD)	20	23,92				40	42,83		Water and Sanitation L Manus
		Reason for variance: Performance against targets is influenced by the variability of groundwater systems and the complexities inherent in alien vegetation clearing programmes. Remedial action: Maintain the momentum.					Reason for variance: Above target Remedial action: Keep up the momentum and ensure continuous improvement.			
	4.D Valid applications for residential water services closed within the response standard (%) (NKPI)	80%	67,32%				80%	90,41%		Water and Sanitation L Manus
		Reason for variance: The underachievement in 2022/23 was the result of delays in contract implementation. Furthermore, the percentage reported took all service orders into account, also counting requests that were not paid as well as sites that were not ready. These invalid applications should not have been included. Remedial action: The contract was put in place and was being monitored daily. Also, only valid applications would be accounted for in the calculation in future.					Reason for variance: The following key interventions were implemented: - Continuous monitoring of contractors' performance daily, weekly and monthly - Daily monitoring of service orders - Ensuring that no shortcuts are taken simply to reduce costs - Ensuring that sufficient time and resources are allocated to jobs - Improving communication on outstanding connections with internal stakeholders such as Revenue and Distribution Services - Engaging regularly with the SAP Enterprise Resource Planning team on technological challenges and enhancements Remedial action: Keep up the momentum and ensure continuous improvements.			
	4.E Valid applications for residential sewerage services closed within the response standard (%) (NKPI)	80%	67,32%				80%	90,41%		Water and Sanitation L Manus
		Reason for variance: The underachievement in 2022/23 was the result of delays in contract implementation. Furthermore, the percentage reported took all service orders into account, also counting requests that were not paid as well as sites that were not ready. These invalid applications should not have been included. Remedial action: The contract was put in place and was being monitored daily. Also, only valid applications would be accounted for in the calculation in future.					Reason for variance: The following key interventions were implemented: - Continuous monitoring of contractors' performance daily, weekly and monthly - Daily monitoring of service orders - Ensuring that no shortcuts are taken simply to reduce costs - Ensuring that sufficient time and resources are allocated to jobs - Improving communication on outstanding connections with internal stakeholders such as Revenue and Distribution Services - Engaging regularly with the SAP Enterprise Resource Planning team on technological challenges and enhancements Remedial action: Keep up the momentum and ensure continuous improvement.			

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
4. WELL-MANAGED AND MODERNISED INFRASTRUCTURE TO SUPPORT ECONOMIC GROWTH	4.F Service requests for non-collection of refuse resolved within three days (%) (NKPI)	96%	37,35%				90%	61,06%		Urban Waste Management P Mayisela
	Reason for variance: - Critical superintendent and senior superintendent vacancies created a gap in managing both operational and administrative functions - Daily availability of refuse removal vehicles did not meet the needs of the Collections Branch - Withdrawal of the contractor in Area South (Brown's Farm area) put additional pressure on vehicle availability Remedial action: - Management was actively driving the process of filling critical vacancies. - Stakeholders were engaged to address vehicle availability. - Staff received ongoing training to ensure timeous closure of notifications. - New contracts were implemented on 1 July with a view to improving the collection of refuse in contracted-out areas.	Reason for variance: - Two contractors withdrew, which put strain on internal resources and made it harder to close service requests effectively. - Issues relating to the extortion of on-site workers had an impact on service delivery. - Various other factors, mostly within the City's control, further affected achievement of the target. Remedial action: - The service request process is being reviewed to extend the turnaround time from three to eight days. - Efforts are under way to fill critical vacancies. - Actions are being taken to enhance vehicle availability and operational efficiency, including managing vehicles nearing the end of their economic lifecycle, within budgetary parameters. - New contracts have been implemented to replace contractors in Area South who withdrew due to extortion.								
	4.G Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards (EE 1.13)	95%	60,65%				95%	72,80%		Energy K Nassiep
	Reason for variance: Underperformance was due to a combination of factors, including long waits for wayleaves, time taken for customers to indicate readiness to receive connections, and shortages in the supply of equipment such as mini-substations and cables. Remedial action: Investigations were launched to determine where exactly the problems were so that an informed assessment could be made as to how best to remedy them.	Reason for variance: The high volume of applications is putting strain on City resources and making it hard to meet supply requirements on time. This challenge, however, is manageable and within the City's control. Remedial action: With the recent launch of the online SSEG application process, the City expects less pressure on other connection approvals, which should improve response times. Ongoing development of the online system should also ensure smoother processing for all applications and better overall response times.								
PRIORITY: SAFETY										
5. EFFECTIVE LAW ENFORCEMENT TO MAKE COMMUNITIES SAFER	5.A Drone flights used for safety and security activities (number)	40	930				1 937	2 835		Safety and Security V Botto
	Reason for variance: The Directorate realised a total number of 930 flights during the 22/23 financial year through a contractually appointed service provider to conduct commercial RPAS (Remotely Piloted Aircraft system) Operations. Performance was measured by the number of flights conducted during various planned operations, as well as ad hoc/emergency-type incidents across town. One operation could have comprised a number of flights. Remedial action: Maintain the momentum.	Reason for variance: Increased demand resulted in the overachievement. Remedial action: Keep up the momentum and ensure continuous improvement.								
	5.B Roadblocks focused on drinking-and-driving offences (number)	676	724				676	860		Safety and Security V Botto
	Reason for variance: Additional, unplanned roadblocks were conducted in response to residents' complaints. Remedial action: Maintain the momentum.	Reason for variance: Additional, unplanned roadblocks were set up in response to residents' complaints. Remedial action: Keep up the momentum and ensure continuous improvement.								
6. STRENGTHEN PARTNERSHIPS FOR SAFER COMMUNITIES	5.C Incidents detected by closed-circuit television (CCTV) relayed to responders (number)	10 000	22 498				9 000	43 457		Safety and Security V Botto
	Reason for variance: In the fourth quarter alone, 7 240 incidents were detected via CCTV and appropriately responded to. The Department continued to dispatch available resources to incidents detected via the camera system. Remedial action: The CCTV control centres were diligently monitoring public areas and referring all incidents for dispatch to either resolve the issue detected or prevent crimes from escalating.	Reason for variance: Coordinated responses by both uniformed and non-uniformed staff who handle incidents detected by the CCTV centres were crucial in exceeding the target. The creation of master service requests by CCTV centres also played a vital role in organising and prioritising responses to address incidents effectively and efficiently. Remedial action: Keep up the momentum and ensure continuous improvement.								
	6.A New auxiliary law enforcement officers recruited and trained (number)	80	81				100	218		Safety and Security V Botto
	Reason for variance: Above target Remedial action: Maintain the momentum.	Reason for variance: The target was exceeded as a result of receiving all outstanding peace officer certificates by the end of June 2024. Remedial action: Keep up the momentum and ensure continuous improvement.								

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
- CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
6. STRENGTHEN PARTNERSHIPS FOR SAFER COMMUNITIES	6.B Client satisfaction survey for neighbourhood watch support programme (%)	70%	100%				75%	96,55%		Safety and Security V Botto
		Reason for variance: Above target. The indicator measures neighbourhood watches' satisfaction with the Department's services based on surveys completed for the period in review. The formula calculates the number of surveys that met the targeted satisfaction score of at least 70%, divided by the total number of surveys.					Reason for variance: The achievement is based on surveys completed for the period in review. The target for this indicator may be reconsidered during the mid-year review of the corporate scorecard.			
		Remedial action: Maintain the momentum.					Remedial action: Keep up the momentum and ensure continuous improvement.			
PRIORITY: HOUSING										
7. INCREASED SUPPLY OF AFFORDABLE, WELL-LOCATED HOMES	7.A Well-located land parcels released to the private sector for affordable housing (number)	4	1				5	5		Human Settlements N Gqiba
	Reason for variance: – Delays in the development of land release guidelines for mixed-market developments had a negative impact on land release timeframes. – This was further exacerbated by the absence of legal guidance on the discounting of land earmarked for social housing. Remedial action: – Council approved the land release guidelines on 25 May 2023. – Legal guidance was obtained on the release of land for pure social housing developments. – An Affordable Housing Policy was being developed to institutionalise the land release approach and discounting methodology for a range of affordable housing developments.					Reason for variance: On target. Remedial action: Keep up the momentum and ensure continuous improvement.				
	7.B Human settlements top structures (houses) provided (number)	1 740	1 811				1 300	1 854		Human Settlements N Gqiba
		Reason for variance: Above target Remedial action: Maintain the momentum.					Reason for variance: The contractors exceeded expectations in their delivery schedules for the Greenville phase 4 and Sir Lowry's Pass developments. Remedial action: Keep up the momentum and ensure continuous improvement.			
	7.C Formal serviced sites provided (number)	2 600	1 638				2 700	1 627		Human Settlements N Gqiba
Reason for variance: The Delft Symphony Way project was terminated as a result of ongoing violence and intimidation, which led to four construction workers being shot, the construction site being petrolbombed, and ultimately, the murder of a City official. Consequently, the first phase was not completed before the end of the financial year. Remedial action: The panel of contractors for civil services would be used to complete the sites.					Reason for variance: The contractor for the Macassar project failed to complete all the outstanding work on-site by the end of June 2024, and the remaining sites could not be reported as practically completed. Remedial action: The panel of contractors for civil services would be used to complete all outstanding civil works on the project.					
7. INCREASED SUPPLY OF AFFORDABLE, WELL-LOCATED HOMES	7.D Hectares of land acquired for human settlements in the municipal area (HS 1.13)	10	0				140	165,85		Human Settlements N Gqiba
		Reason for variance: The properties earmarked for acquisition in the priority housing development areas belonged to Province. Delays were experienced in getting the Office of the State Attorney to initiate the transfer of these land parcels to the City. Remedial action: Province was approached and subsequently confirmed that the City could appoint its own conveyancers to effect the transfer.					Reason for variance: Additional land parcels were acquired due to an expedited acquisition process. Remedial action: Keep up the momentum and ensure continuous improvement.			
7. INCREASED SUPPLY OF AFFORDABLE, WELL-LOCATED HOMES	7.E Number of title deeds registered to beneficiaries (HS 1.22)	1 900	2 372				3,250	4,815		Human Settlements N Gqiba
		Reason for variance: More transfers were done for the Harare phase 1 and 2 and the Greenville phase 3 and 4 projects than originally planned. Remedial action: Maintain the momentum.					Reason for variance: The homeownership transfers programme exceeded its target for the year in review. Remedial action: Keep up the momentum and ensure continuous improvement.			

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
- CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
8. SAFER, BETTER-QUALITY HOMES IN INFORMAL SETTLEMENTS AND BACKYARDS OVER TIME	8.A Informal settlement sites serviced (number)	1,000	1,002				1,220	1,124		Human Settlements N Gqiba
		Reason for variance: Above target					Reason for variance: Construction was delayed due to community-related interference and security issues, both of which were beyond the City's control.			
		Remedial action: Maintain the momentum.					Remedial action: Delivery will occur in 2024/25.			
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES										
9. HEALTHY AND SUSTAINABLE ENVIRONMENT	9.A Percentage of biodiversity priority areas protected (ENV 4.21)	65,33%	65,14%				65,25%	65,27%		Spatial Planning and Environment R McGaffin
		Reason for variance: The target was not met due to the gazetted abolition (deproclamation) of CapeNature's Driftsands nature reserve in November 2022.					Reason for variance: Above target			
		Remedial action: No further remedial action was required.					Remedial action: Keep up the momentum and ensure continuous improvement.			
	9.B Biodiversity priority areas remaining (hectares)	85 000	81 418				81 000	81 742,65		Spatial Planning and Environment R McGaffin
		Reason for variance: The target was not met due to development in critical biodiversity areas and the loss of Driftsands nature reserve.					Reason for variance: Above target			
		Remedial action: No further remedial action was required.					Remedial action: Keep up the momentum and ensure continuous improvement.			
	9.C Severe/moderate dehydration in children under the age of five presenting at City health facilities with diarrhoea (%)	<5,2%	2,4%				<4%	2,60%		Community Services and Health Z Mandlana
		Reason for variance: The target was exceeded thanks to: – improved access to clean water and sanitation; – the immunisation programme, particularly vaccination against rotavirus, which is the leading cause of severe childhood diarrhoea; and – health promotion initiatives aimed at creating awareness of the causes of diarrhoea.					Reason for variance: This achievement attests to the proper integration of the City's environmental health and primary healthcare services, which resulted in a significant decrease in diarrhoea cases.			
		Remedial action: The target was dropped from <5,2% to <5,1%. The Department was also exploring options to further drop the target during the mid-year review.					Remedial action: Keep up the momentum and ensure continuous improvement.			
10. CLEAN AND HEALTHY WATERWAYS AND BEACHES	10.A Percentage of coastline with protection measures in place (ENV 5.11)	6,27%	6,20%		6,27%	6,27%		Spatial Planning and Environment R McGaffin		
		Reason for variance: An appeal was received against the dune term tender, which caused subsequent delays in dune rehabilitation works at Fleur Park, Gordon's Bay and Bloubergstrand, Table View.			Reason for variance: On target					
		Remedial action: The appeal process was completed and dune rehabilitation work commenced.			Remedial action: Keep up the momentum and ensure continuous improvement.					
	10.B Days in a year that vleis are open (%)	65%	93%		75%	93,33%		Water and Sanitation L Manus		
Reason for variance: The water quality was considered good according to the water quality monitoring system in place, although a minimal pollution incident did affect the vleis.			Reason for variance: No full vlei closures were required in any waterbodies, as the water quality was generally good for non-contact recreation. Only one partial closure was required for a small section of a vlei.							
Remedial action: Maintain the momentum.			Remedial action: Keep up the momentum and ensure continuous improvement.							
11. QUALITY AND SAFE PARKS AND RECREATION FACILITIES	11.A Recreation and Parks open spaces mowed according to annual mowing plan (%)	80%	100,5%		82%	89,82%		Community Services and Health Z Mandlana		
		Reason for variance: Despite a lag in the first half of the reporting year due to the absence of a mowing tender, the Department ensured that processes and contingencies were in place, including delivering services using internal mowing teams. After the commencement of the mowing tender, both internal and external teams helped accelerate the service, which resulted in the overachievement.			Reason for variance: Above target					
		Remedial action: A revised tender was in the procurement process as a precautionary measure to mitigate against disruption of mowing services.			Remedial action: Keep up the momentum and ensure continuous improvement.					

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
PRIORITY: TRANSPORT										
12. A SUSTAINABLE TRANSPORT SYSTEM THAT IS INTEGRATED, EFFICIENT AND PROVIDES SAFE AND AFFORDABLE TRAVEL OPTIONS FOR ALL	12.A Passengers transported for each scheduled kilometre travelled by MyCiTi buses (ratio)	1,06	1,06			1,01	1,05		Urban Mobility D Campbell	
		Reason for variance: On target				Reason for variance: Above target				
		Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.				
	12.B Passenger journeys travelled on MyCiTi buses (number)	16 900 000	18 323 763			18 500 000	19 335 446		Urban Mobility D Campbell	
		Reason for variance: Above target				Reason for variance: Above target				
		Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.				
12.C Road corridors on which traffic signal timing plans are updated (number)	5	5		5	6		Urban Mobility D Campbell			
	Reason for variance: On target				Reason for variance: Staff invested additional energy in this work in the last quarter of 2023/24. This additional capacity is not normally available.					
	Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.					
13. SAFE AND QUALITY ROADS FOR PEDESTRIANS, CYCLISTS AND VEHICLES	13.A Surfaced road resurfaced (kilometres)	180	180,2		169	182,6		Urban Mobility D Campbell		
		Reason for variance: Above target				Reason for variance: The target was exceeded thanks to additional budget made available during the adjustments budget process.				
		Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.				
	13.B Number of potholes reported per 10 km of municipal road network (TR 6.2)	56	29,99		56	27,15		Urban Mobility D Campbell		
		Reason for variance: The indicator is customer-driven, and fewer potholes were reported than originally estimated.				Reason for variance: The overachievement is partly the result of more refined pothole complaint data becoming available since the setting of the target. The City also stepped up its maintenance through road resurfacing and resealing.				
		Remedial action: Maintain the momentum.				Remedial action: Although the reporting of potholes is beyond the City's control, pothole data is being analysed to consider how better alignment could be achieved between targets and actual pothole complaints received.				
PRIORITY: A RESILIENT CITY										
14. A RESILIENT CITY	14.A Public safety awareness and preparedness sessions held in the communities (number)	500	679			500	616		Safety and Security V Botto	
		Reason for variance: The ongoing Mayor's priority project campaigns, such as on fire and flood awareness, as well as Disaster Risk Management's reporting on winter readiness and the Climate Change Action Plan, resulted in the hosting of more community sessions than originally anticipated.				Reason for variance: The Disaster Risk Management Centre significantly enhanced its efforts to raise awareness and educate residents on fire and flood prevention. This proactive approach, coupled with the winter readiness plan, contributed to the overperformance.				
		Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.				
	14.B New disaster risk management volunteers recruited (number)	50	84			55	124		Safety and Security V Botto	
		Reason for variance: Disaster Risk Management received a high number of applications from prospective volunteers, and only those who failed the criminal check and drug test were turned away.				Reason for variance: Well above target				
		Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.				
14.C Stormwater cleaning budget spend (%)	90%	95%		90%	98%		Urban Mobility D Campbell			
	Reason for variance: Above target				Reason for variance: The City's annual winter preparedness efforts to minimise blockage-related flooding included a strong emphasis on cleaning the stormwater system.					
	Remedial action: Maintain the momentum.				Remedial action: Keep up the momentum and ensure continuous improvement.					

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET											
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR	
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS		
PRIORITY: A MORE SPATIALLY INTEGRATED AND INCLUSIVE CITY											
15. A MORE SPATIALLY IN-TEGRATED AND INCLUSIVE CITY	15.A Local neighbourhood plans approved for mixed-use development (number)	3	4				3	4		Spatial Planning and Environment R McGaffin	
		Reason for variance: These efforts progressed better than expected, resulting in Council approving four local spatial development frameworks.					Reason for variance: Well above target				
		Remedial action: Maintain the momentum.					Remedial action: Keep up the momentum and ensure continuous improvement.				
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT											
16. A CAPABLE AND COLLABORATIVE CITY GOVERNMENT	16.A Citywide community satisfaction survey (score 1–5)	2,8	2,8				2,9	2,7		Future Planning and Resilience G Morgan	
		Reason for variance: On target					Reason for variance: The community satisfaction survey score decreased slightly by 0,1 compared to the prior year. Since the survey is perception-based, it reflects community opinions, which are influenced by various external factors. The report suggests that issues beyond the City's direct control, such as taxi strikes and the election year, played a significant part in Capetonians' opinion in the survey.				
		Remedial action: Maintain the momentum.					Remedial action: A special effort will be made to enhance services in areas with declining composite scores. Executive directors will be expected to submit action plans to the City Manager, outlining measures to address the issues in their respective directorates.				
	16.B Opinion of independent rating agency	High investment rating	High investment rating				High investment rating	High investment rating		Finance K Jacoby	
		Reason for variance: On target					Reason for variance: On target				
		Remedial action: Maintain the momentum.					Remedial action: Keep up the momentum and ensure continuous improvement.				
	16.C Audit outcome (GG 3.1)	Unqualified audit opinion	Unqualified audit opinion				Unqualified audit opinion	Unqualified audit opinion		Finance K Jacoby	
		Reason for variance: On target					Reason for variance: On target				
		Reason for variance: Keep up the momentum and ensure continuous improvement.					Reason for variance: Keep up the momentum and ensure continuous improvement.				
	16.D Total capital expenditure as a percentage of total capital budget (FM 1.11)	90%	92,3%				90%	90,3%		Finance K Jacoby	
		Reason for variance: Above target					Reason for variance: Above target				
		Reason for variance: Maintain the momentum.					Reason for variance: Maintain the momentum.				
	16.E Cash/cost coverage ratio (NKPI)	1,70:1	1,97:1				1,37:1	1,31:1		Finance K Jacoby	
		Reason for variance: Well above target					Reason for variance: The underperformance is a direct result of the lower drawdown of loan funding, which, in turn, has resulted in an overperformance of the debt ratio (see indicator 16G) and a saving on anticipated finance costs. These two ratios are interrelated and must be evaluated together to assess cost-effectiveness.				
		Reason for variance: Maintain the momentum.					Reason for variance: No further action required.				
	16.F Net debtors to annual income (NKPI)	20,67%	16,79%				17,71%	16,13%		Finance K Jacoby	
		Reason for variance: Above target					Reason for variance: Above target				
		Remedial action:Maintain the momentum.					Remedial action:Maintain the momentum.				

APPENDIX B1: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CITY OF CAPE TOWN (CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET										
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE			DIRECTORATE AND RESPONSIBLE EXECUTIVE DIRECTOR
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS	
16. A CAPABLE AND COLLABORATIVE CITY GOVERNMENT	16.G Percentage of total operating revenue to finance total debt (total debt (borrowing)/total operating revenue) (FM 2.1)	30,52%	21,18%				23,71%	12,23%		Finance K Jacoby
	Reason for variance: Above target Remedial action: Maintain the momentum.					Reason for variance: This indicator assesses the affordability of repaying the municipality's borrowing from its generated revenue. The lower percentage is positive and an improvement compared to the prior year. Remedial action: Maintain the momentum.				
	16.H Kilometres of fibre infrastructure for broadband connectivity installed (kilometres)	25 km	41,18 km				78,2 km	94,56 km		
	Reason for variance: The project team and the contractor applied greater urgency to the programme and achieved better results than initially expected. Remedial action: Maintain the momentum.					Reason for variance: The overachievement can be attributed to the installation of 4 km of fibre infrastructure in response to service-on-demand requests, and 12 km from on-site change requests due to local conditions, such as rerouting fibre trenches because of obstacles on multiple routes. Remedial action: Keep up the momentum and ensure continuous improvement.				
	16.I Employees from the employment equity designated groups at the three highest levels of management (%) (NKPI)	75%	73,63%				75%	76%		Future Planning and Resilience G Morgan
	Reason for variance: The Departmental Support Services managers were dropped from level 3 to level 4 after a SAP review, which affected the overall result. Remedial action: The City undertook to use its recruitment and selection process to address the underrepresentation of designated groups at levels 1-3 in 2023/24, as per the Employment Equity Plan.					Reason for variance: Above target Remedial action: Keep up the momentum and ensure continuous improvement.				
	16.J Budget spent on implementation of Workplace Skills Plan (%) (NKPI)	90%	125,24%				90%	101,39%		
	Reason for variance: The City received grant funding from National Treasury and the Local Government Sector Education and Training Authority, and overinvested in training to develop the administration's staff. Remedial action: Maintain the momentum.					Reason for variance: Employees urgently required legislative training. Staff trained were from the directorates of Community Services and Health, Future Planning and Resilience, Spatial Planning and Environment, and Urban Waste Management. Remedial action: Keep up the momentum and ensure continuous improvement.				
	16.K Adherence to service requests (%)	90%	87,94%				90%	85,29%		Corporate Services E Sass
	Reason for variance: Targets set on the system were not fully aligned with the required timeframe to complete and close service requests. Remedial action: Revised service standards were proposed for 2023/24 to ensure achievement of targets going forward.					Reason for variance: There has been an overall increase in the number of service requests received citywide. This necessitated that service departments review and adjust their targets to accommodate the higher workload. Remedial action: The audit of the new service standards has been finalised and is in the process of being approved. This will see the standard number of days for the City to resolve complaints being increased from 25 to 32.				



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APPENDIX B1: DEFINITIONS FOR 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CITY OF CAPE TOWN

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: ECONOMIC GROWTH		
1. Increased jobs and investment in the Cape Town economy	1.A Building plans (<500m²) approved within 30 days (%)	Measures the percentage of buildings plans approved within statutory timeframes (30 days). The approval of building plans is measured within the statutory timeframes of 30 days for structures of <500 m². Section A7 of the National Building Regulations Act 103 of 1977.
	1.B Building plans (>500 m²) approved within 60 days (%)	Measures the percentage of buildings plans approved within statutory timeframes (60 days). The approval of building plans is measured within the statutory timeframes of 60 days for structures of >500 m². Section A7 of the National Building Regulations Act 103 of 1977.
	1.C Percentage of revenue clearance certificates issued within 10 working days from time of completed application received (LED3.21)	The percentage of revenue clearance certificates issued by the municipality within 10 working days of a completed submission. A revenue clearance certificate is issued by the relevant local municipality, and reflects all of the debts collected on the property, including rates. The purpose of this document is to prove that all the outstanding debt on the property has been paid by the seller. A completed submission refers to the point in time when all necessary information has been supplied in relation to the certificate. The 10 days, in this instance, refers to 10 working days, not days of the week.
	1.D Council approved trading plans developed or revised for informal trading (number)	Measures the number of Council-approved trading plans developed or revised for informal trading. A trading plan demarcates trading areas within a particular ward or precinct, thereby giving security of tenure to traders and allowing the City to undertake necessary infrastructure upgrades to the facilities to enable dignified and accessible trading opportunities. Trading plans undergo an extensive public consultative process with all stakeholders in an area and they are deemed completed when they are finally passed by full council.
	1.E Average time taken to finalise informal trading permits (LED3.12)	The indicator measures the average amount of time (taken in days) to finalise informal trading permits within a municipality from the point of complete application to the point of adjudication. An informal trading permit is a permission provided by the municipality to small scale businesses with limited trading intentions to operate under certain conditions, usually in terms of a by-law, policy or plan governing informal trading in the municipality.
	1.F Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes) (LED1.21)	Simple count of the number of short-term work opportunities provided through the municipality by Public Employment Programmes such as Expanded Public Works Programme, Community Works Programme and other related infrastructure initiatives. EPWP is a nationwide programme covering all spheres of government and SOEs. EPWP projects employ workers on a temporary or ongoing basis with government, contractors, or other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions. The CWP was established to provide an employment safety net to eligible members of target communities by offering them a minimum number of regular days of work each month. The programme targets unemployed and underemployed people. The stipends participants receive supplement their existing livelihood means and provide them with a basic level of income security. The indicator tracks the number of unique work opportunities generated within the quarter, regardless of the duration.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: BASIC SERVICES		
2. Improved access to quality and reliable basic services	2.A Taps provided in informal settlements (number) (NKPI)	Measures the number of taps provided in informal settlements during the period under review. Some taps may, however, have been vandalised or removed after provision. Proxy measure for NKPI per MSA Regulation 10(a).
	2.B Toilets provided in informal settlements (number) (NKPI)	Measures the number of toilets provided in informal settlements during the period under review. Some toilets may, however, have been vandalised or removed after provision. Proxy measure for NKPI per MSA Regulation 10(a).
	2.C Percentage of recognised informal settlements receiving basic waste removal services (ENV3.11)	Proposed 2023/24: The proportion of recognised informal settlements within the municipal area which are receiving at least a basic standard of service for refuse collection and cleaning services.
	2.D Subsidised electricity connections installed (number) (NKPI)	Measures the number of subsidised electricity connections installed per annum in informal settlements, public rental stock backyard dwellings (pilot) and low-cost housing. Proxy measure for NKPI per MSA Regulation 10(a).
3. End loadshedding in Cape Town over time	3.A Capacity of additional approved alternative energy sources (small-scale embedded generation (SSEG)) grid tied installations (MegaVolt Ampere)	Measures the total capacity of the additional approved small-scale embedded generation (SSEG) installations in the municipal distribution network measured in mega-volt ampere. (SSEG refers to alternative energy sources, predominantly solar and wind). Proxy measure for C88 EE4.12.
	3.B Load-shedding level variance (%)	Load-shedding level variance measures the amount of additional energy generated by the City and its contracted suppliers during loadshedding as a percentage of the total demand reduction required by Eskom to keep the network stable.
4. Well-managed and modernised infrastructure to support economic growth	4.A Sewer reticulations pipeline replaced (metres)	Measures the metres of wastewater reticulation pipeline replaced.
	4.B Compliance with drinking water quality standards (%)	Measures the pass rate of potable water samples against the SANS 241 standard.
	4.C Total augmented water capacity in megalitres per day (Mℓ/d)	Measures the augmented water production capacity brought online from New Water Programme schemes since the adoption of the Cape Town Water Strategy in 2020, in Mℓ/d, as a cumulative total.
	4.D Valid applications for residential water services closed within the response standard (%) (NKPI)	Measures the number of valid applications for residential water services closed within the standard number of days, expressed as a percentage of the total number of valid applications for residential water services received. Proxy measure for NKPI per MSA Regulation 10(a).
	4.E Valid applications for residential sewerage services closed within the response standard (%) (NKPI)	Measures the number of valid applications for residential sewerage services closed within the standard number of days, expressed as a percentage of the total number of valid applications for residential sewerage services received. Proxy measure for NKPI per MSA Regulation 10(a).
	4.F Service requests for non-collection of refuse resolved within three days (%) (NKPI)	Measures the number of service requests for the non-collection of residential refuse reported and closed within three days, expressed as a percentage. Proxy measure for NKPI per MSA Regulation 10(a).
	4.G Residential electricity services applications finalised within industry standard timeframes (%) (NKPI)	Measures the percentage of residential electricity services applications finalised within industry timeframes. Refers specifically to the time taken from the acceptance of the quotation until supply is finalised. The exact length of time is determined by the nature of the work required to provide the supply. Proxy measure for NKPI per MSA Regulation 10(a).

APPENDIX B1: DEFINITIONS FOR 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CITY OF CAPE TOWN (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: SAFETY		
5. Effective law enforcement to make communities safer	5.A Drone flights used for safety and security activities (number)	Measures the drone flights used for approved safety and security activities through utilisation of partnerships and contracts, in which the drone technology offers enhanced situational awareness and evidence gathering in order to the benefit of community safety. Seasonal (weather) constraints, as well as the unknown nature of S&S operations will dictate different quarterly utilisation statistics.
	5.B Roadblocks focussed on drinking and driving offences (number)	Measures the number of roadblocks held with the focus on addressing drinking and driving offenses of motorists.
	5.C Closed-circuit television (CCTV) detected incidents relayed to responders (number)	Measures the number of incidents detected on CCTV that were relayed to responders. CCTV incidents monitored by the two CCTV centres require a response in order to deal with an incident. All incidents that require a response must be relayed to the relevant department that can deal with the incident accordingly i.e. crime, traffic, by-law, fire, other. The number of incidents detected and relayed/passed on to responders for attention.
6. Strengthen partnerships for safer communities	6.A New auxiliary law enforcement officers recruited and trained (number)	Measures the number of new auxiliary law enforcement officers recruited and trained, in terms of the City's Auxiliary Law Enforcement Policy. Auxiliary is defined as a person contracted to the City on a voluntary basis who while on duty has the full status of being a Peace Officer in terms of Section 334 of the Criminal Procedure Act 51 of 1977.
	6.B Client satisfaction survey for neighbourhood watch support programme (%)	Measures the percentage client satisfaction achieved, by means of a survey after every community engagement, in respect of the main deliverables of the neighbourhood watch support programme i.e. (a) Crime prevention training, (b) Patrol and crime prevention equipment issued (c) Guidance provided in respect of Department of Community Safety (DoCS) accreditation and (d) Guidance provided in respect of crime prevention initiatives.
PRIORITY: HOUSING		
7. Increased supply of affordable, welllocated homes	7.AWell-located land parcels released to the private sector for affordable housing (number)	Measures the number of well-located land parcel released to the private sector. Land parcel refers to a single and finite immovable asset with a measurable extent. Land parcel is confirmed as released through final award notification, allowing the developer to commence with development.
	7.BHuman Settlement Top structure (houses) provided (number) per housing programme	Measures the number of Human Settlement top structures provided per housing programme. Top structures are defined as any built structure providing shelter to a household in a human settlements development by means of any national housing programme, where the main source of funding is the Human Settlements Development Grant (HSDG) in terms of the Division of Revenue Act (DoRA) for such purpose. Definition of a human settlements opportunity per housing programme: A human settlements opportunity is incremental access to and/or delivery of one of the following housing products: (A) subsidy housing (BNG), which provides a minimum 40 m² house; (B) People's Housing Process (PHP) are beneficiaries who maximise their housing subsidy by building or organising the building of their homes themselves; (C) social housing is new rental units, delivered by the City's social housing partners; (D) rental housing, which is community residential units (CRUs), upgrading and redevelopment of existing rental units and hostels; and (E) gap housing is a serviced site, or affordable units for sale

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	7.CFormal housing service site provided (number)	Measures the number of formal service sites provided. A serviced site is defined as any property providing municipal services (road, water and sewerage) on an individual basis to a household, including highdensity residential sites, as well as other non-residential sites related to integrated human settlements developments. The main source of funding for serviced sites is the Urban Settlements Development Grant (USDG) and the Informal Settlement Upgrading Partnership Grant (ISUPG) in terms of the Division of Revenue Act (DoRA) for such purpose.
	7.D Hectares of land acquired for human settlements in the municipal area (HS1.13)	Hectares of land acquired for human settlements development within the municipal area. Therefore, this refers to land acquired in an agreement between at least two parties for which purchase and sales agreement or donation agreements, expropriation notices, or development rights agreements have been concluded. The land is understood to have been acquired with the intention of advancing human settlements development within the municipal area, subject to the subsequent completion of any outstanding planning and approval processes.
	7.E Number of title deeds registered to beneficiaries (HS1.22)	The number of title deeds registered to beneficiaries within a municipality during the period under assessment. A title deed is a document that proves legal ownership of a property in South Africa. This refers to title deeds registered to beneficiaries of human settlements programmes within the municipal area.
8. Safer, better-quality homes in informal settlements and backyards over time	8. An informal settlement sites serviced (number)	Measures incremental access to better services as part of an informal settlement upgrading programme: Incremental upgrade of informal areas, which provides a serviced site with or without tenure in accordance with the informal settlement upgrading programme as part of the National Housing Code. A 'serviced site' is defined as a site to which the following services were provided: – Road; – Water; and – Sewerage.
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES		
9. Healthy and sustainable environment	9.A Percentage of biodiversity priority areas protected (ENV4.21)	The proportion of land identified through municipal strategic environmental assessments and EMFs as biodiversity priority areas, which is protected through some mechanism. Mechanisms may include stewardship agreements, conventional protected areas, & biodiversity agreements, among others.
	9.B Biodiversity priority areas remaining (hectares)	Measures the hectares of biodiversity priority areas remaining. Proportional share of land cover categories aggregated to relate to biodiversity priority areas in the municipality, relative to the total municipal area. It indicates the presence of available habitats across a municipal area important for maintaining ecological processes, expressed in ha. A decline over time indicates a loss of land supporting biodiversity and local ecosystems. Biodiversity priority areas, or areas of high biodiversity importance, are defined by SANBI (2016) as "Natural or semi-natural areas in the landscape or seascape that are important for conserving a representative sample of ecosystems and species, for maintaining ecological processes, or for the provision of ecosystem services." Proxy measure for C88 ENV4.11.
	9.CSevere/moderate dehydration in children under the age of five presenting at City health facilities with diarrhoea (%)	Measures the percentage of children under five years with diarrhoea presenting to City Health facilities that have severe or moderate dehydration.

APPENDIX B1: DEFINITIONS FOR 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CITY OF CAPE TOWN (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
10. Clean and healthy waterways and beaches	10.A Percentage of coastline with protection measures in place (ENV5.11)	The percentage of coastline with protection measures in place within the municipal area. Protection measures refer to measures for protecting the coastal environment from activities that may detrimentally affect it and are inclusive of periodic maintenance. Protection measures are divided into 4 main categories: Hard (options influence coastal processes to stop or reduce the rate of coastal erosion.); Soft (aim to dissipate wave energy by mirroring natural forces and maintaining the natural topography of the coast); Combined (combining hard and soft solutions is sometimes necessary to improve the efficiency of the options and provide an environmentally and economically acceptable coastal protection system); and Innovative (exploited advancements in specific areas of engineering associated with erosion control namely geotextiles and beach drainage). Protection measures are therefore inclusive of managed retreat too.
	10.B Days in a year that vleis are open (%)	Measures the percentage of days in a year that the Rietvlei, Zeekoevlei and Zandvlei are open to intermediate contact recreation, excluding dredging and other management activities.
11. Quality and safe parks and recreation facilities supported by community partnerships	11.A Recreation and parks open space mowed according to annual mowing plan (%)	Measures the implementation of the Recreation and Parks Department's public open space mowing activities during the year compared to what was planned on the mowing schedule The minimum mowing cycle targets, and ability to meet these targets, are directly linked to the budget available for the project. The measurement is the frequency of actual moving versus what was planned on the mowing schedule, measured as a percentage. Actual implementation to be compared to what was planned, using minimum mowing standards as articulated in the departments documented "standards per facility type".
PRIORITY: TRANSPORT		
12. A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	12.A Passengers transported for each kilometre scheduled on MyCiTi buses (ratio)	Measures the ratio of the passengers transported for each kilometre scheduled on MyCiTi buses. The aim is to have more passengers travelling per kilometre scheduled on the MyCiTi transport system. The purpose of the indicator is to measure efficiency improvements in the usage of MyCiTi buses.
	12.B Passenger journeys travelled on MyCiTi buses (number)	Measures the number of passenger journeys travelled on MyCiTi buses. An efficient, integrated transport system is measured in part through the increase in passenger journeys undertaken. A passenger journey is calculated from the first boarding of a bus at a feeder stop or main station to the last exit from a bus at a feeder stop or main station, including any transfers between buses (single journey).
	12.C Road corridors on which traffic signal timing plans are updated (number)	Measures the number of road corridors on which the traffic signal timing plans were updated to account for the impact of changing traffic volumes and patterns on the manner in which traffic signals are coordinated.
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.A Surfaced road resurfaced (km)	Measures the km of surfaced roads resurfaced.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	13.B Number of potholes reported per 10kms of municipal road network (TR6.2)	The indicator measures the number of potholes reported to the municipality normalised for the length of the municipality's surfaced road network. A municipal road network typically consists of residential roads and roads in built-up areas within its borders, that allow for the movement of goods, services and people that are the responsibility of the municipality to maintain. Potholes are defined as a depression in a road surface, usually asphalt pavement, where traffic has removed broken pieces of the pavement. It is usually the result of water in the underlying soil structure and traffic passing over the affected area. This indicator does not count multiple reports of the same pothole at the same location. This indicator is worded such that potholes are counted once and only once they have been reported, signalling awareness of and dissatisfaction with road quality by the public. Each municipality may have different systems or protocols to determine when it receives multiple reports for the same pothole. The Standard Operating Procedure by the municipality for the indicator should be instructive in this regard.
PRIORITY: A RESILIENT CITY		
14. A resilient city	14.A Public safety awareness and preparedness sessions held in the communities (number)	Measures the number of public and safety awareness sessions with communities based on various risk profiles, community based risk assessments and social media contact.
	14.B New Disaster Risk Management volunteers recruited (number)	Measures the number of disaster risk management volunteer members recruited from the community and after appropriate training, officially appointed as volunteers.
	14.C Storm water cleaning budget spent (%)	Measures the percentage budget spent on storm water cleaning.
PRIORITY: A MORE SPATIALLY INTEGRATED AND INCLUSIVE CITY		
15. A more spatially integrated and inclusive city	15.A Local neighbourhood plans approved for mixed use development (number)	Measures the number of local neighbourhood plans approved by Council. A local neighbourhood plan could be a spatial development framework or a precinct plan that identifies areas for, amongst others, mixed use development, which would facilitate integration of land uses.
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT		
16. A capable and collaborative city government	16.A Community satisfaction citywide survey (score 1-5)	Measures the score on the community satisfaction citywide survey. A statistically valid, scientifically defensible score from the annual survey of residents' perceptions of the overall performance of the City's safety and security services. The measure is given against a non-symmetrical Likert scale, where 1 is poor, 2 is fair, 3 is good, 4 is very good, and 5 is excellent. The objective is to improve the current customer satisfaction level.
	16.B Opinion of independent rating agency	Measure the opinion of the independent rating agency. A report that reflects the creditworthiness of an institution to repay long-term and short-term liabilities. Credit ratings provide an analysis of the City's key financial data and are performed by an independent agency to assess the City's ability to meet short and long-term financial obligations. Indicator standard/norm/benchmark: The highest rating possible for local government, which is also subject to the country's sovereign rating.

APPENDIX B1: DEFINITIONS FOR 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CITY OF CAPE TOWN (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	16.C Audit Outcome (GG3.1)	The Audit Opinion is defined by the Auditor-General. It is given across a qualitative, ordinal scale including: Unqualified with no findings; Unqualified with findings; Qualified with findings; Adverse with findings; and Disclaimed with findings. For those who have not completed the process 'Outstanding audits' are recorded.
	16.D Total Capital Expenditure as a percentage of Total Capital Budget(FM1.11)	This indicator measures the extent to which budgeted capital expenditure has been spent during the financial year. Capital expenditure is all costs incurred by the municipality to acquire, upgrade, and renew physical assets such as property, plants, buildings, technology, or equipment.
	16.E Cash/cost coverage ratio (NKPI)	Measures the cash/cost coverage ratio. The ratio indicates the ability to meet at least monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue during that month. (excluding unspent conditional grants). Proxy measure for NKPI per MSA Regulation 10(g).
	16.F Net debtors to annual income (NKPI)	Measures the Net Debtors to annual income.Net current debtors are a measurement of the net amounts due to the City that are realistically expected to be recovered. Proxy measure for NKPI per MSA Regulation 10(g).
	16.G Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue) (FM2.1)	The purpose of the indicator is to provide assurance that sufficient revenue will be generated to repay Liabilities. Alternatively, it assesses the unicipality's affordability of the total borrowings.
	16.H Kilometres of fibre infrastructure for broadband connectivity installed (km)	Measures the Kilometres of fibre cable installed by the City, this excludes all private sector infrastructure networks.
	16.I Employees from the EE designated groups in the three highest levels of management (%) (NKPI)	Measures the percentage of employees from employee equity (EE) target (designated) groups employed in the three highest levels of management, in compliance with the City's approved EE plan and EE Act. Management Level 1 – City Manager and Executive Directors Management Level 2 – Portfolio Managers and Directors Management Level 3 – Managers Proxy measure for NKPI per MSA Regulation 10(e).
	16.J Budget spent on implementation of Workplace Skills Plan (%) (NKPI)	Measures the percentage of budget spent on the Workplace Skills Plan The Workplace Skills Plan outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate budget for appropriate training interventions that will address the needs arising out of local government's skills sector plan, the IDP, the individual departmental staffing strategies, individual employees' personal development plans and the employment equity plan. Proxy measure for NKPI per MSA Regulation 10(f).
	16.K Adherence to service requests (%)	Measures the percentage of adherence to service request. Service requests must be adhered to within the approved timeframes. This indicator measures the percentage adherence to citywide service standards based on external notifications. External notifications are requests for services from the public. The external notification types includes N2 notifications (used for all requests related to roads and stormwater infrastructure) and C3 notifications (used for all other service faults and requests).



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APPENDIX B1: 2022-2027 CIRCULAR 88 OUTCOME SCORECARD

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
PRIORITY: ECONOMIC GROWTH									
Let's make Cape Town the easiest place to do business and create jobs in Africa									
OBJECTIVE 1: INCREASED JOBS AND INVESTMENT IN THE CAPE TOWN ECONOMY									
LED2.1	Rates revenue as a percentage of the total revenue of the municipality	29,1%	27%	26,6%					
LED2.2	Rateable value of commercial and industrial property per capita	R 83 681	R74 000	R 70 078					
PRIORITY: BASIC SERVICES									
Let's get the basics right as the foundation of a healthy and prosperous city									
OBJECTIVE 2: IMPROVED ACCESS TO QUALITY AND RELIABLE BASIC SERVICES									
WS1.1	Percentage of households with access to basic sanitation [NTRR]	95,4%	91%	94,6%					
WS2.1	Percentage of households with access to basic water supply [NTRR]	98,6%	99%	99%					
WS3.1	Frequency of sewer blockages per 100 km of pipeline	956,50	1 200	866,80					
WS3.2	Frequency of water mains failures per 100 km of pipeline	29,39	30	34,73					
WS3.3	Frequency of unplanned water service interruptions	4,78	4,81	5,65					
ENV2.1	Tons of municipal solid waste sent to landfill per capita	0,24	0,23	0,25					
ENV2.2	Tons of municipal solid waste diverted from landfill per capita	0,07	0,07	0,14					
ENV3.1	Percentage of households with access to basic refuse removal services or better [NTRR]	89,6%	87%	86,3%					
ENV3.2	Percentage of scheduled waste collection service users reporting non-collection	0%	0,5%	0,0%					
OBJECTIVE 3: END LOAD-SHEDDING IN CAPE TOWN OVER TIME									
EE1.1	Percentage of households with access to electricity [NTRR]	95%	93%	94,4%					
EE3.1	System average interruption duration index (SAIDI)	2,21	Nil target	Not applicable					National Treasury exempted this indicator for the 2023/24 reporting period.
EE3.3	System average interruption frequency index (SAIFI)	0,57	Nil target	Not applicable					National Treasury exempted this indicator for the 2023/24 reporting period.
EE3.5	Average system interruption duration index (ASIDI)	2,21	<3 hours	Not applicable					Barrier: The data provided is an estimate based on the World Bank measurement. The City's reporting is aligned with the World Bank. Addendum 5 issued by National Treasury in December 2023 has not provided clarity on the use of estimates for outputs and outcomes. Steps: Once the outage management system is fully operational, the City will be able to report the actual data. Estimated date of audit readiness: 2025/26

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTCOME SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
EE3.6	Average system interruption frequency index (ASIFI)	0,57	<1,3 occasions	Not applicable					Barrier: The data provided is an estimate based on the World Bank measurement. The City's reporting is aligned with the World Bank. Addendum 5 issued by National Treasury in December 2023 has not provided clarity on the use of estimates for outputs and outcomes. Steps: Once the outage management system is fully operational, the City will be able to report the actual data. Estimated date of audit readiness: 2025/26
EE4.4	Percentage total electricity losses	11,5%	<12%	Not applicable					Barrier: System limitation: The required breakdown of the indicator is not available on the system. The system does not have the capacity to provide a report that will serve as a detail list. Steps: A feasible solution will be investigated. Estimated date of audit readiness: 2025/26
OBJECTIVE 4: WELL-MANAGED AND MODERNISED INFRASTRUCTURE TO SUPPORT ECONOMIC GROWTH									
WS4.1	Percentage of drinking water samples complying with SANS241	94,5%	99%	Not applicable					Barrier: System limitation: Not all the SANS241 determinants of drinking water can currently be tested. Steps: The City will investigate the feasibility of the system and the cost implications to measure all required determinants. It is, however, noted that SANS 241 does not require all determinants to be continually measured Estimated date of audit readiness: 2025/26
WS4.2	Percentage of wastewater samples compliant with water use licence conditions	80,9%	80%	Not applicable					Barrier: System limitation: Not all the determinants of wastewater can currently be tested. Steps: The City will investigate the feasibility of the system and the cost implications to measure all required determinants. Estimated date of audit readiness: 2025/26
WS5.1	Percentage of non-revenue water	34,3%	32%	25,4%					
WS5.2	Total water losses	373,65	300	281,07					
WS5.3	Total per-capita consumption of water	168,9	190	165,6					

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTCOME SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
WS5.4	Percentage of water reused	5,6%	6%	Not applicable					Barrier: System limitation: The data source does not allow for the breakdown of water used by customers for irrigation/non-irrigation purposes. There is no practical way of knowing how the water was used by customers. Some customers use reused water for both purposes and are supplied by a single meter. Steps: The Water and Sanitation Department has raised this problem with the indicator definition with National Treasury at the MFMA C88 Water & Sanitation Technical Working Group meeting on 23 July 2024 and is awaiting feedback. The Department will follow up with a formal submission. Estimated date of audit readiness: 2025/26
PRIORITY: SAFETY									
Let's make Cape Town communities safer by investing in policing capacity and technology, and strengthening partnerships									
OBJECTIVE 5: EFFECTIVE LAW ENFORCEMENT TO MAKE COMMUNITIES SAFER									
FD1.1	Number of fire-related deaths per 100 000 population	5,24	<5	4,70			LED2.1	LED2.1	LED2.1
FD1.2	Number of disaster and extreme weather-related deaths per 100 000 population	0	142	0,17			LED2.1	LED2.1	LED2.1
GG2.3	Protest incidents reported per 10 000 population	0,55	<5	0,28			LED2.1	LED2.1	LED2.1
PRIORITY: HOUSING									
Let's empower the private sector to increase the supply of affordable housing across the formal and informal markets									
OBJECTIVE 7: INCREASED SUPPLY OF AFFORDABLE, WELL-LOCATED HOMES									
HS1.3	Percentage of informal settlements upgraded to phase 3	New	1%	Not applicable					Barrier: Data for phase 1 and 2 upgrades as part of the Upgrading of Informal Settlements Programme (UISP) will be used as a baseline for the upgrade to phase 3, which will be reported from 2023/24. However, the constant increase in informal settlements will remain a challenge for target setting. The indicator will be reported annually. Steps: Solutions will be investigated for the City's responsibility, and further engagements with National Treasury will be held. Estimated date of audit readiness: 2025/26

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTCOME SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
HS2.2	Percentage of residential properties in the subsidy market	6,6%	2,2%	Not applicable					Barrier: System limitation: The City cannot determine from the valuation roll which residential properties are in the subsidy market. An extract can be drawn of properties valued at R150 000 and less, although these properties might not all be subsidy housing. Steps: Systems will be put in place in consultation with Finance: Valuations Department to determine from the valuation roll how subsidy housing can be identified. Estimated date of audit readiness: 2025/26
HS2.3	Percentage of households living in formal dwellings who rent [NTRR]	28,6%	30%	28,5%					
OBJECTIVE 8: SAFER, BETTER-QUALITY HOMES IN INFORMAL SETTLEMENTS AND BACKYARDS OVER TIME									
HS1.1	Percentage of households living in adequate housing [NTRR]	83,1%	81%	80,96%					
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES									
Let's restore people's pride in Cape Town by cleaning up our city's public spaces, streets and waterways									
OBJECTIVE 9: HEALTHY AND SUSTAINABLE ENVIRONMENT									
ENV1.3	Percentage of households experiencing a problem with noise pollution [NTRR]	15,7%	11%	16,6%					
OBJECTIVE 10: CLEAN AND HEALTHY WATERWAYS AND BEACHES									
ENV5.2	Recreational water quality (inland)	New	60%	Not applicable					National Treasury exempted this indicator for the 2023/24 reporting period.
OBJECTIVE 11: QUALITY AND SAFE PARKS AND RECREATION FACILITIES SUPPORTED BY COMMUNITY PARTNERSHIPS									
HS3.5	Percentage utilisation rate of community halls	23,5%	25%	23,7%					
HS3.6	Average number of library visits per library	62 793,31	63 000	72 834,81					
HS3.7	Percentage of municipal cemetery plots available	9,2%	6%	7,25%					
PRIORITY: TRANSPORT									
Let's improve urban mobility through safe, reliable and affordable public transport and well-maintained roads									
OBJECTIVE 13: SAFE AND QUALITY ROADS FOR PEDESTRIANS, CYCLISTS AND VEHICLES									
TR6.2	Number of potholes reported per 10 km of municipal road network	27,91	56	27,15			Since the time of setting the target, the data on pothole complaints has become more refined, which is partly the reason for the overperformance. The City has also stepped up its maintenance through road resurfacing and resealing.	Although the reporting of potholes is beyond the City's control, pothole data is being analysed to consider how greater alignment could be achieved between targets pothole complaints reported.	

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTCOME SCORECARD (CONTINUED)

Key Performance Indicator		Baseline (Annual Performance of 2022/23 Verified)	Annual Target for 2023/24	Actual Achieved for 2023/24			Reason(s) for Variation	Remedial Action	Barriers and Challenges
Priority: A Capable and Collaborative City Government									
Let's build a modernised and administratively efficient government that is financially sustainable and empowers residents to contribute to decision-making and improving the city									
Objective 16: A Capable and Collaborative City Government									
GG1.1	Percentage of municipal skills development levy recovered	136,6%	100%	172,07%					
GG1.2	Top management stability	100%	80%	Not applicable					Barrier: System limitation: The system does not measure in the way that the TID requires. The City's system/data is not aligned with National Treasury's TID. Steps: System improvements will be explored to ensure alignment with the TID. Estimated date of audit readiness: 2025/26
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	87,9%	100%	91,4%					
GG3.1	Audit outcome [NTRR]	Unqualified audit opinion	Unqualified audit opinion	Actual performance will be available after the yearly audit by the Auditor General of South Africa, scheduled for late December 2024.			On target.	Continue to maintain the momentum and ensure ongoing continuous improvements.	
GG2.2	Attendance rate of municipal Council meetings by participating leaders (recognised traditional and/or Khoi-San leaders)	Not applicable	Not applicable	Not applicable					The City does not have any traditional leaders. Therefore, this indicator is not applicable. At this stage, the City is not in a position to implement this indicator, and is in alignment with provision 4.2 of addendum 4.
GG4.1	Percentage of councillors attending Council meetings	89,6%	75%	89,3%					
GG5.1	Number of alleged fraud and corruption cases reported per 100 000 population	7,26	4,28	7,52					
GG5.2	Number of dismissals for fraud and corruption per 100 000 population	0,33	10	0,36					
FM1.1	Percentage of expenditure against total budget	95,4%	94%	Not applicable					National Treasury exempted this indicator for the 2023/24 reporting period.
FM1.2	Municipal budget assessed as funded (Y/N) (national) [NTRR]	Yes	Yes	Yes					

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTCOME SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
FM2.1	Percentage of total operating revenue to finance total debt (total debt (borrowing)/total operating revenue)	16,2%	24,09%	12,2%			This indicator assesses the municipality's affordability to repay borrowing from its generated revenue. The lower outcome percentage is positive and an improved outcome when compared to the target.	Maintain the momentum.	
FM2.2	Percentage change in cash-backed reserves reconciliation	-15.4%	42%	41,9%					
FM3.1	Percentage change in cash and cash equivalent (short-term)	-2,2%	27%	-0,6%					
FM4.1	Percentage change in unauthorised, irregular, fruitless and wasteful expenditure	Not applicable	30%	47.8%					
FM4.2	Percentage of total operating expenditure on remuneration	29,4%	32%	33,2%					
FM4.3	Percentage of total operating expenditure on contracted services	17%	15%	16,3%					
FM5.1	Percentage change in own funding (internally generated funds + borrowings) to fund capital expenditure	27,6%	78%	43,9%					
FM5.2	Percentage change in renewal/upgrading of existing assets	11,4%	85%	51,0%					
FM5.3	Percentage change in repairs and maintenance of existing infrastructure	13,9%	7,9%	10,3%					
FM7.1	Percentage change in gross consumer debtors (current and non-current)	-8,7%	6%	Not applicable					National Treasury exempted this indicator for the 2023/24 reporting period.
FM7.2	Percentage of revenue growth excluding capital grants	4,8%	7%	Not applicable					National Treasury exempted this indicator for the 2023/24 reporting period.
FM7.3	Percentage of net operating surplus margin	2,4%	5%	4,5%					

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTCOMES SCORECARD

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: ECONOMIC GROWTH			
1. Increased jobs and investment in the Cape Town economy	LED2. Improved levels of economic activity in municipal economic spaces	LED2.1 Rates revenue as a percentage of the total revenue of the municipality	The R-value of property rates revenue collected by the municipality as a percentage of the total revenue collected by the municipality. Municipal property rates are an amount levied on the market value of immovable property (that is, land and buildings). Revenue, in this instance, refers to income collected by the municipality in R-value within the designated financial period.
		LED2.2 Rateable value of commercial and industrial property per capita	This is the aggregate value of all commercial and industrial land captured on the valuation roll of the municipality, inclusive of additions to the supplementary valuation roll on an annual basis. This should be calculated on the same basis as per the annual financial statements.
PRIORITY: BASIC SERVICES			
2. Improved access to quality and reliable basic services	WS1. Improved access to sanitation	WS1.1 Percentage of households with access to basic sanitation [NTRR ²²]	Percentage of households accessing ("using") a toilet facility that meets minimum standards for basic sanitation out of all households within the municipality. Minimum standards are currently defined as either a flush toilet (sewerage system) and/or flush toilet (septic tank), and/or a pit toilet connected to ventilation (VIP).
	WS2. Improved access to water	WS2.1 Percentage of households with access to basic water supply [NTRR ²³]	Percentage of households with access to basic water supply, defined as the household's main source of drinking water is piped (tap) water inside dwelling/house, piped (tap) water inside yard, and/or piped water to a community stand: <200 m.
	WS3. Improved quality of water and sanitation services	WS3.1 Frequency of sewer blockages per 100 KMs of pipeline	Number of blockages in sewers per 100km of sewer length per year. Blockages are defined as reported or logged blockages that result in an obstruction of system flow which may be caused by roots, obstructive items or other pipeline disruption.
		WS3.2 Frequency of water mains failures per 100 km of pipeline	Number of water mains failures per 100 km of mains pipe per year. "Mains" refers to all transmission and distribution pipes for water, the ownership of which is vested in the metro for the purpose of conveying water to consumers.
		WS3.3 Frequency of unplanned water service interruptions	Number of interruptions averaged per 1 000 service connections per year. Interruptions are understood as occurring at the source and do not include the number of consumer units affected by an interruption.
	ENV2. Minimised solid waste	ENV2.1 Tons of municipal solid waste sent to landfill per capita	The percentage of the city's solid waste that is disposed of in licensed (sanitary) landfills.
		ENV2.2 Tons of municipal solid waste diverted from landfill per capita	The tonnage of the city's solid waste that is recycled at centralised recycling centres, divided by the total population of the municipality. Recycled materials include those materials diverted from the waste stream, recovered and processed into new products following local government permits and regulations (International Solid Waste Association).

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IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	ENV3. Increased access to refuse removal	ENV3.1 Percentage of households with basic refuse removal services or better [NTRR ²⁴]	Households with basic refuse removal services or better (defined as a minimum of once weekly collection as defined in the back-to-basics framework) as a percentage of total municipal households.
		ENV3.2 Percentage of scheduled waste collection service users reporting non-collection	This is a measure of the number of scheduled waste collection service users who report an instance of non-collection of scheduled waste collection out of the total population of scheduled waste service users based on the number of municipal scheduled waste removal collection points. A scheduled waste collection service user is someone residing at a site for which the municipality provides a scheduled collection service on a weekly basis. The indicator measures the number of reported instances of non-collection of scheduled waste collection in relation to the total number of service points.
	EE1. Improved access to electricity	EE1.1 Percentage of households with access to electricity [NTRR ²⁵]	Percentage of households that have access to electricity services within the municipal area.
3. Ending loadshedding in Cape Town over time	EE3. Improved reliability of electricity service	EE3.5 Average System Interruption Duration Index (ASIDI)	ASIDI of a network is calculated using a load based approach rather than a customer affected approach, and is recommended in utilities where updated customer-network links are not available. ASIDI indicates the average system interruption duration in minutes per KVA served over a defined period.
		EE3.6 Average System Interruption Frequency Index (ASIFI)	ASIFI of a network is calculated using a load based approach rather than a customer affected approach, and is recommended in utilities where updated customer-network links are not available. ASIFI indicates the average system interruptions over a defined period.
	EE4. Improved energy sustainability	EE4.4 Percentage total electricity losses	Electricity losses have two components: technical and non-technical. Technical losses occur naturally and consist mainly of power dissipation in electricity system components such as transmission and distribution lines, transformers, and measurement systems. Nontechnical losses are caused by actions external to the power system and consist primarily of electricity theft, faulty or inaccurate meters, and errors in accounting and record-keeping. Losses is a measure of unaccounted for energy. Thus, non-payment is not included as losses.
4. Well-managed and modernised infrastructure to support economic growth	WS4. Improved quality of water (incl. wastewater)	WS4.1 Percentage of drinking water samples complying to SANS241	The percentage of water samples measured that comply with the SANS 241 requirements over a 12-month period for the defined parameters. See the SANS 241 requirements for a detailed breakdown of the various tests involved and the associated standard limits for application.
		WS4.2 Percentage of wastewater samples compliant to water use license conditions	Percentage of wastewater quality compliance to specified licence/ permit/authorisation requirements tested during the municipal financial year. The percentage is calculated on the basis of aggregated results per water use license determinant.
	WS5. Improved water sustainability	WS5.1 Percentage of non-revenue water	Non-revenue water is defined as the sum of unbilled authorized consumption, apparent losses (unbilled unauthorised consumption and meter inaccuracies) and real losses (from transmission mains, storage facilities, distribution mains or service connections).

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APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTCOMES SCORECARD (CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		WS5.2 Total water losses	Total (apparent and real) losses, expressed in terms of annual volume lost per service connection per day.
4. Well-managed and modernised infrastructure to support economic growth	WS5. Improved water sustainability	WS5.3 Total per capita consumption of water	The total system input volume minus the total exported (raw and treated) water per population per day of the assessment period.
		WS5.4 Percentage of water reused	The total volume of water recycled and reused as a percentage of the system input volume System input should include water abstracted and all imported water (raw and treated). Water that has been 'recycled and reused' refers to water reclaimed from discharge sources that is then treated and reused for beneficial purposes including but not limited to: agriculture and irrigation, potable water supplies, groundwater replenishment, industrial processes and environmental restoration. For the purpose of this indicator, it measures only municipal wastewater treated for direct use, inclusive of irrigation purposes.
PRIORITY: SAFETY			
5. Effective law enforcement to make communities safer	FD1. Mitigated effects of fires and disasters	FD1.1 Number of fire related deaths per 100 000 population	This is a measure of the incidence of reported deaths by the municipality attributed to fire or fire-related causes (e.g. smoke inhalation), normalised per population. This refers to municipal reporting of all known deaths related to fire within the municipal area.
		FD1.2 Number of disaster and extreme weather-related deaths per 100 000 population	This indicator measures the incidence of reported deaths that a municipality considers to be the direct or indirect result of disaster incidents and extreme weather events, normalised per population. Disaster is defined in terms of the Disaster Management Act as "a progressive or sudden, widespread or localised natural or human-caused occurrence which- a) causes or threatens to cause- i) death, injury or disease; ii) damage to property, infrastructure or the environment; or iii) disruption of life of a community; and b) is of a magnitude that exceeds the ability of those affected by the disaster to cope with its effects using only their own resources". Extreme weather refers to unexpected, unusual, severe or unseasonal weather events; weather at the extremes of the historical distribution of the range seen in the past. This could be inclusive of heat waves, flooding, drought, storm surges, etc. Where fires are the result of extreme weather events or disasters, they would also be considered within this indicator, but would otherwise find expression in the other indicator.
5 Effective law enforcement to make communities safer	GG2. Improved municipal responsiveness	GG2.3 Protest incidents reported per 10 000 population	The number of protest incidents without municipal authorisation reported to have taken place on a public road or public space within municipal boundaries in the past financial year normalised per the population. This indicator tracks all unauthorised protests reported to occur within the municipal area, not only those related to service delivery. An unauthorised protest is a public display of grievance or concern by a group of more than 15 people for which a written approval from the local municipality has not been obtained in advance. Reported incidents means every unique incident of protest which the municipality has received a direct or indirect report for, whether in-progress or after the fact, regardless of whether the protest was aimed at the municipality or not.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: HOUSING			
7. Increased supply of affordable, welllocated homes	HS2. Improved functionality of the residential property market	HS2.2 Percentage of residential properties in the subsidy market	This indicator measures the total number of formalised residential properties on the municipal valuation roll valued at R150 000 or less- what is commonly recognised as the subsidy market range. All residential properties, including those that are zero-rated, are considered in this indicator. This number is divided by the total number of residential properties on the municipal valuation roll (and supplementary valuation roll).
		HS2.3 Percentage of households living in formal dwellings who rent [NTRR ²⁷]	The total number of all households in the metro which regularly pay a sum of money or provide a service in return for a place of residence to a second party for the use of residential purposes in formal dwellings as a proportion of all households living in formal dwellings. The tenure status in the General Household Survey will be the sum of the two categories: "1 = Rented from private individual" and "2 = Rented from other (incl. municipality and social housing institutions)".
PRIORITY: HOUSING			
8. Safer, betterquality homes in informal settlements and backyards over time	HS1. Improved access to adequate housing	HS1.1 Percentage of households living in adequate housing [NTRR ²⁶]	Adequate housing' has seven elements: legal security of tenure, services, affordability, habitability, accessibility, location and cultural adequacy. For the purposes of this indicator, adequate housing is defined as 'formal' housing in terms of the Stat SA definition used in the general household survey, which is "A structure built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flatlet elsewhere", thereby excluding informal (whether in informal settlement or backyard) and traditional dwellings. The indicator is therefore the number of households residing in formal dwellings as a percentage of the total number of households in the municipality.
	HS1. Improved access to adequate housing	HS1.3 Percentage of informal settlements upgraded to Phase 3	This indicator measures the percentage of informal settlements upgraded to Phase 3, in terms of the Housing Code- Upgrading Informal Settlements, Phase 3: Detailed planning, land rehabilitation and provision of permanent services. "Upgraded to Phase 3 "is achieved when all the milestones as per Upgrading Informal Settlements Phase 3 have been implemented within an informal settlements."
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES			
9. Healthy and sustainable environment	ENV1. Improved air quality	ENV1.3 Percentage of households experiencing a problem with noise pollution [NTRR ²⁸]	The percentage of households that report "excessive noise/noise pollution" as an environmental problem experienced in their community

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APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTCOMES SCORECARD (CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
10. Clean and healthy waterways and beaches	ENV5. Coastal and inland water resources maintained	ENV5.2 Recreational water quality (inland)	The percentage of annual inland recreational water samples taken which met the targeted water quality range for recreational water quality for ‘intermediate contact recreation’ in terms of the presence of algae, chemical irritants, indicator organisms and pH levels. Recreational inland water quality focuses on human health risks stemming from the presence of microbiological indicator organisms within inland water sources. This includes those inland bodies of water located in coastal areas, even where adjacent to marine environments. This encompasses all forms of contact recreation excluding activities described for full contact recreation, such as swimming. It is a broad class and includes activities, which involve a high degree of water contact, such as waterskiing, canoeing and angling and those, which involve relatively little water contact, such as paddling and wading.
11. Quality and safe parks and recreation facilities supported by community partnerships	HS3. Increased access to and utilisation of social and community facilities	HS3.5 Percentage utilisation rate of community halls	The percentage of available hours across all community halls that are booked in a year
		HS3.6 Average number of library visits per library	The average number of library visits per library per year. This measures only municipality managed libraries.
		HS3.7 Percentage of municipal cemetery plots available	The number of burial plots currently available within active, municipal-owned cemeteries as a percentage of the total amount of burial plots in all municipal-owned cemeteries. Municipalities may have different policies and approaches providing for available plots, including where 'stacking' or other provisions for burial are made. Based on the municipalities current policy provisions and used plots, the indicator measures what percentage of the total available cemetery capacity in active cemeteries is currently utilised.
PRIORITY: TRANSPORT			
13. Safe and quality roads for pedestrians, cyclists and vehicles.	TR6. Improved quality of municipal road network	TR6.2 Number of potholes reported per 10 km of municipal road network	The indicator measures the number of potholes reported to the municipality normalised for the length of the municipality's surfaced road network. A municipal road network typically consists of residential roads and roads in builtup areas within its borders, that allow for the movement of goods, services and people that are the responsibility of the municipality to maintain. Potholes are defined as a depression in a road surface, usually asphalt pavement, where traffic has removed broken pieces of the pavement. It is usually the result of water in the underlying soil structure and traffic passing over the affected area. This indicator does not count multiple reports of the same pothole at the same location. This indicator is worded such that potholes are counted once and only once they have been reported, signalling awareness of and dissatisfaction with road quality by the public. Each municipality may have different systems or protocols to determine when it receives multiple reports for the same pothole. The standard operating procedure by the municipality for the indicator should be instructive in this regard.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT			
16.A capable and collaborative City government	GG1. Improved municipal capability	GG1.1 Percentage of municipal skills development levy recovered	The indicator is a measure of the R-value of the municipal skills development levy recovered for the financial year as a percentage of the total municipal skills development allocation which the municipality could have claimed. The skills development levy is a levy imposed to encourage learning and development in South Africa as a percentage of the municipal salary bill. The funds are paid to the South African Revenue Service and can be recovered on the completion of successful skills development.
		GG1.2 Top management stability	Top management is defined as Section 56 and 57 managers, as per the Municipal Systems Act (2000). This refers to the number of working days in which all of the top management positions in the municipality are filled by full-time employees not in an acting position, as a percentage of the total number of possible working days for those positions in a calendar year. Where a full-time employee is under suspension or has taken extended sick leave (more than 2 weeks), this should not be counted towards the standard working days of a fully appointed official.
	GG2. Improved municipal responsiveness	GG2.1 Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	The percentage of ward committees that are deemed to be ‘functional’ out of all wards in the municipality. Functional is defined as- they have an agreed annual ward committee action plan by end of Q1 of the year under review and had at least four quorate meetings in that year.
	GG3. Improved municipal administration	GG3.1 Audit Outcome	The Audit Opinion is defined by the Auditor-General. It is given across a qualitative, ordinal scale including: Unqualified with no findings; Unqualified with findings; Qualified with findings; Adverse with findings; and Disclaimed with findings. For those who have not completed the process ‘Outstanding audits’ are recorded.
	GG4. Improved council functionality	GG4.1 Percentage of councillors attending council meetings	The average percentage of members of the municipal council that attended council meetings.
	GG5. Zero tolerance of fraud and corruption	GG5.1 Number of alleged fraud and corruption cases reported per 100 000 population	The number of alleged incidents of fraud and corruption reported to the municipality during the period under review, normalised per 100 000 of the population. Corruption is defined broadly in the Prevention and Combating of Corrupt Activities Act 12 of 2004 in Chapter 2(s3) and any criminal offence that may fall within the ambit of this definition is included for the purposes of this indicator.
		GG5.2 Number of dismissals for fraud and corruption per 100 000 population	The number of dismissals for fraud and corruption reported to the municipality during the period under review, normalised per 100 000 of the population. Corruption is defined broadly in the Prevention and Combating of Corrupt Activities Act 12 of 2004 in Chapter 2(s3) and any criminal offence that may fall within the ambit of this definition is included for the purposes of this indicator.

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APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTCOMES SCORECARD (CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	FM1. Enhanced municipal budgeting and budget implementation	FM1.1 Percentage of expenditure against total budget	The indicator measures the percentage of expenditure in relation to the municipal budget. Expenditure refers to costs incurred by the municipality in the applicable financial year, inclusive of all capital and operational spending. The municipal budget refers to the municipal council approved annual budget for a particular financial year.
		FM1.2 Municipal budget assessed as funded (Y/N) (National) [NTRR ²⁹]	The budget is assessed in line with Section 18 of the municipal finance management act (MFMA), which states that a budget is funded from either revenue realistically to be collected and accumulated cash backed reserves not committed for other purposes. Accumulated cash backed reserves refers to surpluses accumulated from previous years not committed for other purposes.
	FM1. Enhanced municipal budgeting and budget implementation	FM1.2 Municipal budget assessed as funded (Y/N) (National) [NTRR30]	The budget is assessed using the following criteria, namely i) credibility – to determine if the budget is funded in terms of Section 18 of the MFMA, if the municipality adopted a budget process with evidence of sufficient political oversight and public participation revenue planning framework and associated budget assumptions are realistic and indicative of multi-year budgeting ii) relevance - to assess if the budget is aligned to the reviewed Integrated Development Plan (IDP) of the municipality and the extent to which national and provincial priorities, including MFMA Budget Circulars, are considered iii) sustainability - to assess whether the budget supports the long-term financial planning and operational sustainability of the municipality over the Medium Term Revenue and Expenditure Framework (MTREF). National Treasury assess the tabled budget using the budget assessment tool and make recommendations to the municipality for consideration.
	FM2. Improved financial sustainability and liability management	FM2.1 Percentage of total operating revenue to finance total debt (total debt (borrowing)/ total operating revenue	The purpose of the indicator is to provide assurance that sufficient revenue will be generated to repay Liabilities. Alternatively, it assesses the municipality's affordability of the total borrowings.
		FM2.2 Percentage change in cash backed reserves reconciliation	The indicator measures the extent to which a municipality increases its reserves and the basis of cash backing of reserves. Data elements, for the purpose of this indicator, are drawn from the data contained in the budget table A8.
	FM3. Improved liquidity management	FM3.1 Percentage change in cash and cash equivalent (short term)	The purpose of this indicator is to assess the level of liquidity in the municipality. A municipality with improved cash and cash equivalent is considered to be financially healthy and sustainable.
	FM4. Improved expenditure management	FM4.1 Percentage change of unauthorised, irregular, fruitless and wasteful expenditure	The indicator measures the extent to which the municipality has incurred irregular, fruitless and wasteful and unauthorised expenditure. Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Irregular expenditure is incurred by the municipality in contravention of a requirement of the law. Unauthorized expenditure includes overspending of the total amount appropriated in the approved budget.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	FM4. Improved expenditure management	FM4.2 Percentage of total operating expenditure on remuneration	The indicator measures the extent of remuneration costs to total operating expenditure. To control this indicator, an organisational review needs to be performed to address duplications and inefficiencies. The municipality needs to implement a proper remuneration policy and performance management system. Remuneration includes employee related costs (permanent and short term contracts) and remuneration for councillors.
		FM4.3 Percentage of total operating expenditure on contracted services	This indicator measures the extent to which the municipality financial resources are committed towards contracted services to perform municipal related functions. Contracted services refers to costs incurred by the municipality in relation to services performed on behalf of the municipality by another agency or personnel. This includes outsourced services, contractors and professional and special services.
	FM5. Improved asset management	FM5.1 Percentage change of own funding (Internally generated funds + borrowings) to fund capital expenditure	The indicator measures the year-on-year growth of own funding to fund capital expenditure of the municipality. Internally generated funds refers to monies received from borrowings and municipal operating revenue to fund capital expenditure.
		FM5.2 Percentage change of renewal/ upgrading of existing assets	This indicator measures the year-on-year percentage change of assets renewal/ upgrading. It also assesses whether the municipality has improved its investment towards asset renewal as required. Renewal/ Upgrading of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as restoration of the service potential of the asset.
		FM5.3 Percentage change of repairs and maintenance of existing infrastructure	This indicator measures the extent to which the municipality spent on repairs and maintenance of infrastructure assets. Repairs and maintenance is a group of accounts consisting of labour costs, material costs, secondary costs and etc.
	FM7. Improved revenue and debtors management	FM7.1 Percentage change in gross consumer debtors' (current and non-current)	Consumer debt is non-payment of property rates, charges for services provided and other various financial obligations such as traffic fines or rental of facilities
		FM7.2 Percentage of revenue growth excluding capital grants	This ratio measures the overall revenue growth excluding capital grants. In addition, this ratio will assist in determining if the increase in expenditure will be funded by the increased revenue base or by some other means.
	FM7. Improved revenue and debtors management	FM7.3 Percentage of net operating surplus margin	The indicator assesses the extent to which the municipality generates operating surplus. Operating surplus is the difference between operating revenue and operating expenditure.



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APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
PRIORITY: ECONOMIC GROWTH									
Let's make Cape Town the easiest place to do business and create jobs in Africa									
OBJECTIVE 1: INCREASED JOBS AND INVESTMENT IN THE CAPE TOWN ECONOMY									
HS2.22	Average number of days taken to process building plan applications of less than 500 square meters	13,78	12	22,81			Note that a process change in the amendment process in February resulted in an adjustment in the recording of the amendment submission date. This has adversely affected the reported figures for quarter 3 (January to March 2024) and subsequently affected the cumulative fourth-quarter results.	As part of addressing the residual system and closing off of the project, the team is reconsidering this process.	
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing in the municipal area	87,8%	80%	88,0%					
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	43 230	35 000	43 962			The well above achievement was possible due to Line Departments implementing projects with higher number of EPWP workers than expected.	Continue to maintain the momentum and ensure ongoing continuous improvements.	
LED1.31	Number of individuals connected to apprenticeships and learnerships through municipal interventions	1 053	1 100	440			The reduced number is due to the exclusion of other interventions to comply with the TID.	This target has been reviewed and has already been reduced to 392 for 2024/25.	
LED2.11	Percentage of budgeted rates revenue collected	97,0%	92%	99,1%					
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services	3,9%	4%	Not applicable					Barriers: System limitation as the system is unable to generate reports on the actual expenditure incurred to provide "Free Basic Services". Addendum 5 issued in December 2023 by NT only provide clarity on estimates for compliance indicators and not on Outcomes and Output indicators. Step: A viable system is being explored for reporting purposes that could potentially align to NT reporting requirements. Estimated date of audit readiness: 2025/2026.

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
LED3.11	Average time taken to finalise business licence applications	126,99	140	49,70			A contributing factor to the drastic drop result is the amendment of reporting to only reflect applications received and finalised in current financial year as per updated National Treasury Technical Indicator Description Sheet.	Will monitor and review the target depending on the conversation with NT.	
LED3.12	Average time taken to finalise informal trading permits	34,17	40	41,20			The City experienced major technical problems experienced with the IT system governing the work flow of permit approvals with some not work flowing for over a month. The problem was reported to Enterprise Resource Planning (ERP) who took some time to address the problem, during which time the applications had to be suspended. An enhancement was also made to the system which also led to a delay of a few weeks.	Several in-depth analysis have been conducted on the current system, highlighting significant opportunities for improvement and the department is confident that an overhaul will enhance its effectiveness to be more customer centric. The City is in the process of redesigning the application system to enhance efficiency.	
LED3.13	Average number of days taken to process building applications of 500 square meters or more	28,69	12	4,53					
LED3.21	Percentage of revenue clearance certificates issued within 10 working days from time of completed application received	99,85%	93%	99,87%			Above target	Keep up the momentum and ensure continuous improvement.	
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	185,67	220	198,04					
LED3.32	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	99,7%	97%	99,7%					

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
PRIORITY: BASIC SERVICES									
Let's get the basics right as the foundation of a healthy and prosperous city									
OBJECTIVE 2: IMPROVED ACCESS TO QUALITY AND RELIABLE BASIC SERVICES									
ENV3.11	Percentage of known informal settlements receiving basic refuse removal services	99,8%	99%	99,84%			Above target	Keep up the momentum and ensure continuous improvement.	
WS1.11	Number of new sewer connections meeting minimum standards	8 872	4 500	Not applicable					Barrier: As per addendum 5. National Treasury indicated that the indicator should continue to be measured with the incorrect definition. The formula is measuring the holistic-approach (i.e. all) connections, whereas the definition refers to state-subsidised housing, which measures only a small component of the water connections. This poses an audit risk. The City's system/data is not aligned with National Treasury's TID. Steps: National Treasury has advised that the measurement will be revised for 2024/25 to include all connections, and not just state-subsidised connections. The City will await the formal revision for this indicator. Estimated date of audit readiness: Dependent on formal communication from National Treasury on the revision of the measurement.
WS2.11	Number of new water connections meeting minimum standards	4 426	2 700	Not applicable					Barrier: As per addendum 5. National Treasury indicated that the indicator should continue to be measured with the incorrect definition. The formula is measuring the holistic-approach (i.e. all) connections, whereas the definition refers to state-subsidised housing, which measures only a small component of the water connections. This poses an audit risk. The City's system/data is not aligned with National Treasury's TID. Steps: National Treasury has advised that the measurement will be revised for 2024/25 to include all connections, and not just state-subsidised connections. The City will await the formal revision for this indicator. Estimated date of audit readiness: Dependent on formal communication from National Treasury on the revision of the measurement.

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
WS3.11	Percentage of callouts responded to within 48 hours (sanitation/ wastewater)	Not applicable	85%	Not applicable					Barrier: There is no system in place to provide auditable data. Performance will only be ascertained once the new Reactive Incident Management Application (RIMA) 2 system is fully implemented (planned for the end of 2024/25) in order to build a baseline of performance. This will remain an audit risk in 2023/24. Steps: A viable system is being explored that could potentially align with National Treasury's reporting requirements Estimated date of audit readiness: 2025/26
WS3.21	Percentage of callouts responded to within 48 hours (water)	Not applicable	85%	Not applicable					Barrier: There is no system in place to provide auditable data. Performance will only be ascertained once the new Reactive Incident Management Application (RIMA) 2 system is fully implemented (planned for the end of 2024/25) in order to build a baseline of performance. This will remain an audit risk in 2023/24 Steps: A viable system is being explored that could potentially align with National Treasury's reporting requirements Estimated date of audit readiness: 2025/26
WS4.11	Percentage of water treatment capacity unused	48,1%	46,7%	Not applicable					Barrier: There is no system available to provide actual data. The City uses estimates determined by City officials. Addendum 5 issued by National Treasury in December 2023 has not provided clarity on the use of estimates for outputs and outcomes. Steps: The City will follow up with National Treasury on a way forward in terms of the use of estimates, based on the commitment made in the Technical Working Group. Estimated date of audit readiness: Dependent on the outcome of the engagements with National Treasury.
OBJECTIVE 3: END LOAD-SHEDDING IN CAPE TOWN OVER TIME									
EE1.11	Number of dwellings provided with connections to mains electricity supply by the municipality	3 259	No target: customer-driven	Not applicable					Barrier: The TID is not clear as to what to measure, i.e. the number of connections only, or the number of dwellings with connections, as one dwelling could have more than one connection, which could result in duplicates. Steps: Clarity will be obtained from National Treasury on this indicator. The City will also liaise with National Treasury at Technical Working Group sessions. Estimated date of audit readiness: To be determined, once clarity has been obtained from National Treasury.

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
EE1.13	Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	70,4%	95%	72,8%			The City is facing a challenge due to the high volume of applications, which is putting strain on City resources and making it hard to meet supply requirements on time. However, the challenge is manageable and within the City's control.	With the recent launch of the online SSEG application process, the City expects less pressure on other connection approvals, which should improve response times. The City is also continuing to develop the online system to ensure smoother processing for all applications and better overall response times.	
EE2.11	Percentage of total residential electricity provision allocated as free basic electricity	3,2%	No target: customer-driven	Not applicable					Barrier: System limitation: System is unable to extract data/ information as per the TID. The City's system/data is not aligned with National Treasury's TID. Steps: A feasible solution will be investigated. Estimated date of audit readiness: 2025/26
EE3.11	Percentage of unplanned outages that are restored to supply within industry standard timeframes	100%	85%	Not applicable					Barrier: System limitation: System is unable to extract data/ information as per the TID. Steps: A feasible solution will be investigated. Estimated date of audit readiness: 2025/26.
EE3.21	Percentage of planned maintenance performed	100,9%	Nil target	Not applicable					Barrier: System limitation: The system is unable to extract data/ information. Steps: Feasible solutions will be investigated and action plans put in place. Estimated date of audit readiness: 2025/26
EE4.12	Installed capacity of approved embedded generators on the municipal distribution network	27,68	5	Not applicable					Barrier: Resource limitations result in a backlog of capturing applications on the system. Steps: The automated process initiated in April 2024 will be interfaced with GIS. This will alleviate the resource limitations Estimated date of audit readiness: 2025/26

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
OBJECTIVE 4: WELL-MANAGED AND MODERNISED INFRASTRUCTURE TO SUPPORT ECONOMIC GROWTH									
WS4.21	Percentage of industries with trade effluent inspected for compliance	91,7%	92%	Not applicable					Barrier: System limitation: National Treasury requires all industries to be measured. The City can only measure a limited number of industries, which will be selected on a random sample basis due to resource constraints. Steps: A viable system is being explored that could potentially align with National Treasury's reporting requirements. Estimated date of audit readiness: 2025/26
WS4.31	Percentage of wastewater treatment capacity unused	20,7%	26,1%	Not applicable					Barrier: There is no system available to provide actual data. City uses estimates determined by City officials. Addendum 5 issued by National Treasury in December 2023 has not provided clarity on the use of estimates for outputs and outcomes. Clarity was only provided on estimates for compliance indicators. Steps: The City will follow up with National Treasury on a way forward in terms of the use of estimates, based on the commitment made in the Technical Working Group. Estimated date of audit readiness: Dependent on the outcome of the engagements with National Treasury.
WS5.21	Infrastructure leakage index	4,55	4,8	Not applicable					Barrier: There is no system available to provide actual data. The denominator for this indicator is based on an estimate set out in the standard operating procedure. Addendum 5 issued by National Treasury in December 2023 has not provided clarity on the use of estimates for output and outcome indicators. Steps: The City will follow up with National Treasury on a way forward in terms of the use of estimates, based on the commitment made in the Technical Working Group. Estimated date of audit readiness: Dependent on the outcome of the engagements with National Treasury.
WS5.31	Percentage of total water connections metered	97,1%	96%	Not applicable					Barrier: There is no system available to provide actual data. The City is using an estimate based on the latest available GIS analysis, which evaluates the relevance of the estimate annually. Addendum 5 issued by National Treasury in December 2023 has not provided clarity on the use of estimates for output and outcome indicators. Challenge: The barrier is the identification of unmetered water connections, which is unknown. Steps: The City will engage National Treasury on a way forward in terms of the use of estimates. Estimated date of audit readiness: 2025/26

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
PRIORITY: SAFETY									
Let's make Cape Town communities safer by investing in policing capacity and technology, and strengthening partnerships									
OBJECTIVE 5: EFFECTIVE LAW ENFORCEMENT TO MAKE COMMUNITIES SAFER									
FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents	67,6%	70%	67,6%					
PRIORITY: HOUSING									
Let's empower the private sector to increase the supply of affordable housing across the formal and informal markets									
OBJECTIVE 7: INCREASED SUPPLY OF AFFORDABLE, WELL-LOCATED HOMES									
HS1.11	Number of subsidised housing units constructed using various human settlements programmes	Not applicable	1 796	Not applicable					The indicator has been exempted by NT for the 2023/24 reporting period, 15 August 2024.
HS1.12	Number of serviced sites	1 638	4 000	2 751			Formal Sites: The contractor for the Macassar Project did not complete all the outstanding work on site at the end of June 2024 as per his revised programme and the remaining sites could not be reported as practically completed. Informal Sites: Reason for Variance: The construction at Enkanini was hindered by community-related interruptions, and security issues also contributed to delays in project completion and subsequent underperformance. These factors are outside the City's control.	Formal Sites: The panel of civil contractors were utilised to complete all outstanding civil works on the project. Informal Sites: To be delivered during the 2024/25 financial year.	
HS1.13	Hectares of land acquired for human settlements in the municipal area	0	140	165,85			Additional land parcels have been acquired due to an expedited acquisition process.	Keep up the momentum and ensure continuous improvement.	
HS1.22	Number of title deeds registered to beneficiaries	1 075	3 250	4 815			The homeownership transfer programme exceeded its target for the year in review.	Keep up the momentum and ensure continuous improvement.	

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
HS2.21	Number of residential properties developed through state-subsidised human settlements programmes entering the municipal valuation roll	1 794	1 803	Not Applicable					Barrier: System limitation as the City cannot determine residential properties that directly benefited from state-subsidised human settlements programmes that have entered the municipal valuation roll. The valuation roll does not explicitly provide a clear indication as to which properties are subsidised. Systems will be put in place in consultation with Finance: Valuations Department to identify residential properties that directly benefited from state-subsidised human settlements programmes that have entered the municipal valuation roll. Estimated date of audit readiness: 2025/2026
OBJECTIVE 8: SAFER, BETTER-QUALITY HOMES IN INFORMAL SETTLEMENTS AND BACKYARDS OVER TIME									
HS1.31	Number of informal settlements assessed (enumerated and classified)	19	5	Not applicable					Barrier: System limitation: The City does not enumerate and classify, but identifies pockets of informal settlements. The system does not align with the TID. Steps: A viable system is being explored that could potentially align with National Treasury's reporting requirements. Estimated date of audit readiness: 2025/26
HS1.32	Number of informal settlements upgraded to phase 2	15	10	11					
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES									
Let's restore people's pride in Cape Town by cleaning up our city's public spaces, streets and waterways									
OBJECTIVE 9: HEALTHY AND SUSTAINABLE ENVIRONMENT									
ENV1.12	Percentage of air quality monitoring stations providing adequate data over a reporting year	8,3%	70%	Not applicable					Barrier: System limitation: There are challenges with performing the analysis for these variables. Steps: The City will reconsider the feasibility of the system and the associated cost implications. Estimated date of audit readiness: 2025/26
ENV4.11	Percentage of biodiversity priority areas within the municipality	33,4%	34,18%	33,34%					
ENV4.21	Percentage of biodiversity priority areas protected	65,1%	65,25%	65,27%			Above target	Keep up the momentum and ensure continuous improvement.	
OBJECTIVE 10: CLEAN AND HEALTHY WATERWAYS AND BEACHES									
ENV5.11	Percentage of coastline with protection measures in place	6,2%	6,27%	6,27%			On target	Keep up the momentum and ensure continuous improvement.	

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
ENV5.12	Number of coastal water samples taken for monitoring purposes	1 167	99	860			The target setting was based on the sample sites, which is how the City understood the measurement of the indicator at the time of the 2023/24 planning cycle.	Going forward, the target setting will be amended to align with the TID's measurement of "water samples taken". Furthermore, the sampling strategy will be reassessed.	
ENV5.21	Number of inland water samples taken for monitoring purposes	2 664	2 300	Not applicable					Barrier: System limitation: Not all the variables/determinants are sampled and monitored. There are challenges with performing the analysis for these variables/determinants as per the licence/permit requirements. Steps: Systems will be put in place to ensure that all the variables/determinants are sampled and monitored, but the City will also have to reconsider the feasibility of the system and the associated cost implications. Estimated date of audit readiness: 2025/26
PRIORITY: TRANSPORT									
Let's improve urban mobility through safe, reliable and affordable public transport and well-maintained roads									
OBJECTIVE 12: A SUSTAINABLE TRANSPORT SYSTEM THAT IS INTEGRATED, EFFICIENT AND PROVIDES SAFE AND AFFORDABLE TRAVEL OPTIONS FOR ALL									
TR4.21	Percentage of municipal bus services on time	73,1%	70.0%	Not applicable					Barrier: System limitation, and a challenge with the timing of reporting. There is insufficient time to allow the data to fully upload to the MORS system before the quarterly reporting deadline. Furthermore, factors such as load-shedding and network issues beyond the control of the municipality influence the quarterly reported performance. Steps: The Department is working on putting quality control measures in place, looking at accuracy, consistency and completeness. The Department has undertaken to streamline the reporting process so as to facilitate an improvement in the data quality and a possible reduction in the time required for the data to be obtained. Estimated date of audit readiness: 2025/26
TR5.11	Number of scheduled public transport access points added	0	0	0					Not prioritised for 2023/24.
TR5.31	Percentage of scheduled municipal bus trips that are universally accessible	97,5%	82%	82%					

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
OBJECTIVE 13: SAFE AND QUALITY ROADS FOR PEDESTRIANS,CYCLISTS AND VEHICLES									
TR6.11	Percentage of unsurfaced road graded	81,2%	90%	Not applicable					Barrier: System limiation: The current system does not align with the TID. Steps: The Department is in the process of embedding the process flow, reporting templates and detailed sign-off of the information required to comply with the specific requirements of the TID. The processes will be streamlined and the performance indicator measurement sheet updated where necessary to ensure accurate processes and reporting. Estimated date of audit readiness: 2025/26
TR5.41	Length of NMT paths built	Not applicable	Not applicable	Not applicable			This indicator is categorised as a tier 3 indicator by National Treasury, and therefore, the City is not required to report on it.		
TR6.12	Percentage of surfaced municipal road lanes been resurfaced and resealed	2,0%	1,84%	Not applicable					Barrier: System limitation: The system measuring this indicator is not aligned with the definition as contained in National Treasury's TID. The indicator's definition is lane length, while the City is reporting carriage way lengths. Steps: The City will liaise with National Treasury at the next Technical Working Group session in order to obtain clarity on this indicator and the measurement. Estimated date of audit readiness: Dependent on the outcome of the engagements with National Treasury.
TR6.13	Kilometres of new municipal road network	0	0,2	0			At the time of setting the targets, the Line Department misinterpreted the prescribed definitions and calculation methods required by National Treasury. In order to comply and report as per the prescribed criteria, this resulted in a reported underperformance, although progress on the particular project is satisfactory.		

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time	53,98%	50%	Not applicable					Barrier: System limitation: The system is unable to remove duplicate transactions without the use of manual interventions. There are also instances of incorrect coding based on reporting from the customer. This increases the risk of errors in reporting. In addition, this indicator relies on the system allocating the correct locations for the service requests. This also requires manual intervention if incorrect locations are captured. Steps: The Department is working alongside Data Science to improve the systems limitations and eradicate coding errors to improve the accuracy and completeness of the information Estimated date of audit readiness: 2025/26
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT									
Let's build a modernised and administratively efficient government that is financially sustainable and empowers residents to contribute to decision-making and improving the city									
OBJECTIVE 16: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT									
GG1.21	Staff vacancy rate	9,3%	≤7%	Not applicable					Barrier: The formula provided for both data elements is inconsistent, as it does not exclude fixed-term contract employees. This results in an inconsistent base of employees, which, in turn, leads to an incorrect percentage. The City's system/data is not aligned with National Treasury's TID. Addendum 5 has only revised the formula for 2024/25 Steps: Reporting will take place from 2024/25 based on the revised TID. Estimated date of audit readiness: 2024/25
GG1.22	Percentage of vacant posts filled within three months	40,8%	35%	Not applicable					Barrier: System limitation: Current system measures from the point of obtaining authority to proceed with filling the post up to assumption of duties, which does not align with National Treasury's requirement. Treasury requires tracking up until the candidate formally accepts the offer. The City's system/data is not aligned with National Treasury's TID Steps: The system will be amended to start tracking up until the candidate formally accepts the offer. Estimated date of audit readiness: 2024/25
GG2.11	Percentage of ward committees with six or more ward committee members (excluding the ward councillor)	81%	80%	85,3%			Resignations and terminations of membership due to non-attendance of meetings. Non-compliance in terms of submitting the required documents has an implication on ward committee membership.	Amendment to sector and seat allocation processes under way for approval at July 2024 subcouncil meetings. Filling of reallocated seats will commence thereafter.	

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
GG2.12	Percentage of wards that have held at least one councillor-convened community meeting	3 322,41%	100%	Not applicable					Barrier: The formula received from National Treasury is incorrect and has been updated for 2024/25. For 2023/24, it remains a risk. The City's system/data is not aligned with National Treasury's TID. Steps: Reporting will take place from 2024/25 based on the revised TID. Estimated date of audit readiness: 2024/25
GG2.31	Percentage of official complaints responded to through the municipal complaint management system	87,94%	90%	Not applicable					Barrier: System limitations mean that the City cannot report as per the TID. Steps: System improvements are in progress to ensure alignment with the measurement in the TID. Processes are being developed and put in place. Estimated date of audit readiness: 2024/25
GG3.11	Number of repeat audit findings [NTRR]	0	5	0					
GG3.12	Percentage of councillors who have declared their financial interests	100%	100%	95,13%					
GG5.11	Number of active suspensions longer than three months	2	≤13	4					
GG5.12	Quarterly salary bill of suspended officials	R2 064 165	≤R5 m	R2 160 391					
FM1.11	Total capital expenditure as a percentage of total capital budget	92,3%	90%	Not applicable					National Treasury exempted this indicator for 2023/24.
FM1.12	Total operating expenditure as a percentage of total operating expenditure budget	97,8%	94,4%	Not applicable					National Treasury exempted this indicator for 2023/24.
FM1.13	Total operating revenue as a percentage of total operating revenue budget	100,5%	100%	Not applicable					National Treasury exempted this indicator for 2023/24.
FM1.14	Service charges and property rates revenue as a percentage of service charges and property rates revenue budget	97,6%	94%	Not applicable					National Treasury exempted this indicator for 2023/24.
FM1.21	Funded budget (Y/N) (municipal)	Yes	Yes	Yes					
FM2.21	Cash-backed reserves reconciliation at year-end	R992 304 997,63	R103 324 280	R7 405 291 116,92					
FM3.11	Cash/cost coverage ratio	3,32	3,52:1	Not applicable					National Treasury exempted this indicator for 2023/24.
FM3.12	Current ratio (current assets/current liabilities)	1,64	1,34:1	1,52					
FM3.13	Trade payables to cash ratio	1,04	111,63%	88,4%					
FM3.14	Liquidity ratio	0,65	0,74:1	0,52					
FM4.11	Irregular, fruitless and wasteful, unauthorised expenditure as a percentage of total operating expenditure	0,2%	0,25%	0,07%					
FM4.31	Creditors payment period	0	<30 days	23,7			This is a positive variance.		
FM5.11	Percentage of total capital expenditure funded from own funding (internally generated funds + borrowings)	68,6%	75%	72,6%					

APPENDIX B1: 2022-2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			REASON(S) FOR VARIATION	REMEDIAL ACTION	BARRIERS AND CHALLENGES
FM5.12	Percentage of total capital expenditure funded from capital conditional grants	32,7%	24%	29,7%					
FM5.21	Percentage of total capital expenditure on renewal/upgrading of existing assets	51,4%	59%	57,2%					
FM5.22	Renewal/upgrading of existing assets as a percentage of depreciation/asset impairment	109,2%	167,7%	153,9%			The actual outcome for 2023/24 is 154% and is above the 100% norm and at an acceptable level. The annual target set was based on the capital budget for renewal and upgrading as well as the operating budget for depreciation and asset impairment.	None	
FM5.31	Repairs and maintenance as a percentage of property, plant, equipment and investment property	8,5%	8.5%	Not Applicable					The indicator has been exempted by NT for the 2023/24 reporting period, 15 August 2024.
FM6.12	Percentage of awarded tenders [over R200 000], published on the municipality's website	100%	98%	100%					
FM6.13	Percentage of tender cancellations	12,9%	15%	11,8%					
FM7.11	Debtors payment period	25,74	30 days	23,8					
FM7.12	Collection rate ratio	96,91%	95%	Not applicable					National Treasury exempted this indicator for 2023/24.
FM7.31	Net surplus/deficit margin for electricity	-1,8%	Nil target	2,6%					
FM7.32	Net surplus/deficit margin for water	9,3%	Nil target	11,9%			The outcome is a combined result of revenue and expenditure outcomes being lower/higher than estimated and various operational factors during the financial year.	None.	
FM7.33	Net surplus/deficit margin for wastewater	-15,9%	Nil target	-15,6%			The outcome is a combined result of revenue and expenditure outcomes being lower/higher than estimated and various operational factors during the financial year.	None.	
FM7.34	Net surplus/deficit margin for refuse	-0,5%	Nil target	-2,0%					

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: ECONOMIC GROWTH			
1. Increased Jobs and Investment in the Cape Town economy	HS2. Improved functionality of the residential property market	HS2.22 Average number of days taken to process building plan applications of less than 500 square meters	The indicator measures the number of days a building plan application to the municipality takes to be processed, from the date of submission of all required information to the date of communication of the initial adjudication results of that application, on average, per application. Measures of the time taken to process appeals of the initial decision, sometimes expressed in relation to “amendment letters” or in terms of a “date of first refusal” are not included within the measurement. Each submission of a complete building plan application starts a new processing cycle for the purpose of the indicator.
	LED1. Growing inclusive local economies	LED1.11 Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	This indicator measures the value of municipal operating expenditure that has been spent on payments to contracted organisations with a physical address within the municipal area as a percentage of the total operating expenditure on payments to all contracted organisations. Contracted services are inclusive of consultancy services, and refer to services rendered by any entity outside of the municipality secured through a public procurement process.
		LED1.21 Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	Simple count of the number of short-term work opportunities provided through the municipality by Public Employment Programmes such as Expanded Public Works Programme, Community Works Programme and other related infrastructure initiatives. EPWP is a nationwide programme covering all spheres of government and SOEs. EPWP projects employ workers on a temporary or ongoing basis with government, contractors, or other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions. The CWP was established to provide an employment safety net to eligible members of target communities by offering them a minimum number of regular days of work each month. The programme targets unemployed and underemployed people. The stipends participants receive supplement their existing livelihood means and provide them with a basic level of income security. The indicator tracks the number of unique work opportunities generated within the quarter, regardless of the duration.
		LED1.31 Number of individuals connected to apprenticeships and learnerships through municipal interventions	The number of Individuals connected to apprenticeships and learnerships through municipal interventions. Municipal interventions refer to any project, programme or initiative intended to facilitate or implement change among the target population. Apprenticeships and learnerships, in this instance, refer specifically to structured learning processes for gaining theoretical knowledge and practical skills in the workplace leading to a qualification recognised in terms of the National Qualifications Authority.
	LED2. Improved levels of economic activity in municipal economic spaces	LED2.11 Percentage of budgeted rates revenue collected	The R-value of the rates revenue as a percentage of the total rates revenue operating budget. Municipal property rates are an amount levied on the market value of immovable property (that is, land and buildings). Revenue, in this instance, refers to income collected by the municipality in R-value within the designated financial period. The operating rates revenue budget refers to the amount of the municipal operational budget which was targeted within the municipal budget as approved by Council for the financial year.

22/23 National Treasury Reporting Responsibility

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		LED2.12 Percentage of the municipality's operating budget spent on indigent relief for free basic services	The amount municipal operating budget expended on free basic services to indigent households (R-value) as a percentage of the total operating budget of the municipality for the period. Free Basic Services are understood in terms of water, sanitation, electricity and waste removal services only.
		LED3.11 Average time taken to finalise business licence applications	The indicator measures the average number of working days a business owner can expected to wait from the date of submission of a complete business licence application to the date of outcome of licensing decision from the municipality. Business license applications refer to those businesses applying in terms of the Business Act of 1991. A ‘complete application’ refers to the point at which all of the required administrative information has been supplied, allowing the municipality to proceed with the processing. A ‘finalised’ application refers to an application where the municipality has taken a decision to approve or deny the application. An application is consider finalised at the point of the decision, regardless of the time between the decision and the communication of the application outcome.
		LED3.12 Average time taken to finalise informal trading permits	The indicator measures the average amount of time (taken in days) to finalise informal trading permits within a municipality from the point of complete application to the point of adjudication. An informal trading permit is a permission provided by the municipality to small scale businesses with limited trading intentions to operate under certain conditions, usually in terms of a by-law, policy or plan governing informal trading in the municipality.
		LED3.13 Average number of days taken to process building applications of 500 square meters or more	The indicator measures the number of days building plan applications of 500 square meters or more take to be processed, from the date of submission of all required information to the date of communication of the initial adjudication results of that application, on average, per application. Whether a large building plan application is for commercial or residential purposes does not have a bearing as the proxy of 500 square meters or more is used in this instance. Measures of the time taken to process appeals of the initial decision, sometimes expressed in relation to “amendment letters” or in terms of a “date of first refusal” are not included within the measurement. Each submission of a complete building plan application starts a new processing cycle for the purpose of the indicator.
		LED3.21 Percentage of revenue clearance certificates issued within 10 working days from time of completed application received	The percentage of revenue clearance certificates issued by the municipality within 10 working days of a completed submission. A revenue clearance certificate is issued by the relevant local municipality, and reflects all of the debts collected on the property, including rates. The purpose of this document is to prove that all the outstanding debt on the property has been paid by the seller. A completed submission refers to the point in time when all necessary information has been supplied in relation to the certificate. The 10 days, in this instance, refers to 10 working days, not days of the week.

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		LED3.31 Average number of days from the point of advertising to the letter of award per 80/20 procurement process	The average number of days from the point of advertising to the letter of award per 80/20 procurement process. An 80/20 procurement process refers to public procurement as per the terms of the Preferential Procurement Regulations in terms of the Preferential Procurement Policy Framework Act for bids where an 80/20 Broad-Based Black Economic Empowerment (B-BBEE) thresholds of between R30 000 and R50 million applies. This would apply to tenders awarded within the financial year, and where disputes to the outcome of the tender process were not raised. This does not apply to requests for quotations.
		LED3.32 Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	The percentage of municipal payments made to service providers within 30-days of complete invoice submission. The indicator measures the number of payments made on the basis of invoice submissions to the municipality within the accepted standard of 30 days or less. This measures 30 calendar days from the time of submission of an accurate invoice.
PRIORITY: BASIC SERVICES			
2. Improved access to quality and reliable basic services	ENV3. Increased access to refuse removal	ENV3.11 Percentage of known informal settlements receiving basic refuse removal services	The proportion of recognised informal settlements within the municipal area which are receiving at least a basic standard of service for refuse collection and cleaning services.
	WS1. Improved access to sanitation	WS1.11 Number of new sewer connections meeting minimum standards	The total number of new sewer connections (defined as connections to a flush toilet connected to the sewerage system or a septic tank or a VIP toilet) made as part of state-subsidised human settlements development. This is inclusive of new sewer connections to communal facilities that meet basic sanitation standards.
	WS2. Improved access to water	WS2.11 Number of new water connections meeting minimum standards	Total number of new water connections meeting minimum standards (supply of water is Piped (tap) water inside dwelling/institution, Piped (tap) water inside yard, and/or Community stand: <200 m) as part of state-subsidised human settlements development. This is inclusive of new water connections to communal facilities that meet minimum standards.
	WS3. Improved quality of water and sanitation services	WS3.11 Percentage of callouts responded to within 48 hours (sanitation/ wastewater) ³¹	Percentage callouts (inclusive of outages logged with the municipality and complaints related to outages) responded to within 48 hours (sanitation/wastewater). Responded to means that someone is on site and has initiated a process of resolving the matter within 48 hours. This does not mean the callout was resolved, only that the matter was logged, appraised and responded to within 48 hours of notification.
		WS3.21 Percentage of callouts responded to within 48 hours (water) ³¹	Percentage callouts (outages inclusive of complaints logged over outages) responded to within 48 hours (water). Responded to means that someone is on site and has initiated a process of resolving the matter within 48 hours. This does not mean the callout was resolved, only that the matter was logged, appraised and responded to within 48 hours of notification.

³¹ No system in place. However, process in place and will be implemented in 2023/24. True performance will only be ascertained once the new Reactive Incident Management Application (RIMA) 2 system is fully implemented (planned by end FY 2024) in order to build a baseline of performance. Targets to be reviewed once sufficient data is collected.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
3 End load shedding in Cape Town over time	EE1. Improved access to electricity	EE1.11 Number of dwellings provided with connections to mains electricity supply by the municipality	The number of new residential electricity connections to dwellings energised by the municipality as part of ther state-subsidised human settlements development.
		EE1.13 Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	This indicator measures the number of valid customer applications for new electricity connections processed within the municipal standard timeframes in relation to the total number of customer applications for new electricity connections. A 'valid customer application' for a new electricity connection refers to an application for which a quote has been supplied and payment made by the applicant, at which point the application becomes 'valid', regardless of whether it is commercial or residential. An electricity connection processed refers to the sequence of procedures between the point of payment for a valid application and obtaining a certificate of compliance (COC) to obtain a final connection (end). The indicator measures the percentage of all valid applications where the time taken between the point of payment and the certificate of compliance fall within municipal standard timeframes, as differentiated per the relevant facilities and categories of applicant.
	EE2. Improved affordability of electricity	EE2.11 Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	This indicator measures the reliance of municipal residents on FBE for access to electricity by measuring how much of electricity provided by the municipality in MWh is subsidised through FBE. In other words, this indicator measures the extent of free electricity provided by the municipality to its residents as a percentage of the overall total. This is inclusive of indigent households. FBE is an amount of electricity determined by municipal policy provided on a monthly basis for free with the aim of assisting poor households to meet basic needs. Depending on the municipal policy, FBE may or may not be targeted exclusively at poor households.
	EE3. Improved reliability of electricity service	EE3.11 Percentage of unplanned outages that are restored to supply within industry standard timeframes	The proportion of MTTRs that are within industry standards where MTTR is the average time it takes to restore unplanned outages by the municipality. The following five categories of restoration time are applied as industry standards NRS 047: X=1.5, 3.5, 7.5, 24 and 168 hours or less.
		EE3.21 Percentage of planned maintenance performed ³²	This is a measure of the actual executed maintenance jobs planned as a percentage of budgeted planned maintenance effort in scheduled 'jobs'. A 'job' is a planned maintenance task scheduled by the municipality.
	EE4. Improved energy sustainability	EE4.12 Installed capacity of approved embedded generators on the municipal distribution network	The total capacity of the embedded generation installations in the municipal distribution network in mega-volt ampere.
4. Well-managed and modernised infrastructure to support economic growth	WS4. Improved quality of water (incl. wastewater)	WS4.21 Percentage of industries with trade effluent inspected for compliance	Number of industries with trade effluent that are inspected during the assessment period as a percentage of the total number of registered industries with trade effluent, at the end of the municipal financial year. Inspections are only counted once per registered industry organisation, regardless of whether multiple inspections follow from the original visit.

³² No system in place to measure the budgeted/actual number of maintenance jobs for planned/preventative maintenance. Currently reporting on% maintenance spent.

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD
(CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		WS4.31 Percentage of wastewater treatment capacity unused	The percentage of wastewater treatment capacity unused. Sewer treatment capacity refers to the maximum amount of sewage that a facility is allowed to treat or to direct to a particular reuse or effluent disposal system. This refers to the collective available design capacity of all facilities servicing the municipal area. 'Available design capacity' refers to the overall design capacity that is available on a daily basis. If part of the treatment facility requires refurbishment or is not in operation this should be excluded from 'available design capacity'.
		WS4.11 Percentage of water treatment capacity unused	The percentage of water treatment capacity unused. Water treatment capacity refers to the maximum amount of water that a facility can safely process. The indicator measures the difference between the maximum amount the infrastructure can handle in terms of its available design capacity and the amount currently in use, as a percentage of the total capacity. 'Available design capacity' refers to the overall design capacity that is available on a daily basis. If part of the treatment facility requires refurbishment or is not in operation this should be excluded from 'available design capacity'.
	WS5. Improved water sustainability	WS5.21 Infrastructure Leakage Index	The Infrastructure Leakage Index is derived from the structural and operational characteristics of the entire water infrastructure network. It is measured in terms of the real water loss from the supply network of physical distribution systems.
		WS5.31 Percentage of total water connections metered	The number of metered water connections as a percentage of the total number of connections in the municipality.
PRIORITY: SAFETY			
5. Effective law enforcement to make communities safer	FD1. Mitigated effects of fires and disasters	FD1.11 Percentage compliance with the required attendance time for structural firefighting incidents	Structural fire incidents are defined as incidents of fire outbreaks in habitable formal structures (buildings that have approved building plans) and habitable informal structures (informal residential dwellings where no approved building plans exist). The indicator measures the percentage of times that these incidents receive a response within the 14 minute standard. This measure of the attendance time is the difference between the time of call (the time an official call or notice is received at the official call or reporting centre) and the arrival time (refers to the time captured for the first arriving firefighting response unit regardless from where dispatched or regardless of order of dispatch). The indicator therefore measures the number of all incidents where the attendance time was 14 minutes or less as a percentage of all incidents. Attendance time is the difference between the time of call and the time of arrival of the first arriving firefighting response unit at the given address of the incident, (i.e.) Attendance Time = Time of arrival at given address -s- Time Call Received by ECC personnel and equipment in minutes and seconds for the year (numerator) divided by the number of fire department responses in the same year (denominator).

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: HOUSING			
7. Increased supply of affordable, well located homes	HS1. Improved access to adequate housing	HS1.11 Number of subsidised housing units constructed using various Human Settlements Programmes	The number of all subsidised housing units (in terms of minimum levels of service) constructed within the municipal area in the reporting period. Constructed within the municipal area refers to all housing units with finished construction within the municipal area built in terms of the various Human Settlements Programmes for which the Provincial Government receives the Human Settlements Development Grant (HSDG). This refers to any unit in which a subsidisation on the housing unit is provided, inclusive of all human settlements programmes.
		HS1.12 Number of serviced sites	A site refers to a pre-determined area where basic services can be provided, there is some degree of security of tenure and to which a household can be situated or relocated and/or upgraded. This refers to the number of all sites serviced with a new connection(s) achieving all three services of electricity, water and sanitation to a basic level within the municipality in the financial year. These sites do not include the construction of top structures. A basic level of service is defined as an individual service to each site (not shared) meeting the national minimum standard (the Regulations in terms of the Water Services Act in the case of water and sanitation and the Policy Guidelines for the Integrated National Electrification Programme (INEP) 2016/17 in the case of electricity), or the minimum standards defined by the municipality, whichever is higher. The indicator only measures from the point when all three basic services have been connected, regardless of the timeframes between when water & sanitation connections and electricity connections were made. This refers to direct connections only and does not provide for indirect connections.
		HS1.13 Hectares of land acquired for human settlements in the municipal area	Hectares of land acquired for human settlements development within the municipal area. Therefore, this refers to land acquired in an agreement between at least two parties for which purchase and sales agreement or donation agreements, expropriation notices, or development rights agreements have been concluded. The land is understood to have been acquired with the intention of advancing human settlements development within the municipal area, subject to the subsequent completion of any outstanding planning and approval processes.
	HS2. Improved functionality of the residential property market	HS2.21 Number of residential properties developed through state-subsidised human settlements programmes entering the municipal valuation roll	The indicator is defined as the number of residential properties that directly benefited from state-subsidised human settlements programmes that have entered the municipal valuation roll, inclusive of the supplementary valuation roll. This includes "zero-rated" properties that enter the municipal valuation roll after completion of state-subsidised human settlements development outputs (e.g. housing units). It is inclusive of properties developed through informal settlement upgrading and formalisation processes that result in properties being added to the municipal valuation roll.

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
8. Safer, better quality homes in informal settlements and backyards over time	HS1. Improved access to adequate housing	HS1.31 Number of informal settlements assessed (enumerated and classified)	The number of designated informal settlements within the municipal area enumerated and classified according to the NUSP categorisation, or equivalent. Enumeration includes the collection of household level data of informal settlment residents, as well as the levels and status of services in the settlement.
		HS1.32 Number of informal settlements upgraded to Phase 2	This indicator measures the number of informal settlements upgraded to Phase 2, in terms of the Housing Code- Upgrading Informal Settlements, Phase 2: Project Initiation. "...Upgraded to Phase 2" is achieved when all the milestones as per Upgrading Informal Settlements Phase 2 have been implemented within an informal settlement. This is inclusive of the following: acquisition of land where required; undertaking of a clear socio-economic and demographic profile/survey of the settlement; establishing an agreement between the community and municipality; installation of interim services to provide basic water and sanitation services to households on an interim basis; conducting of pre-planning studies to determine detailed geotechnical conditions and the undertaking of an environmental impact assessment to support planning processes.
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES			
9. Healthy and sustainable environment	HS2. Improved Air Quality	ENV1.12 Percentage of AQ monitoring stations providing adequate data over a reporting year	The proportion of AQ monitoring stations which are sufficiently functional to provide an accurate indication of air quality over a full reporting year in the muncipal area. This is currently defined as providing at least 75% of a full years worth of anticipated, validated data.
	ENV4. Biodiversity is conserved and enhanced	ENV4.11 Percentage of biodiversity priority area within the metro	Proportional share of land cover categories aggregated to relate to biological priority areas within the municipality, relative to the total municipal area. It indicates the presence of available habitats across a municipal area important for maintaining ecological processes, expressed in ha. A decline over time indicates a loss of land supporting biodiversity and local ecosystems. Biodiversity priority areas, or areas of high biodiversity importance, are defined by SANBI (2016) as "Natural or semi-natural areas in the landscape or seascape that are important for conserving a representative sample of ecosystems and species, for maintaining ecological processes, or for the provision of ecosystem services."
		ENV4.21 Percentage of biodiversity priority areas protected	The proportion of land identified through municipal strategic environmental assessments and EMFs as biodiversity priority areas, which is protected through some mechanism. Mechanisms may include stewardship agreements, conventional protected areas, & biodiversity agreements, among others.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
10. Clean and healthy waterways and beaches	ENV5. Coastal and inland water resources maintained	ENV5.11 Percentage of coastline with protection measures in place	The percentage of coastline with protection measures in place within the municipal area. Protection measures refer to measures for protecting the coastal environment from activities that may detrimentally affect it and are inclusive of periodic maintenance. Protection measures are divided into 4 main categories: Hard (options influence coastal processes to stop or reduce the rate of coastal erosion.); Soft (aim to dissipate wave energy by mirroring natural forces and maintaining the natural topography of the coast); Combined (combining hard and soft solutions is sometimes necessary to improve the efficiency of the options and provide an environmentally and economically acceptable coastal protection system); and Innovative (exploited advancements in specific areas of engineering associated with erosion control namely geotextiles and beach drainage). Protection measures are therefore inclusive of managed retreat too.
		ENV5.12 Number of coastal water samples taken for monitoring purposes	The number of coastal and water samples taken for monitoring purposes in the municipality. "Water samples taken", in this instance, refers to samples that have been taken for water quality testing. This refers to the number of samples tested for all relevant monitoring purposes, it does not refer to the number of itemised tests conducted per sample.
		ENV5.21 Number of inland water samples taken for monitoring purposes	The number of inland water samples taken for monitoring purposes in the municipality. "Water samples taken", in this instance, refers to samples that have been taken for water quality testing. This refers to the number of samples tested for all relevant monitoring purposes, it does not refer to the number of itemised tests conducted per sample.
PRIORITY: TRANSPORT			
12.A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	TR4. Improved satisfaction with public transport services	TR4.21 Percentage of municipal bus services 'on time'	The percentage of all scheduled municipal bus service departures 'on-time'. 'Scheduled' refers to the time at which the bus is expected to depart. 'On-time' is understood to be within a window of 2-minutes ahead of the scheduled departure time, and up to 5 minutes after the scheduled departure time. In the event that a municipality does not track 'departures', but does track 'arrivals' at the end destination, arrivals may be substituted uniformly across the TID but this should be specified in the Standard Operating Procedure for the indicator.
	TR5. Improved access to public transport (incl. NMT)	TR5.11 Number of scheduled public transport access points added	The number of new public transport access points which has been constructed and operational in terms of the municipality's functional responsibilities (thus excluding commuter rail stations). A scheduled public transport service in this regard refers to a bus service provided by the municipal fleet (contracted or owned) at periodic intervals.
		TR5.31 Percentage of scheduled municipal bus trips that are universally accessible	The proportion of scheduled municipal bus trips in the municipal area served by municipality owned and/or contracted fleet that are universally accessible across the length of their routes. A municipal bus trip refers to a service that runs from a departure point at the start of a route to an arrivals point at the end with various bus service stops on the way. The indicator measures the proportion of all scheduled bus trips that are considered universally accessible- That is every scheduled bus service stop on the route has received a service that is universally accessible for the bus trip. A universally accessible service stops meets the following conditions: 1) It is serviced by a scheduled bus with accessibility provisions; and 2) Boarding bridges meet the accessibility provisions of the bus service. The indicator value is a proportion of all scheduled bus trips for all routes.

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD
(CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
13.Safe and quality roads for pedestrians, cyclists and vehicles	TR5. Improved access to public transport (incl. NMT)	TR5.41 Length of NMT paths built	The total length (in KMs) of NMT paths (defined as surfaced pedestrian sidewalks, footpaths and cycling lanes) built and completed over the financial year.
	TR6. Improved quality of municipal road network	TR6.11 Percentage of unsurfaced road graded	The length of unsurfaced road which has been graded as a percentage of overall unsurfaced road network. Unsurfaced road is understood as a road without a prepared, durable surface intended to withstand traffic volume, usually a tar macadam (asphalt) or concrete surface. Usually dirt, gravel or natural surface. Road "graded" is the process of restoring the driving surface of a gravel or natural surface road to a desired smoothness and shape by removing irregularities such as corrugations and pot holes and redistributing gravel.. Usually dirt, gravel or natural surface. Road "graded" is the process of restoring the driving surface of a gravel or natural surface road to a desired smoothness and shape by removing irregularities such as corrugations and pot holes and redistributing gravel.
		TR6.12 Percentage of surfaced municipal road lanes which has been resurfaced and resealed	The distance of surfaced municipal road lanes (class 3-5) in kilometres which has been resurfaced and resealed in relation to the total road lane length. A lane is part of a carriageway that is designated to be used by a single line of vehicles to control and guide drivers and reduce traffic conflicts. Lane widths may vary in width from 3.1m at their narrowest, to 5.5m lanes in higher-order mixed-usage streets. Total municipal road length is measured on a per lane basis, so a road that is four-lanes wide for 1 km has a total network length of 4kms for the purpose of this indicator.
		TR6.13 KMs of new municipal road network	The distance of municipal road network built in kilometres within the municipal area, by the municipality (inclusive of all its departments and implementing agents). This is inclusive of both surfaced and unsurfaced roads built by the municipality. A surfaced road refers to road installed with a durable surface material intended to sustain traffic, usually pavement or concrete. Total municipal road network length is measured irrespective of the road lanes for this indicator.
		TR6.21 Percentage of reported pothole complaints resolved within standard municipal response time	The percentage of reported pothole complaints resolved within the standard time, as a percentage of all potholes reported. A reported pothole complaint refers to the report as the incidence, not the number of potholes that may be referred to in a given report. Municipal standard response times and operating procedures for service providers who may undertake this work for the municipality are confirmed at the municipal level in terms of the municipality's standard operating procedure for measuring the indicator.
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT			
16.A capable and collaborative City government	GG1. Improved municipal capability	GG1.21 Staff vacancy rate	The number of unfilled posts in the municipal organisational structure as a percentage of the total number of employee posts in the municipality's organisational structure.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		GG1.22 Percentage of vacant posts filled within 3 months	The percentage of posts for which an appointment decision has been made within three months of the authority to proceed with filling the post. 'Vacant posts' in this instance, refers to all budgeted posts on the municipal organogram for which a recruitment process has been initiated. A position is considered 'filled' when a recruitment decision is made and an offer of appointment formally accepted by a recruit, regardless of the start date. 'Authority to proceed with filling a post' refers to the point of time at which the relevant official authorises the filling of a vacancy in terms of relevant municipal policies and procedures. This refers to an individual post and does not apply to bulk recruitments.
		GG2.11 Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	The percentage of ward committees that had 6 or more members, excluding the ward councillor, as a proportion of the total number of wards at the last day of the reporting period.
		GG2.12 Percentage of wards that have held at least one councillorconvened community meeting	The number of wards where ward councillors convened at least one community meeting in the quarter as per statutory requirements, as a percentage of all the wards in the municipality. Community meetings refer to any public meeting for which public notice is given, held in the councillor's ward, and at which the ward councillor convenes the meeting.
		GG2.31 Percentage of official complaints responded to through the municipal complaint management system	The number of official complaints responded to as per the municipality defined norms and standards, as a percentage of the number of official complaints received. A complaint is any formal grievance, concern or issue registered with municipality as per its established systems and protocols. An official complaint, in this instance, should be formally logged within the Municipal Complaints Management System. "Norms and standards" refer to a municipality's agreed ability to respond promptly and appropriately to the complaints from the public, in line with protocols determined by the municipality, whether or not this is consistent with any external guidance or benchmarking. Note that resolution refers to an official municipal response to the complaint and does not provide for a determination of "satisfaction" with the municipal response on the part of the public.
	GG3. Improved municipal administration	GG3.11 Number of repeat audit findings	"Repeat" findings refer to those findings which have persisted from one year of reporting to the next. These are identified as repeat findings by the Auditor-General on the following administrative areas including but not limited to: i) annual financial statements and annual report ii) Strategic planning and performance iii) Consequence management iv) Human Resource management
		GG3.12 Percentage of councillors who have declared their financial interests	The percentage of all councillors that have declared their financial interests for the financial year being reported against. Financial interests refers to all relevant financial matters or dealings which may create the potential for a conflict of interest.

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD (CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	GG5. Zero tolerance of fraud and corruption	GG5.11 Number of active suspensions longer than three months	Refers to the total number of active suspensions at the time of reporting that were initiated more than three months prior and had not yet been resolved.
		GG5.12 Quarterly salary bill of suspended officials	The sum of the salary bill for all officials suspended from work or employment for the municipality for misconduct during the reporting period.
	FM1. Enhanced municipal budgeting and budget implementation	FM1.11 Total Capital Expenditure as a percentage of Total Capital Budget	This indicator measures the extent to which budgeted capital expenditure has been spent during the financial year. Capital expenditure is all costs incurred by the municipality to acquire, upgrade, and renew physical assets such as property, plants, buildings, technology, or equipment.
		FM1.12 Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	The indicator measures the extent to which operating expenditure has been spent during the financial year. Operating Expenditure (noncapital spending) is costs which the municipality incurs through its normal operations.
		FM1.13 Total Operating Revenue as a percentage of Total Operating Revenue Budget	The indicator measures the extent of actual operating revenue (excl. capital grant revenue) generated in relation to budgeted operating revenue during the financial year. Operating revenue is revenue generated from sale of goods or services, taxes or intergovernmental transfers.
		FM1.14 Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	The ratio measures the extent of actual Service Charges and Property Rates Revenue generated in relation to budgeted Service Charges and Property Rates Revenue during the financial year. Service Charges includes revenue generated from sale of water, electricity, refuse and sanitation. Property rates includes revenue generated from rates and taxes charged on properties.
		FM1.21 Funded budget (Y/N) (Municipal)	A municipality considers inputs from the National Treasury and adopts a budget that is funded in line with Section 18 of the MFMA which states that a budget is funded from either revenue realistically to be collected and accumulated cash backed reserves not committed for other purposes. Accumulated cash backed reserves refers to surpluses accumulated from previous years not committed for other purposes. A budget is funded when a municipality reflects a surplus of R0 or more on budget table A8.
	FM2. Improved financial sustainability and liability management	FM2.21 Cash backed reserves reconciliation at year end	This indicator measures the extent to which reserves, which are required to be cash backed are actually backed by Cash Reserves. Commitments or applications refers to items that must be cash backed such as unspent conditional grants, VAT, working capital requirements, sinking fund or reserves approved by Council. Data elements, for the purpose of this indicator, are drawn from the data contained in the budget table A8.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	FM3. Improved liquidity management	FM3.11 Cash/Cost coverage ratio	The ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.
		FM3.12 Current ratio (current assets/current liabilities)	The ratio is used to assess the municipality's ability to pay back its short-term liabilities (Debt and Payables) with its short-term assets (Cash, Inventory, Receivables).
		FM3.13 Trade payables to cash ratio	The ratio indicates the municipality's capacity to pay its creditors with cash and equivalent only.
		FM3.14 Liquidity ratio	This ratio only considers a municipality's most liquid assets – cash and investments. These are the assets that are most readily available to a municipality to pay short-term obligations. It is a stricter and more conservative measure because cash and cash equivalent is only used in the calculation.
	FM4. Improved expenditure management	FM4.11 Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	The indicator measures the extent to which the municipality has incurred irregular, fruitless and wasteful and unauthorised expenditure. Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Irregular expenditure is incurred by the municipality in contravention of a requirement of the law. Unauthorized expenditure includes overspending of the total amount appropriated in the approved budget.
		FM4.31 Creditors payment period	This indicator reflects the average number of days taken for trade creditors to be paid. It is a useful indicator to measure the cash flow or liquidity position of a municipality. Total outstanding creditors is total amount owed (capital and operating expenditure) by the municipality. Section 65 of the MFMA clearly prescribe municipalities to pay all monies owed within 30 days of receiving an invoice.
	FM5. Improved asset management	FM5.11 Percentage of total capital expenditure funded from own funding (Internally generated funds + Borrowings)	The ratio measures the level to which municipality's total capital expenditure is funded through Internally Generated Funds and Borrowings. It also assess the level at which a municipality is able to generate own funds to finance revenue generating assets to enhance and sustain revenue streams.
		FM5.12 Percentage of total capital expenditure funded from capital conditional grants	This ratio measures to what extent a municipality depend on grants to deliver services to its communities. Conditional grants are transfers and subsidies (allocation-in-kind or monetary value) given to municipalities by national or provincial departments as well as other external agencies for specific purposes.
		FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets	This indicator measures the extent to which the municipality prioritise or protect its existing infrastructure assets. Renewal/Upgrading of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as restoration of the service potential of the asset.

³³ System alignment and integration in City still in progress.

APPENDIX B1: DEFINITIONS FOR 2022–2027 CIRCULAR 88 OUTPUT SCORECARD
(CONTINUED)

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/ Asset impairment	This indicator measures the extent at which the municipality prioritise or protect its existing infrastructure assets. Renewal, Upgrading or Replacement of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as replacement of an asset.
		FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property	This indicator measures the extent at which the municipality spent on repairs and maintenance of infrastructure assets relative to its asset base. Repairs and maintenance is a group of accounts consisting of labour costs, material costs, secondary costs and etc.
	FM6. Improved supply chain management	FM6.12 Percentage of awarded tenders [over R200k], published on the municipality's website	This indicator measures the extent to which the municipality is open and transparent in the awarding of contracts by advertising details of the winning company on the municipality's website. This indicator also measures the municipality's compliance to MFMA Section 75 (1) (g).
		FM6.13 Percentage of tender cancellations	This indicator measures the percentage of tender cancellations in relation to the total number of tender business cases that was recorded, advertised and closed.
	FM7. Improved revenue and debtors management	FM7.11 Debtors payment period	Net Debtor Days refers to the average number of days required for a municipality to receive payment from its consumers for bills/invoices issued to them for services.
		FM7.12 Collection rate ratio	The ratio measures the revenue collection level of a municipality. It considers the level of increase or decrease of gross debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration
		FM7.31 Net Surplus / Deficit Margin for Electricity ³⁴	Electricity is measured separately to track the extent to which the municipality generates surplus or deficit. Total expenditure, in this context, refers to direct costs, overhead costs and capital financing costs incurred in providing electricity services. Direct costs includes employee related costs, bulk purchases, repairs and maintenance, contracted services, debt impairment, depreciation and other costs not grouped under the above-mentioned categories. Overheard costs, also referred to as indirect costs, are costs that are not directly attributable to a service but are incurred in running a municipality as a whole, for example office space or computer software and all charges or recoveries. Capital financing costs are costs associated with financing infrastructure expansion or rehabilitation of existing assets, for example interest and redemption charges.

IDP OBJECTIVE	CIRCULAR 88 OUTCOMES	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
		FM7.32 Net Surplus / Deficit Margin for Water ³⁴	Water is measured separately to track the extent to which the municipality generates surplus or deficit. Total expenditure, in this context, refers to direct costs, overhead costs and capital financing costs incurred in providing water services. Direct costs includes employee related costs, bulk purchases, repairs and maintenance, contracted services, debt impairment, depreciation and other costs not grouped under the above-mentioned categories. Overheard costs, also referred to as indirect costs, are costs that are not directly attributable to a service but are incurred in running a municipality as a whole, for example office space or computer software and all charges or recoveries. Capital financing costs are costs associated with financing infrastructure expansion or rehabilitation of existing assets, for example interest and redemption charges.
		FM7.33 Net Surplus / Deficit Margin for Wastewater ³⁴	Wastewater is measured separately to track the extent to which the municipality generates surplus or deficit. Total expenditure, in this context, refers to direct costs, overhead costs and capital financing costs incurred in providing wastewater and sanitation services. Direct costs includes employee related costs, bulk purchases, repairs and maintenance, contracted services, debt impairment, depreciation and other costs not grouped under the above-mentioned categories. Overheard costs, also referred to as indirect costs, are costs that are not directly attributable to a service but are incurred in running a municipality as a whole, for example office space or computer software and all charges or recoveries. Capital financing costs are costs associated with financing infrastructure expansion or rehabilitation of existing assets, for example interest and redemption charges.
		FM7.34 Net Surplus / Deficit Margin for Refuse ³⁴	Refuse is measured separately to track the extent to which the municipality generates surplus or deficit. Total expenditure, in this context, refers to direct costs, overhead costs and capital financing costs incurred in providing refuse services. Direct costs includes employee related costs, bulk purchases, repairs and maintenance, contracted services, debt impairment, depreciation and other costs not grouped under the above-mentioned categories. Overheard costs, also referred to as indirect costs, are costs that are not directly attributable to a service but are incurred in running a municipality as a whole, for example office space or computer software and all charges or recoveries. Capital financing costs are costs associated with financing infrastructure expansion or rehabilitation of existing assets, for example interest and redemption charges.

³⁴ System alignment and integration in City still in progress.

TO
GETHER.

APPENDIX B1: 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			BARRIERS AND CHALLENGES
PRIORITY: ECONOMIC GROWTH							
Let's make Cape Town the easiest place to do business and create jobs in Africa							
OBJECTIVE 1: INCREASED JOBS AND INVESTMENT IN THE CAPE TOWN ECONOMY							
C8	Number of councillors who completed training	228	Quarterly	315			
C9	Number of municipal officials who completed training	50 036	Quarterly	12 220			
C29	Number of approved applications to rezone a property for commercial purposes	31	Quarterly	149			
C76	Number of SMMEs and informal businesses benefiting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders	208	Quarterly	322			
C81	Number of new business licence applications	2 263	Quarterly	2 054			
C82	Value of commercial projects constructed by adding all of the estimated costs of construction values on building permits	355 797 432	Annually	1 280 784 877			
C83	Number of building plans approved after first review	3 922	Quarterly	3 575			
C84	Number of building plans submitted for review	15 420	Quarterly	22 158			
C85	Number of business licences renewed	Not applicable	Quarterly	Not applicable			Barrier: The legislation of Province and the City does not make provision for business licences to be renewed. Therefore, this indicator is not applicable. At this stage, the City is not in a position to implement this indicator and is in alignment with provision 4.2 of addendum 4.
C98	Number of building plan applications approved	New	Quarterly	16, 049			
C95	Number of residential properties in the billing system	804 717	Annually	846 418			
C96	Number of non-residential properties in the billing system	238 578	Annually	172 390			
C97	Number of properties on the valuation roll	918 622	Annually	943 873			
PRIORITY: BASIC SERVICES							
Let's get the basics right as the foundation of a healthy and prosperous city							
OBJECTIVE 2: IMPROVED ACCESS TO QUALITY AND RELIABLE BASIC SERVICES							
C60	Total number of sewer connections	670 204	Annually	5 128			
C61	Total number of chemical toilets in operation	14 966	Quarterly	14 691			
C62	Total number of ventilation-improved pit toilets (VIPs)	55	Annually	55			
C63	Total volume of water delivered by water trucks	12 768	Quarterly	Not applicable			Barrier: System limitation: The current system in use is not automated, which is creating an audit risk. Steps: A viable system/process is being explored for reporting purposes that will ensure accurate reporting for this indicator. Estimated date of audit readiness: 2025/26.

APPENDIX B1: 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			BARRIERS AND CHALLENGES
C99	Number of electricity connection applications received	New	Quarterly	Not applicable			Barrier: System limitation: The system does not measure in the way that the technical indicator description (TID) requires. Steps: The City will reconsider the feasibility of the system and the associated cost implications. Estimated date of audit readiness: 2025/26.
OBJECTIVE 3: END LOAD-SHEDDING IN CAPE TOWN OVER TIME							
C56	Number of customers provided with an alternative energy supply (e.g. LPG, paraffin or biogel, according to supply-level standards)	Not applicable	Quarterly	Not applicable			Barrier: The City is not a licensed energy distributor of the National Energy Regulator of South Africa, but a licensed electricity distributor (which is only one form of energy supply). Steps: Metro municipalities are no longer required to report on this indicator from 2024/25.
C57	Number of registered electricity consumers with a mini grid-based system in the municipal service area	Not applicable	Quarterly	Not applicable			Barrier: There is no system in place to measure mini-grid-based consumers. The City is not a licensed energy distributor of the National Energy Regulator of South Africa, but a licensed electricity distributor. Steps: Reporting will take place from 2024/25, based on the revised TID. Estimated date of audit readiness: 2024/25.
C58	Total non-technical electricity losses in MWh (estimate)	289 540	Quarterly	Not applicable			Barrier: While the indicator name refers to MWh, the method of calculation uses kWh. The TID issued in December 2023 has not been updated, thus the contradiction in the measure remains an audit risk. Steps: The City will await the correction in the TID and will report in future based on the revised one. Estimated date of audit readiness: To be determined once National Treasury has revised the TID.
C59	Number of municipal buildings that consume renewable energy	14	Quarterly	Not applicable			Barrier: The current list contains limited reporting, i.e Energy. City should further engage the Directorate to determine the Citywide total that must be reported. Steps: Solutions will be investigated for the City's responsibility. Estimated date of audit readiness: 2025/26.
OBJECTIVE 4: WELL-MANAGED AND MODERNISED INFRASTRUCTURE TO SUPPORT ECONOMIC GROWTH							
C46	Number of approved waste management posts in the municipality	3 449	Annually	Not applicable			Barrier: System limitation: The indicator is dependent on the data from GG 1.21 Staff vacancy rate, which has been classified as a barrier. Steps: The City will consider improving the system to ensure accurate reporting and alignment with the TID for this indicator. Estimated date of audit readiness: 2024/25.
C47	Number of waste management posts filled	3 190	Quarterly	3 114			
PRIORITY: SAFETY							
Let's make Cape Town communities safer by investing in policing capacity and technology, and strengthening partnerships							
OBJECTIVE 5: EFFECTIVE LAW ENFORCEMENT TO MAKE COMMUNITIES SAFER							
C67	Number of paid full-time firefighters employed by the municipality	961	Quarterly	913			
C73	Number of structural fires occurring in informal settlements	1 855	Quarterly	Not applicable			Barrier: System limitation: The system does not measure in the way that the TID requires. Steps: The City will reconsider the feasibility of the system and the associated cost implications. Estimated date of audit readiness: 2025/26.
C74	Number of dwellings in informal settlements affected by structural fires (estimate)	6 324	Quarterly	Not applicable			Barrier: System limitation: The system does not measure in the way that the TID requires Steps: The City will reconsider the feasibility of the system and the associated cost implications. Estimated date of audit readiness: 2025/26.

APPENDIX B1: 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			BARRIERS AND CHALLENGES
PRIORITY: HOUSING							
Let's empower the private sector to increase the supply of affordable housing across the formal and informal markets							
OBEJCTIVE 7: INCREASED SUPPLY OF AFFORDABLE, WELL-LOCATED HOMES							
C55	Number of housing recipients issued with title deeds	166	Annually	Not applicable			Barrier: System limitation: The system is unable to extract data/information. Steps: Systems have been put in place for 2024/25 to report on this indicator. PIMS has been compiled and signed. Estimated date of audit readiness: 2024/25.
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES							
Let's restore people's pride in Cape Town by cleaning up our city's public spaces, streets and waterways							
OBJECTIVE 11: QUALITY AND SAFE PARKS AND RECREATION FACILITIES SUPPORTED BY COMMUNITY PARTNERSHIPS							
C52	Number of maintained sports fields and facilities	158	Annually	152			
C53	Square metres of maintained public outdoor recreation space	55 052 726	Annually	55 052 726			
C54	Number of municipality-owned community halls	202	Annually	201			
PRIORITY: TRANSPORT							
Let's improve urban mobility through safe, reliable and affordable public transport and well-maintained roads							
OBJECTIVE 12: A SUSTAINABLE TRANSPORT SYSTEM THAT IS INTEGRATED, EFFICIENT AND PROVIDES SAFE AND AFFORDABLE TRAVEL OPTIONS FOR ALL							
C64	Rand value of all direct municipal vehicle operational costs for public transport	R 754 067 066	Quarterly	Not applicable			Barrier: System limitation: The value of the invoice processed and paid is used for the measurement of KPI performance, as the Department is unable to determine the value of the non-cash direct operational costs as well as other, indirect operational costs for public transport. This is due to the complexity of the invoices, as the direct and indirect operational costs for public transport cannot always be isolated. Steps: The City will consult National Treasury with the intention of finding a viable solution in terms of reporting. Clarity also needs to be obtained about the purpose of this indicator and its complex nature. Estimated date of audit readiness: Dependent on the outcome of the engagements with National Treasury.
C65	Total number of scheduled public transport access points	1 440	Quarterly	Not applicable			Barrier: Clarity is needed from National Treasury about the measurement and reporting of this indicator. The TID is silent on whether the access points should be in operation or not Steps: The City will consult National Treasury to seek clarity about when the access points should be reported on, especially if there are service/route changes during a quarter. Estimated date of audit readiness: Dependent on the outcome of the engagements with National Treasury.
C66	Number of weekday passenger trips on scheduled municipal bus services	16 686 193	Quarterly	19 335 446			
PRIORITY: A RESILIENT CITY							
Let's build a resilient and climate-responsive city by reducing our vulnerability to shocks and stresses							
OBJECTIVE 14: A RESILIENT CITY							
C69	Number of 'displaced persons' to whom the municipality delivered assistance	23 081	Quarterly	6 767			

APPENDIX B1: 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			BARRIERS AND CHALLENGES
C72	Date of the last municipal Disaster Management Plan tabled at Council	2021/09/29	Annually	2021/09/21			
C75	Number of people displaced within the municipal area	23 081	Quarterly	29 615			
C90	Date of the last Climate Change Needs and Response Assessment tabled at Council	2019/09/05	Annually	Not applicable			Barrier: Due to budget constraints, it has not been possible to commence with the five-yearly review process for the City's Climate Change Hazard, Vulnerability and Risk Assessment Steps: The City will engage with National Treasury regarding the wording of this indicator, and will suggest rewording it to allow for this item to be tabled at the relevant section 79 portfolio committee instead of at a full Council meeting Estimated audit readiness: Dependent on the outcome of the engagements with National Treasury.
C91	Date of the last Climate Change Response Implementation Plan tabled at Council	2021/05/27	Annually	Not applicable			Barrier: Due to budget constraints, it has not been possible to commence with the five-yearly review process for the City's Climate Change Hazard, Vulnerability and Risk Assessment Steps: The City will engage with National Treasury regarding the wording of this indicator, and will suggest rewording it to allow for this item to be tabled at the relevant section 79 portfolio committee instead of at a full Council meeting. Estimated audit readiness: Dependent on the outcome of the engagements with National Treasury.
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT							
Let's build a modernised and administratively efficient government that is financially sustainable and empowers residents to contribute to decision-making and improving the city							
OBJECTIVE 16: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT							
C1 +A102: E134	Number of signed performance agreements by the municipal manager and section 56 managers	13	Quarterly	13			
C2	Number of ExCo or Mayoral Executive meetings held	24	Quarterly	19			
C3	Number of Council portfolio committee meetings held	127	Quarterly	117			
C4	Number of MPAC meetings held	12	Quarterly	11			
C5	Number of recognised traditional leaders within the municipal boundaries	Not applicable	Annually	Not applicable			Barrier: The City does not have any traditional leaders. Therefore, this indicator is not applicable. At this stage, the City is not in a position to implement this indicator, and is in alignment with provision 4.2 of addendum 4.
C6	Number of formal (minuted) meetings between the Mayor, Speaker and municipal manager to deal with municipal matters	16	Quarterly	Not applicable			Barrier: The confidentiality of the minutes poses a risk, as it can be a violation of the Protection of Personal Information Act to divulge details about these meetings. Steps: The City will seek guidance from National Treasury. Estimated date of audit readiness: 2025/26"
C7	Number of formal (minuted) meetings to which all senior managers were invited	21	Quarterly	Not applicable			"Barrier: The confidentiality of the minutes poses a risk, as it can be a violation of the Protection of Personal Information Act to divulge details about these meetings. Steps: The City will seek guidance from National Treasury. Estimated date of audit readiness: 2025/26.
C10	Number of work stoppages occurring	4	Quarterly	0			
C11	Number of litigation cases instituted by the municipality	112	Quarterly	118			

APPENDIX B1: 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			BARRIERS AND CHALLENGES
C12	Number of litigation cases instituted against the municipality	674	Quarterly	1 308			
C13	Number of forensic investigations instituted	327	Quarterly	342			
C14	Number of forensic investigations conducted	132	Quarterly	66			
C15	Number of days of sick leave taken by employees	342 523	Quarterly	331 760			
C17	Number of temporary employees employed	1,565.00	Quarterly	1 621			
C18	Number of approved demonstrations in the municipal area	322.00	Quarterly	394			
C19	Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all Council meetings	Not applicable	Quarterly	Not applicable			Barrier: The City does not have any traditional leaders. Therefore, this indicator is not applicable. At this stage, the City is not in a position to implement this indicator, and is in alignment with provision 4.2 of addendum 4.
C20	Number of permanent environmental health practitioners employed by the municipality	193.00	Quarterly	210			
C21	Number of approved environmental health practitioner posts in the municipality	193.00	Annually	221			
C22	Number of Council meetings held	12.00	Quarterly	11			
C23	Number of disciplinary cases for misconduct relating to fraud and corruption	8.00	Quarterly	20			
C24	Number of Council meetings disrupted	1.00	Quarterly	0			
C25	Number of protests reported	252.00	Quarterly	131			
C26	Rand value of all tenders awarded	R 27 921 164 812,19	Quarterly	R38 205 061 349,21			
C27	Number of all awards made in terms of section 36 of the MFMA Municipal Supply Chain Management Regulations	24.00	Quarterly	22			
C28	Rand value of all awards made in terms of section 36 of the MFMA Municipal Supply Chain Management Regulations	R223 173 842,62	Quarterly	R2 178 277 512,27			
C41	Number of approved engineering posts in the municipality	Not applicable	Annually	Not applicable			Barrier: There is no system in place to measure the KPI, as the City has adopted generic job descriptions for all appointments. The City's system/data is not aligned with National Treasury's TID. Steps: The City is busy aligning with Municipal Staff Regulations and the new competency framework, which will include identifying different engineering jobs across the City. Estimated date of audit readiness: 2025/26.
C42	Number of registered engineers employed in approved posts	Not applicable	Quarterly	Not applicable			Barrier: There is no system in place to measure professional posts registered to a specific discipline. The City has adopted generic job descriptions for all appointments. Steps: A viable system is being explored that could potentially align with National Treasury's reporting requirements. Estimated date of audit readiness: 2025/26
C43	Number of engineers employed in approved posts	Not applicable	Quarterly	Not applicable			Barrier: There is no system in place to measure professional posts registered to a specific discipline. The City has adopted generic job descriptions for all appointments Steps: A viable system is being explored that could potentially align with National Treasury's reporting requirements. Estimated date of audit readiness: 2025/26

APPENDIX B1: 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

KEY PERFORMANCE INDICATOR		BASELINE (ANNUAL PERFORMANCE OF 2022/23 VERIFIED)	ANNUAL TARGET FOR 2023/24	ACTUAL ACHIEVED FOR 2023/24			BARRIERS AND CHALLENGES
C44	Number of disciplinary cases in the municipality	636	Quarterly	808			
C45	Number of finalised disciplinary cases	525	Quarterly	716			
C71	Number of procurement processes where disputes were raised	16	Quarterly	15			
C77	B-BBEE procurement spend on empowering suppliers that are at least 51% black-owned-based	R14 461 171 102,67	Quarterly	Not applicable			Barrier: The B-BBEE score/rating has been removed from the procurement regulations, so this is no longer a measuring target for the City to consider when registering or making an award. The new Preferential Procurement Regulations took effect on 16 January 2023 Steps: The City will engage National Treasury on a way forward in terms of reporting for this indicator. Estimated date of audit readiness: To be determined once clarity has been obtained from National Treasury.
C78	B-BBEE procurement spend on empowering suppliers that are at least 30% black women-owned	R7 988 718 404,15	Quarterly	Not applicable			Barrier: The B-BBEE score/rating has been removed from the procurement regulations, so this is no longer a measuring target for the City to consider when registering or making an award. The new Preferential Procurement Regulations took effect on 16 January 2023 Steps: The City will engage National Treasury on a way forward in terms of reporting for this indicator. Estimated date of audit readiness: To be determined once clarity has been obtained from National Treasury.
C79	B-BBEE procurement spend from all empowering suppliers based on B-BBEE procurement	R33 361 309 916,73	Quarterly	Not applicable			Barrier: The B-BBEE score/rating has been removed from the procurement regulations, so this is no longer a measuring target for the City to consider when registering or making an award. The new Preferential Procurement Regulations took effect on 16 January 2023. Steps: The City will engage National Treasury on a way forward in terms of reporting for this indicator Estimated date of audit readiness: To be determined once clarity has been obtained from National Treasury.
C80	Date of the last Council-adopted Development Charges Policy	2020/05/27	Annually	2020/05/27			
C86	Number of households in the municipal area registered as indigent	186 520	Quarterly	222 751			
C87	Number of firms in the formal sector split across one-digit SIC codes	Not applicable	Annually	Outstanding			At the time of submission, the City was awaiting the results from National Treasury.
C88	Number of businesses in the municipal area registered with the South African Revenue Service	Not applicable	Annually	Not applicable			National Treasury exempted this indicator for the 2023/24 reporting period.
C92	Number of agenda items deferred to the next Council meeting	17	Quarterly	8			
C93	Number of awards made in terms of SCM Regulation 32	0	Quarterly	0			
C94	Number of requests approved for deviation from approved procurement plan	0	Quarterly	Not applicable			Barrier: The City has not formally adopted National Treasury MFMA Circular No 62 – Supply Chain Management: Enhancing compliance and accountability in terms of section 168 of the MFMA. Current practice exceeds the requirement of the circular. The approved demand plan cannot start at the beginning of a financial year, as that would be much too late. The accounting officer does not approve additions to the demand plan. The demand plan is not fixed, but keeps on moving. This flexibility enables the organisation to reprioritise in emergencies, such as drought, water crisis, etc. Steps: The City (SCM in conjunction with City Performance Management) will consult National Treasury for a viable solution in terms of reporting. The proposed deadline of 31 December 2024 depends on the availability of National Treasury and final feedback received from the engagements Estimated audit readiness: Dependent on the outcome of the engagements with National Treasury.

APPENDIX B1: DEFINITIONS FOR 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: ECONOMIC GROWTH		
Let's make Cape Town the easiest place to do business and create jobs in Africa		
Objective: 1. Increased jobs and investment in the Cape Town economy	C8 (GG) Number of councillors completed training	The number of councillors that have received training. A councillor is an individual who is elected to represent their local community and runs their local council. Training can be of any duration, length and need not be formally accredited.
	C9 (GG) Number of municipal officials completed training	The number of municipal officials that have received training. A municipal official is a person in the employ of the municipality who has been delegated to perform any function of the municipality or any function for which the municipality is responsible. Training can be of any duration, length and need not be formally accredited.
	C29 (LED) Number of approved applications for rezoning a property for commercial purposes	The number of applications for rezoning a property for commercial purposes approved. Rezoning a property for commercial purposes is when the initial classification assigned for the use of a property (e.g. for residential purposes) is adjusted so that it permits business to be conducted on the property.
	C76 (LED) Number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders	The number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders, within the municipal area. Digitisation support programme can include: digital infrastructure provision, digital platforms, digital financial services, digital entrepreneurship support and digital skills development. SMME stands for small, medium and micro-enterprises. These businesses range from formally registered, informal and non-VAT registered organisations. Small to medium-sized businesses typically employ over a hundred people and are comparable to the small- and medium-sized enterprises (SME) segment found in developed countries. Microenterprises, on the other hand, typically encompass survivalist self-employed persons from the poorest layers of the population. This measures any business who has registered with the municipality to benefit from support for digitisation.
	C81 (LED) Number of new business license applications	The number of new business license applications received by the municipality. Business license applications may be required by the municipality as it relates to food provision and other industries. This measures only the 'new' business license applications received by the municipality. By applying for a license as a 'new' business, the indicator measures new formal economic ventures pursued within the municipality. The indicator measures only those 'new' license applications and does not track renewals.
	C82 (LED) Value of Commercial Projects Constructed by adding all of the estimated costs of construction values on building permits	Municipal construction permits require the capturing of estimated costs for construction. This indicator aggregates all of the estimated costs for the construction permits granted by the municipality.
	C83 (LED) Number of building plans approved after first review	The building plan review process is a coordinated process for the review of projects and building plans which generally result in the issuance of a building permit. The process coordinates the review of staff representatives typically from Planning, Building, Engineering and Fire functions. This team reviews each project for compliance with applicable plans and code requirements. Where a building plan of any size, whether commercial or residential, is approved based on one round of municipal review, it is tracked for the purpose of this indicator.
	C84 (LED) Number of building plans submitted for review	The total number of building plans submitted for review to the municipality. The building plan review process is coordinated process for the review of projects and building plans which when adjudicated as "approved", generally results in the issuance of a building permit. The process coordinates the review of staff representatives typically from Planning, Building, Engineering and Fire functions. This team reviews each project for compliance with applicable plans and code requirements. This indicator gives a measure of the scale of building plan submissions in total.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C85 (LED) Number of business licenses renewed ³⁵	The number of business licenses renewed within the municipal area. Business licenses are permits issued by the municipality that allow individuals or companies to conduct business within the municipal area. It is the authorization to operate a business issued by the local government, in line with local by-laws and provisions.
	C98 (LED) Number of building plan applications approved	The number of building plans approved by the municipality. The building plan review process is a coordinated process for the review of projects and building plans which, when adjudicated as "approved", generally results in the issuance of a building permit. An approved building plan application excludes those applications that receive an "amendment letter" or "date of first refusal.
	C95 (FM)Number of residential properties in the billing system	The indicator mesaures the number of unique properties zoned for residential purposes by the municipality that reflects on the billing system of the municipality. This includes residential properties that are zero-rated.
	C96 (FM) Number of non-residential properties in the billing system	The indicator measures the number of unique properties zoned for non-residential purposes by the municipality that reflects on the billing system of the municipality. This includes nonresidential properties that are zero-rated.
	C97 (FM) Number of properties in the valuation roll	The indicator measures the number of unique properties reflected on the municipal valuation roll. This includes residential properties that are zero-rated and draws from Supplementary valuation rolls in years between official valuations.
PRIORITY: BASIC SERVICES		
Let's get the basics right as the foundation of a healthy and prosperous city		
Objective 2. Improved access to quality and reliable basic services	C60 (WS) Total number of sewer connections	The total number of sewer connections in the municipal area. Sewer connection is any physical connection to a sewage disposal system or sewer system, whether direct or indirect, of a residence building, dwelling, dwelling unit, or other building, including individual units of multiple unit dwellings such as condominiums, townhouses, multiplexes, and apartment buildings.
	C61 (WS) Total number of chemical toilets in operation	The total number of chemical toilets in operation. A chemical toilet collects human excreta in a holding tank and uses chemicals to minimize odours. These toilets are usually, but not always, self-contained and movable. A chemical toilet is structured around a relatively small tank, which needs to be emptied frequently.
	C62 (WS) Total number of Ventilation Improved Pit Toilets (VIPs)	A VIP refers to a Ventilation Improve Pit Toilet which meets minimum standards in terms of the ventilation of the pit and toilet structure.
	C63 (WS) Total volume of water delivered by water trucks	The total volume of water (in kilolitres) delivered by water truck to a municipal area. A water truck is a vehicle designed with a water container for storing and transporting water for consumptive purposes.
	C99 (EE) Number of electricity connection applications received	The number of new electricity connection applications received by the municipality. This measures only the new applications received by the municipality, regardless of whether they are 'valid' or complete.

³⁵ Western Cape Province and City of Cape Town does not make provision for licenses to be renewed. However, indicator included for completeness and not reporting.

APPENDIX B1: DEFINITIONS FOR 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C56 (EE) Number of customers provided with an alternative energy supply (e.g. LPG or paraffin or biogel according to supply level standards) ³⁶	The number of customers provided with an alternative energy supply (e.g. LPG or paraffin or biogel according to supply level standards). Alternative energy supply refers to the use of any energy sources, other than traditional fossil fuels (e.g. coal, gasoline, and natural gas). In this instance, this would only include alternative energy supply that has been provided or issued directly by the municipality as per determined minimum standards. A customer refers to anyone registered to receive access to electricity and/or energy from the municipality.
	C57 (EE) Number of registered electricity consumers with a mini grid-based system in the municipal service area ³⁶	The number of registered consumers with mini-based system in the municipal service area. A mini grid-based system is a set of electricity generators, and possibly energy storage systems, interconnected to a distribution network that supplies electricity to a localized group of customers. The indicator tracks the total number of registered consumers able to access electricity through alternative means, beyond municipal supply.
	C58 (EE) Total nontechnical electricity losses in MWh (estimate)	Total non-technical electricity losses in MWh. Electricity loss is a measure of unaccounted for energy. Non-technical electricity losses are caused by actions external to the power system and consist primarily of electricity theft, faulty or inaccurate meters, and errors in accounting and record-keeping. Therefore, by its very nature this indicator will rely on stated assumptions. Municipalities are to generate a measure of non-technical electricity losses in MWh on the basis of their existing procedures in terms of Standard Operating Procedures, while documenting the assumptions or parameters that in from such a measure.
	C59 (EE) Number of municipal buildings that consume renewable energy ³⁷	The number of municipal buildings consuming own renewable electricity or embedded generation. Renewable electricity is understood as renewable own generation and/or embedded generation within municipal buildings themselves. Embedded generation refers to the small-scale production of power connected within the electricity distribution network, located close to the place of consumption. Renewable own generation is electricity generation technology which harnesses a naturally existing energy flux, such as wind, sun, heat, or tides, and converts that flux to electricity for specific own supply, not for sale to customers. Where embedded generation supplies a complex of free-standing structures, all individual structures can be counted as buildings. This is inclusive of buildings leased by the municipality, as well as municipality-owned buildings.
	C46 (ENV) Number of approved waste management posts in the municipality ³⁸	The number of approved waste management posts. Waste management includes the activities and actions required to manage waste from its inception to its final disposal. This includes the collection, transport, treatment and disposal of waste, together with monitoring and regulation of the waste management process. An approved job post refers to employment posts that have been developed in relation to the Municipal Structures Act of 1998 and the Municipal Finance Management Act of 2003, and has been approved by the Municipal Manager.
	C47 (ENV) Number of waste management posts filled ³⁸	The number of waste management posts filled in terms of the approved structure. Waste management includes the activities and actions required to manage waste from its inception to its final disposal. This includes the collection, transport, treatment and disposal of waste, together with monitoring and regulation of the waste management process.
PRIORITY: SAFETY		
Let's make Cape Town communities safer by investing in policing capacity and technology, and strengthening partnerships		
Objective 5. Effective law enforcement to make communities safer	C67 (FD) Number of paid full-time firefighters employed by the municipality	The number of paid full-time firefighters employed by the municipality. A firefighter is a rescuer extensively trained in firefighting, primarily to extinguish hazardous fires that threaten life, property, and the environment as well as to rescue people and animals from dangerous situations. This could be either permanent or fixed-term employment, on a full-time basis.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C73 (FD) Number of structural fires occurring in informal settlements	The indicator measures the number of fires which occurred or originated in an area considered to be an informal settlement by the municipality and affected structures in that area. Structural fire incidents are defined as incidents of fire outbreaks in habitable structures, regardless of their formality (e.g. a fire on a formal structure within an area considered to be an informal settlement would still be counted as the indicator measures the number of fires).
	C74 (FD) Number of dwellings in informal settlements affected by structural fires (estimate)	The indicator measures the estimated number of dwellings in an area considered to be an informal settlement by the municipality and affected by structural fires. 'Affected' in this context refers to structures which have sustained physical damage as a result of a fire. Structural fire incidents are defined as incidents of fire outbreaks in habitable structures, regardless of their formality (e.g. a fire on a formal structure within an area considered to be an informal settlement would still be counted as the indicator measures the number of fires).
PRIORITY: HOUSING		
Let's empower the private sector to increase the supply of affordable housing across the formal and informal markets		
Objective 7. Increased supply of affordable, well-located homes	C55 (HS) Number of housing recipients issued with title deeds	The number of registered housing recipients issued with title deeds by the municipality. A title deed is a document that proves legal ownership of a property in South Africa. In this instance, a housing recipient is a registered beneficiary of state-subsidised housing delivered by housing programmes.
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES		
Let's restore people's pride in Cape Town by cleaning up our city's public spaces, streets and waterways		
Objective 11. Quality and safe parks and recreation facilities supported by community partnerships	C52 (HS) Number of maintained sports facilities	The number of sports facilities maintained by the municipality, inclusive of those owned by the municipality and those maintained by it through agreement for public access. A sports facility is defined by the CSIR Guidelines (2015) as "Active recreation areas including formally provided and maintained playing fields for soccer, rugby, hockey, etc.; playing courts; indoor sports halls and stadiums. May include ablution facilities, seating, parking, tuck shop and club house."
	C53 (HS) Square meters of maintained public outdoor recreation space	Square meters of municipality maintained active outdoor space intended for recreational purposes refers to land owned by the municipality or maintained for public access through agreement with another party. Public recreation space is defined broadly to mean land and open space available to the public for recreation. Recreation space shall include only space that primarily serves a recreation purpose. Includes: parks, outdoor sports facilities and public open space. Does not include beaches, resorts and nature reserves. Does not include pedestrianised streets and sidewalks, but may include pedestrian walkways with primarily a recreational purpose. Facilities charging an access fee may still be regarded as 'public' provided that no other access criteria are applied (annual membership fee, club affiliations, etc.)
	C54 (HS) Number of municipality-owned community halls	The number of municipality-owned community halls. A community hall is defined by the CSIR Guidelines for the Provision of Social Facilities in South African Settlements (2015) as a "Centre or hall for holding public meetings, training, entertainment and other functions and having a variety of facilities such as a kitchen, toilets, storage space, etc. which should be provided at nominal rates for hire, with rentals tied to socio-economic status of area to provide affordable service."

³⁶ These are not functions Energy perform. The City is not a licenced ENERGY distributor by the National Energy Regulator of South Africa but a licenced electricity distributor. However this indicator was included for completeness not reporting.

³⁷ System to be implemented for 2022-2023.

APPENDIX B1: DEFINITIONS FOR 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C64 (TR) R-value of all direct municipal vehicle operational costs for public transport	The R-value of all direct municipal, and municipally-contracted, vehicle operational costs. Municipal vehicle operational costs refers to the costs off public transport vehicles that vary with vehicle usage, including fuel, tires, maintenance, repairs, and mileage-dependent depreciation costs. This is also inclusive of the staff and overhead operational costs. Municipality- contracted vehicles refer to fleets that are owned by private transport companies, but are operated by municipalities for public transport purposes. Any definitional clarification should be sought from the latest Division of Revenue Act as it relates to 'operational costs'.
	C65 (TR) Total number of scheduled public transport access points	The total number of scheduled public transport access points that are the responsibility of municipalities, which include bus and BRT services. Scheduled public transport service is that which provides access to the scheduled public transport services mentioned above, with a minimum service frequency of 30 minutes during the workday morning peak.
	C66 (TR) Number of weekday passenger trips on scheduled municipal bus services	The number of operationalised passenger trips on scheduled municipal bus services, based on fare collection or trip capture on the system, for all weekdays.
PRIORITY: A RESILIENT CITY		
Let's build a resilient and climate-responsive city by reducing our vulnerability to shocks and stresses		
Objective 14. A resilient city	C69 (FD) Number of 'displaced persons' to whom the municipality delivered assistance	The number of displaced persons (regardless of their nationality) to whom the municipality delivered assistance within the municipal area. A displaced person is person who was forced to or obliged to leave their home as a result of natural or human-made disasters, conflict, situations of generalised violence or violations of human rights. 'Assistance' in this instance refers to some or all of the following types of assistance: essential food and potable water; basic shelter and housing; appropriate clothing; and essential medical services and sanitation. The origins of displacement, extent and duration does not affect the measure, only the unique number of individuals to which the municipality has provided direct assistance in the reporting period.
	C72 (FD) Date of the last municipal Disaster Management Plan tabled at Council	The date (dd/mm/yyyy) of the last municipal Disaster Management Plan tabled at Council. A Disaster Management Plan is required in terms of Section 53 of the Disaster Management Act of 2002 and should be submitted to the National Disaster Management Centre by all relevant municipal organs of state and municipal entities in terms of the policy framework for disaster management. The tabling is inclusive of all three levels of Disaster Management Plans in terms of the disaster management policy framework.
	C75 (FD) Number of people displaced within the municipal area	The number of people within the municipal area displaced by natural or human-made disasters, conflict, situations of generalised violence or violations of human rights, as documented by the municipality. Please refer to the definition of disaster in terms of the Disaster Management Act. For the purpose of this indicator, a person displaced by conflict, disaster or extreme weather is someone who was forced or obliged to leave their home from within the municipal area as a result of any category of event. It refers to those individuals documented as known to the municipality and does not pre-suppose that any sphere of government is directly providing for these individuals, only that their displacement from within the municipal area is known.
	C90 (LED) Date of the last Climate Change Needs and Response Assessment tabled at Council	A Climate Change Needs and Response Assessment is a systematic diagnostic exercise undertaken by the municipality at least once every five years to determine the risks, vulnerabilities, and Climate Change response options in place or available to the municipality. This indicator measures the date when the assessment is tabled at a Council meeting as a matter of public record for the attention of public representatives.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C91 (LED) Date of the last Climate Change Response Implementation Plan tabled at Council	A Climate Change Needs and Response Implementation Plan sets out the strategies and responses that the municipality will be pursuing over the medium-term. This indicator measures the date when a response implementation plan is tabled at a Council meeting as a matter of public record for the attention of public representatives.
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT		
Let's build a modernised, and administratively efficient government that is financially sustainable and empowers residents to contribute to decision making and improving the city		
Objective 16. A capable and collaborative city government	C1 (GG) Number of signed performance agreements by the MM and section 56 managers	This is the count of the total number of signed performance agreements by the municipal manager (section 57) and section 56 managers. A performance agreement is a written contract that establishes the expectations and accountability for meeting a set standard of execution excellence, and the consequences for not meeting them. Two or more parties agree on the actions the performer will execute and agree on the expected results from executing those actions. A municipal manager (MM) is appointed by council. He is the link between the council and the administration, of which he is the head. He has to account for the municipality's income and expenditure, assets and other obligations such as proper adherence to all legislation applicable to municipalities. A Section 56 manager is a manager employed under the terms of Section 56 of the Local Government: Municipal Systems Act, 2000. They are directly accountable to the municipal manager; or an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed.
	C2 (GG) Number of ExCo or Mayoral Executive meetings held	This is the count of the number of Executive Committee (ExCo) or Mayoral Committee meetings held. A Mayoral committee meeting is a meeting of the committee appointed by the Executive Mayor in terms of section 60 of the Structures Act. An Executive Committee refers to the members of Council elected to serve on an executive structure Chaired by the Mayor.
	C3 (GG)Number of Council portfolio committee meetings held	This is the count of the number of Council portfolio committee meetings held. Portfolio committees exercise oversight over a particular municipal department or "portfolio".
	C4 (GG) Number of MPAC meetings held	This is the count of the number of MPAC committee meetings held. A Municipal Public Accounts Committee (MPAC) is one of the Committees in terms of Section 79 of the Local Government: Municipal Structures Act 117 of 1998 to serve as an oversight committee to deal with Oversight Reports on annual reports as per Section 129 (1) of the Municipal Finance Management Act 56 of 2003.
	C5 (GG) Number of recognised traditional leaders within your municipal boundary ³⁹	This is a count of the number of recognised traditional leaders within a municipal boundary. A municipal boundary is defined as a line enclosing the geographical area of jurisdiction of a municipal corporation as delineated by territorial legislation. Recognised leaders refer to those groups which the municipal council officially recognises within the municipal area.
	C6 (GG) Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters	This is a count of the number of formal (minuted) meetings between the Mayor, Speaker, and MM held. A Mayor is the head of the executive of the municipality. A Speaker presides at meetings of the Council and performs the duties and exercises the powers delegated to the Speaker as defined in Section 59 of the Municipal Systems Act. A municipal manager (MM) is the accounting officer of the municipality appointed by council in terms of Section 57 of the Municipal Systems Act.
	C7 (GG) Number of formal (minuted) meetings - to which all senior managers were invitedheld	This is a count of the number of formal (minuted) meetings to which all senior managers were invited. A senior manager is a municipal manager or acting municipal manager and includes managers directly accountable appointed in terms of section 56 of the Municipal Systems Act.

³⁸ The City's system does not provide the required reporting category. This was included for completeness but no reporting will take place until reporting requirements are in place.

APPENDIX B1: DEFINITIONS FOR 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C10 (GG) Number of work stoppages occurring	The number of work stoppages. Work stoppage refers to the temporary cessation of work as a form of protest and can be initiated by either employees or management. When initiated by employees, work stoppages refer to a single employee or group of employees ceasing work purposefully as a means of protest.
	C11 (GG) Number of litigation cases instituted by the municipality	The number of litigation cases instituted by the municipality. Litigation is an action brought in court to enforce a particular right. It involves a series of steps that may lead to a court trial and ultimately a resolution of the matter.
	C12 (GG) Number of litigation cases instituted against the municipality	The number of litigation cases instituted against the municipality. Litigation is an action brought in court to enforce a particular right. It involves a series of steps that may lead to a court trial and ultimately a resolution of the matter.
	C13 (GG) Number of forensic investigations instituted	The number of forensic investigations instituted. A forensic investigation is the gathering and analysis of all evidence in order to come to a conclusion about a suspect(s). In municipalities, the broad areas of misconduct that are investigated include irregular, wasteful and unauthorised expenditure; procurement irregularities; appointment irregularities; as well as cash theft, fraud, corruption and malicious administrative practices. This refers to newly instituted or on-going.
	C14 (GG) Number of forensic investigations concluded.	The number of forensic investigations conducted. A forensic investigation is the gathering and analysis of all evidence in order to come to a conclusion about a suspect(s). In municipalities, the broad areas of misconduct that are investigated include irregular, wasteful and unauthorised expenditure; procurement irregularities; appointment irregularities; as well as cash theft, fraud, corruption and malicious administrative practices. This refers to investigations concluded.
	C15 (GG) Number of days of sick leave taken by employees	The number of days sick leave taken by municipal employees. Sick leave is paid time off from work that workers can use to stay home to address their health needs without losing pay. It differs from paid vacation time or time off work to deal with personal matters, because sick leave is intended for health-related purposes.
	C17 (GG) Number of temporary employees employed	The number of temporary employees employed by the municipality. Temporary employees refer to those employed on a fixed-term contract in addition to the official organisational structure of the municipality.
	C18 (GG) Number of approved demonstrations in the municipal area	The number of approved demonstrations in the municipal area. A demonstration is action by a mass group or collection of groups of people in favour of a political or other cause or people partaking in a protest against a cause of concern; it often consists of walking in a mass march formation and either beginning with or meeting at a designated endpoint, or rally, to hear speakers. An 'approved demonstration' refers to a planned action communicated to the local authority and for which permission has been provided.
	C19 (GG) Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings ⁴⁰	The number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings. A traditional leader is any person who, in terms of customary law of the traditional community concerned, holds a traditional leadership position, and is recognised in terms of Traditional Leadership and Governance Framework Act of 2003. A Khoi-San leader is a person recognised as a senior Khoi-San leader or a branch head in terms of section 10 and includes a regent, acting Khoi-San leader and deputy Khoi-San leader. "Recognised leaders" refer to those groups which the municipal council officially recognises within the municipal area.
	C20 (ENV) Number of permanent environmental health practitioners employed by the municipality	The number of permanent environmental health practitioners employed by the municipality. Environmental health practitioners are dedicated to protecting public health by monitoring and recommending solutions to reduce pollution levels. They use specialized equipment to measure the levels of contaminants in air, water and soil, as well as noise and radiation levels.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C21 (ENV) Number of approved environmental health practitioner posts in the municipality	The number of permanent environmental health practitioners on the approved municipal organogram.
	C22 (GG) Number of Council meetings held	The number of council meetings. A council is made up of elected members who approve policies and by-laws for their municipal area. Council meetings are a platform used by concillors to discuss these policies, by-laws and other issues relating to their municipality (e.g. service delivery issues) and to make decisions, through councillor voting, on them. Council meetings are typically open to the general public to attend as well.
	C23 (GG)Number of disciplinary cases for misconduct relating to fraud and corruption	The number of disciplinary cases for misconduct related to fraud and corruption active within the municipality. A disciplinary case is an alleged instance of misconduct between an employee and employer whereby the employee should present evidence to respond to the allegations against him/her. Fraud is an intentionally deceptive action designed to provide the perpetrator with an unlawful gain or to deny a right to a victim. Fraud typically occurs with regard to finance. Corruption is a form of dishonesty or criminal offense undertaken by a person entrusted with a position of authority, to acquire illicit benefit or abuse power for one's private gain. Corruption may include many activities including bribery and embezzlement. For this definition, all forms of misconduct relating to dishonesty may be considered within the ambit of the measure.
	C24 (GG) Number of council meetings disrupted	The number of council meetings where an unplanned disruption forces the municipal council to abandon the proceedings as originally scheduled and it is unable to conclude the agenda on account of the disruption. "Disruption", in this instance, refers to council meetings where agenda items are not concluded upon, and deferred to the next council meeting. Furthermore, any disruption of council proceedings that results in a suspension of the sitting outside of the planned agenda is also considered a "disruption".
	C25 (GG) Number of protests reported	A protest reported refers to an unauthorised protest specifically, and excludes approved demonstrations. An unauthorised protest is a public display of grievance or concern by a group of more than 15 people for which a written approval from the local municipality has not been obtained in advance. Reported incidents means every unique incident of protest which the municipality has received a direct or indirect report for, whether in-progress or after the fact, regardless of whether the protest was aimed at the municipality or not.
	C26 (GG) R-value of all tenders awarded	The Cumulative R-value of all tenders awarded. A tender is an invitation to bid for a project. A tender is 'awarded' when the municipality officially selects an individual/company to carry out the work required to complete a project.
	C27 (GG) Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations	The number of tenders awarded in terms of Section 36 of the MFMA and the Municipal Supply Chain Management Regulations. Section 36 of the MFMA and the Municipal Supply Chain Management Regulations of 2005 permits the Accounting Officer to "dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process". This would typically include urgent and emergency cases, single-source goods, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the accounting officer is required to report this to the next Council meeting.
	C28 (GG) R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations	The R-value of all tenders awarded in terms of Section 36 of the MFMA and the Municipal Supply Chain Management Regulations. Section 36 of the MFMA and the Municipal Supply Chain Management Regulations of 2005 permits the Accounting Officer to "dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process". This would typically include urgent and emergency cases, single-source goods, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the accounting officer is required to report this to the next Council meeting.

APPENDIX B1: DEFINITIONS FOR 2022-2027 CIRCULAR 88 COMPLIANCE SCORECARD (CONTINUED)

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C41 (LED) Number of approved engineer posts in the municipality ⁴¹	The number of approved engineering posts. An engineer is a person who designs, builds, or maintains engines, machines, or structures. An approved job post refers to employment posts that have been developed in relation to the Municipal Structures Act of 1998 and the Municipal Finance Management Act of 2003, and has been approved by the Municipal Manager.
	C42 (GG) Number of registered engineers employed in approved posts ⁴²	The number of registered engineers employed in approved posts. A Registered professional engineer is a person who is registered as a professional engineer with an official organising body. In South Africa, the statutory body for the engineering profession is the Engineering Council of South Africa (ECSA). An approved job post refers to employment posts that have been developed in relation to the Municipal Structures Act of 1998 and the Municipal Finance Management Act of 2003, and has been approved by the Municipal Manager.
	C43 (GG) Number of engineers employed in approved posts ⁴³	The number of engineers employed in approved posts. An engineer is a person who designs, builds, or maintains engines, machines, or structures with a formal qualification of a BScEng or BEng. An approved job post refers to employment posts that have been developed in relation to the Municipal Structures Act of 1998 and the Municipal Finance Management Act of 2003, and has been approved by the Municipal Manager.
	C44 (GG) Number of disciplinary cases in the municipality	The number of active disciplinary cases within the municipality. A disciplinary case is a formal procedure initiated in relation to alleged misconduct on the part of an employee which may result in a warning, sanction or dismissal.
	C45 (GG) Number of finalised disciplinary cases	The number of finalised disciplinary cases within the municipality. A disciplinary case is a formal procedure initiated in relation to alleged misconduct on the part of an employee which may result in a warning, sanction or dismissal.
	C71 (LED) Number of procurement processes where disputes were raised	The number of procurement processes where disputes were raised within the municipality. A municipality typically allows service providers who were unsuccessful in the tender process 14 days to dispute the outcome of their bid. This process usually takes place before the letter of award is issued to the successful bidder.
	C77 (LED) B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based	The B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based within the municipality. In May 2019 amendments were made to the Enterprise and Supplier Development Scorecard and are now in effect. The aim of the Preferential Procurement scorecard is to encourage the usage of black owned professional services and entrepreneurs as suppliers while inherently encouraging measured entities to empower themselves on the broad-based principles of B-BBEE.
	C78 (LED) B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned	The B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned based within the municipality. In May 2019 amendments were made to the Enterprise and Supplier Development Scorecard and are now in effect. The aim of the Preferential Procurement scorecard is to encourage the usage of black owned professional services and entrepreneurs as suppliers while inherently encouraging measured entities to empower themselves on the broad-based principles of B-BBEE.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
	C79 (LED) B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement	The B-BBEE Procurement Spend on all Empowering Suppliers based within the municipality. In May 2019 amendments were made to the Enterprise and Supplier Development Scorecard and are now in effect. The aim of the Preferential Procurement scorecard is to encourage the usage of black owned professional services and entrepreneurs as suppliers while inherently encouraging measured entities to empower themselves on the broad-based principles of B-BBEE.
	C80 (LED) Date of the last Council adopted Development Charges policy	The date of the last Development Charges policy adopted by the municipal council. A 'Development Charge' is also known as a capital contribution, engineering service contribution, bulk infrastructure connection levy or an impact fee (internationally). It is a once-off capital charge to recover the actual cost of external infrastructure required to accommodate the additional impact of a new development on engineering services.
	C86 (LED) Number of households in the municipal area registered as indigent	This refers to the number of households on the municipality's indigent register. An indigent register is a municipality administered list of households in need of economic relief/assistance. Those registered as indigent usually receive rates relief and the allocation of free basic services, including at least 6kl o free water per registered household per month and 50 kWh of electricity per registered household per month. Some municipalities provide more support than the above.
	C87 (LED) Number of firms in the formal sector split across 1-digit SIC codes ⁴⁴	The number of formal business firms that are split across 1-digit SIC codes within the municipal area for the quarter. The Standard Industrial Classification (SIC) is a system for classifying industries by a four-digit code. It is used by government agencies to classify industry areas. In South Africa SIC codes 1 - 3 encompass the Agriculture, forestry and fishing sector; while SIC codes 5 -9 encompass the mining and quarrying sector.
	C88 (LED) Number of businesses registered with the South African Revenue Service within the municipal area ⁴⁴	The number of businesses registered within the municipal area with SARS in terms of having submitted IT77 forms. This will include all businesses known to SARS with a physical address listed within the municipal area.
	C92 (GG) Number of agenda items deferred to the next council meeting	The number of agenda items that have been deferred to the next council meeting because the council has failed to reach a quorum or withheld decisions on those items. Where multiple council meetings have been held, this is the sum total of those items deferred. This does not refer to agenda items referred to other structures, only items for which no decision or action is taken.
	C93 (FM) Number of awards made in terms of SCM Reg 32	This indicator measures the number of awards made by means of "piggy back" contracts. MFMA SCM Reg 32 refers to procurement of goods and services secured by other organs of state.
	C94 (FM) Number of requests approved for deviation from approved procurement plan	The indicator measures the number of requests approved for deviation from the municipality's approved procurement plan.

³⁹ The City does not have any Traditional Leaders. However this indicator was included for completeness not reporting

TO GETHER.



APPENDIX B2: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CTICC

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET									
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE		
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS
PRIORITY: ECONOMIC GROWTH									
PRIORITY: ECONOMIC GROWTH	International events hosted (number)	27	33			34	43		
		Reason for variance: Because of the easing of Covid-19 restrictions, business levels picked up faster than anticipated.				Reason for variance: Short-term international events booked for 2023/24 were not in the forecast.			
		Remedial action: Maintain the momentum.				Remedial action: Maintain the momentum.			
	Total events hosted (number)	295	427			415	368		
		Reason for variance: Because of the easing of Covid-19 restrictions, business levels picked up faster than anticipated.				Reason for variance: Year on year, the average length of events increased, which explains the variance in event numbers. This is also indicative of the higher occupancies achieved compared to the prior year.			
		Remedial action: Maintain the momentum.				Remedial action: Budgeting principles will be amended to include the effect of longer events.			
	Annual total salary cost spent on training of permanent and temporary staff (%)	3,5%	5,3%			4%	8,7%		
		Reason for variance: The training spend exceeded the budget because of new recruits as well as targeted training done in the course of the year.				Reason for variance: Training interventions were higher than forecast, as staff, including new appointees, were sent for new and refresher training.			
		Remedial action: Maintain the momentum.				Remedial action: Maintain the momentum.			
	Minimum aggregate score for all CTICC internal departments and external suppliers (%)	75%	85%			80%	84%		
		Reason for variance: Staff delivered good customer service during events.				Reason for variance: Staff delivered good customer service.			
		Remedial action: Maintain the momentum.				Remedial action: Maintain the momentum.			
	B-BBEE spend (%)	70%	89.5%			70%	89%		
		Reason for variance: The good percentage achieved was the result of tenders issued to service providers with good BEE ratings.				Reason for variance: Contracts were issued to suppliers holding valid BEE certificates.			
Remedial action: Maintain the momentum.			Remedial action: Maintain the momentum.						
Students employed (number)	4	13		4	40				
	Reason for variance: Additional students were employed in the food and beverage department.			Reason for variance: Additional students from various institutions were employed, as well as ten students from the YES! Programme. The latter were employed at no cost to the CTICC.					
	Remedial action: Maintain the momentum.			Remedial action: Maintain the momentum.					
Graduates employed (number)	4	4		4	8				
	Reason for variance: On target			Reason for variance: The year in review presented an opportunity to provide employment to a greater number of graduates.					
	Remedial action: None			Remedial action: Maintain the momentum.					

APPENDIX B2: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CTICC
(CONTINUED)

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET									
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE		
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT									
16. A CAPABLE AND COLLABORATIVE CITY GOVERNMENT	Employees from the employment equity designated groups at the three highest levels of management (%)	75%	81,5%				80%	83,30%	
		Reason for variance: Staff employed from the designated groups had a positive impact on performance against the target.						Reason for variance: Vacancies were filled with candidates from the designated groups.	
		Remedial action: Maintain the momentum.						Remedial action: Maintain the momentum.	
	Maintain five-star tourism grading through effective management and consistent quality of service delivery	Achieve five-star rating from Tourism Grading Council	Achieved five-star rating from Tourism Grading Council				Achieve five-star Tourism Grading Council rating	Achieved five-star Tourism Grading Council rating	
		Reason for variance: On target						Reason for variance: On target	
	Remedial action: Maintain the momentum.						Remedial action: Maintain the momentum.		
	Reduction in operating loss from the prior year (%)	55,2%	100%				N/A	N/A	N/A
		Reason for variance: Because of the easing of Covid-19 restrictions, business levels picked up faster than anticipated.						Reason for variance: N/A	
	Remedial action: N/A						Remedial action: N/A		
	Achievement of annual budgeted operating profit (%)	N/A	N/A	N/A			100%	276%	
		Reason for variance: N/A						Reason for variance: Events of a longer duration achieved better margins, and costs were well managed, resulting in greater earnings before interest, tax, depreciation and amortisation.	
	Remedial action: N/A						Remedial action: Maintain the momentum.		
	Total number of capital projects for the year completed or committed (%)	90%	100%				90%	98%	
		Reason for variance: All planned projects started in the course of the year.						Reason for variance: Projects carried over from 2022/23 first needed to be completed.	
	Remedial action: Maintain the momentum.						Remedial action: Maintain the momentum.		
	Opinion of the Auditor-General	Clean audit	Clean audit				Clean audit	N/A	N/A
Reason for variance: On target						Reason for variance: N/A			
Remedial action: Maintain the momentum.						Remedial action: None			
Cash/cost coverage ratio	2,8:1	5,4:1				4,5	6		
	Reason for variance: The increase in business levels resulted in higher revenues and, consequently, higher cash reserves.						Reason for variance: Well above target. Costs are well managed in the operations as well as the retention of cash generated by operations have increased.		
Remedial action: Maintain the momentum.						Remedial action: Maintain the momentum.			
Net debtors to annual income	3%	2,9%				4,8%	4,2%		
	Reason for variance: Higher revenues resulted in debtors representing a smaller percentage.						Reason for variance: The debtors book was being maintained and managed daily to collect debt, which resulted in the overachievement.		
Remedial action: Maintain the momentum.						Remedial action: Maintain the momentum.			

APPENDIX B2: DEFINITIONS FOR 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CTICC

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: ECONOMIC GROWTH		
1 Increased jobs and investment in the Cape Town economy	International events hosted (number)	The indicator measures the total number of international events hosted at the CTICC. International Events are defined as an event where the majority of the delegates are from outside of South Africa, the minimum amount of delegates attending should be no less than 40 and the duration should be at least two days (one night) in the city.
	Total events hosted (number)	The indicator measures the total number of events hosted at the CTICC.
	Annual total salary cost spent on training of permanent and temporary staff (%)	The indicator measures the percentage Annual total salary cost spent on training of permanent and temporary staff.
	Minimum aggregate score for all CTICC internal departments and external suppliers (%)	Customer centricity and service excellence is measured independently on the level of service offered by the CTICC to our external clients and recorded as a percentage.
	B-BBEE spend (%)	The indicator measures the percentage expenditure with BBBEE suppliers measured in terms of the B-BBEE Act. BBBEE Suppliers are defined as those suppliers that have a valid BBBEE rating certificate or an affidavit in the case of EME and QSE suppliers.
	Tertiary students employed (number)	The indicator measures the number of students employed at the CTICC in the financial year (FY)
	Graduates employed (number)	The indicator measures the number of graduates employed at the CTICC in the FY

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT		
16. A capable and collaborative city government	Employees from the EE designated groups in the three highest levels of management (%)	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management, in compliance with the municipal entity's approved EE plan. Level 1 - Executive directors Level 2 - Senior managers Level 3 - Managers
	Percentage reduction in operating loss from the prior year (%)	This indicator measures the operating loss achieved. Operating loss is defined as earnings before interest, taxation, depreciation and amortisation (EBITDA).
	Maintain five-star tourism grading through effective management of maintenance quality service delivery	The indicator measures the standard of the CTICC as a world-class venue. Defined as five-star grading by South African Tourism.
	Achievement of annual budgeted operating profit (%)	This indicator measures the operating profit achieved. Operating Profit is defined as earnings before interest, taxation, depreciation and amortisation (EBITDA).
	Total number of capital projects for the year completed or committed (%)	The indicator measures the percentage of the total number of capital projects completed or committed for the financial year.
	Opinion of the Auditor-General	The indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. An unqualified audit opinion is where the auditor, having completed the audit, has no reservation as to the fairness of presentation of financial statements and their conformity with general recognised accounting practice. This is referred to as a 'clean audit'. Alternatively, the auditor would issue a qualified audit opinion either in whole or in part over the financial statements if these have not been prepared in accordance with general recognised accounting practice, or the auditor could not audit one or more areas of the financial statements.
	Cash/cost coverage ratio	The ratio indicates the ability to meet at least monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue during that month.
	Net debtors to annual income	Net current debtors are a measurement of the net amounts due to the municipal entity that are realistically expected to be recovered. Net debtors is defined as gross debtors less impairments and refunds.

APPENDIX B2: 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT
– CAPE TOWN STADIUM

WELL ABOVE  ABOVE  ON TARGET  BELOW  WELL BELOW  AT: ANNUAL TARGET									
IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	2022/23 ANNUAL PERFORMANCE					2023/24 ANNUAL PERFORMANCE		
		TARGET	ACTUAL	STATUS			TARGET	ACTUAL	STATUS
PRIORITY: ECONOMIC GROWTH									
1. INCREASED JOBS AND INVESTMENT IN THE CAPE TOWN ECONOMY	Spectator attendance at the DHL Stadium (number)	650 000	993 627				750 000	748 276	
		Reason for variance: The anchor tenant, WP Rugby, secured additional rugby fixtures of the United Rugby Championship. The stadium also hosted both the standard HSBC Cape Town Sevens as well as the Rugby World Cup Sevens. In addition, non-bowl events (including film shoots) were secured, which had a shorter lead time and a higher spectator ratio.					Reason for variance: A contributing factor to the slight underperformance was the pitch replacement project, which meant that some bowl events fell away. There were also fewer rugby play-offs.		
		Remedial action: Ongoing attraction and retention of events with a higher spectator yield.					Remedial action: Continue with the implementation of the business growth strategy.		
	Events hosted (number)	110	135				122	127	
		Reason for variance: Stadium operations ensured the acquisition of additional events.					Reason for variance: The target was exceeded despite the three-month pitch replacement project and fewer rugby play-offs. The pitch replacement had less of an impact on non-bowl events.		
		Remedial action: Continue engaging with the industry.					Remedial action: Maintain the momentum.		
PRIORITY: PUBLIC SPACE, ENVIRONMENT AND AMENITIES									
11: QUALITY AND SAFE PARKS AND RECREATION FACILITIES SUPPORTED BY COMMUNITY PARTNERSHIPS	Compliance with approved repairs and maintenance programme (%)	100%	100%				100%	100%	
		Reason for variance: On target					Reason for variance: On target		
		Remedial action: None					Remedial action: Maintain the momentum.		
	Compliance with the Occupational Health and Safety Act 85 of 1993 and regulations (%)	100%	100%				100%	100%	
		Reason for variance: On target					Reason for variance: On target		
		Remedial action: None					Remedial action: Maintain the momentum.		
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT									
16: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT	Achievement of own projected revenue (%)	90%	88,03%				70%	67,48%	
		Reason for variance: A temporary sliding scale model was implemented with WP Rugby.					Reason for variance: The entity was not able to achieve its own projected revenue target, as it hosted less events that generated significant revenue.		
		Remedial action: The temporary sliding scale is for a period of three years only and will eventually result in Cape Town Stadium yielding revenue in terms of the anchor tenant agreement. Cape Town Stadium is also exploring other revenue streams that will generate fixed income for the entity, as event revenue is exposed to some volatility.					Remedial action: No remedial action required.		
	Opinion of the Auditor-General	Clean audit	Clean audit				Clean audit	Clean audit	
		Reason for variance: On target					Reason for variance: To be confirmed		
		Remedial action: None					Remedial action: None		
	Budget spent on implementation of the Workplace Skills Plan (%)	90%	98%				90%	96%	
		Reason for variance: Well above target					Reason for variance: Above target		
		Remedial action: None					Remedial action: None		
	Employees from the employment equity designated groups at the three highest levels of management (%)	80%	40%				80%	50%	
Reason for variance: Three of the five positions at the top three levels of management were seconded positions dating back to 2011. The other two were filled by employment equity incumbents.			Reason for variance: Of the five positions at the top three levels of management, one is vacant and two are held by individuals from the designated groups. The vacancy was not taken into consideration in determining the percentage achieved.						
Remedial action: To reach the target of 80%, the intention was to appoint employees from the designated group in the top structure as and when these positions became available.			Remedial action: Cape Town Stadium will be filling the one top management vacancy in the first quarter of 2024/25 and will aim to appoint from the designated groups so as to increase the percentage achieved.						

APPENDIX B2: DEFINITIONS FOR 2023/24 ANNUAL PERFORMANCE MANAGEMENT REPORT – CAPE TOWN STADIUM

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: ECONOMIC GROWTH		
1 Increased jobs and investment in the Cape Town economy	Spectator attendance at the Cape Town Stadium (number)	Spectators at Cape Town Stadium can be defined as the total number of spectators (persons) whom attend any event held at or by Cape Town Stadium through live, hybrid or virtual attendance. These events are inclusive of but not limited to bowl events, non-bowl events, film and still shoots. The indicator measures the total number of spectators whom attend any event held at or by Cape Town Stadium through live, hybrid or virtual attendance.
	Events hosted (number)	Events at Cape Town Stadium can be defined as total number of optimal planned, organized and safely executed multi-social events, exhibitions, conferences and/or occasions classified into bowl events (use of pitch and seating tiers), non-bowl events, and shoots. The indicator measures the total number of events planned, organized and safely hosted at Cape Town Stadium.
PRIORITY: ENVIRONMENT, PUBLIC SPACE, AND AMENITIES		
11. Quality and safe parks and recreation facilities supported by community partnerships	Compliance with approved repairs and maintenance program (%)	The indicator measures the approved repairs and maintenance programme as per the service delivery agreement between Cape Town Stadium (RF) SOC and the City of Cape Town repairs and maintenance refers to all facilities and equipment at Cape Town Stadium. Repairs and maintenance is further defined as preventive maintenance, corrective maintenance, reactive maintenance, emergency maintenance as well as repairs of damages after events. All repairs and maintenance is done from the operating budget. The indicator measures whether the output was achieved as per the plan.
	Compliance with Occupational Health and Safety Acts and Regulations (Act 85 of 1993) (%)	This indicator measures compliance against the Occupational Health and Safety Regulations on event and non-event days as well as contractors at Cape Town Stadium.

IDP OBJECTIVE	KEY PERFORMANCE INDICATOR	INDICATOR DEFINITION
PRIORITY: A CAPABLE AND COLLABORATIVE CITY GOVERNMENT		
16.A capable and collaborative city government	Achievement of own projected revenue (%)	This indicator will measure the achievement of the annual projected revenue as per the latest approved budget.
	Opinion of the Auditor-General	The indicator measures good governance and accounting practices and will be evaluated and considered by the AG in determining his opinion. An unqualified audit opinion is where the auditor, having completed the audit, has no reservation as to the fairness of presentation of financial statements and their conformity with general recognised accounting practice. This is referred to as a 'clean audit'. Alternatively, the auditor would issue a qualified audit opinion either in whole or in part over the financial statements if these have not been prepared in accordance with general recognised accounting practice, or the auditor could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives.
	Budget spent on implementation of the WSP (%)	The WSP outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate budget for appropriate training interventions that will address the needs arising out of local government's skills sector plan, the IDP, the individual departmental staffing strategies, individual employees' personal development plans and the employment equity plan. Proxy measure for NKPI.
	Employees from the EE designated groups in the three highest levels of management (%)	The indicator measures the percentage of people from EE target groups employed in the three highest levels of management, in compliance with Cape Town Stadium (RF) approved EE plan. Each directorate contributes to the corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal-setting.

8.3 OTHER APPENDICES

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APPENDIX C: ABBREVIATIONS USED IN THIS REPORT

AARTO	Administrative Adjudication of Road Traffic Offences	DCT	Disaster Coordinating Team	MFMA	Local Government: Municipal Finance Management Act	SARS	South African Revenue Service
AFD	Agence Française de Développement	DMTN	domestic medium-term note	Mℓ/d	million litres per day	SASSA	South African Social Security Agency
AGSA	Auditor-General of South Africa	DRMC	Disaster Risk Management Centre	MPAC	Municipal Public Accounts Committee	SCM	Supply Chain Management (Department)
AI	artificial intelligence	DTIC	Department of Trade, Industry and Competition	mSCOA	Municipal Standard Chart of Accounts	SDGs	sustainable development goals
ANPR	automatic number plate recognition	ECNS	electronic communications network service	MSDF	Municipal Spatial Development Framework	SEZ	special economic zone
APAC	Audit and Performance Audit Committee	EoDB	Ease-of-Doing-Business (Index)	NACS	nominal annual compounded semi-annually	SIU	Special Investigating Unit
ASB	Accounting Standards Board	EPIC	Emergency Policing and Incident Command (system)	NDHS	National Department of Human Settlements	SOA	scheme of arrangement
ATNS	Air Traffic and Navigation Services	EPWP	Expanded Public Works Programme	NHLS	National Health Laboratory Service	SPV	special-purpose vehicle
BioNet	Biodiversity Network	ERP	Enterprise Resource Planning	NMT	non-motorised transport	SSEG	small-scale embedded generation
BNG	Breaking New Ground	FiT	feed-in tariff	PAYE	pay-as-you-earn	SSR	small-scale rental (housing)
BRT	bus rapid transit	FNB	First National Bank	PCDR	Public Contributions Donations Reserve	TB	tuberculosis
CAR	core application refresh (programme)	GDP	gross domestic product	PFMA	Public Finance Management Act	tCO₂e	tons of carbon dioxide-equivalent
CCT	City of Cape Town	GPI	Governance Performance Index	PPE	property, plant and equipment	TOC	transport operating company
CCTV	closed-circuit television	GRAP	Generally Recognised Accounting Practice	PPM	project portfolio management	UIF	Unemployment Insurance Fund
CID(s)	city improvement district(s)	HDI	Human Development Index	PRASA	Passenger Rail Agency of South Africa	USDG	Urban Settlements Development Grant
CIVOC	Civilian Oversight Committee	ICASA	Independent Communications Authority of South Africa	Province	Western Cape Provincial Government	VAT	value-added tax
CMF	catchment management forum	IDP	ntegrated Development Plan	PTI	public transport interchange	VOC	vehicle operating company
CMTF	Cape Metropolitan Transport Fund	IGRAP	Interpretation of the Standards of Generally Recognised Accounting Practice	PV	photovoltaic	WCCP	Western Cape Provincial Parliament
COID	compensation for occupational injuries and diseases	IRT	integrated rapid transit	RIMA	Reactive Incident Management System	WWTW	wastewater treatment works
CPI	consumer price index	ISUPG	Informal Settlements Upgrading Partnership Grant	RTMC	Road Traffic Management Corporation		
CRR	capital replacement reserve	JSE	Johannesburg Stock Exchange	RTSA	real-time situational awareness		
CSCI	Civil Security Collaboration Initiative	KCT	Khayelitsha Community Trust	SAA	South African Airways		
CSIR	Council for Scientific and Industrial Research	King IV	2016 King Report on Corporate Governance for South Africa	SABC	South African Broadcasting Corporation		
CTICC	Cape Town International Convention Centre Company SOC Limited (RF)	LEAP	Law Enforcement Advancement Programme	SALA	South African Local Authorities (Pension Fund)		
CTS	Cape Town Stadium (RF) SOC Limited	LUW	Liveable Urban Waterways (programme)	SALGA	South African Local Government Association		
DB	defined-benefit (scheme)	Mayco	Mayoral Committee	SANDF	South African National Defence Force		
DC	defined-contribution (scheme)			SAP	Systems, Applications and Products		
				SAPS	South African Police Service		

APPENDIX D: MFMA CIRCULAR 63 APPENDICES

In line with MFMA Circular 63, the City is required to make the following appendices available as part of its annual reporting:

FUNCTIONS OF MUNICIPALITY

Information about the functions of the municipality is available on page 168 of the City’s financial statements.

WARD REPORTING AND WARD INFORMATION

Information about all City wards is available at [capetown.gov.za/Work and business/Meet-the-city/City-Council/Wards](https://www.capetown.gov.za/Work%20and%20business/Meet-the-city/City-Council/Wards).

SUPPLY CHAIN MANAGEMENT ISSUES

1. Legality of SCM regulations

The Constitutional Court’s ruling in 2022 that declared the Preferential Procurement Regulations invalid caused ambiguity in the National Government procurement environment. However, the City continued to comply with the SCM Policy to prevent service delivery disruptions. The City has proposed certain legislative improvements to National Treasury to streamline SCM processes and make them less onerous.

2. Irregular expenditure

Irregular expenditure occurs as a result of non-compliance with legislation. Irregular expenditure does not necessarily mean that there has been fraud and corruption, nor that the City has not received value for money. The City, however, prides itself on good governance, and as such, is implementing many corrective actions to reduce and eliminate irregular expenditure.

RECOMMENDATIONS OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

The full recommendations of the Audit and Performance Audit Committee can be found on page 180.

LARGE PROJECTS, AGREEMENTS AND PARTNERSHIPS

Information relating to the City’s largest projects, agreements and contracts as well as public-private partnerships is available at <https://www.capetown.gov.za>.

SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Not applicable. The City is not aware of any backlogs at schools and clinics. For more information, see the annual performance management report on page 358.

SERVICE BACKLOGS WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR PROVIDING THE SERVICE

Not applicable. The City is not aware of any service backlogs experienced by the community where another sphere of government is responsible for providing the service.

RECIPIENTS OF LOANS AND GRANTS

Details of all recipients of City’s loans and grants are available on page 336.

CITY’S BY-LAWS

Information about all City By-laws is available at [https://www.capetown.gov.za/Work and business/Meet-the-city/City-Council/Policies-by-laws-and-publications](https://www.capetown.gov.za/Work%20and%20business/Meet-the-city/City-Council/Policies-by-laws-and-publications).

CITY’S WEBSITE WHERE INFORMATION IS AVAILABLE

The City’s website where information is available is <https://www.capetown.gov.za>.

MUNICIPAL OVERSIGHT COMMITTEES

Information about the City’s committees is available at [capetown.gov.za/Work and business/Meet-the-city/City-Council/The-City-Council](https://www.capetown.gov.za/Work%20and%20business/Meet-the-city/City-Council/The-City-Council).

INFORMATION PERTAINING TO THE IMPLEMENTATION OF AN EFFECTIVE PERFORMANANCE MANAGEMENT SYSTEM AND ORGANISATIONAL DEVELOPMENT

Information is reflected in the City’s IDP at [capetown.gov.za/Work and business/Meet-the-city/Our-vision-for-the-City/the-citys-idp-2022-2027](https://www.capetown.gov.za/Work%20and%20business/Meet-the-city/Our-vision-for-the-City/the-citys-idp-2022-2027).

REVENUE COLLECTION BY VOTES AND BY SOURCE, BASED ON PRIOR-YEAR AND CURRENT-YEAR ACTUAL COLLECTIONS

Information is reflected in the City’s financial statements on page 224.

CAPITAL EXPENDITURE ON (A) NEW ASSETS PROGRAMME, AND (B) UPGRADE/RENEWAL PROGRAMMES

Information is reflected in the City’s published budget at <https://www.capetown.gov.za/Work%20and%20business/Meet-the-city/The-City-budget>.



TO
GETHER.

APPENDIX E: ANNUAL REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE TO THE COUNCIL OF THE CITY OF CAPE TOWN FOR THE YEAR ENDED 30 JUNE 2024

AUTHORITY, ACCOUNTABILITY AND REPORTING

The Municipal Public Accounts Committee (MPAC) was established as an oversight committee in terms of section 79 of the Municipal Structures Act, Act 117 of 1998 and, in terms of section 32(2) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA), is authorised to investigate the recoverability of unauthorised, irregular, fruitless and wasteful expenditure of the City as instructed by Council or the City Manager.

MPAC is directed by Council or the City Manager and is authorised to investigate any matter referred. This includes instructing other councillors, management and other employees of Council to be present at meetings and have access to any information they require from any councillor or employee. MPAC ensures that all existing City internal alternative dispute resolution processes have been exhausted before proceeding with investigations.

On 27 January 2022 Council approved the appointment of the current MPAC, and changes to the committee were approved at various subsequent Council meetings. On 27 July 2023 Council approved MPAC’s revised Terms of Reference. MPAC is also governed by the City’s System of Delegations.

MPAC has no executive powers but their findings and recommendations are reported to Council. Reports from the various MPAC Task Teams are considered at the MPAC meetings and a report, containing recommendations, is submitted to Council for final decision-making. The immediate reporting line of MPAC is to Council, via the Speaker. Where necessary, follow-up is performed via the

outstanding matters schedule to determine if action has been taken to implement recommendations.

Quarterly reporting on MPAC’s activities, as per the Annual Oversight Work Plan, was presented to Council for the four quarters. MPAC hereby presents its annual report for the financial year ended 30 June 2024, which is a cumulative activity statement for the 2023/24financial year.

MEMBERSHIP AND MEETING ATTENDANCE

10 ordinary meetings and 1 special meeting were held:

- (a) 18 July 2023
- (b) 8 August 2023
- (c) 12 September 2023
- (d) 10 October 2023
- (e) 7 November 2023
- (f) 2 February 2024
- (g) 27 February 2024 (special meeting)
- (h) 12 March 2024
- (i) 9 April 2024
- (j) 14 May 2024
- (k) 11 June 2024

The members’ attendance at the ordinary and special meetings are set out in the table below:

MPAC MEMBERS	MEMBERSHIP DURATION	PRESENT	APOLOGY	ABSENT
Cllr Y Adams (Chairperson) (CMC)	1 July 2023 to 30 June 2024	100%	0%	0%
Cllr A van Zyl (Deputy Chairperson) (DA)	1 July 2023 to 30 June 2024	100%	0%	0%
Cllr K Southgate (DA)	1 July 2023 to 30 June 2024	100%	0%	0%
Cllr J Witbooi (DA)	1 July 2023 to 30 June 2024	91%	9%	0%
Cllr A Moses (DA)	1 July 2023 to 30 June 2024	100%	0%	0%
Ald B Watkyns (DA)	1 July 2023 to 28 February 2024	86%	14%	0%
Ald J van der Merwe (DA)	1 July 2023 to 30 June 2024	91%	9%	0%
Cllr S Booyesen (DA)	1 July 2023 to 30 June 2024	91%	9%	0%
Cllr B Majingo (ANC)	1 July 2023 to 30 June 2024	91%	0%	9%
Cllr L Phakade (ANC)	1 July 2023 to 30 June 2024	82%	9%	9%
Cllr F Botha-Rossouw (FF+)	1 July 2023 to 30 June 2024	100%	0%	0%
Cllr L Ntshuntshe (EFF)	1 July 2023 to 30 June 2024	82%	9%	9%
Cllr S Little (GOOD)	1 July 2023 to 31 January 2024	100%	0%	0%
Cllr S van Nelson (GOOD)	1 February 2024 to 30 June 2024	50%	17%	33%
<i>Present: Member was present at the meeting</i> <i>Apology: Leave of absence was granted by the Chief Whip in terms of Part 4 Delegation 1(1) of the Council’s System of Delegations</i> <i>Absent: No leave of absence was granted by the Chief Whip in terms of Part 4 Delegation 1(1) of the Council’s System of Delegations</i>				

Representatives from Forensic Services, Internal Audit, Legal Services, the Office of the Speaker and the Office of the City Manager were present at MPAC meetings. The AGSA’s representative has a standing invitation to attend MPAC meetings at their discretion.

To facilitate cross-cutting reviews, seventy-eight Task Team meetings were held during the year to consider items referred to MPAC by Council and the City Manager. During some of the Task Team meetings more than one matter was dealt with, while other incidents warranted multiple Task Team meetings to finally conclude and recommend the way forward.

RESPONSIBILITY

MPAC’s Annual Oversight Work Plan defines its activities for the year to ensure that it complies with its responsibilities arising from its mandate, delegations and Terms of

Reference. The following activities were completed in the execution of its assigned functions and responsibilities:

OVERSIGHT PROCESS

The 2022/23 Annual Reports for the City of Cape Town and its municipal entities were tabled at Council on 30 January 2024. MPAC considered the 2022/23 Annual Reports and raised issues of concern to be addressed by the Executive Management of the City of Cape Town and its municipal entities. MPAC engaged with the City Manager, Executive Management Team and the CEOs of the City’s municipal entities on 27 February 2024.

After considering the responses to the questions, on 12 March 2024 MPAC recommended that Council adopts the oversight report and approves the annual reports without reservation. This was completed within the legislated timeframes and the oversight report was approved by Council on 27 March 2024.

REPORTING

The following reports, as per the Annual Oversight Work Plan, were tabled at Council:

- ✓ 2022/23 Annual Oversight Report
- ✓ MPAC’s Annual Report for the year ended 30 June 2023
- ✓ Quarterly Report of the Municipal Public Accounts Committee as at 30 September 2023
- ✓ Quarterly Report of the Municipal Public Accounts Committee as at 31 December 2023
- ✓ Quarterly Report of the Municipal Public Accounts Committee as at 31 March 2024

- ✓ Quarterly Report of the Municipal Public Accounts Committee as at 30 June 2024
- ✓ Outcome of the 2022/23 Performance Assessment Conducted for MPAC

Seventy-eight MPAC investigations, totalling R650 442 369, 16, of which R11 789 903, 05 was fruitless and wasteful expenditure, were completed and reported to Council in terms of section 32 of the MFMA.

As at 30 June 2024 twelve MPAC matters, referred for investigation to MPAC in terms of section 32 of the MFMA, are in progress, being finalised or were finalised after year-end by the MPAC Task Teams.

TRAINING AND CAPACITY BUILDING

NO.	EVENT DATE	EVENT DESCRIPTION
1.	1 and 2 October 2023	Avoiding Irregular, Unauthorised, Fruitless & Wasteful Expenditure presented by the National School of Government
2.	2 February 2024	Oversight Refresher Session
3.	13 February 2024	Supply Chain Management: Ethics Workshop
4.	11 June 2024	MPAC Workshop: (a) Post Contract Register and Monitoring System (CRMS) Contract Management (b) Unauthorised, Irregular and Fruitless and Wasteful Expenditure Reporting (c) 2023/24 Supply Chain Management Policy Review (d) MPAC ToR Update

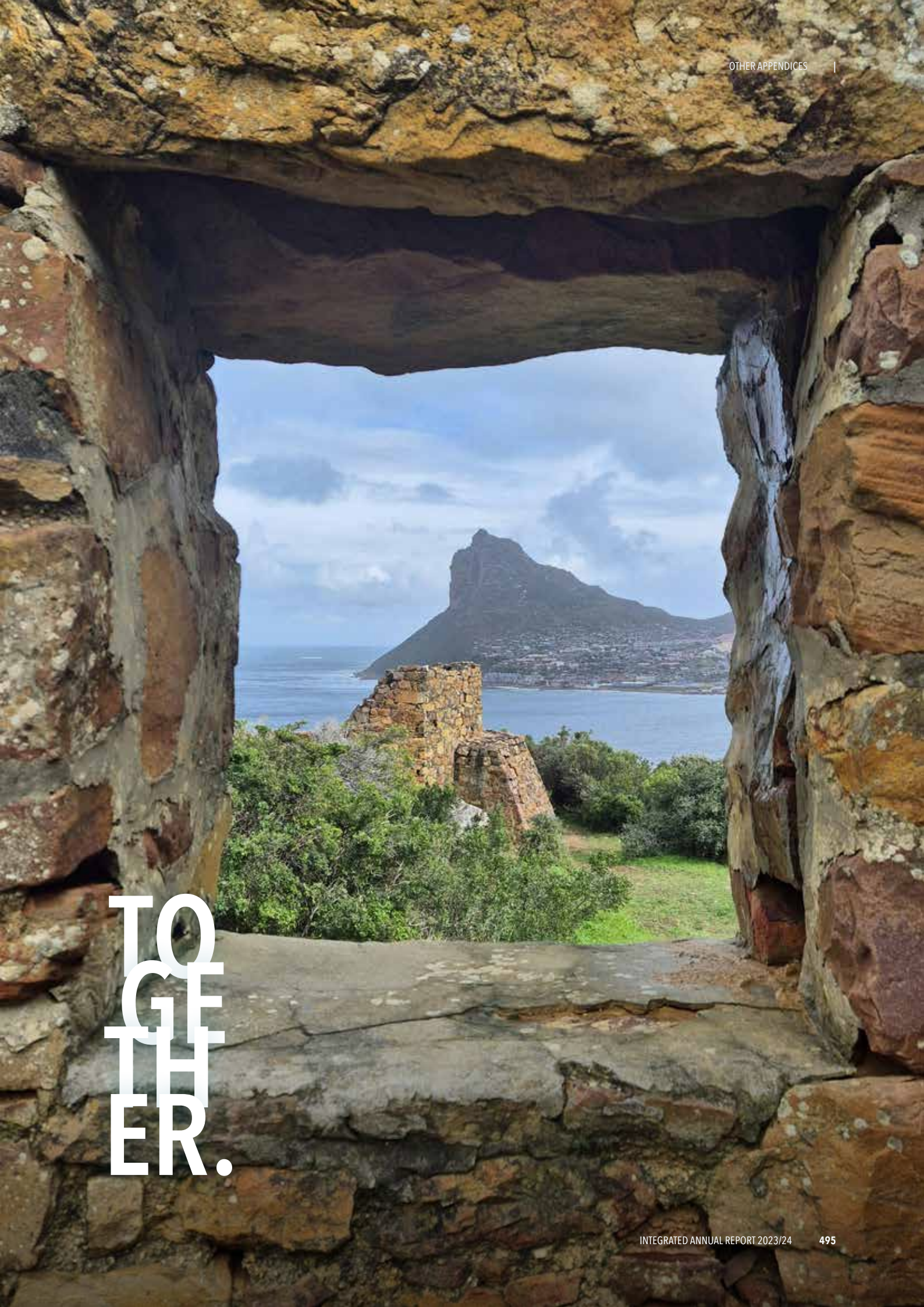
CONCLUSION

I would like to extend my gratitude to the relevant Councillors and officials, particularly the Executive Committee Support and Internal Audit, for their exceptional management of the committee’s workload. We appreciate the valuable advice from our representatives from the City Manager’s Office and the Office of the Speaker, which significantly contributes to our committee’s efforts in enhancing accountability in the City of Cape Town. This contribution is crucial to ensuring the City’s financial well-being.

During the 2023/24 financial year, we held 10 ordinary meetings, 1 special meeting, and 78 Task Team meetings.

It is essential to note that our committee does not possess executive powers. Reports from Task Teams are reviewed by MPAC, and a comprehensive report with recommendations is submitted to Council for final decision-making.

MPAC Chairperson
Councillor Yagyah Adams



APPENDIX F: 2023/24 INTEGRATED GOVERNANCE REPORT

INTRODUCTION

According to the King IV Report on Corporate Governance for South Africa, 2016 (King IV), integrated reporting is a process founded on integrated thinking. Integrated thinking actively considers the relationships between an organisation's various operational and business functions and the capital/resources (financial, manufactured, social and relational, intellectual, human and natural) the organisation uses or affects. To enhance good governance, the City of Cape Town

(City) fosters collaboration between the different levels of assurance providers. The integration of reporting processes by the different levels of assurance providers within the City (i.e. line management, specialised functions, independent internal assurance providers (IAPs) and external assurance providers) is embedded through the combined assurance process which aims to, among others, promote effective assurance coverage of the significant organisational risks and material matters, which includes but is not limited to

Figure 1: The Integrated Reporting Process and Outcomes



financial and regulatory matters. Making Governance an Enabler to Improved and Sustainable Service Delivery

The City aims to achieve good governance through the implementation of the organisational Assurance Governance Framework (AGF) and the Combined Assurance Model depicted therein. The AGF defines the principles reflecting the City's governance arrangements by means of assigning appropriate levels of authority and responsibility to the various role players in the assurance value chain.

Good governance enables sound decision-making based on a good understanding of the exposure to risks and the assurance that the information upon which the decisions taken are reliable. Additionally it assists management in making informed assessments of the City's governance and supports the value creation process in improving service delivery as depicted in figure 1 above. Below are the various ways the City maintains good governance.

MUNICIPAL FINANCIAL MANAGEMENT ACT (ACT 56 OF 2003)

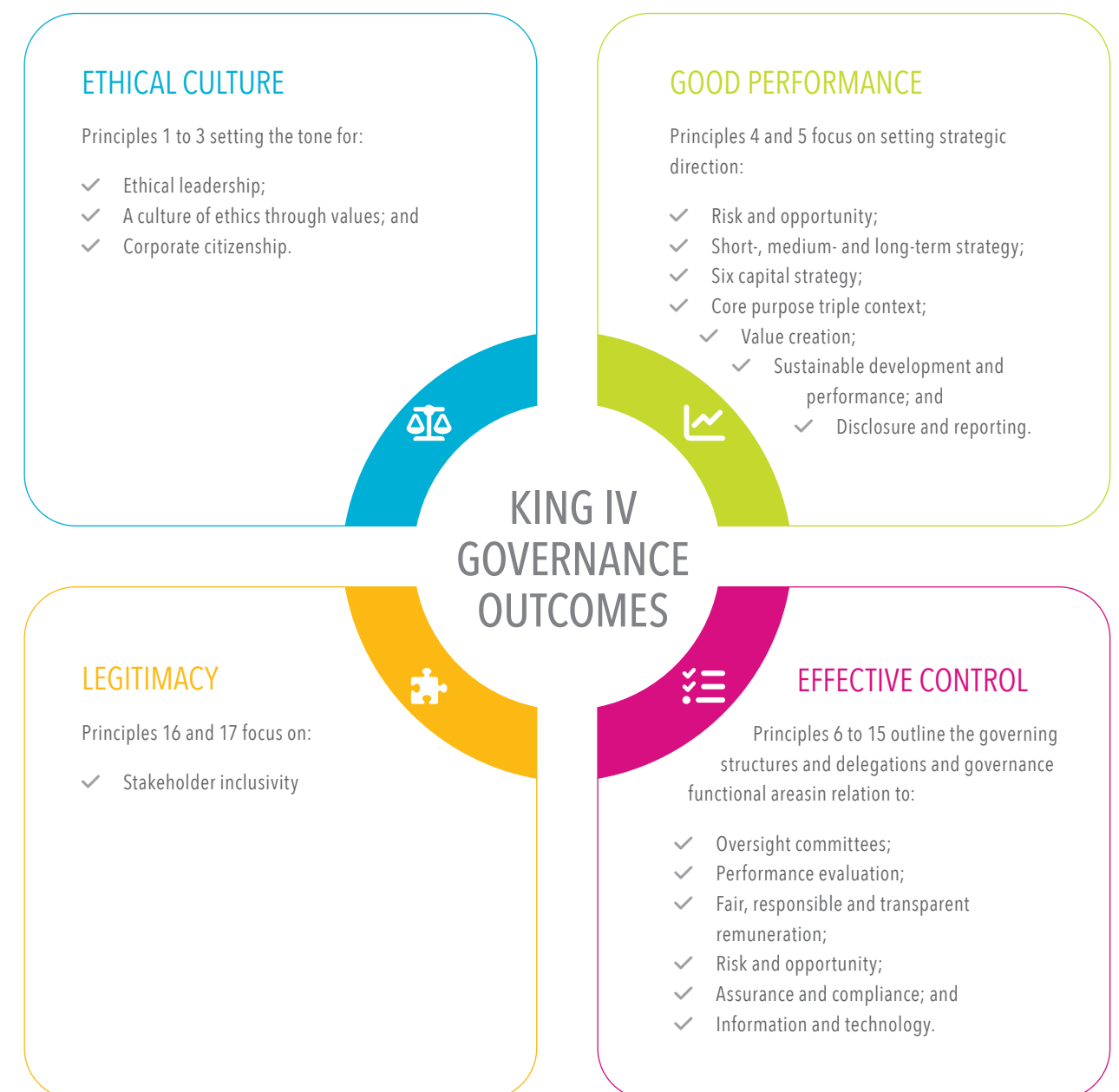
The Municipal Finance Management Act (MFMA) section 62(1)(c)(i), requires the City Manager to ensure that the City has and maintains an effective, efficient and transparent systems of financial and risk management; and internal control. To promote accountability as well as to create a positive control environment, line management is responsible for the maintenance of an effective system of internal controls, which contributes to improved and sustainable service delivery. Line management is required to complete an Annual Accountability and Responsibility Return, which outlines decisions taken by them in complying with requirements of Section 78 of the MFMA for the applicable financial year.

KING IV

The King IV Report on Corporate Governance for South Africa, 2016 (King IV), including the related municipal supplement, its principles and practices, was adopted by Council on 5 December 2017 (item C 03/12/17). This re-affirms the City's commitment to continued good corporate governance, ethical leadership, its values, fair and transparent operational procedures and reporting. The municipal supplement provides high-level guidance and direction on how the code should be interpreted and applied by municipalities.

King IV advocates a principle-and-outcome based approach to good governance. This means that each outcome is linked to specific principles, which are underwritten by a set of practices. In total, 17 principles are listed in the King IV report but only 16 principles are applicable to the City, as principle 17 relates to institutional investors only. Figure 2 depicts the King IV governance outcomes and summary of the linked principle.

Figure 2: King IV Governance Outcomes

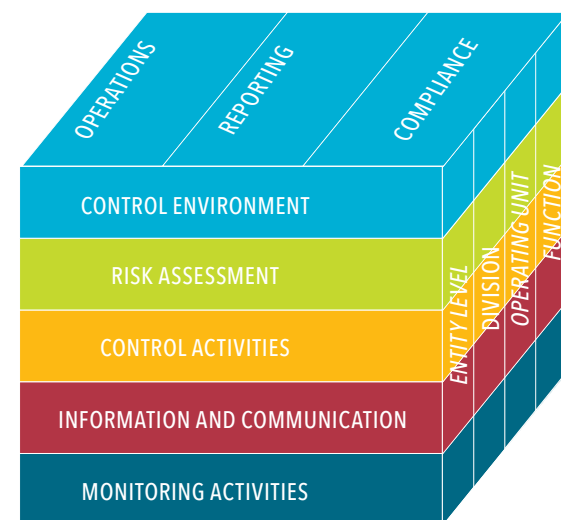


COMMITTEE OF SPONSORING ORGANISATION OF THE TREADWAY COMMISSION

Internationally, the Committee of Sponsoring Organisation of the Treadway Commission (COSO) 2013 Framework is one of the most widely used internal control frameworks and provides leading practice guidance for establishing effective governance procedures and internal controls. The City has adopted the COSO internal control model (item C08/01/23) including its five interrelated components to enable the achievement of its desired outcomes of ensuring effective risk management, reliable financial reporting, and compliance with applicable laws and regulations.

The 2013 COSO Framework outlines 17 principles and provides 77 supporting focus areas within each of the five foundational components of internal control namely; control environment, risk assessment, control activities, information and communication, and monitoring activities as depicted in figure 3 below. The City developed an Internal Control Framework (ICF), which is based on the COSO model, principles and focus areas. The ICF aims to assist Council, oversight committees, the City Manager, the Executive Management Team (EMT), line management, and external stakeholders in effectively discharging their respective duties relevant to internal controls. This ICF is principle-based and provides an understanding of a system of internal control and insight into when internal control is being effectively applied.

Figure 3: Five Components of COSO Framework



GOVERNANCE STRUCTURES

The role of the City's different oversight / governance committees regarding combined assurance is described below:

- ✓ **COUNCIL AND COUNCIL COMMITTEES:** As elected public representatives, members and committees of Council are accountable to the public. Therefore, Council takes an interest in combined assurance to the extent necessary to obtain reasonable assurance that risk governance is properly integrated with the City's business activities and culture. This enables risk and opportunities to be considered during strategic planning and implementation to achieve the organisational objectives as detailed in the Integrated Development Plan (IDP), and to promote effective service delivery.
- ✓ **INDEPENDENT OVERSIGHT ADVISORY COMMITTEES:** These committees provide the City's political leadership and administrative management with assurance and advice on the City's internal controls, risk management and governance matters.
- ✓ **INTERNAL ADVISORY COMMITTEES:** These committees provide the administrative management with assurance and advice on the City's internal controls, risk management and governance matters.

In line with legislative requirements, the City has established key governance committees such as the Audit and Performance Audit Committee (APAC), the Risk Management Committee (RiskCo) and the Municipal Public Accounts Committee (MPAC), all of which are mandated with oversight functions. Further details on the establishment and functioning of these committees are provided in the City's Integrated Annual Report under the section labelled "governance structures".

ETHICAL GOVERNANCE

The first two principles of King IV deal with ethical governance, which includes ethical leadership and ethical culture. To embed ethical leadership the Rules and Ethics Committee is responsible for the development of a Code of Ethics for councillors, the development of guidance and frameworks for councillors on ethics matters and consider and make recommendations to Council on private work applications for full-time councillors. The Rules and Ethics Committee makes recommendations to the Speaker regarding training for councillors with respect to councillor ethics and Code of Ethics (if any) and to prepare any guidelines or framework for this purpose.

To further embed ethical leadership and an ethical culture within the City an Ethics Code was developed and implemented which is aligned to the Municipal Systems Act (including the Municipal Staff Members Code of Conduct included therein), the provisions of regulation 46 and 47 of the Municipal Supply Chain Regulations, the City values as well as the King IV principles. The code defines the City's objectives and corresponding principles of good conduct.

Continuous communication, regular awareness campaigns and training sessions are conducted regarding ethics. Additionally, the City Manager issued Directives requiring all City employees to acknowledge commitment to uphold the Municipal Systems Act Employee Code of Conduct on a yearly basis. The City has an in-house Ethics function in the Ethics and Forensic Services (EFS) department (previously known as Forensic Services (FS)), mandated to drive the process of protecting, nurturing and enhancing the ethical culture of the organisation.

COMBATING FRAUD AND CORRUPTION

In line with Principle 3 of King IV, to be a responsible corporate citizen, the City remains steadfast in its commitment to help combat fraud and corruption within its metropolitan areas and to promote a culture of ethics in local government. The City continues to show zero tolerance for fraud, corruption and other criminal activities, maladministration and / or negligence. The EFS department is responsible to provide support and contribute to combatting fraud, corruption, unethical behaviour and related activities and, in so doing, enhances good corporate and ethical governance. Opportunities for people to perpetrate acts of fraud, corruption and unethical behaviour continue to be minimised through proactive anti-fraud and corruption initiatives. Staff and members of the public can report suspected fraudulent activities via email to Capetown@thelineco.za or fraud.hotline@capetown.gov.za, via the fraud hotline (0800 323 130) or visit the EFS offices on third floor, 44 Wale Street.

An independent service provider is responsible for managing the fraud hotline on full time basis, which is available 24 hours a day, 7 days a week in English, Afrikaans or IsiXhosa, to internal and external City stakeholders to report any irregularities and suspicious or unethical behaviour.

In line with the Council System of Delegations, the authority to institute forensic investigations in the City's administration vests with the City Manager.

CONSEQUENCE MANAGEMENT

The City is committed to improved governance and in doing so, is taking steps to enhance employee and management accountability and responsibility by means of the institution of the effective consequence management processes which incorporates components to encourage its employees to be innovative, perform their duties honestly, carefully, responsibly and ethically.

In the City, consequence management is twofold namely positive reinforcements and remedial actions and reprimands. Positive consequence management includes recognising and rewarding individuals who demonstrate integrity, uphold the values set by the City and contribute to operational enhancements through innovative ideas. On the other hand, remedial responses and reprimands identifies, addresses, monitors and reports on deliberate action(s) or inaction(s) by City officials that result in, inter alia, non-compliance, financial misconduct, unethical, malicious or other improper conduct, illegal acts, negligence, etc. Effective consequence management will assist management in identifying and addressing failure to provide quality and sustainable service delivery and add value and improve operational performance thus making good governance a key enabler to service excellence.

RISK GOVERNANCE

As indicated above, section 62 of the MFMA establishes that City Manager is responsible for risk management, which includes accountability at an administrative level. RiskCo has been constituted by the City Manager to provide the appropriate forum and governance structure to assist the City Manager and management in discharging their risk management responsibilities. Furthermore, principle 11 of King IV specifies that risk be governed in a manner that supports the organisation in setting and achieving strategic objectives. The King IV municipal supplement highlights that Council must assume responsibility for the governance of risk by setting the direction for how risk should be approached and addressed in the organisation.

Effective risk management assists in the achievement of the City's objectives per the IDP. The City follows an integrated approach to risk management, as encapsulated in the approved AGF. Integrated Risk Management (IRM) is the citywide application of risk management, which includes risk identification, assessment, management, monitoring and reporting thereon. The IRM function facilitates the embedding of risk management in the organisation. To enhance risk governance, IRM Standard Operating Procedures (SOP) is regularly reviewed. The SOP

provides the necessary information and guidance to enable the implementation and the maintenance of effective risk management systems and supports the implementation of the AGF.

The Chairperson of RiskCo compiles and submits an annual RiskCo report, which is included in the City's integrated annual report. The report highlights the purpose of RiskCo, its activities undertaken during the year and the key strategic risks, controls and actions identified and reported.

As at 1 July 2023, the IRM function merged with Resilience to create the Risk and Resilience department. This structural shift ensures that the risk functions and associated products and processes can be more effectively utilised and integrated within the strategy, planning, performance management and knowledge management space that the Future Planning and Resilience directorate covers. The structural shift is complemented by the philosophical shift that is encapsulated in the Risk and Resilience Framework as approved on 26 September 2024.

COMBINED ASSURANCE

Practices of principle 15 of King IV require that a combined assurance model be applied to provide a coordinated approach to all assurance activities. The implementation of the City's combined assurance programme, not only takes into account the principle 15 of King IV, but also the City's approved AGF and the related Combined Assurance methodologies.

Combined Assurance aims to improve the integration, coordination and alignment of assurance processes to reduce assurance and reporting fatigue and to improve the efficiency of governance thus making it a key enabler for improved and sustainable service delivery. The value-add proposition of combined assurance is to assist management in the achievement of its business objectives. The latter will be achieved through the optimisation of assurance and reporting coverage from the various levels of assurance on the strategic risks facing the City. Through the embedding of combined assurance as a governance process, the City aims to achieve optimal coordination and collaboration between the identified assurance providers. This provides both management and oversight and / or governance structures such as Council, APAC and EMT with a single, holistic view of the adequacy of assurance coverage across the City.

Since 2 August 2023, the Combined Assurance and Governance (CAG) function was absorbed into the Internal Audit (IA) department, which will enhance the coordinating role of the Internal Audit function as envisaged by Global Internal Audit Standards.

Embedding combined assurance

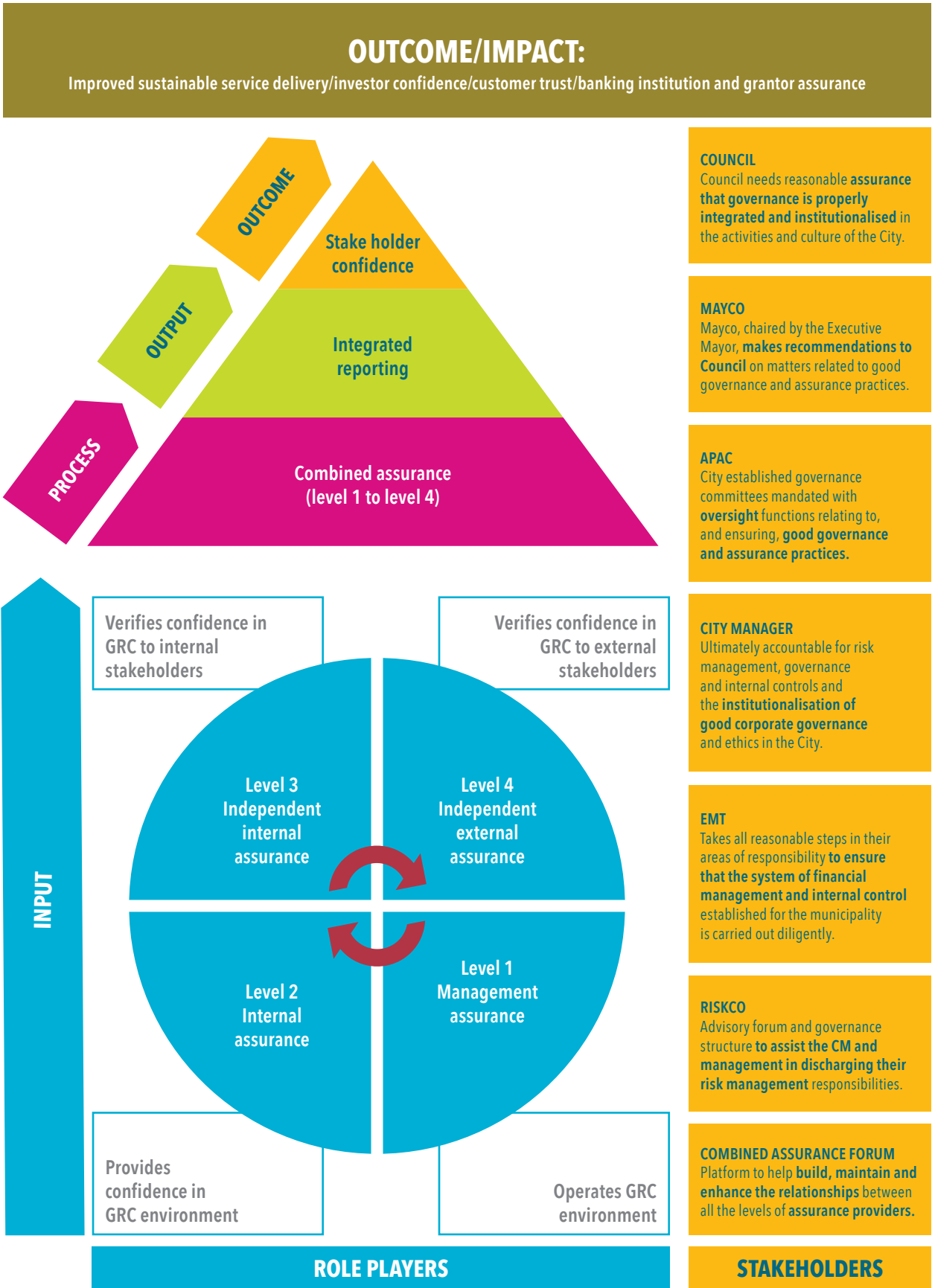
Combined assurance effectively coordinates the efforts of management and other internal and external assurance providers, increases their collaboration and develops a shared and holistic view of the organisational risk profile. In embedding combined assurance, the following activities were completed during 2023/24 financial year:

1. COMBINED ASSURANCE MODEL

The City's Combined Assurance Model as approved by Council on 26 January 2023 (item C 08/01/23) comprises of the following four levels of assurance providers as depicted in figure 4, each with unique roles in ensuring good corporate and ethical governance practices:

- ✓ **ROLE OF LEVEL 1 ASSURANCE PROVIDERS:** The City's administrative leadership consists of the City Manager and EMT, who are appointed in terms of section 57 of the Municipal Systems Act, with EMT reporting directly to the City Manager. In terms of section 62 of the MFMA, the City Manager is ultimately accountable for risk management, governance and internal controls, and for the institutionalisation of good corporate governance and ethics at the City. Section 78 of the MFMA, in turn, states that each senior manager of a municipality, and each official of a municipality exercising financial management responsibilities, must take all reasonable steps in their areas of responsibility to ensure that the system of financial management and internal control established for the municipality is carried out diligently. In setting the tone from the top, the City Manager promotes accountability, integrity and other ethical values to create a positive control environment and instil a culture of ethics. Level-1 assurance providers identify strategic and operational risks affecting the City through the risk management process.
- ✓ **ROLE OF LEVEL 2 ASSURANCE PROVIDERS:** These are the corporate specialised functions in the City that assist management with developing processes and controls to manage risks and issues; identify known and emerging risks; and monitor and report on risk and compliance matters in their respective areas of expertise. They also advise oversight bodies on the control environment and how it may be improved. The level-2 internal assurance providers consist of specialist and transversal functions who provide compliance monitoring and support services to the organisation. Additionally, advise governance oversight bodies on the control environment, and improvements to the latter. The responsibilities of these functions vary based on the specific nature of their function.

Figure 4: City's Combined Assurance Model



- ✓ **ROLE OF LEVEL 3 ASSURANCE PROVIDERS:** These are independent IAPs, i.e. Ethics, FS, Internal Audit (IA) and the Office of the City Ombudsman (OCO), each with their unique role and mandate to ensure and promote good and ethical corporate governance in the City by providing independent and objective assurance services in line with legislation, professional standards and leading practices. It should be noted the Ethics function within EFS has dual functional role within the City insofar as it relates to investigations approved by the City Manager falls under the ambit of a level-3 assurance provider. The aforementioned independent IAPs provide assurance and confidence on the effectiveness of the control environment to internal stakeholders.
- ✓ **ROLE OF LEVEL 4 ASSURANCE PROVIDERS:** External assurance providers such as the Auditor General South Africa (AGSA) and regulatory inspectors (e.g. National Treasury) are required to provide assurance in accordance with applicable legislation, guidelines, professional standards and industry norms and sector codes. They provide assurance and confidence on the effectiveness of the control environment to internal and external stakeholders.

2. COLLABORATIONS BETWEEN ASSURANCE PROVIDERS

In line with the principles of combined assurance, the IAPs regularly collaborate, interact and share information with each other and the organisation. Thus, to further embed combined assurance, CAG compiled an assurance provider interaction register reflecting collaborations between the different levels of assurance providers in the City in an effort to optimise assurance coverage reduce duplication of efforts and reduce client fatigue. The register does not record daily functional interactions between assurance providers. Interactions reported are depicted in table 1 on page 383.

OUTCOMES FROM INTERNAL ASSURANCE PROVIDER

Principle 15 of King IV states that the governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and

external reporting. Per the AGF and the Combined Assurance Model, governance and assurance efforts are undertaken during the year by the various levels of assurance providers. Below is a summary of the key assurance efforts undertaken during 2023/24 financial year and the related outcomes (where applicable).

Level 1: Line management

Line management, as level-1 assurance providers, play a critical role in the effective functioning of the combined assurance model. As a collective, the administrative leadership of the City, which includes the City Manager and senior management, are responsible and accountable for risk mitigation and maintaining an effective system of internal control. In keeping with their daily operational responsibilities and to improve the control environment, line management has applied the following measures to provide assurance towards mitigating the City's strategic and tactical risks and improving internal control processes:

CORPORATE, EXECUTIVE AND DEPARTMENTAL RISK REGISTERS

In line with the City's integrated risk management approach, significant risks, opportunities and controls were identified and reported by line management during the financial year.

The top strategic risks facing the City were recorded on the City of Cape Town Corporate Risk Register (CCTCRR), relevant Executive Director(s) were assigned accountability for the implementation of action plans to create additional controls or improve the effectiveness of existing controls in mitigating these risks. The CCTCRR was updated twice during financial year to account for the changing risk landscape, with the implementation of action plans being reviewed and monitored monthly. Risks, that could impact a directorate achieving its strategic objectives, were recorded on Executive Risk Registers and were signed-off by the respective Executive Director, as the officials accountable for risk mitigation within their respective operational areas. Departmental risk registers were also completed, with risk mitigation focussed on risks at a departmental level that can impact a department achieving its tactical objectives. The completion of City risk registers were facilitated by the IRM function within the Risk and Resilience department. In addition, the Level-1 assurance providers provided inputs into Transversal Risk Registers (TRRs) which were finalised by Level-2 assurance providers.

Table 1: Collaborations between assurance providers.

NAME OF ASSURANCE PROVIDERS	PURPOSE OF THE MEETING / SUMMARY OF TOPIC
IRM, IA, and EFS	Quarterly engagement to provide IA and EFS with information extracted from the City's risk database as input information into these functions.
Risk & Resilience, ED: Future Planning and Resilience, IRM IA, OCM and Legal Services	A Compliance Workgroup was formed by the City Manager with the aim to determine an effective reporting mechanism for key legislations that impact the City from risk and compliance perspective.
Risk & Resilience and Policy & Strategy	Engaged with Policy & Strategy who, as part of the Strategic Management Framework Cycle, requested input to leverage the collective knowledge and insights of Risk & Resilience toward the Strategic Brief for the next fiscal year as well as the MTREF period up to 2027/28.
IRM and Policy & Strategy	Engaged with Policy & Strategy to make risk information available to the team to use as a baseline for decision making in their processes.
IRM and Organisational Performance Management (OPM)	Engaged with OPM to determine how risk information can assist the team to incorporate into the planning processes of the City.
EFS and Employee Relations (ER)	Cooperation between ER and EFS to ensure the timely implementation and finalisation of disciplinary matters, which stem from EFS investigations.
IA and AGSA	Quarterly AGSA meeting to discuss assurance efforts and focus from AGSA.
EFS and IRM	Meetings to discuss Transversal Fraud Risk Register, the Risk Reporting Template and inclusions/amendments to the IRM SOP
EFS and Civilian Oversight Committee (CIVOC)	EFS on a quarterly basis provides feedback at the CIVOC Committee on EFS matters related to Safety and Security.
EFS Management	EFS Recommendation Committee meetings to ensure recommendations comply with City Manager's System of Council Delegations.
EFS and AGSA	Various requests for information from the AGSA.
Ethics and Human Resource (HR)	Collaborative efforts between Ethics and HR on the proactive efforts regarding employee qualification and verification exercises and resultant actions / follow-ups.

NAME OF ASSURANCE PROVIDERS	PURPOSE OF THE MEETING / SUMMARY OF TOPIC
Ethics and Supply Chain Management (SCM)	Ethics and SCM due diligence team: On a monthly basis Ethics meets with the SCM section that performs the due diligence verification on all employee declaration forms.
FS and FPR Directorate	FS had meetings with the Data Science department to discuss intended collaborations to enhance innovation in investigations and data analytics.
BCM, Facilities Management and Revenue Department	Tested for the preparation for extended loadshedding. on the following: – BCM facilitated War Games with senior managers at the various directorates to reflect on power outage readiness; and – Facilities Management conducted pressure tests to determine inverter and battery performance as well as the capability of the system in higher levels of load shedding for the Revenue department.
BCM, Bulk Water, Reticulation and Wastewater	BCM in collaboration with the Data Science team facilitated Vulnerability Viewer Prioritisation Exercise for identification of critical infrastructure within Bulk Water, Reticulation and Wastewater.
Risk & Resilience and Disaster Risk Management (DRM)	Compilation of annual black swan and grey rhino listings.
BCM and Policy & Strategy	Sharing of insights on potential ‘black swans’ and ‘grey rhinos’ for inclusion in annual SMF process.
IA and line departments	IA consulted and engaged the line departments during the drafting of the Annual IA Plan.
IA and other departments	Quarterly Combined Assurance Forum meeting with all City directorates.

ANNUAL ACCOUNTABILITY AND RESPONSIBILITY RETURNS

Section 78 of the MFMA states that each senior manager of a municipality, and each official of a municipality exercising financial management responsibilities, must take all reasonable steps in their areas of responsibility to ensure that the system of financial management and internal control established for the municipality is carried out diligently. To promote accountability and integrity as well as to create a positive control environment, line management is responsible for the maintenance of an effective system of internal controls and annually are required to complete an Annual Accountability and Responsibility Return declaring

compliance with requirements of, amongst others, Section 78 of the MFMA for the financial year.

Level 2: Specialised functions

The relationship between the corporate specialised functions and the CAG function is key to enabling the embedding of combined assurance in the City. Strengthened relationships lead to improved co-ordination of assurance efforts, thus avoiding duplication aimed at optimising assurance coverages across the City. Assurance activities performed by Level-2 are utilised for the completion of the Integrated Assurance Plan and Integrated Assurance Report respectively.

HOW THE CITY PROMOTED RESILIENCE THROUGH THE LOADSHEDDING CRISIS AND BEYOND

The City Business Continuity Co-ordinating Committee (CBCCC) continues to be meet on a bi-weekly basis in order to assess the state of loadshedding, and test readiness for responding to increasing levels of loadshedding in a way that does not curtail delivery of critical services. In addition, the committee has continued to assess and monitor service delivery through other anticipated shocks and stresses (including incidents of civil unrest and heat-waves). Core to functioning of this committee is the embedding of resilience practices of reflection, learning and adaptability and the work undertaken within the Risk and Business Continuity function to establish and test Business Continuity Plans across the City.

The CBCCC retained its operational structure of distributed leadership, meaning the members took collective responsibility for developing recommendations in support of forward facing service delivery functions. The Committee oversaw the production of a range of advisories and directives, which were disseminated to the organisation.

During 2023/24 financial year the Risk and Resilience department, undertook monitoring and evaluation of both the Resilience Strategy and the Climate Change Action Plan in order to monitor the implementation of these strategies, which are foundational aspects of the City’s IDP. Furthermore, the department continued to roll-out training sessions for staff on Urban Resilience and integrating this with the City’s Leadership Development Training Programme. The course covered the following:

- ✓ The definition of “Resilience” and how this is contextualised within Urban Resilience;
- ✓ The prioritised shocks and stresses for Cape Town;
- ✓ How to map shocks and stresses spatially; and
- ✓ How to develop a resilience plan for a plausible shock.

SUPPLY CHAIN MANAGEMENT

The Supply Chain Management (SCM) department continues to oversee the procurement and provisioning of goods and services on behalf of the City. Furthermore, SCM assists in strengthening the City’s ethical governance through specialist functions that ensure that the City’s procurement processes are fair and that conflict of interests are limited between City officials and vendors. SCM is committed to ensuring that the City’s supply chain processes are robust, sustainable, transparent and fair.

One significant initiative in this endeavour is the training of Bid Committee Chairpersons for Bid Specification Committee

(BSC) and Bid Evaluation Committee (BEC) on a monthly basis by the SCM tenders department. As an additional level of assurance on the bid committee process, an independent assurance provider, via an external accounting/forensic firm provides an independent report to the BEC for awards above R50 million rand. In terms of all awards above R10 million, a basic due diligence assessment is done by the external firm on the legal status, financial ability, ability to deliver and verification of declarations of the recommended bidder. The outcomes are considered by the BEC, prior to a recommendation being made to the Bid Adjudication Committee (BAC) for the awarding of a tender.

These initiatives have proven to be highly effective as it contributed in the City obtaining two consecutive clean audit outcomes in the 2021/22 and 2022/23 financial years respectively, under a highly regulated SCM environment. At the same time, the City has managed to achieve a 100% completion rate on the City-wide demand plan (tenders planned to be awarded for a particular year) for the 2023/24 financial year.

During the 2023/24 financial year, SCM continued to contribute to the strengthening of the City’s ethical environment through vetting of City officials’ Declaration of Interest (DOI). The DOI form makes provision to request family information from the employees to allow SCM to pro-actively run the due diligence checks on each DOI. This is to ensure that section 45 of the SCM regulations are met, which requires the City employee to declare and the City to disclose the particulars of awards made to a person who is a spouse, child or parent of a person in the service of the State.

LEGAL COMPLIANCE

Principle 13 of King IV states that the governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the municipality being ethical and a good corporate citizen. The City continues to coordinate efforts in assisting institutions by providing the required information. The South African Human Right Commission (SAHRC) and the Public Protector South Africa (PPSA) may request any organ of state to co-operate in mutual trust and good faith by supplying it with information in the exercise of their functions and responsibilities.

The SAHRC and PPSA submit all enquiries / complaints received from members of the public to the City Manager. The City Manager has appointed a designated team within the Legal Services Department as the nodal point to receive, investigate and prepare formal responses on behalf of the City in relation to enquiries / complaints against the City.

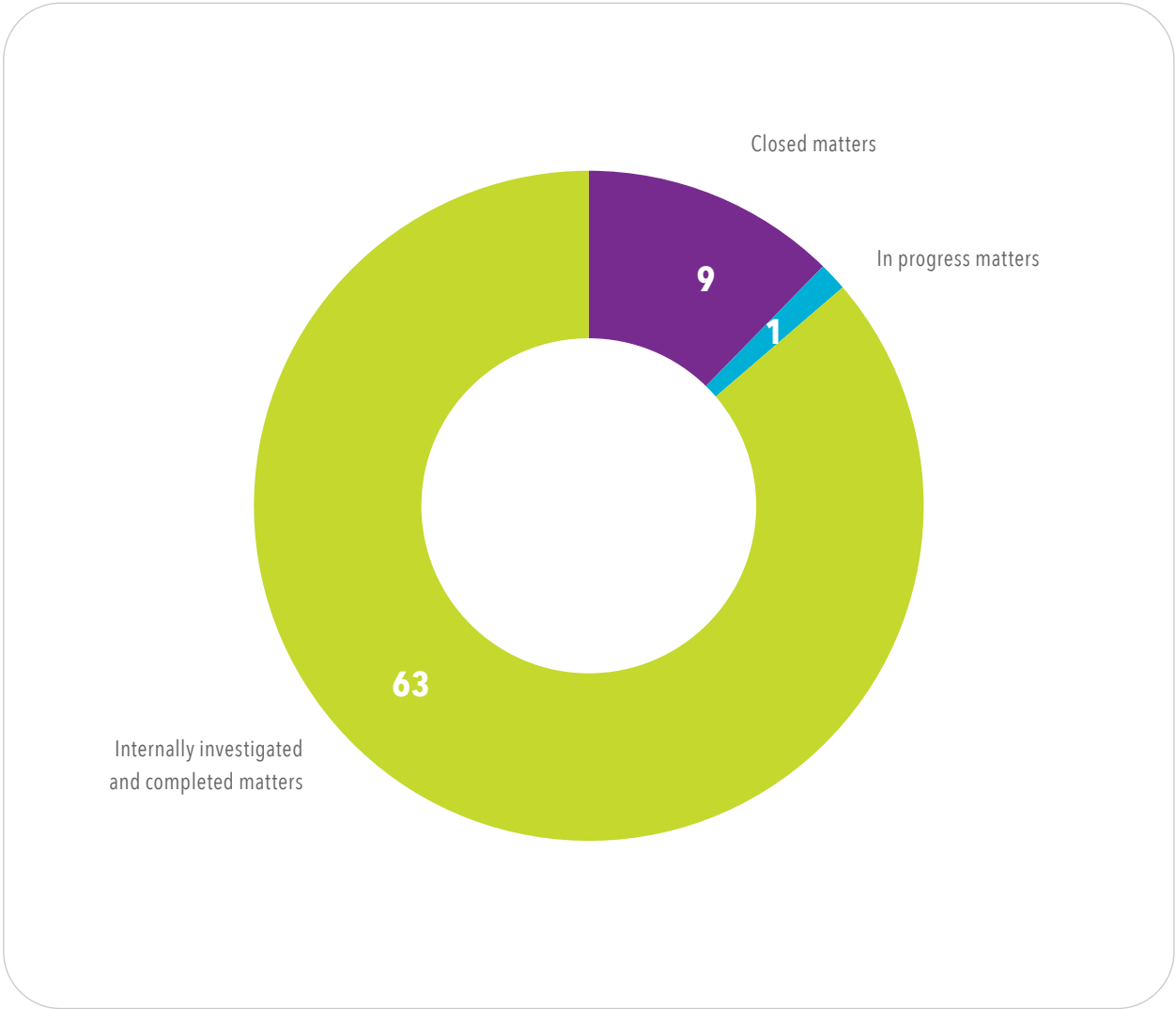
The status of SAHRC and PPSA matters for the year under review are as follows:

A. SAHRC

As at 1 July 2023, a total of 70 matters were active with 65 matters internally investigated and completed and the outcomes formally submitted to the SAHRC by the City. The remaining five matters were under investigation. It should be noted that notwithstanding the fact that the City has completed its internal investigation, the City is unable to close said matters until a close-out report is received from the SAHRC classifying the matter as closed.

During the 2023/24 financial year, three new matters were received with 10 matters that were previously submitted requiring further investigations and nine matters were finalised and closed. As at 30 June 2024, a total of 63 matters were internally investigated and completed with the outcomes formally submitted to SAHRC while one matter is in progress and under investigation by the City. Concerted City efforts and engagements are underway to follow up on and encourage the SAHRC to finalise the 63 outstanding / active investigations. Figure 5 below depicts the status of deliverables as at 30 June 2024.

Figure 5: Status of SAHRC matters as at 30 June 2024



B. PPSA

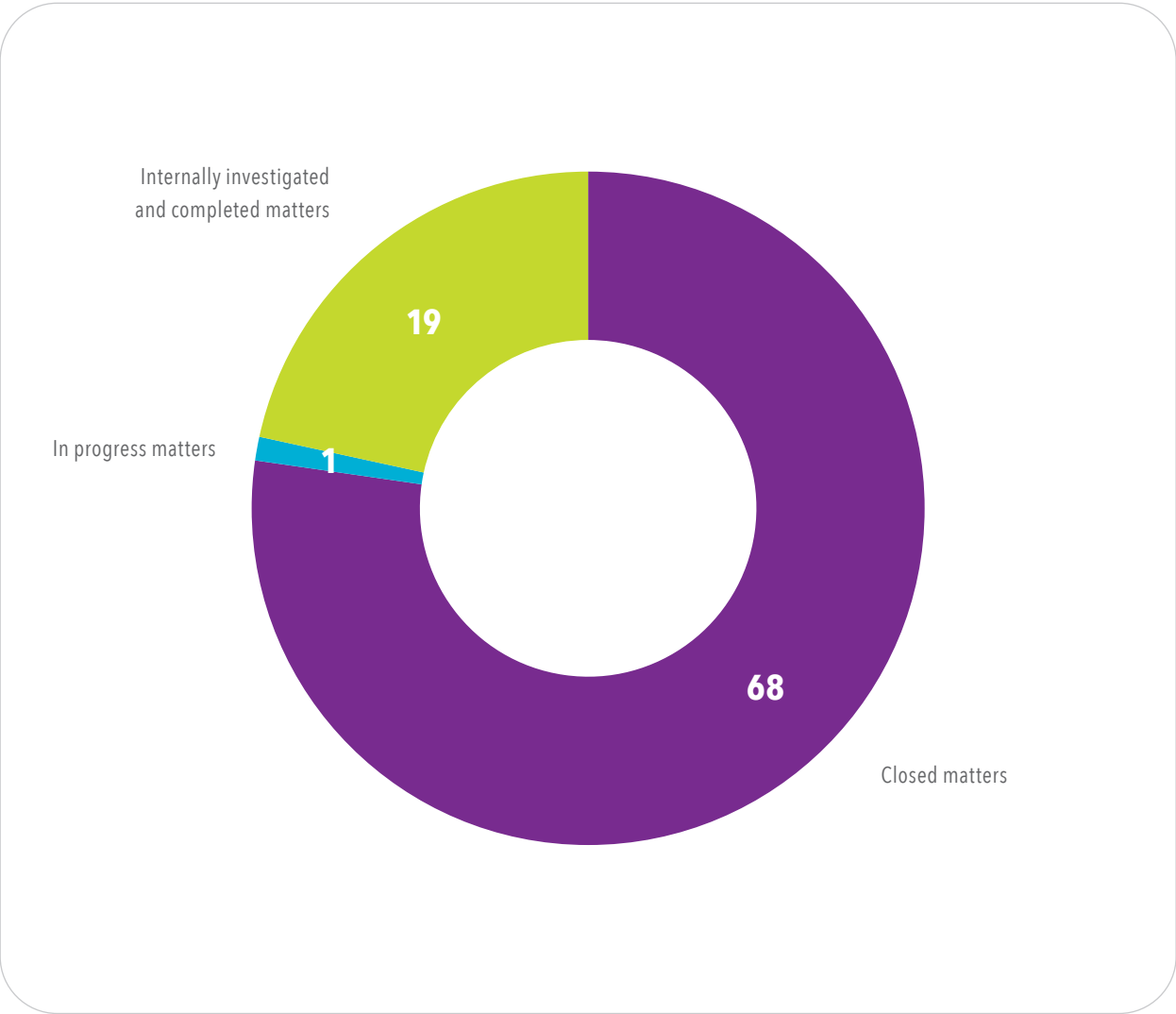
As at 1 July 2023, a total of 69 matters were active with 60 matters internally investigated and completed with outcomes formally submitted to the SAHRC by the City. The remaining nine matters were under Investigations. It should be noted that notwithstanding the fact that the City has completed its internal investigation, the City is unable to close the matters until a close-out report is received from the PPSA classifying the matter as closed.

During the 2023/24 financial year, 19 new matters were received with 12 matters that were previously submitted which requiring further investigations and 68 matters were finalised and closed. As at 30 June 2024, a total of 19

matters were internally investigated and completed with the outcomes formally submitted to PPSA while one matter is in progress and under investigation by the City. Concerted City efforts and engagements are underway to follow up on and encourage the PPSA to finalise the 19 outstanding / active investigations. Figure 6 below depicts the status of the PPSA matters as at 30 June 2024.

Since the establishment of the designated unit in Legal Services in 2016, all complaints have been successfully addressed, and no adverse findings have been made against the City following the SAHRC and PPSA investigations. The continuous monitoring and reporting measures by the City ensure that new cases are addressed and that the matters with the SAHRC and PPSA are not left to stagnate.

Figure 6: Status of PPSA matters as at 30 June 2024



COMBINED ASSURANCE AND GOVERNANCE

The Combined Assurance and Governance (CAG) function within the IA department is responsible for the execution of combined assurance responsibilities. This includes consolidating and reporting relevant information in order to provide a holistic and concise view of governance and combined assurance matters to key stakeholders.

DEVELOPMENT OF INTERNAL CONTROL MODEL, FRAMEWORKS, APPLICATION GUIDANCE AND REPORTING

To enhance the internal control environment, the City has developed a City-wide Internal Control Framework (ICF) and a Control Self-Assessment (CSA) templates based on the COSO framework. The ICF aims to minimize risks by systematically integrating defined principles, practices, and procedures. By fostering a coordinated approach, the ICF seeks to create an environment where the City's objectives are achieved effectively and efficiently through the establishment and enhancement of internal controls integrated into operating processes. Collectively, these controls will provide reasonable assurance that the City is operating ethically, transparently, and in accordance with established industry standards.

To assist the City with adherence to the ICF, a related CSA Management Tool was developed, accompanied by a detailed guidance document and an illustrative video. The ICF, CSA, and related documents have been made available on the City's intranet for staff reference.

CONSEQUENCE MANAGEMENT REPORTING

The Consequence Management Register (CMR) report provides the City Manager with a holistic view of how consequence management (remedial responses/reprimands and positive reinforcement) is instituted within the City. Per the SOP and guidelines, the custodians of the CMR in the City must submit the required information to CAG on a quarterly basis for analysis and reporting to the City Manager. During the 2023/24 financial year, Bi-annual CMR reports were submitted to City Manager and Executive Directors respectively.

ANNUAL ACCOUNTABILITY AND RESPONSIBILITY RETURNS

An analysis of the Annual Accountability and Responsibility Returns completed by line management for the 2023/24 financial year was performed by the CAG function to determine the level of compliance with the requirements of the legislation. The results were communicated to the respective Executive Directors for action, were required. A report reflecting summary and overall results was completed and issued. There were no reportable issues of non-compliance reported by line management.

QUARTERLY REPORT ON COMPLIANCE WITH LAWS, AND REGULATIONS AND NATIONAL STANDARDS REPORT

As part of local government, the City operates in a highly regulated environment and through continuous monitoring and reporting of compliance activities within its operations the City management has the ability to detect and prevent non-compliance and identify appropriate controls to mitigate the reoccurrence thereof. The Quarterly Reports on Compliance with Laws, Regulations and National Standards as well as the Quarterly Progress reports on Compliance with Laws, Regulations and National Standards were compiled and reported to EMT and APAC respectively.

INTEGRATED COMBINED ASSURANCE PLAN

The CAG function was absorbed into the Internal Audit (IA) Department and reports to the Chief Audit Executive (CAE). As a result, the combined assurance methodology and processes were revised to align with the Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing (Standards). Standard 2050 states "The CAE should share information, coordinate activities, and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimize duplication of efforts". As a result of the aforementioned, enhancements to the combined assurance process were introduced and reported to RiskCo and APAC.

COMBINED ASSURANCE FORUM

The forum is a platform intended to build, maintain and enhance the relationship between assurance providers as per the AGF. It was noted that there has been an increase in dialogue amongst members outside the forum stemming from the topics covered by the various presenters. Additionally, during meetings and from communications received by the forum secretariat, attendees requested content from the presentations and contact information of

presenters for further engagements post meetings. Five meetings (including a special AGSA audit outcomes meeting) were held during the 2023/24 financial year with various speakers (both internal and external) invited to present on current governance matters affecting the City.

Furthermore, the Combined Assurance Forum Terms of Reference were revised, adopted by the members and approved by the chairperson. Table 2 below reflects topics discussed at the forum for the period under review.

Table 2: Combined Assurance forum presentations

TOPIC	ASSURANCE PROVIDER
Fruitless and wasteful expenditure register and MPAC	Office of the City Manager (Level-2)
Importance of Records Management	Records Management (Level-2)
Trading Plan Development	Economic Growth (Level-2)
Ease of doing business	Economic Growth (Level-2)
Protocols and Hygiene	Occupational Hygienist (Level-2)
Food System Vulnerability: The City's Role	Risk and Resilience (Level-2)
Mental Health Awareness	EAP and Wellness (Level-2)
CAR project: How can it benefit the City operations	Information Systems and Technology (Level-2)
Refuse Collection and Cleansing	Urban Waste Management
(Level-2)	16
Climate Change and Impact on the City	Climate Change (Level-2)
OHAS: Serious Workplace Incidents inclusive of General Public	Occupational Health and Safety (Level-2)
Internal Control Templates (Completion Guidance)	Combined Assurance (Level-2)
Assurance Provider Identification	Combined Assurance (level-2)
Loss Control	Safety and Security (Level-2)
Loss Control Standard Operating Procedure	Safety and Security (Level-2)

INTEGRATED RISK MANAGEMENT

Integrated Risk Management’s (IRM)’s core mandate is to facilitate the required risk management processes to enable line management to more effectively manage risks in their respective areas of operations to achieve the organisational objectives.

In 2023/24:
129 risk registers, including the CCTCRR, transversal, executive and tactical risk registers were maintained across the City in line with the IRM SOP frequency of review and signed off by the relevant risk owner / assurance provider.

TRANSVERSAL RISK REGISTERS (TRR)

Transversal risk registers consider risks that affect the ability of the City and line departments to meet their respective objectives, having an impact across the City (transversal) and grouped into a specific category. These risks require oversight by one or more specialist internal assurance provider, whilst making it clear that accountability to manage and explore risks / opportunities, implement and maintain controls as well as action plans remains within the various line functions. The City currently has five transversal risk registers, which include the following categories: Staff Safety; Financial, Environmental, Information Technology and Fraud. These risk registers require oversight by specialist internal assurance providers (Level-2). For the action plans recorded in transversal risk registers, a Level-2 Executive Director/ Executive Directors are identified as the lead action owner to provide feedback on the action plans agreed upon. Transversal risk registers are updated at least twice per financial year with additional reviews of the implementation of action plans.

CATEGORY MATRIX

The risk and contributing factor category matrix (depicted in table 3 on the following page) is based on the strategic and departmental risks. The purpose of this matrix is to demonstrate which of the 18 contributing factor categories have the greatest impact on the 12 risk categories.

Risks are categorised and consolidated so that overarching areas are highlighted. These highlighted areas may not have an impact individually, but could collectively have an adverse effect on the achievement of the organisational objectives. A large number of identified risks or contributing factors

do not necessarily point to a problem, it should be taken as an indication of proactive identification and appropriate management of risks. The top five risk categories based on the number of contributing factors are service delivery, operations, compliance, financial, safety, and security. The top five contributing factors are resources, processes and procedures, external stakeholders, health and safety, and compliance. For more information, related to risk management efforts of the organisation, refer to the Annual Report of RiskCo.

BUSINESS CONTINUITY MANAGEMENT

Business Continuity Management (BCM) is a holistic process that identifies potential threats to an organisation, and the impact on business operations if these threats are realised. The process provides a framework for building organisational resilience and an effective response that safeguards the interests of the organisation’s key stakeholders, reputation, brand and value-creating processes.

The BCM function continues to embed business continuity in the City through annual BCM targets, which include testing, training, awareness and other BCM programme Improvement initiatives.

The team adopts a client centric approach and scope changes are accommodated to focus on value adding BCM related projects. The aforementioned, may thus result in an increase in the scope of work post issuing of engagement letters.

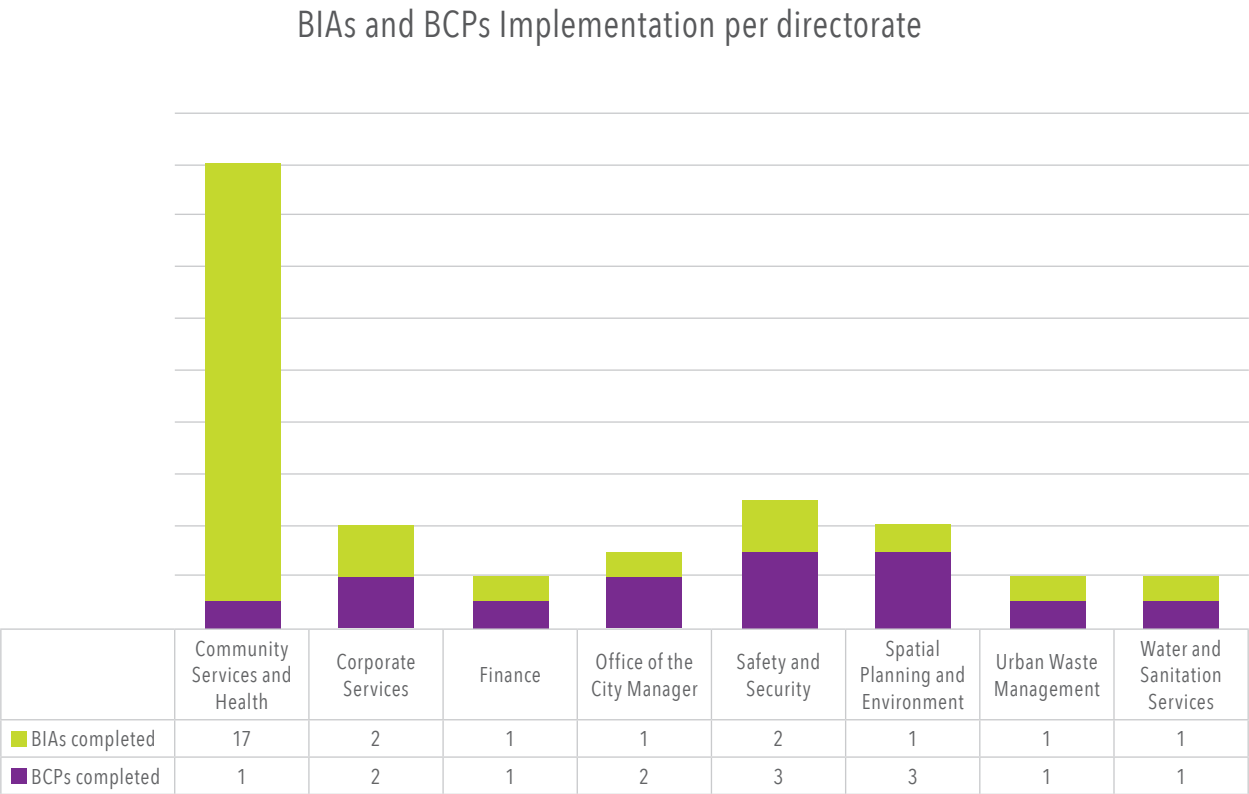
During the 2023/24 financial year the BCM function facilitated business continuity process planning for 85 branches within the City directorates. A total of 26 BIAs and 14 BCPs across the various directorates were completed. In addition, a BCP for EMT was completed, however the BCP does not form part of the graph in figure 7 as EMT is a structure not a directorate. It should be noted that included in the statistics are revised BIAs and BCPs that were informed by the changes in the current environment. The status of the deliverables as at 30 June 2024 per directorate is depicted in figure 7 on page 512.

During the financial year under review, BCM has undertaken various additional projects to help improve City-wide business continuity maturity. A City-wide BCM coverage project was undertaken to confirm which directorates have taken part in a BIA and BCP development since inception of the function. The total organisational coverage thus far as at 2023/24 is 69% for BIAs and 66% for BCPs measured since 2018/19. This translates into 3% BIA and 6% BCP increase in coverage due to work performed during 2023/24 financial year. Process enhancements are underway to ascertain appropriateness of coverage given service criticality and resource constraints.

Table 3: Category Matrix

RISK CATEGORIES														GRAND TOTAL
ASSETS	COMPLIANCE	ENVIRONMENTAL	ETHICS AND CORRUPTION	FINANCIAL	HUMAN CAPITAL	KNOWLEDGE AND INFORMATION	OPERATIONS	REPUTATION	SAFETY AND SECURITY	SERVICE DELIVERY	SOCIAL/ SOCIOECONOMIC			
-	19	7	1	3	6	2	15	3	4	28	3	91		
City dependency	16	6	2	18	1	22	47	10	7	42	2	181		
Compliance	71	4	6	14	5	2	25	13	4	24	1	177		
Economy	-	1	5	20	-	-	2	-	1	5	-	34		
Environment	1	50	-	2	-	-	-	2	1	8	12	76		
External stakeholders	19	6	1	29	1	7	46	15	20	52	4	207		
Health, safety and security	2	5	-	11	3	-	17	4	77	19	1	142		
Infrastructure	4	2	-	6	-	3	7	-	4	15	2	62		
IT systems	2	-	-	3	-	38	19	3	-	14	-	83		
Leadership	3	1	2	4	-	2	5	2	1	5	-	25		
Maintenance	2	1	-	-	-	-	8	-	-	-	-	17		
Monitor, review and reporting	3	-	-	4	-	2	4	1	-	4	-	18		
Planning	6	2	1	12	2	-	17	3	1	31	-	78		
Processes and procedures	40	7	5	50	17	16	75	25	8	70	5	335		
Resources	36	7	2	54	52	13	84	9	24	53	5	373		
Social	3	-	-	-	-	-	-	-	4	5	6	18		
Unethical behaviour and criminal activities	2	3	25	5	-	2	15	9	30	6	-	106		
Urbanisation	-	-	-	3	-	-	-	-	2	14	1	25		
GRAND TOTAL	229	102	50	238	87	109	386	99	188	395	42	2048		

Figure 7: BIA and BCP status as at 30 June 2024.



Level-3: Independent internal assurance providers

Principle 15 of King IV states that the Council should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports. The current organisational approach to the implementation of combined assurance takes into account the functions and responsibilities of all levels of assurance providers.

Level-3 assurance providers include IA, Ethics, FS and OCO. Note that the mandate, authority, and scope of work of these assurance services are indicated in their respective By-laws, functional delegations, Charters and SOPs. A summary of the assurance outcomes of engagements completed in 2023/24 financial year follows below:

ETHICS INVESTIGATIONS

The core mandate of Ethics is to drive processes that protect, nurture, enhance and institutionalise a culture of ethics at

the City, including investigating allegations of unethical behaviour and facilitating the implementation of the City's ethics action plan and associated programmes and practices.

In 2023/24:
7 ethics investigations were completed with 10 recommendations made.

Ethics investigations are specific instances / allegations connected to an individual(s) in order to determine, by means of interviews and / or physical evidence collection whether the allegations are supported or not, after which recommended corrective action or closure of the matter is made.

Figure 8 on the following page depicts both a summary and categorised breakdown of ethics matters addressed in the reporting period:

Figure 8: Summary of Ethics matters as at 30 June 2024.

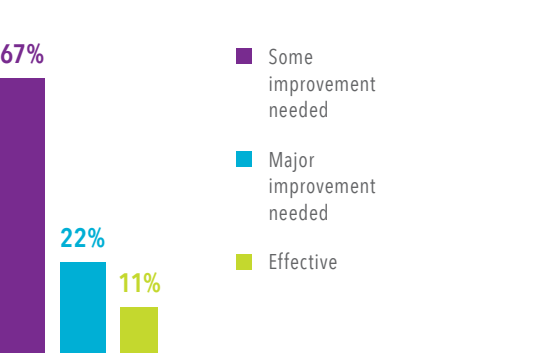


INTERNAL AUDIT

The IA function is a requirement of the MFMA. Section 62 of the MFMA requires amongst others, that the accounting officer of a municipality must take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of internal audit operating in accordance with any prescribed norms and standards. To this extent, IA operates in accordance with the IIA International Professional Practices Framework (IPPF). The core mandate of IA is to provide assurance and advisory services with regard to the effective and efficient functioning of risk management, governance and internal controls. In the reporting period, IA executed the risk-based IA operating plan, which the Mayoral Committee had approved, and also

Figure 9: Summary of internal audit outcomes as at 30 June 2024.

Overall audit ratings



OUTCOMES

Number of recommendations from the 7 reports issued:

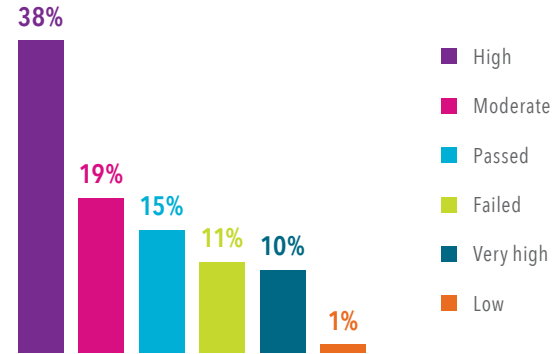
- ✓ 6 for closure (i.e. no action required, paucity of information, etc.);
- ✓ 3 for corrective action (i.e. disciplinary, counselling etc.); and
- ✓ 1 for control / business improvements / error corrections.

completed 92 audit projects (assurance and advisory) for the financial year.

In 2023/24:
92 audit deliverables were completed, of which 37¹ were assurance engagements, 20 were follow-up engagements, and 23 were advisory engagements. The remaining 12 deliverables related to auxiliary projects completed by IA.

Figure 9 below depicts a graphic representation of the outcomes of the 37 assurance engagements completed and the individual finding ratings.

Individual finding ratings



¹ Limited to deliverables where components and principles of COSO are linked to audit opinions. Audit opinions are generally provided for assurance projects only, so the deliverables considered here exclude advisory results. Other exclusions relate to engagements such as follow-ups and performance audit engagements, which are accounted for under the assurance deliverables. However, due to their nature and methodology, no audit opinion is given and related conclusions are reported to APAC as required in terms of the relevant methodologies.

FORENSIC SERVICES

The City has a zero tolerance approach to fraud, corruption and other criminal activity, maladministration and / or negligence. All allegations reported to the Forensic Services (FS) branch within EFS are assessed in terms of the aforementioned zero-tolerance-approach and are authorised and investigated within the mandate of EFS. Allegations are also referred to line management in the respective directorates for their examination and/or action in accordance with section 8.11.4 of the Fraud Prevention Policy and Response Plan and the Executive Director's applicable delegations. FS provides recommendations upon completion of forensic investigations where applicable and monitors the implementation of these recommendations which may

include remedial actions, such as, inter alia, as instituting corrective action, improvement of the control environment, legal action, reporting to the MPAC, SAPS, Competition Commission and the B-BBEE Commission amongst others.

Furthermore, line management must institute appropriate consequence management and report to the delegated authority, FS and oversight structures on the outcomes thereof.

A categorised breakdown of the types of allegations investigated and reported on relating to the 66 cases is reflected in figure 10 below.

The outcomes of these investigations are summarised in table 4 on the following page.

Figure 10: Summary of FS category breakdown.

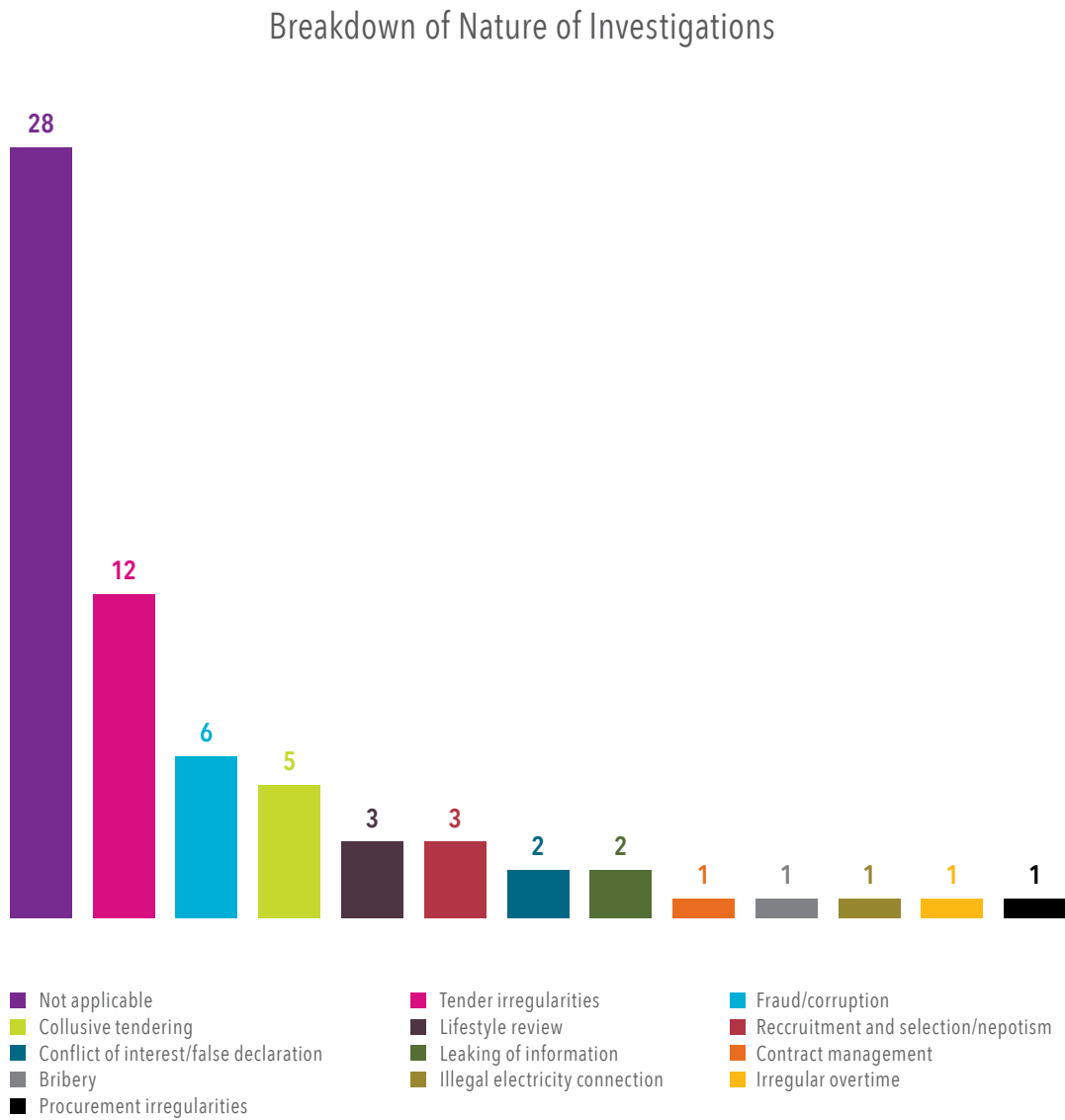


Table 4: Summary of FS investigation outcomes.

OUTCOMES OF FULL INVESTIGATIONS	NUMBER
Recommendations for counselling / disciplinary / corrective action	13
Recommendations for closure (i.e. no action required, paucity of information, etc.)	42
Recommendation for further investigation, either by line management or through converting a preliminary into a full investigation	14
Recommendations reported to inter alia, SAPS / Commissioner: Compensation Fund / Competition Commission/BBBEE Commission / SARS / SA Council for the Architectural Profession / Private Security Industry Regulatory Authority	16
Recommendations referred to MPAC / Financial Misconduct Board (FMB)	1
Recommendations referred to Executive Mayor / Speaker / Council	1
Recommendations referred to Legal Services	8
Recommendations for control / business improvements	13
Recommendations for awareness sessions / training interventions	1

Recommendations per reports issued by FS are aimed at improving governance in the City, aiding in the fight against fraud and corruption, mitigating identified risks, and addressing control weaknesses. The scope of work of FS is outlined in the FS Charter, which was reviewed and approved on 23 May 2024.

The scope of work of FS, according to the FS Charter includes, but is not limited to, the provision of the following services / functions:

- ✓ Leading, developing and / or ensuring the implementation of training and awareness in terms of ethics related City policies, standard operating procedures and processes, anti- fraud / corruption policies and prevention measures;
- ✓ Conducting appropriate proactive, detection, awareness, and education programmes on financial crimes, maladministration, fraud prevention and deterrence, and ethical conduct;
- ✓ Facilitating the operation of an independent Fraud Hotline. This is to enable staff and whistle blowers, internal and external to the City, (including customers and suppliers) to report concerns about unethical conduct, possible improprieties in matters of financial reporting, compliance with laws and regulations or

other matters that may have a direct or indirect effect on financial reporting, as provided for in the City's Whistle Blowing Policy;

- ✓ Providing an expeditious reactive forensic investigation service relating to alleged maladministration and / or negligence committed on the part of any employee, municipal entity agent, contractor, supplier, and service provider to the City and investigating alleged economic crime (e.g. fraud, theft, corruption, or other related criminal activity);
- ✓ Where required, providing disciplinary and / or litigation support in respect of forensic and ethics investigations; and

In addition, FS conducts training interventions, workshops and the promotion of the fraud hotline. Increased awareness results in a decrease in unlawful activities and an increase in the reporting of any such incidents. The control issues identified for the financial year are categorised and broken down by percentage as depicted in figure 11 on the following page.

Table 5 on the following page depicts the year-to-year comparison and the movement of the root causes for control issues identified.

Figure 11: Summary of control issues.

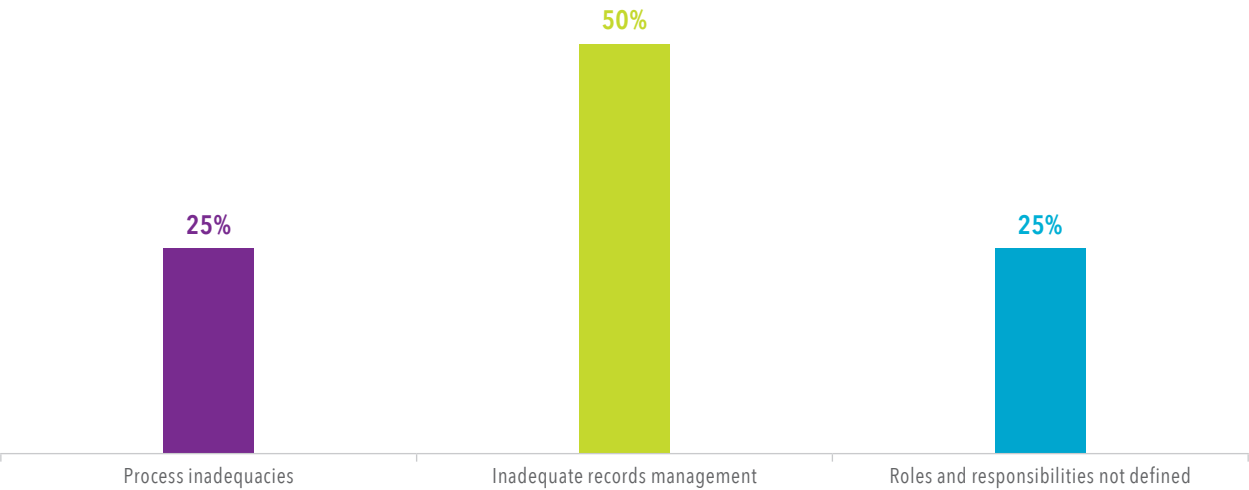


Table 5: FS root causes analysis.

ROOT CAUSES	2022/23	2023/24	MOVEMENT
Process inadequacies	28%	25%	↓
Non-compliance to legislation, policy and procedure	28%	0%	↓
Inadequate records management	28%	50%	↑
Policies/SOPs require enhancement	11%	0%	↓
Roles and responsibilities not defined	5%	25%	↑

OFFICE OF THE CITY OMBUDSMAN

In line with King IV recommendations for alternative dispute resolution mechanisms, the OCO continue to investigate and assist with public in resolving complaints against the City administration. The OCO renders an independent, impartial, unbiased, non-prejudicial and apolitical service, which includes alternative dispute resolution, advocacy, relationship management and communication. The OCO in turn, serves as the office of last resort to resolve public complaints about the City in an independent, impartial, unbiased, non-prejudicial and apolitical manner. The City Ombudsman can be contacted via email on ombudsdirect@capetown.gov.za, via SMS to 44781, through the new eOmbud web application at Home Page - Ombudsman Complaints (capetown.gov.za) or visited in person on their main office on the third floor of the Cape Town Civic Centre. In addition, the public can also visit the new satellite office on the first floor of the Desmond and Leah Tutu House.

The quick-access, easy and affordable SMS service proved to be successful in bringing services to all the residents, with the office recording a total number of 92 complaints. OCO furthermore performs advocacy and awareness initiatives to promote OCO services through, inter alia OCO International Benchmarking Workshop with the Office of the Public Independent Conciliator,

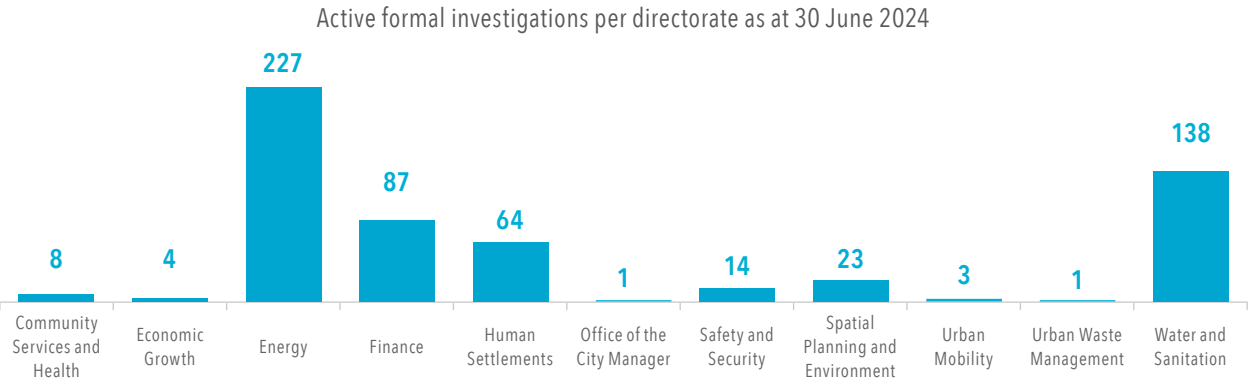
North-west and South regions, Cameroon, Africa delegation and the Ombudsman chaired the webinar held with the African Ombudsman Research Centre (AORC).

In the reporting year, OCO received 2260 complaints (which is a 23% increase comparison to previous years complaints received of 1834), of which 935 complaints were redirected or escalated to City departments, 674 were scheduled for formal investigation whilst 166 complaints still need to be assessed. The remaining 485 did not fall within the Ombudsman's mandate. All the aforementioned matters, except the latter i.e. jurisdiction is yet to be determined,

were referred to the appropriate regulatory body (e.g. Office of the Public Protector, Eskom, Ombudsman for Banking Services South Africa), the relevant Appeal Authority or the responsible line department for resolution.

As at 30 June 2024, there were 570 formal investigations in progress and the figure 12, below, reflects a breakdown per directorate.

Figure 12: Investigation in progress as at 30 June 2024.



During the 2023/24 financial year, 394 formal investigations were completed which had financial implications for either the City or the complainants. The financial impact of findings

in favour of the City and recommendations accepted and implemented in favour of the complainants is reflected in the table 6 below.

Table 6: Summary of financial impact as at 30 June 2024.

	NUMBER	RAND VALUE
Findings (<i>in favour of the City</i>)	238	R4 356 867,16
Recommendations (<i>in favour of complainants</i>)	162	R5 244 296,42

An analysis was performed on the type of complaints investigated for the period under review and the following trends were noted:

- ✓ Tampering and disputes on the electricity supply, which is due to the fact that owners with property value exceeding R500 000.00 no longer receiving free electricity units with effect from 1 July 2023. This has contributed to high disputes in terms of general evaluation outcomes.
- ✓ Due to the heavy winter rainfalls the locked drains and sewer overflows have affected many areas within the City. The aforementioned have led to an increase in underground leaks and applications for second water leak rebates. The City's Tariff Policy however states that each property owner shall be limited to one rebate claim and thus applications for second water rebates were rejected.
- ✓ Increase in property debt or outstanding service charges and debt collection actions implemented by the line department (piggy-backing).

- ✓ General disputes with service department outcomes regarding water and electricity charges Interventions and investigations conducted pertaining to rental housing properties and properties with delayed transfers.
- ✓ Family disagreements over tenancy transfers and allocations. A contributing factor to the influx could be the new Housing Allocation Policy (2022) which brought significant changes (for example, the consent from all family members to transfer tenancy).
- ✓ Outdated master data continue to contribute to water consumption disputes and the related adjustments in water accounts linked to estimated accounts.
- ✓ The ongoing energy matters logged with the OCO related to the following: Defective electricity meters;
- ✓ Electricity tampering disputes as a result of tampering fines issued by the City; and
- ✓ Backdated electricity charges in lieu of electricity use for which payment was not received.

Level-4: Auditor General South Africa

The AGSA compiles an annual management report to the accounting officer on audit findings and other key audits observed. For the 2022/23 financial year, the City received a financially unqualified audit opinion which stated that the consolidated and separate financial statements present fairly, in all material respects, the financial position of the City of Cape Town as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

MONITORING OF THE CITY’S CONTROL ENVIRONMENT FOR 2023/24

Improvements to the City’s internal control environment are monitored through various mechanisms, including formal reporting on the status of the control environment by independent IAPs, and the inclusion of key performance indicators (KPI) on the personal scorecards of executive directors and key operational indicators (KOI) on directorate SDBIPs. Key activities to monitor control improvements for 2023/24 are set out in the paragraphs below.

Annual statement on governance, risk management and internal controls

In line with the requirements of King IV, IA issues an annual statement on the effectiveness of the City’s governance, risk management and controls processes to stakeholders such as the EMT and APAC. Based on the results of the work performed by Internal IA during the 2023/24 financial year, the annual statement provided the City leadership with an overall opinion of the control environment, indicating some improvements needed and control areas that needed to be enhanced.

Risk Committee report

RiskCo has compiled and submitted a report on its activities for the financial year to the RiskCo and APAC. The report covers key responsibilities as stipulated in its approved terms of reference, and advises City Manager on matters, which include BCM, risk management and combined assurance. The RiskCo report will be included in the City’s integrated annual report.

Audit and Performance Audit Committee report

APAC submits a report on its activities to the Executive Mayor, Mayoral Committee and Council at the end of each financial year. The report covers key responsibilities as stipulated in its approved terms of reference, and advises Council on matters relating, but not limited, to governance, risk management and internal controls. The APAC report forms part of the City’s integrated annual report.

Financial Misconduct Board

Council established its disciplinary board in terms of Regulation 4(1) of The Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, which is referred to as the Financial Misconduct Board (FMB). The FMB is an independent advisory body that assists with the investigation of allegations of financial misconduct, and provides recommendations on further steps to be taken regarding disciplinary proceedings, or any other relevant steps to be taken in terms of the regulations. The designated official is the Chief Financial Officer and the FMB is tasked to address cases by the designated official and Council. The FMB reports periodically to APAC as well as the National Treasury on various aspects of its activities.

During the year under review, 14 cases were concluded while seven cases were still in progress at the end of the financial year. Resources and close working relations were secured with the City’s EFS Department for current and future case matters.

Proactive verification of employee qualification

The City continuously strives to provide a service of excellence through accountability, trust and upholding the highest standards of integrity. The City Manager tasked the Ethics function, in conjunction with Human Resources (HR), to embark on a pro-active exercise of verifying City employee qualifications, on an ongoing basis and to be reported quarterly to City Manager.

This exercise is aimed at validating the qualifications disclosed by employees when they are appointed and / or promoted within the City and furthermore this is in accordance with the City’s zero tolerance towards fraudulent and unethical behaviour. In the spirit of ensuring a good governance and setting the tone at the top, the qualifications of the City employees were validated. As at 30 June 2024, 193 negative qualifications were verified and tracked and 17 City employees were found to have fraudulent qualifications

and are no longer City employees due to the dismissal in terms of City disciplinary processes or resignation before disciplinary actions. In addition, all 17 fraudulent matters were reported to the SAPS and communicated to the employee relations branch (ER) within HR department for further determination and action for the consequences of making the fraudulent representation of qualifications.

Percentage Internal Audit recommendations resolved

Internal Audit verifies the implementation status of its recommendations through a formalised follow-up process, checking whether corrective actions stemming from previous audits and agreed to by line management have been adequately and effectively implemented. The results of follow-up audits are used every quarter to measure the KOI “Percentage Internal Audit recommendations (findings) resolved” for the various directorates. As at 30 June 2024, table 7 reflects outcomes of each directorate with an average of 89% on this indicator, against a target of 75%.

Corrective actions taken stemming from independent internal assurance providers engagements

The KPI “Percentage independent internal assurance providers’ recommendations implemented” measures the progress made by responsible line managers in implementing recommendations made by the independent internal assurance providers. Additionally, the KPI is on Executive Directors s personal scorecards and the results of which are discussed with the City Manager during individual performance reviews/discussions.

The results in respect of this KPI are reported to the relevant oversight bodies to ensure that the responsible officials are held accountable, that timely and appropriate actions are taken, and that inaction is dealt with. Performance for 2022/23 financial year is illustrated in table 8 on the following page.

Table 7: Status of follow-up audits as at 30 June 2024.

DIRECTORATE	NO. OF RECOMMENDATIONS			CUMULATIVE % INTERNAL AUDIT RECOMMENDATIONS RESOLVED
	ORIGINAL AUDIT	RECURRING	RESOLVED	
Community Services and Health	6	2	4	67%
Corporate Services	7	-	7	100%
Economic Growth	3	1	2	67%
Energy	19	3	16	84%
Finance	2	-	2	100%
Future Planning and Resilience	22	5	17	77%
Human Settlements	48	6	42	88%
Office of the City Manager	7	-	7	100%
Safety and Security	38	3	35	92%
Spatial Planning and Environment	23	1	22	96%
Urban Mobility	61	6	55	90%
Urban Waste Management	28	3	25	89%
Water and Sanitation	21	1	20	95%
TOTAL	285	31	254	89%

Table 8: KPI results as at 30 June 2024.

DIRECTORATE	TOTAL NO. OF RECOMMENDATIONS	NO. OF RECOMMENDATIONS IMPLEMENTED	% RECOMMENDATIONS IMPLEMENTED	TARGET
Community Services and Health	57	55	96%	85%
Corporate Services	43	44	102%	
Economic Growth	10	9	90%	
Energy	114	111	97%	
Finance	54	54	100%	
Future Planning and Resilience	39	35	90%	
Human Settlements	61	55	90%	
Office of the City Manager	12	12	100%	
Safety and Security	55	52	95%	
Spatial Planning and Environment	31	30	97%	
Urban Mobility	69	63	91%	
Urban Waste Management	42	39	93%	
Water and Sanitation	133	132	99%	
Total	720	691	96%	

Percentage declarations of interest completed

The updated standard operating procedure for private work and declarations of interest requires all employees graded at post level T14 and above, Supply Chain Management conflicted employees as well as all employees (irrespective of T-grade) involved in certain key business processes to submit a DOI at least once per financial year. Employees graded at T13 and below are required to declare at least once every three years and / or when their circumstances change and the three-year cycle commenced on 1 July 2022. The Ethics function monitors and reports throughout the year on the overall statistics in respect of DOI completed. The results as at 30 June 2024 are reflected in table 9 on the following page.

City's key governance interventions and enhancements

Key governance interventions embarked on by the assurance providers, are as follows:

- ✓ Governance awareness campaigns and training sessions hosted by the independent internal assurance providers across the City.

- ✓ IRM updated the IRM Standard Operating Procedures (SOP), which was approved by the City Manager on 27 January 2023.
- ✓ CAG engagements with various assurance providers for completion of Annual and Quarterly Compliance report with Laws, Regulation and national standards.
- ✓ Collaboration and reporting on proactive exercise of verifications of qualifications for City employees.
- ✓ Collaboration and coordination of assurance efforts by the different levels of assurance providers in the City.
- ✓ Monitoring and reporting compliance on the City's Code of Conduct Annual acknowledgement by employees.
- ✓ The CMR reports were completed and submitted to EMT for noting.
- ✓ The AGF was revised to incorporate inputs from key stakeholders and approved by the City Manager on 29 June 2023.
- ✓ Council adopted the Combined Assurance Model and the COSO Internal Control Model on 26 January 2023 (item C28/01/23).
- ✓ Reporting on integrated governance interventions/ projects and their outcomes to City leadership.

Table 9: Declaration of Interest summary as at 30 June 2024.

AS AT 30 JUNE 2024	
Staff at level T14 and above	100% (target 100% per year)
Staff at level T13 and below	87% (target 100% by end of 2024/25)
SCM-conflicted employees on the City's database	Zero by the end of the financial year (109 resolved)

The breakdown by directorate is as follows:

DIRECTORATE	% COMPLETION FOR LEVEL T14 AND ABOVE	% COMPLETION FOR LEVEL T13 AND BELOW	SCM-CONFLICTED STAFF ON CITY'S DATABASE
Community Services and Health	100%	95%	-
Corporate Services	100%	99%	-
Economic Growth	100%	96%	-
Energy	100%	83%	-
Finance	100%	100%	-
Future Planning and Resilience	100%	100%	-
Human Settlements	100%	99%	-
Office of the City Manager	100%	98%	-
Safety and Security	100%	99%	-
Spatial Planning and Environment	100%	97%	-
Urban Mobility	100%	54%	-
Urban Waste Management	100%	66%	-
Water and Sanitation	100%	79%	-
Overall City compliance	100%	87%	0 outstanding (109 resolved)

KEY GOVERNANCE INTERVENTIONS AND ENHANCEMENTS

Key governance interventions embarked on by the assurance providers, are as follows:

- ✓ Governance awareness campaigns and training sessions hosted by the independent internal assurance providers across the City.
- ✓ CAG engagements with various assurance providers for completion of Annual and Quarterly Compliance report with Laws, Regulation and national standards.
- ✓ Collaboration and reporting on proactive exercise of verifications of qualifications for City employees.
- ✓ Monitoring and reporting compliance on the City's Code of Conduct Annual acknowledgement by employees.
- ✓ CAG performed City-wide engagements to identify assurance providers, fostering collaboration and ensuring alignment with assurance objectives. These engagement represents a pivotal step in enhancing City's collective approach to risk management and assurance across the organisation.

- ✓ Top 300 SCM committee engagement sessions were held to ensure appropriate interpretation, understanding and application of SCM policies.
- ✓ IRM commenced a process to train action plan owners to update action plans via the web application, which formed part of the new functionalities of the risk management software utilised by the City.
- ✓ Ethics monitors and reports on the acknowledgement of the Code of Conduct completion by individual/ departmental / directorate basis.
- ✓ Ethics updated the DOI electronic system with pre-populated information.
- ✓ "BCM ISO: 22301 Gap Analysis": An independent consultant performed a gap analysis on behalf of BCM on the existing BCM SOP.
- ✓ "BCM Benchmark exercise": BCM conducted a benchmark exercise with representatives from global Resilience Cities Network, South African State Owned Entities, Metropolitan, Local and Provincial Municipalities which yielded a response rate of 65%.
- ✓ IA participated in governance initiatives in various forums and committees within and outside City.



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APPENDIX G: B-BBEE COMPLIANCE PERFORMANCE REPORT

SECTION A: DETAILS OF ENTITY	
Name of Entity	City of Cape Town
Registration Number	N/A
Physical Address	12 Hertzog Boulevard, Cape Town, 8000
Telephone Number	(021) 400 1330
Email Address	mogamat.abass@capetown.gov.za
Type of Entity	Metropolitan Municipality
Industry/Sector	Local Government
Relevant Code of Good Practice	Amended Codes Specialised Generic Scorecard
Name of Verification Agency	JSBEESOLUTIONS
Name of Technical Signatory	Joe Seretloe

SECTION B: INFORMATION AS VERIFIED BY THE BROAD-BASED ECONOMIC EMPOWERMENT VERIFICATION PROFESSIONAL AS PER SCORECARDS			
B-BBEE ELEMENTS	TARGET SCORE INCLUDING	BONUS POINTS	ACTUAL SCORE ACHIEVED
Ownership	e.g. 25 points	n/a	n/a
Management control	e.g. 19 points	n/a	17,99
Skills Development	e.g. 20 points	0.00	22,52
Enterprise and Supplier Development	e.g. 40 points	2.90	49,58
Socio-Economic Development	e.g. 5 points	n/a	5,00
Total Score	e.g. 109 points	n/a	95,09
Priority Elements Achieved	YES/NO and specify them	Yes - Skills Development, Yes - Enterprize Development and Yes - ESD - Preferential Procurement Yes - ESD - Supplier Development	
Empower Supplier Status	YES/NO and specify them	Yes	
Final B-BBEE Status Level	2		

SECTION C: FINANCIAL REPORT			
1. BASIC ACCOUNTING DETAILS:			
a. Accounting Officer's Name:	Mr. Lungelo Mbandazayo		
b. Address:	12 Hertzog Boulevard, Cape Town 8000		
c. Accounting Policy: (Your accounts are done?)	Weekly	Monthly	Other (specify)
			Annually
d. Has the attached Annual Financial Statements (AFS) and Integrated Annual Report (IAR) been approved by the entity?	Yes		

2. DOCUMENTS ATTACHED	
a) AFS including Balance Sheet and Income and Expenditure Report are part of this document	
i) IAR is part of this document	
b. Entity Annual Turnover	R52,1 bn
c. Sign-off and Date	2024/09/21
 Lungelo Mbandazayo City Manager	2024/09/21

B-BBEE COMPLIANCE PERFORMANCE REPORT - SCORECARD ELEMENTS:

MANAGEMENT CONTROL							
Number of directors/managers:							
Categories	% Number for each category	Race classification (indicate number in terms of A, C & I)	Gender (indicate number in terms of female & male (F & M))	Age (provide number in chronological order)	Location (indicate number in each province)	Disability (indicate number in terms of F & M)	
Board	251	A = 82 C = 104 I = 7	F = 67 M = 128	n/a	Western Cape	n/a	
Exec Directors	13	A = 4 C = 5 I = 0	F = 3 M = 6	n/a	Western Cape	n/a	
Non-Exec Directors	238	A = 78 C = 99 I = 7	F = 64 M = 120	n/a	Western Cape	n/a	
Senior Management	95	A = 11 C = 24 I = 9	M = 31 F = 13	n/a	Western Cape	M = 1 F = 1	
Middle Management	2759	A = 612 C = 1 246 I = 121	M = 1 165 F = 814	n/a	Western Cape	M = 40 F = 16	
Junior Management	8897	A = 3 114 C = 4 752 I = 107	M = 4 457 F = 3 516	n/a	Western Cape	M = 87 F = 78	
Dividends declared	n/a						
(A-Africans, C-Coloureds and I-Indians)							

SKILLS DEVELOPMENT

Total leviable amount and number of black persons trained:								
Total leviable amount: R13 563 484 660								
Categories	% Number for each category	Race classification (indicate number in terms of A, C and I)	Gender (indicate number in terms of F and M)	Age (provide nr in chronological order)	Location (indicate number in each Province)	Disability (indicate number in terms of F and M)	Total Amount Spend	
Black employees	A = 573 E = 3 589 F = 299 G = 1 724	A = 3 007 C = 2 801 I = 49	M = 3 294 F = 2 564	n/a	Western Cape	M = 33 F = 19	R24 351 848	
Black non-employees	F = 2 524 G = 35 003	A = 18 994 C = 16 974 I = 202	M = 14 384 F = 21 260	n/a	Western Cape	M = 196 F = 149	R490 903 362	
Black People on internships, apprenticeship, learnership	D = 2 416	A = 1 545 C = 868 I = 3	M = 873 F = 1 543	n/a	Western Cape	M = 1 F = 0	R121 004 190	
Unemployed black people on any programme under the learning programme matrix	A = 522 D = 2 415 E = 2 865	A = 2 937 C = 2 787 I = 45	M = 2 736 F = 3 033	n/a	Western Cape	M = 30 F = 18	R120 856 765	
Black people absorbed at end of learnership, internship and apprenticeship	D = 678	A = 393 C = 284 I = 1	M = 302 F = 376	n/a	Western Cape	M = 1 F = 0	R0	

3. ENTERPRISE AND SUPPLIER DEVELOPMENT									
Total procurement spend/budget and number of enterprise and supplier development beneficiaries and value: Value of the 2% of Net Profit After Tax (NPAT) or 0,2% of allocated budget for supplier development, as well as 1% NPAT of 0,1% of allocated budget for enterprise development.									
Total procurement spend:	R32 831 084 615								
Total number of suppliers: 1 885	Total value spend: R28 611 103 390,16 (Excl. Vat)								
Total number of EME suppliers: 423	Total Value Spend: R1 260 901 578,33	% Black ownership n/a	189	% Black women ownership n/a	86				
Total number of QSE suppliers: 443	Total Value Spend: R3 606 711 236,93	% Black ownership n/a	370	% Black women ownership n/a	185				
Total number of large suppliers: 594	Total Value Spend: R23 743 490 574,90	% Black ownership n/a	166	% Black women ownership n/a	97				
Supplier Development: Target R74 068 800,00	Total Value Spend: R91 420 673,55	% Black ownership n/a		% Black women ownership n/a					
Enterprise Development: Target R37 034 400,00	Total Value Spend: R75 218 711,46	% Black ownership n/a		% Black women ownership n/a					
4. SOCIO-ECONOMIC DEVELOPMENT									
Total spend and number of black participants, race classification, gender, geographical indication and value:									
Total value of 1% NPAT or 0.1% of allocated Budget: R37 034 400.00									
Number of participants	Race classification (indicate nr in terms of A, C & I)	Gender (indicate nr in terms of F & M)	Geographical indication (indicate nr in each Province)						
n/a	n/a	n/a	GP		n/a				
n/a	n/a	n/a	MP		n/a				
n/a	n/a	n/a	FS		n/a				
n/a	n/a	n/a	LP		n/a				
130	94,91%	n/a	WC		n/a				
n/a	n/a	n/a	EC		n/a				
n/a	n/a	n/a	NC		n/a				
n/a	n/a	n/a	KZN		n/a				
n/a	n/a	n/a	NW		n/a				
Total value spend: R 440 564 012,77									
(A-Africans, C-Coloureds and I-Indians)									



APPENDIX H: CITY OF CAPE TOWN COST CONTAINMENT INFORMATION

MEASURES	2023/24 BUDGET	TOTAL EXPENDITURE	SAVINGS	COMMENT
	R'000	R'000	R'000	
Use of consultants	1 085 029	960 387	124 642	This category includes EPWP/Mayor's Job Creation Programme (MJCP) staff, all non-permanent staff including library staff, health- and seasonal workers, apprenticeships and learnerships, and contracted services i.e. professional- and advisory services, and contractors. Consultants are used for various repairs and maintenance programs, outsourced administrative support and medical staff, and for professional- and advisory services. Requests for the use of consultants must be supported by the relevant executive director or senior manager.
Vehicle used for political office-bearers	0	0	0	No provision against this category in the current financial year.
Travel and Subsistence	29 817	23 513	6 305	The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City. The YTD expenditure relates largely to claims submitted by staff, who do not receive an allowance for essential users or participate in a structured travel allowance, using their own vehicles for business purposes.
Domestic Accommodation	1 933	956	977	The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City. Online conferences, meetings, events and training are explored or recommended first, and in-person events are approved strictly in accordance with the City's Cost Containment Policy.

MEASURES	2023/24 BUDGET	TOTAL EXPENDITURE	SAVINGS	COMMENT
	R'000	R'000	R'000	
Sponsorships, events and Catering	256 732	241 449	15 283	Sponsorships (consisting of grants-in-aid and sponsorships): All grant-in-aid applications are subject to a screening process to ensure that allocations recommended by the relevant delegated authority comply with the City's Grant-in-aid Policy as well as other relevant policies. Sponsorships are allocations made to organisations who support the City's strategic objectives. Memoranda of Agreements, indicating clear deliverables, are signed with all organisations and payments are made in tranches based on outcomes of agreed deliverables. Events: An ad-hoc committee facilitates selection of events and makes recommendations to the Executive Mayor on which events the City may support in terms of the City's Integrated Development Plan (IDP), and Events Policy. Catering: The City's Catering & Beverage Provision Policy sets out the applicable cost containment measures, which are strictly adhered to within the City. The YTD expenditure relates largely to payments for annual- and ad hoc allocations to support specific programs/events aligned to the City's IDP and strategic objectives, such as the Cape Town Stadium and Tourism Development Management.
Communication	81 077	67 000	14 077	The City, as far as possible, uses newspapers with a readership base predominantly within the City's geographical area and also focuses on community newspapers. The function is centralised within the Corporate Services Directorate and is managed by the Communication Department so as to ensure stricter controls, which include the following measures: a) Reducing the number and scale of communication campaigns; b) Reducing the size and range of print- and radio advertising; c) Shifting advertising to the digital space from the traditional print and radio; and d) Increasing the use of social media as a communication tool using insourced resources.

MEASURES	2023/24 BUDGET	TOTAL EXPENDITURE	SAVINGS	COMMENT
	R'000	R'000	R'000	
Other related expenditure items - Conferences & Seminars	2,537	843	1,694	The City's Systems and Procedures (SOP) for attendance of seminars, external meetings/ workshops and conferences sets out cost containment measures, which are strictly adhered to within the City. The YTD expenditure relates to online events as online conferences, meetings, events and training are recommended and explored first. In-person events are approved strictly according to the City's Cost Containment Policy.
Other related expenditure items - overtime	1,167,993	1,068,603	99,390	The City's Overtime Policy outlines the cost containment measures, including: a) Guidelines for managing overtime work on Sundays and public holidays; b) Application and approval process management; c) Approval of overtime work and payment by officials with delegated authority; and d) Monitoring and reviewing the justification for overtime expenditure by relevant directors. Directorates have enforced strict measures to manage and monitor overtime claims by operational staff each month. The year-to-date expenditure primarily reflects emergency overtime due to: 1. Increased operational demands from a higher number of fire incidents during the period. 2. The taxi strike that occurred in August 2023. 3. Emergency overtime for staff dealing with burst pipes, overflows, and various breakdowns at plants and pump stations. 4. Rising theft, vandalism, and meter tampering, along with delays in awarding the Public Lighting Tender, leading to City staff handling maintenance. 5. Increased land invasions and higher law enforcement visibility during the festive season, resulting in additional overtime. 6. A surge in service requests due to aging infrastructure that was previously neglected, with many emergency repairs now handled in-house after hours and on weekends. 7. Overtime for pothole repairs and drain clearing due to unusually high rainfall during the winter and maintenance work in Cape Town's CBD that cannot be performed during regular hours.

MEASURES	2023/24 BUDGET	TOTAL EXPENDITURE	SAVINGS	COMMENT
	R'000	R'000	R'000	
Other related expenditure items - office furniture	0	0	0	No provision against this category in the current financial year.
TOTAL	2,625,117	2,362,750	262,367	





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APPENDIX I: 2023/24 RISK MANAGEMENT COMMITTEE ANNUAL REPORT

RISK GOVERNANCE

The King IV Report on Corporate Governance for South Africa, 2016 (King IV) was adopted by Council on 5 December 2017 (item C 03/12/17). Principle 11 of King IV specifies that risk is governed in a manner that supports the organisation in setting and achieving strategic objectives. The King IV Municipal Supplement indicates that, in the local government sector, Council as the governing body assumes responsibility for the governance of risk by setting the direction for how risk should be approached and addressed in the organisation. In line with Practice 50 (Principle 8) of King IV, this annual report reflects on the activities of the Risk Management Committee (RiskCo) for the financial year ending 30 June 2024.

The City follows an integrated approach to risk management per its embedded processes.

Integrated Risk Management (IRM) is the City-wide application of risk management and includes risk identification, assessment, management, monitoring and reporting thereon. Effective risk management assists in the achievement of the City's objectives in accordance with its Integrated Development Plan (IDP).

Business Continuity Management (BCM) is an element of risk control. The primary objective for BCM is to ensure operational resilience by applying best practice approaches as defined by the BCMS ISO 22301:2019 standard and other related organisational resilience standards aimed at ensuring that the City continues to deliver mission critical services in the face of disruptions.

Section 62 of the Municipal Finance Management Act (MFMA) assigns the responsibility for risk management at an administrative level to the City Manager. In line with Practice 62 (Principle 8) of King IV, a Risk Committee (RiskCo) has been constituted by the City Manager which serves as the appropriate forum and governance structure to perform oversight over IRM and BCM in the City. Complementary to RiskCo the established IRM and BCM functions facilitated in the City within the Risk and Resilience department within the Future Planning and Resilience directorate during the 2023/24 financial year.

ROLES AND RESPONSIBILITIES

RiskCo has been operational since December 2008 and functions in accordance with its terms of reference that are approved by the City Manager. The RiskCo terms of reference are aligned to the King IV principles of sound corporate governance practices and operates in accordance thereto. The RiskCo assists the City Manager and the Executive Management Team (EMT) in discharging their risk management responsibilities. RiskCo advises on matters related to risk governance and reports to the Audit and Performance Audit Committee (APAC) on a quarterly basis. In accordance with its terms of reference RiskCo is not a decision-making committee and is not responsible for the municipal entities of the City.

Several internal functions report to RiskCo and provide information to assist in the effective execution of the RiskCo mandate in terms of the approved terms of reference. These functions include, but are not limited to IRM, BCM and Combined Assurance (CA), which have changed reporting lines in the 2023/24 financial year, as follows:

- ✓ The IRM and BCM functions merged with the resilience function and formed the Risk and Resilience department within Future Planning and Resilience, and
- ✓ CA merged with Internal Audit within the Office of the City Manager.

MEMBERSHIP AND MEETINGS HELD

RiskCo members are appointed by the City Manager in accordance with the approved RiskCo terms of reference. In line with Practice 63 of Principle 8 of King IV, the APAC Chairperson, or an alternative member of APAC, is included as a member to observe and provide feedback to the APAC. The latter oversight structure reports to Council on risk governance as per the APAC terms of reference.

Following organisational changes the Combined Assurance and Governance department was unbundled and the Chief Finance Officer replaced the Director: Combined Assurance and Governance as the RiskCo chairperson. This reduced the number of members from 14 to 13 after the quarter 1 meeting of 2023/24.

In accordance with its terms of reference, RiskCo meets on a quarterly basis. During the 2023/24 financial year, these quarterly meetings were held on 28 August 2023, 30 October 2023, 12 February 2024 and 26 April 2024.

The list of the members, as well as their attendance or representation at the meetings for 2023/24 financial year, is provided in the table below.

MEMBER	NUMBER OF MEETINGS ATTENDED	MEMBER	NUMBER OF MEETINGS ATTENDED
Chairperson Director Combined Assurance and Governance chaired the quarter 1 meeting. The CFO was appointed as the new chairperson and chaired the remainder of the meetings	4	Executive Director: Human Settlements	4
APAC chairperson or an alternative member of APAC	4	Executive Director: Safety and Security	4
Executive Director: Community Services and Health	4	Executive Director: Spatial Planning and Environment	4
Executive Director: Corporate Services	4	Executive Director: Urban Mobility	4
Executive Director: Economic Growth	4	Executive Director: Urban Waste Management	4
Executive Director: Energy	4	Executive Director: Water and Sanitation	4
Executive Director: Future Planning and Resilience	4		

Note: the RiskCo Terms of Reference requires duly appointed representatives for each RiskCo member to attend meetings to ensure continuity.

Guided by the RiskCo Terms of Reference, the City Manager, City Manager Specialist Advisor, Chief Audit Executive, Chief Forensic Services, Director: Risk and Resilience, City Ombudsman, Director: Organisational Performance Management and Director: Policy and Strategy are standing invitees to RiskCo meetings

KEY FOCUS OF RISKCO DURING THE FINANCIAL YEAR

The RiskCo agenda is informed by an annual RiskCo workplan which forms part of each agenda. Meetings are appropriately minuted and the agendas with detailed information are shared with RiskCo members and standing attendees in a timely manner, as well as all Audit and Performance Audit Committee (APAC) members. The key focus of the RiskCo during the 2023/24 financial year included:

KEY STRATEGIC RISKS

RiskCo reviews the City's Corporate, Transversal and Executive (risks rated above 70) Risk Registers on a bi-annual basis. These risk registers focus on the City's strategic risks, the key controls that are in place, as well as the action plans to effectively manage such risks.

The Transversal Strategic Risk information (CCTCRR and Transversal Risk Registers) were submitted to Mayco twice during the financial year following the updates facilitated during quarter 1 and quarter 3, while Directorate Specific Strategic Risk information is shared with the relevant Mayco member following the updates facilitated during quarter 2 and 4.

CITY OF CAPE TOWN CORPORATE RISK REGISTER

The key strategic risk themes in the CCTCRR as at 30 June 2024, as well as key controls and action plans to address the strategic risk themes, are detailed below:

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
Governance and Legal Compliance	Control Effectiveness 80% and above: – Delegations: Monthly monitoring of the implementation of City delegations in line with City functional requirement – Delegations: Review of City Delegations (as and when needed and in line with change of office). – Monthly monitoring, review and reporting on the implementation of the annual Auditor-General of South Africa (AGSA) Management Action Plan Control Effectiveness 60% to 70%: – Bi-annual monitoring and review of fraud risks and mitigation (anti-fraud, ethics and whistle-blowers), with quarterly monitoring and review of action plan implementation on the Transversal Fraud Risk Register. – Contract Management: Ongoing roll-out of contract management training. – Control Environment: Ongoing monitoring of the risk and control environment reporting in accordance with the Assurance Governance Framework. – Performance Monitoring: Quarterly preparation and quality assurance of performance against the KPI's on ED personal scorecards for CM review. – UIF: Monitoring and review of the Unauthorised, Irregular and Fruitless and Wasteful (UIFW) expenditure Register, in accordance with the UIFW strategy to ensure appropriate investigation, condemnation, actioning. (Reporting from MPAC and Council). – UIF: Reporting of Unauthorised, Irregular and Fruitless (UIF) expenditure in the annual financial statements. – Also refer to "inter-governmental" risk's controls.	– Co sourcing intervention for forensic services (quality assurance, maturity continuum and longevity). – Compliance Work Group report to APAC: Third Report – Compliance Risk Rollout plan – Compliance Working Group Report to APAC: First Report – Working Group efforts to date and priority list of legislation – Compliance Working Group Report to APAC: Second Report – Top Ten Pieces of legislation Talk Sheet – IRM to utilise Compliance Work Group's Legislation Talk Sheet to prompt and document related risks (decentralised with potential centralised reporting) – Working group unpacking sections of Top 10 transversally identified pieces of Legislation, from the City's full legislative population (identified by all Directorates) – Develop BIA & BCP for EMT: Providing preventative & reactive plans/ directives for BC incidents impacting EMT as a collective. Phase 1- Agree on action plan outcomes, assign roles & responsibilities – Update BCM Framework investigate how responses and lessons learned from load-shedding, the drought and covid can be utilised by BCM to enhanced/fast tracked BCM roll-out in the City. – Also refer to "inter-governmental" risk's action plans.

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
Continuous Crimes and Safety incidents	Control Effectiveness 60% and 70%: – Bi-annual monitoring and review of fraud risks and mitigation (anti-fraud, ethics and whistle-blowers), with quarterly monitoring and review of action plan implementation on the Transversal Fraud Risk Register. – Quarterly preparation and quality assurance of performance against the KPI's on ED personal scorecards (Incl. Customer Satisfaction Results) for CM review – S&S: Bi-annual monitoring and review of the Safety and Security Executive Risk register – S&S: Monthly monitoring and reporting on the Safety Mayoral Priority Program (MPP) – S&S: Ongoing Leap Programme – S&S: Ongoing S&S advocacy programme with national departments – S&S: Quarterly monitoring and review crime, health and safety incidents and responses by the Disaster Risk Management Advisory Forum – Directorate's War Room meetings (3 x per week) to look into all threats (incl. land invasion/occupation monitoring in accordance with the ULO By-law) – Also refer to "inter-governmental" risk's Controls	– Review & communicate the 3x EAP (Employment wellness) system & procedures specifically to support traumatised staff. – Investigate acquisition of technology that could assist to better detect movements and pro-actively respond to avoid land invasion/work more cost effectively. – Refer to "inter-governmental" risk's action plans. – Refer the ULO and Extortion Mafia related action plans on the movable and immovable asset risk.
Infrastructure for deliver services	Control Effectiveness 80% and above: – CPPPM provides oversight and assurance on readiness of all capital projects of over R1 million rand – Compliance audits: Disposal facility licenses from National/Provincial government (Water Affairs) – Provision of structural warrantee by the National Home Builders Regulation Council (NHBRC) on subsidies and bond certificates (All HS construction projects are enrolled with NHBRC) – SCM Top 200 & 300 meetings with Project and Contract Managers as and when needed Control Effectiveness 60% and 70%: – Annual review and alignment of District plans with the infrastructure investments – Roll out/monitoring of enterprise asset management plan CIDMS (City Infrastructure Delivery Management System) – Transversal: Municipal Spatial Development Framework (MSDF) approved to give input into the sector planning process	– Align and restructure the Urban Regeneration Department within SPE. – Develop and submit for internal stakeholder engagement a Precinct Development Framework. (Consisting of 3 Precinct SOPs action plans) – Development of a Precinct Development Facilitation SOP – Development of a Precinct Management SOP) – Development of a Precinct Planning Development SOP – Obtain Council approval for the New Infrastructure Asset Management Policy.

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
	- Monitoring and reporting on the implementation of the Mayoral Priority Program (implementation of projects) - Activation of Land Relocation Plan on request of line departments. - Monthly monitoring and reporting on the Mayoral Land release programme - Monitoring and review of the transfer of title to qualifying beneficiaries - Quarterly preparation and quality assurance of performance against the KPI's on ED personal scorecards (Incl. Customer Satisfaction Results) for CM review - CFO Collaboration Meetings with Relevant Directorates (Agenda incl. Blockages, Capital spend, local content etc.) - Meetings for problem solving and business improvement with Project Managers (including Executive Directors) with various PMO's and PMO offices - Monthly monitoring and review by Corporate Project, Programme and Portfolio Management (CPPPM) of projects progress and spend in relation to targets as reported by line and reporting thereon to EDs. - On-going mechanisms/systems to ensure oversight is provided with regards to project costing and bid specs by Engineering Service Unit - Quarterly monitoring and review by the Phase 2A Steering Committee with regards to UM Phase 2A Bus Rapid Transport (objective 12.3) - Regular meetings of transversal working group to find land and solutions to invasions on road reserves (hampering phase 2A) - Compliance audits: Disposal facility norms and standards - Assurance on quality of Water & Sanitation Services provided via certification (Blue drop, Green drop, No drop) - Water Strategising: Annual Water Strategy Update and Water Outlook Publication - Water Strategising: Monitoring and review of Water Services Development Plan (WSDP) Implementation	- Develop a Comprehensive Review of the Integrated Human Settlements Sector Plan (long term view) and Housing Pipeline with inputs from other relevant line departments/ stakeholders (Project Readiness). - Launch a Title deeds campaigns to trace and mobilise following a community based public work programs. - Obtain legal opinion to determine what can be done to regulate those who are living in houses. - Issue survey to beneficiaries of the Annual global supply chain management report and obtain their feedback on area's for improvement, relevance and how applied. - New MyCiti VOC Contract: Phase 1 - Development of contract tender. - Escalate Eskom collaboration needs with regards to informal settlements service gaps (new and existing) in Eskom supplied areas onto the Advocacy

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
Inter-Governmental Collaboration	Control Effectiveness 80% and above: - Compliance audits: Disposal facility licenses from National/Provincial government (Water Affairs) - Regular monitoring, review and reporting on grant funded expenditure status and compliance per Dept. (Each ED also performs their own monitoring, review and reporting) Control Effectiveness 60% and 70%: - Collaborating, communicating and contracting with Eskom on energy related needs / concerns. - Collaboration and communication of Human Settlements related matters to the Inter-Governmental Committee (IGC) - Adherence to and monitoring of compliance with the Law Enforcement Transfer Agreement and Business Plan with Province (pre-requisite for receiving grant funding) - Escalations of collaboration needs / concerns during engagements with SANPARKS as and when needed (E.g. fire breaks, safety and security, baboons) - SANPARKS taken up on City's Advocacy Program - Complying with Inter-Governmental requirements (sec. 41 and other relevant sections of the Constitution, sec. 44 of the MFMA and the South African Intergovernmental Relations Framework Act 13 of 2005).	- Escalate Taxi industry impact on MyCiti (Phase 1/stage 2 & Phase 2A), as well as rail recovery onto the Advocacy programme for collaboration with SAPS, PRASA, S&S and taxi industry. - SANPARKS has been added to the Advocacy Program agenda
Skills / Competencies	Control Effectiveness 80% and above: - Implementation of vacancy mitigation/turnaround strategy (incl. monthly meetings with HRBPs) - Monitoring and review of the annual development and implementation of the Work Place Skills Plan (WPSP) - Monitoring of the implementation and periodic update of the various Directorates Staffing Strategies and Succession Planning - Roll-out of established recruitment and selection/talent acquisition process to facilitate/enable appointments within 6 months (municipal staff regulation requirement). Control Effectiveness 60% and 70%: - Monthly monitoring, review and reporting on the vacancy rate via the Financial Monitoring Report (FMR) and implementation of FMR recommendations	- All HR policies, Frameworks and SOPs currently under review. - Complete Skills Audit for T - levels as per project plan: PC Users T9 -T5 - Complete Skills Audit for T - levels as per project plan: T2 to T4. - Complete Skills Audit for T - levels as per project plan: PC Users T10- T13. - OEI to confirm that each Directorate has develop action plan that responds to key insights from the 2022/23 city pulse survey - Strategic Workforce Planning (SWP) - Identification of future skill needs. (60 Departments).

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
Financial Resilience and Economic Stability	Control Effectiveness 80% and above: - SCM Policy, guidelines, abuse of SCM Policy measures (SCM Policy clauses 101 letters), compliant bid committee system and due diligence checks implemented and monitored to guard against fraud, recreational damage and safeguard resources - Ongoing implementation of the Credit Control Policy and the monitoring thereof via the Corporate Score Card (Incl. debt collection ratio) Control Effectiveness 60% and 70%: - Annual monitoring, review and reporting on financial performance (Annual Financial Statements). - Bi-annual monitoring and review of finance risk identification and mitigation, with quarterly monitoring and review of action plan implementation on the Transversal Financial Risk Register - CFO oversight, review and intervention with regards to deviations identified on financial reports and implementation of the CCT Long-term Financial Plan (LTFFP). - ED Performance targets added on corporate score cards to enhance the focus on financial principles which sustain the City - Implementation of scenarios modelling to predict financial impacts and respond accordingly Monitoring and review by Budget Steering Committee of budget allocation (affordability). - Monitoring and review by Budget Steering Committee of budget allocation (affordability) - Monthly monitoring, review and reporting of financial/ budget performance - Ongoing monitoring and review of compliance with NT Circular 68 as adopted by Council and requirements set out in the MFMA - Quarterly monitoring by HS on the implementation of the City Manager Memo - MPAC staff housing resolution and monitoring thereof on the EDs scorecard - Bi-annual monitoring and review of fraud risks and mitigation (anti-fraud, ethics and whistle-blowers), with quarterly monitoring and review of action plan implementation on the Transversal Fraud Risk Register	- Ensure completeness of implementation of CM Directive and the Development of a Staff Housing Policy - Executive trade mission to target markets to improve reputation of Cape Town relative to the worsening international sentiments to South Africa - Agenda for 2023-24 - Do a cost benefit analysis to evaluate cost of using SANRAL (back-off) vs implementation of own. - Escalate NERSA "revision of reasonable tariff methodology" onto the City's advocacy program.

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
	- Ongoing implementation of the Credit Control Policy and the monitoring thereof via the corporate score card (Incl. debt collection ratio). - Review of reported financial misconduct and investigation of reported financial misconduct (as defined) by the Financial Misconduct Board to ensure accountability - UIF: Monitoring and review of the Unauthorised, Irregular and Fruitless and Wasteful (UIFW) expenditure Register, in accordance with the UIFW strategy to ensure appropriate investigation, condemnation, actioning. (Reporting from MPAC and Council) - Monitoring and review of City performance against "Doing business in SA": Developing and implementation of corrective action plans (E.g. Business Hub/Incentive policy) - Monitoring of the roll-out/performance against the Ease of Doing Business Mayoral Program - Bi-annual monitoring and review of the Water and Sanitation Executive Risk register - Continuous assessment bus utilisation, revenue and expenditure (MYFIN Business plan) adjusting routes and timetables	
Movable and immovable assets to meet service delivery needs and/or Structural Safety Standards	Control Effectiveness 60% and 70%: - Compliance required with City Manager directive and guidance Directive 1 and 2 of 2021, as well as Directives 14 and 15 of 2017 with regards to property accountability - Monitoring of the implementation of facilities sector plans - Adherence to the Fleet Management Policy and Strategy - Bi-annual monitoring and review of fraud risks and mitigation (anti-fraud, ethics and whistle-blowers), with quarterly monitoring and review of action plan implementation on the Transversal Fraud Risk Register - Dedicated Hot line "Enough is enough campaign" - SCM - All SCM staff is required to complete mandatory non-disclosure agreement (NDA's) - SCM - Centralising BSC/ BEC meetings to control document flow and restrict access during meeting sessions	- ED:CS to assess and revise as appropriate Directive 1 & 2 of 2021 to ensure the roles and resp. assigned are in line with the Strategic Management Framework (SMF) (still ensuring sufficient control). - Execute a visual assessments of CS&H facilities - Negotiation to retain current fleet budget as reduction in fleet budget is going to result in aging fleet. - Implementation Phase 1 of the Optimisation and Rationalisation Implementation Plan - Before end June, re-issue public campaign "Enough is enough" again. - Develop relevant security clauses for Bid Specifications for Construction sites, according to a risk matrix.

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
	– SCM - Controls implemented to safeguard information leaks at BAC (documentation control and access) – SCM - Red list updated continuously with companies that pose a reputational risk to the City – SCM - Roll-out/adherence to latest SCM Policy – SCM - Tender Tracking Systems access restricted to key staff – SCM DD - Due diligence assessments in accordance with DD SOPs (Appointed DD contractor). – SCM DD: Access to Due Diligence reports restricted to committee members and reports returned to a central controller after meeting (locked) – Activation of Land Relocation Plan on request of line departments. (Line department responsible for protection of own land parcels and provide funding) – Directorate's War Room meetings (3 x per week) to look into all threats (incl. land invasion/occupation monitoring in accordance with the ULO By-law) – Establishment of Mayor's Land Security Forum to strategically address City Land occupation eviction/interdict processes – Monitoring and quarterly review of ULO Framework KPA's on relevant ED's Scorecards – Monitoring and review of ED's achievement of their unique ULO indicator(s) (dependent on their mandates and obligations) – Monthly monitoring and reporting on the Mayoral Land release – Regular meetings of transversal working group to find land and solutions to invasions on road reserves (hampering phase 2A) – S&S: Quarterly monitoring and review crime, health and safety incidents and responses by the Disaster Risk Management Advisory Forum – Energy dedicated law enforcement team to facilitate service delivery and prevent vandalism. – Implementation of the Public Transport Interchange roaming team – Dedicated W&S Security and Protection Services Unit	– Implement lifestyle audits for identified officials who are involved in the SCM processes. – Make systemic changes to project management system to include higher consideration of safety risks on construction sites. (STAGE GATES) – Investigate acquisition of technology that could assist to better detect movements and pro-actively respond to avoid land invasion/work more cost effectively. – ED: UWM in negotiations with S&S in order to have current UWM enforcement team taken up into a dedicated UWM Law Enforcement team.

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
Climate Change and Pollution effects on Resources and Services	Control Effectiveness 80% and above: – Ongoing monitoring of air quality and enforcement measures in terms of digressions/pollution Control Effectiveness 60% and 70%: – Bi-annual monitoring and review of environmental risk identification and mitigation, with quarterly monitoring and review of action plan implementation on the Transversal Environmental Risk Register – Quarterly monitoring and review of natural disaster incidents and responses by the Disaster Risk Management Advisory Forum – Assurance on quality of Water & Sanitation Services provided via certification (Green drop) – Monthly monitoring and reporting on the implementation of W&S Mayoral Priority Program (implementation of projects) – Water Strategising: Annual Water Strategy Update and Water Outlook Publication – Water Strategising: Monitoring and review of Water Services Development Plan (WSDP) Implementation	– Complete a full portfolio of coastal defence projects in the environment sector plan. – Drafting of flood adaptation and response action plan. – Drafting of Heat adaptation and response action plan
Energy Security	Control Effectiveness 60% and 70%: – Disaster Risk Management (DRM) activation of the DRM co-ordination team at stage 7 and above to co-ordinate the impact of load-shedding in real time – Energy Joint Operation Committee (EJOC) activated every time Eskom announces Load-shedding at stage 7 and above – Established: City-supply Area Electricity Network Black Start Plan and Procedures (Business Continuity Plan for Energy and Climate Change) – Monitoring & review of city performance with regards to electricity supply measurements set out in the Customer Satisfaction Survey (customer satisfaction survey included as a measurement on the Corporate Score Card) – Monitoring and reporting on the implementation of the Energy security of supply for Economic Growth Mayoral programme (incl. the roll-out of the Power Hero's campaign and Small Scale Embedded Generation (SSEG) Programme	– Development of the Energy Strategy implementation plan. – Investigate collaboration between W&S, Energy and Finance: Replacement of water and electricity meters with SMART meters, to enhance revenue collection and limiting load stress on networks

STRATEGIC RISK THEME	KEY EXISTING CONTROLS (60% AND ABOVE EFFECTIVENESS)	MONITORED ACTION PLANS
Digital Technology, Data and Cyber Security	Control Effectiveness 80% and above: – Aligning to ISO Standards, specifically ISO 27001 (ISO27001 provides the overview of information security management systems (ISMS) – Monitoring and maintain the implementation of the PID Freeze Directive, including the impacts – Quarterly monitoring and review of the implementation of IS&T action plans on the annual AGSA Management Action Plan – Management of data breaches by the POPIA Incident Response Committee (PIRC) to process/action known breaches – Daily monitoring of attacks and protective measures implemented – System and user controls for cyber security and mechanisms in place Control Effectiveness 60% and 70%: – Bi-annual monitoring and review of IT risk identification and mitigation, with quarterly monitoring and review of action plan implementation on the Transversal IT Risk Register; – Roll-out of Cyber security training – Performance Monitoring: Quarterly preparation and quality assurance of performance against the KPI's on ED personal scorecards for CM review – Maintenance of redundancies measures to protect IS&T system from impact of extreme load-shedding;	– Develop 3rd Party Assurance Process with an action plan for implementation in a phased approach – IS&T to assess how IS&T service requests logged are managed is best fit to ensure appropriate support to line departments – IS&T to develop PID (project pipeline) to ensure alignment with resources, budget and infrastructure availability – Data Science Team investigating and piloting AI related products in the City. 2023/24 identified targets.

TRANSVERSAL RISKS REGISTERS

RiskCo's oversight includes all transversal risk registers maintained by the City, namely:

- ✓ Environmental;
- ✓ Information Systems and Technology (IS&T);
- ✓ Finance; and
- ✓ Fraud; and
- ✓ Staff Safety.

Reports to RiskCo included risk profiles heat maps and visualisation of action plan implementation progress.

The City maintains Transversal Risk Registers, which differs from the Executive and Departmental risk registers in that they are:

- ✓ Topic specific as opposed to organizational structure specific;
- ✓ Signed off by assurance providers as opposed to risk owners; and
- ✓ Consider risk matters affecting and managed across various directorates.

EXECUTIVE RISKS

Executive Directors manage risks that could impact on their operations. These risks can be long or short term in nature, and could potentially have an impact on the directorates' key performance indicators.

RiskCo had oversight of executive risk profile heatmaps per directorate including the risk rating movement compared between semesters, as well as a visualisation of the progress with the implementation of the action plans to mitigate risks or to manage it to a more acceptable level.

RISCKO SELF-ASSESSMENT

In line with the approved terms of reference, RiskCo members self-assess the performance of RiskCo every second year to determine how well, according to RiskCo members' perceptions, they fulfil the roles and duties assigned to them in the RiskCo terms of reference and to allow for implementation of enhancement areas before the next review.

In line with the prescribed frequency in the RiskCo Workplan the next RiskCo self-assessment will be done in the 2025 calendar year. Action plans identified during the previous review have all been implemented.

ASSESSMENT OF IRM AND BCM WITHIN THE CITY

RiskCo's assessments on IRM and BCM align with the RiskCo self-assessment and RiskCo has thus not performed an assessment on these functions during the 2023/24 financial year. RiskCo maintains oversight over assessments performed on these functions by other assurance providers:

The BCM assessments for the 2023/24 financial year were:

- ✓ Continuous monitoring of operational resilience activities facilitated through the BCM function, such as progress towards rollout of BCM plans across the City and programme improvement initiatives to address remedial actions in the BCM Internal Audit report of 2022/23FY.
- ✓ In addition to the rollout of plans and overall programme improvement initiatives, the reality of possible higher stages of loadshedding remains a focus; for this purpose, during the current financial year, the committee assessed the readiness tests performed in order to improve the City's level of preparation for navigating the impacts of this stress on the City's service delivery model.

The IRM assessments for the 2023/24 financial year were:

- ✓ An Internal Audit on Integrated Risk Management. The scope focussed on Integrated Risk Management as the owner of the IRM process and four risk owners. The specific objectives were to determine if the IRM SOP is adequate, and whether IRM and Line Departments effectively implemented the processes of the risk identification as well as the monitoring and reporting.

The overall rating of the audit was that some improvements are needed. However, only one finding rated moderate in respect of the IRM workplan for the year was included in the report. The matter is being attended to and the IRM SOP will be updated accordingly.

INTEGRATION OF RISK MANAGEMENT AND BCM WITHIN THE CITY

Apart from reflecting on the 2023/24 financial year it is worth mentioning that IRM and BCM has been fairly well integrated into the City of Cape Town. Examples of such integration include the following:

- ✓ Top management display leadership commitment to risk management with their support and participation in risk management efforts displayed via the City Manager dashboard outcomes on the City's Corporate Risk Register as well as the regular updating of action plan implementation on all levels of risk registers. As at 30 June 2024 all due CCTCRR and Transversal Risk Register action plans were implemented.
- ✓ Risk management principles are embedded in project management.
- ✓ Collective monitoring of Strategic and Transversal risk registers in alternative quarters streamlines the processes and improves the collaboration of topic specific risks significantly.

- ✓ Risk management is integrated into the combined assurance processes.
- ✓ There are collaborations with various assurance providers via the risk management processes.
- ✓ The Corporate Business Continuity Coordination Committee has been established as a steering group for the management of shock events as they occur. The committee comprises of Executive Management Lead and representatives from various City operations.
- ✓ Top management's ongoing commitment to lead, guide, create collaboration spaces and actively participate in BCM initiatives to drive organisational resilience.

CONCLUSION

RiskCo is pleased that during 2023/24 the City responsibly discharged the City-wide IRM and BCM responsibilities. RiskCo activities carried out for the 2023/24 financial year assisted in the effective fulfilment of the RiskCo roles and responsibilities, in accordance with its approved terms of reference.

Kevin Jacoby

Chairperson: Risk Management Committee



TOGETHER.

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GETHER.

APPENDIX J:

LIST OF REFERENCES TO WORLD BANK INTERNATIONAL INTEGRATED REPORTING FRAMEWORK

FRAMEWORK REFERENCE	DESCRIPTION	PAGE REFERENCE
2B	Value creation, preservation or erosion for the organisation and for others	44
2C	The capitals	44
2D	Process through which value is created, preserved or eroded	46
3A	Strategic focus and future orientation	42 to 43
3B	Connectivity of information	*
3C	Stakeholder relationships	58
3D	Materiality	30
3E	Conciseness	*
3F	Reliability and completeness	*
3G	Consistency and comparability	*
4A	Organisational overview and external environment	4
4B	Governance	32
4C	Business model	44
4D	Risks and opportunities	54
4E	Strategy and resource allocation	42
4F	Performance	62 and 354
4G	Outlook	6
4H	Basis of preparation and presentation	28

* Throughout the City's Integrated Annual Report.

ACKNOWLEDGEMENTS

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CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Making progress possible. Together.