



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

EXECUTIVE SUMMARY ANNUAL REPORT 2016/17



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VISION AND MISSION OF THE CITY OF CAPE TOWN

VISION

THE CITY OF CAPE TOWN'S **VISION** IS THREEFOLD

- TO BE AN OPPORTUNITY CITY THAT CREATES AN ENABLING ENVIRONMENT FOR ECONOMIC GROWTH AND JOB CREATION, AND TO PROVIDE HELP TO THOSE WHO NEED IT MOST
- TO DELIVER QUALITY SERVICES TO ALL RESIDENTS
- TO SERVE THE CITIZENS OF CAPE TOWN AS A WELL-GOVERNED AND CORRUPTION-FREE ADMINISTRATION

TO ACHIEVE ITS VISION, THE CITY OF CAPE TOWN IS BUILDING ON THE **STRATEGIC FOCUS AREAS** (SFA) IT HAS IDENTIFIED AS THE CORNERSTONES OF A SUCCESSFUL AND THRIVING CITY, WHICH ALSO FORM THE FOUNDATION OF ITS FIVE-YEAR INTEGRATED DEVELOPMENT PLAN.

THESE ARE AS FOLLOWS:



OPPORTUNITY CITY

SFA 1:

Create an environment in which investment can grow and jobs can be created.



SAFE CITY

SFA 2:

Create a safe living and business environment for its residents.



CARING CITY

SFA 3:

Build a metro that offers a sustainable environment, a sense of belonging, access to services and help to those who need it.



MISSION

IN STRIVING TO ACHIEVE THIS VISION,
THE CITY'S **MISSION** IS TO:

- CONTRIBUTE ACTIVELY TO THE DEVELOPMENT OF ITS ENVIRONMENTAL, HUMAN AND SOCIAL CAPITAL;
- OFFER HIGH-QUALITY SERVICES TO ALL WHO LIVE IN, DO BUSINESS IN OR VISIT CAPE TOWN AS TOURISTS; AND
- BE KNOWN FOR ITS EFFICIENT, EFFECTIVE AND CARING GOVERNMENT

THESE **FIVE FOCUS AREAS** INFORM ALL THE CITY OF CAPE TOWN'S PLANS AND POLICIES.



INCLUSIVE CITY

SFA 4:

Create a city where everyone has a stake in the future and enjoys a sense of belonging.



WELL-RUN CITY

SFA 5:

The SFA is underpinned by the principles of King III.

SPEARHEADING THIS RESOLVE IS **A FOCUS ON INFRASTRUCTURE INVESTMENT AND MAINTENANCE** TO PROVIDE A SUSTAINABLE DRIVE FOR ECONOMIC GROWTH AND DEVELOPMENT, GREATER ECONOMIC FREEDOM, AND INCREASED OPPORTUNITIES FOR INVESTMENT AND JOB CREATION.



ABOUT THIS EXECUTIVE SUMMARY

This document is the executive summary of the City of Cape Town's 2016/17 annual report, which builds on the City's integrated reporting in previous years, and attempts to align with the recommendations of the King Report on Corporate Governance in South Africa (or King III) as well as internationally accepted standards for integrated reporting.

Like the annual report, the content of this executive summary is structured around the five strategic focus areas (pillars) and their underlying objectives, as contained in the City's five-year Integrated Development Plan. It is also informed by a number of other plans and documents produced by the various City directorates and business areas, and should be read in conjunction with the full annual report and these other documents.





While this annual report allows us to reflect on the work we have done, may it also inspire all of us to work even harder. To maintain our status as a leading African city, we must constantly enhance our work in all areas, but especially when it comes to empowering and helping the vulnerable in our communities, who need our help the most.

MESSAGE FROM THE EXECUTIVE MAYOR

The past financial year has been an exciting one, with many new developments aimed at taking Cape Town to greater heights. These included the adoption of the future-oriented Organisational Development and Transformation Plan (ODTP) and the new term-of-office Integrated Development Plan (IDP) 2017 – 2022.

Our new IDP gives full effect to the ODTP and sets out our development priorities for the next five years. We will continue to build an opportunity city that creates an enabling environment for economic growth and job creation, and to provide assistance to those who need it most. We will also continue to provide quality services to all residents, and to do so in a well-run, corruption-free administration.

Confirming Cape Town's appeal as an investment destination, fDi Intelligence – a division of the *Financial Times* – ranked our city 21st on the list of world cities with the best foreign direct investment strategies in December 2016. Cape Town was the only African city to appear on this prestigious ranking.

As a testament to our commitment to promote economic and social development, the City's Enterprise and Investment Department in the Directorate of the Mayor facilitated R2,67 billion investment during the year under review. As a result, 6 236 direct jobs were created and 2 052 people received training opportunities.

A core factor in enabling economic growth is investment in infrastructure. In this regard, the City has invested approximately R27 billion in infrastructure since 2012/13, of which R14 billion has been for new infrastructure and R13 billion has gone towards the refurbishment of existing infrastructure.

While this annual report allows us to reflect on the work we have done, may it also inspire all of us to work even harder. To maintain our status as a leading African city, we must constantly enhance our work in all areas, but especially when it comes to empowering and helping the vulnerable in our communities, who need our help the most.

A handwritten signature in black ink that reads "P. de Lille".

ALDERMAN PATRICIA DE LILLE
Executive Mayor: City of Cape Town



This report offers an overview of the extent of work and investment for the past financial year, and more importantly, of the positive outcomes that the City has delivered over the past five years.

STATEMENT BY THE CITY MANAGER

The first five-year term of office of the current City of Cape Town Council proved very busy and challenging, yet also highly rewarding. As this 2016/17 annual report shows, the City has made steady and consistent progress towards realising its vision to make Cape Town an opportunity city that enables economic growth and job creation, and to be a well-governed administration that delivers quality services to all residents.

This report offers an overview of the extent of work and investment for the past financial year, and more importantly, of the positive outcomes that the City has delivered over the past five years.

As we enter our next five-year term of office, the City is as dedicated as ever to meet and exceed the expectations of all the people we are here to serve. We once again have big plans for taking our city to ever-higher levels of infrastructure and service excellence. And we remain absolutely committed to putting the people of Cape Town at the centre of everything we do.

A handwritten signature in black ink, appearing to read 'Achmat Ebrahim'.

ACHMAT EBRAHIM
City Manager: City of Cape Town



OVERVIEW OF THE CITY OF CAPE TOWN

About Cape Town

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Cape Town's integrated approach to sustainable spatial development and service delivery

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OVERVIEW OF THE CITY OF CAPE TOWN

ABOUT CAPE TOWN

Cape Town has the second-largest population of all cities in the country (2016), and is one of the most-visited tourist destinations on the African continent. It is a significant economic, political and business hub for South Africa, and a key driver of South African and African growth and development.

The city's popularity as a preferred residential location and centre of economic opportunities has resulted in steady growth in its population

– a trend that is expected to continue for the foreseeable future, with the total population anticipated to reach approximately 4,4 million by 2030.

While all of these factors contribute to Cape Town's relevance as a global economic hub, they also create significant infrastructural and administrative challenges.

These challenges are summarised on page 5 of the full 2016/17 annual report.

POPULATION

Source: 2016 Community Survey, StatsSA

4 004 793
ESTIMATED
CAPE TOWN
POPULATION IN
2016

10th
most
POPULOUS CITY
IN AFRICA

26,0%
PROPORTION
OF CHILDREN AGED
0 TO 14
(DOWN FROM 26,6%
IN 2001)

67,7%
PERCENTAGE OF
POPULATION IN
ECONOMICALLY
ACTIVE AGE BRACKET
(AGED 15 TO 64)

6,2%
POPULATION SHARE
ACCOUNTED FOR BY
SENIOR CITIZENS
(AGED 65 AND UP)
(UP FROM 5,0% IN 2001)



HOUSING



1 264 849
NUMBER OF
HOUSEHOLDS IN
CAPE TOWN

3,2
MEMBERS IN
THE AVERAGE
CAPE TOWN
HOUSEHOLD

HEALTH

Source: CCT Health

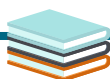


68 years
AVERAGE LIFE
EXPECTANCY IN
THE WESTERN CAPE
(HIGHEST IN SOUTH AFRICA)
RSA 2016. Annual Performance
Plan 2016/17 - 2018/19

16,4
INFANT MORTALITY
RATE IN 2012 PER
1 000 LIVE BIRTHS
(DOWN FROM 25,2 IN 2003)

CONSISTENT
decrease
IN NUMBER OF
TUBERCULOSIS CASES
SINCE 2010

EDUCATION



Source: 2016 Community Survey, StatsSA

WCG: Department of Education

8,5%
CAPE TOWN ADULT
ILLITERACY RATE
IN 2016
(DOWN FROM 16,0%
IN 2001)

2,0%
ESTIMATED PROPORTION
OF CAPE TOWN ADULT
POPULATION WITH NO
SCHOOLING IN 2016
(WELL DOWN FROM 4,2% IN 2001)

34,0%
ADULT CAPE TOWN
POPULATION WITH
MATRIC AS THEIR
HIGHEST LEVEL OF
EDUCATION

758
NUMBER OF
ORDINARY PUBLIC
SCHOOLS IN
CAPE TOWN

161
NUMBER OF
ORDINARY
INDEPENDENT
SCHOOLS IN
CAPE TOWN

HIV/AIDS

18,8%
HIV PREVALENCE
RATE IN SOUTH
AFRICA

17,1%
HIV PREVALENCE
RATE IN WESTERN
CAPE, 2013 (DOWN
FROM 17,3% IN 2010)

CRIME



Source: SAPS 2016

8 285
PER 100 000
POPULATION -
CAPE TOWN
CRIME RATE

SIGNIFICANT
PROPORTION OF
CRIME IN CAPE
TOWN IS DRUG-
RELATED

Source: 2016 Community Survey, StatsSA

Source: South African National Department of Health, 2015

POVERTY AND FOOD SECURITY

Source: City Finance

Source: 2017, IHS, Markit, Regional eXplorer

R3 500
IN HOUSEHOLD
INCOME
PER MONTH
- CAPE TOWN
POVERTY LINE
(2015)

301 690
NUMBER OF
HOUSEHOLDS BELOW
POVERTY LINE

Source: 2015 GHS,
StatsSA

213 424
NUMBER OF INDIGENT
HOUSEHOLDS IN
CAPE TOWN
(2017) (WELL DOWN FROM
250 000 IN 2003)

0,62
CAPE TOWN'S SCORE ON THE HUMAN
DEVELOPMENT INDEX (HDI), WHICH IS LOWER
THAN THE NATIONAL AVERAGE OF 0,63.
THE LOWER-THAN-AVERAGE HDI SCORE SHOWS THAT
CAPE TOWN IS MANAGING TO TURN ECONOMIC SUCCESSSES
INTO SOCIAL DEVELOPMENT FOR ITS RESIDENTS.

ECONOMIC PERFORMANCE

Source: QLFS 2017, StatsSA

2,5%
AVERAGE ECONOMIC GROWTH
RATE BETWEEN 2011 AND 2016
(COMPARED TO 1,9% NATIONALLY)

29,7%
TOTAL GROWTH OF
CAPE TOWN'S ECONOMY
BETWEEN 2006 AND 2016

2nd highest
CITY CONTRIBUTOR TO
TOTAL EMPLOYMENT
IN SOUTH AFRICA
IN 2016

38 658
MORE JOBS
CREATED BETWEEN
2011 AND 2016

Source: IHS Markit, Regional eXplorer

ENVIRONMENT

ENVIRONMENTAL CHALLENGES
INCLUDE:

- PROLONGED DROUGHT AND RELATED ENVIRONMENTAL CHANGES;
- CLIMATE CHANGE AND THE RISK OF RISING SEA LEVELS;

- CHANGING RAINFALL PATTERNS AND TEMPERATURE EXTREMES NEGATIVELY AFFECTING WATER RESOURCES, BIODIVERSITY AND FOOD SECURITY;
- MORE FREQUENT AND INTENSE EXTREME WEATHER EVENTS;
- CONTINUED RELIANCE ON FOSSIL FUELS, WITH ELECTRICITY STILL 95% COAL-DERIVED;

- WATERCOURSES, BEACHES, AGRICULTURAL AREAS, CULTURAL LANDSCAPES AND SCENIC VIEWS BEING DEGRADED BY URBANISATION;
- LOSS OF GLOBALLY IMPORTANT AND CRITICALLY ENDANGERED BIODIVERSITY; AND
- INVASIVE BIOLOGICAL SPECIES.

ENERGY

165 132
million gigajoules
CAPE TOWN'S TOTAL
ANNUAL ENERGY USE IN 2015
(BASED ON INTERIM HIGH-LEVEL DATA UPDATE
OF THE 2015 PUBLISHED CAPE TOWN
STATE OF ENERGY REPORT)

5,1
tonnes of CO₂
(ENERGY ONLY, ALL FUELS)
CAPE TOWN'S EMISSIONS
PER CAPITA IN 2015
(LATEST AVAILABLE DATA)

CO₂
FOOTPRINT
LOWER THAN
THE NATIONAL
AVERAGE

Absolute decline
IN ELECTRICITY
CONSUMPTION SINCE 2007
- CONSISTENTLY 20% BELOW
THE BUSINESS-AS-USUAL
BASELINE

WATER

Over 99%
COMPLIANCE WITH
PRESCRIBED NATIONAL
WATER QUALITY STANDARDS,
EXCEEDING THE CITY'S VERY
HIGH OWN TARGETS

898,3
million kilolitres
TOTAL WATER
STORAGE CAPACITY
OF THE SIX MAIN
DAMS

Dramatic decrease
IN THE TOTAL STORED BETWEEN 2014 AND 2017
DUE TO CURRENT SEVERE DROUGHT

ACCESS TO SERVICES

(Households) Growth from 1996 to 2016

ACCESS TO
PIPED WATER UP
FROM 97,8% TO
99,8%

ACCESS TO ELECTRICITY
(FOR LIGHTING) UP
FROM 86,8% TO
97,3%

ACCESS TO REFUSE
REMOVAL UP
FROM 93,3% TO
98,4%

ACCESS TO ADEQUATE
SANITATION (FLUSH OR
CHEMICAL) UP FROM 89,3% TO
94,3%

ACCESS TO TELEPHONY
(LANDLINES AND/OR
CELLPHONES) UP FROM
61,24% TO
93,5%

Source: 1996 Census and 2016 Community Survey, StatsSA



CAPE TOWN'S INTEGRATED APPROACH TO SUSTAINABLE SPATIAL DEVELOPMENT AND SERVICE DELIVERY

IN THE LAST QUARTER OF 2016,
THE CITY OF CAPE TOWN APPROVED
AND ADOPTED ITS ORGANISATIONAL
DEVELOPMENT AND TRANSFORMATION
PLAN (ODTP).

The ODTP serves as the blueprint by which the City will become an even more sustainable and responsive organisation, and that will help take the City to the next level of effectiveness and efficiency in the years ahead.

The ODTP is aimed at fundamentally reversing the legacy of apartheid spatial planning, modernising local government, improving service delivery, and making the City even more customer-centric. It includes 11 identified priorities for the City that span the five strategic focus areas (SFAs) of the IDP and will accelerate the achievement of the underpinning SFA objectives.

These 11 ODTP priorities are transversal, actively discouraging separate approaches to initiatives, projects and programmes. In addition, they are highly interdependent, which further ensures a more sustainable, collaborative approach across the organisation.



The implementation of the ODTP aligns with, and is augmented by, the following economic and spatial growth strategies:

		Read more in the full 2016/17 annual report on page:
The Cape Town Spatial Development Framework (CTSDF)	The CTSDf sets guidelines on how and where Cape Town should grow in the future. It is focused on building a more inclusive, integrated and vibrant city that addresses the legacies of apartheid in the built environment, rectifies existing imbalances in the distribution of different types of residential development, and avoids the creation of new structural imbalances in service delivery.	12
Transit-oriented development (TOD)	TOD and associated densification are key to the CTSDf's ability to achieve its spatial transformation goals. As such, TOD underpins all development for the City of Cape Town, whether in response to growth or urbanisation. TOD is about changing, developing and stimulating the built form of the city so that people and goods can move around optimally to make Cape Town more efficient and enable social equality and economic development.	13
Municipal Planning Tribunal	The City is the first municipality in South Africa to have introduced a Municipal Planning Tribunal. Its members consider the more complex land use applications within the context and guidelines of the City's strategies and policies in order to speed up appropriate urban development and spatial transformation.	13
Economic Growth Strategy (EGS)	The City of Cape Town's EGS represents the administration's response to some of the most fundamental challenges facing Cape Town. It seeks to address unemployment and poverty through a targeted approach to encourage economic growth and investment.	16
Social Development Strategy (SDS)	The SDS outlines the administration's role in promoting and maximising social development. At the core of this strategy is a focus on addressing poverty, inequality and social ills, while providing for people's participation in their own development.	16



GOVERNANCE, COMPLIANCE AND RISK MANAGEMENT



GOVERNANCE, COMPLIANCE AND RISK MANAGEMENT

THIS SECTION PROVIDES A HIGH-LEVEL OVERVIEW OF THE CITY'S GOVERNANCE AND COMPLIANCE STRUCTURES. FOR MORE DETAIL, PLEASE SEE PAGES 20 TO 33 OF THE FULL 2016/17 CITY OF CAPE TOWN ANNUAL REPORT.



The governance structure

The political governance arrangements of the City of Cape Town can be depicted as follows:

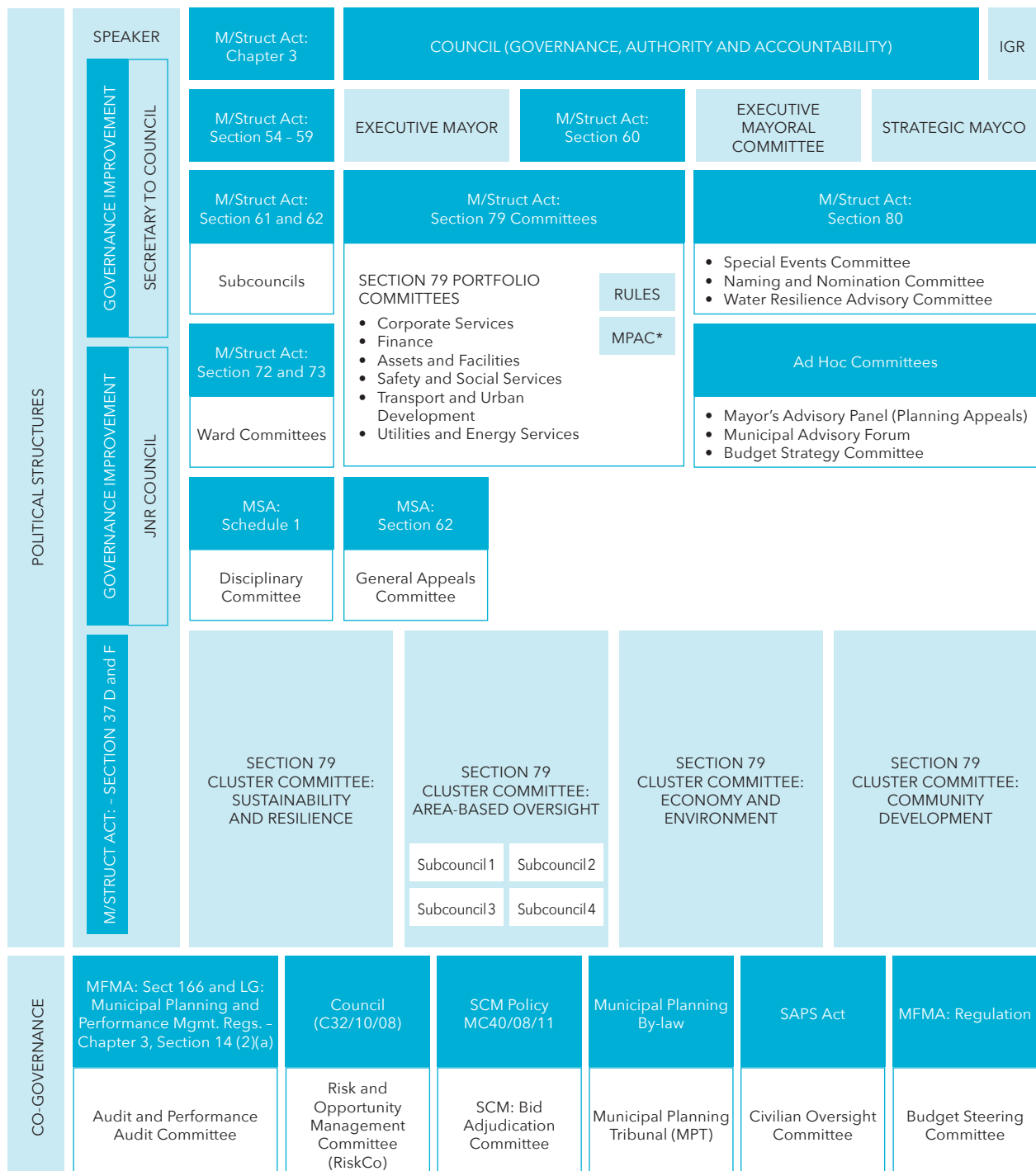


Figure 1: City of Cape Town governance structures

* Municipal Public Accounts Committee



Mayoral Committee

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

Details of the Mayoral Committee, Executive Management Team, committees and subcouncils can be found in the "Governance, compliance and risk management" section of the full annual report, which starts on page 20.

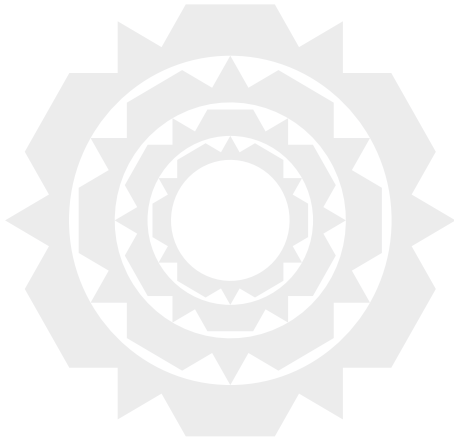
Ensuring good governance and compliance

Stemming from the ODTP, the City established a Probity Department in the Directorate of the Mayor. This is to promote governance and operational sustainability, and to work towards clarifying the decision-making and legal compliance requirements for the City to achieve its objectives of progressive and sustainable service delivery.



The Probity Department includes the following areas:

Compliance unit	Description	Read more in the full 2016/17 annual report on page:
Internal Audit	<p>Internal Audit provides independent, objective assurance and advisory services regarding the effectiveness of the City's risk management, control and governance processes. Key outcomes and achievements in the year under review included:</p> <ul style="list-style-type: none"> • execution of the annual, risk-based internal audit plan; • annual assessment of the City's internal controls; • monitoring of the resolution of audit findings by means of follow-up audits; • maintenance of the quality assurance and improvement programme; and • contributions to corporate governance. 	29
Integrated Risk Management	<p>The overall purpose of the City's Integrated Risk Management (IRM) Branch is to deliver an effective and efficient integrated risk management, combined assurance and robust business continuity management function to the City. In the 2016/17 financial year, IRM facilitated the management of risks both at a corporate level and in all directorates. It achieved all its targets set for the year under review, and also assisted municipalities elsewhere in the country with their risk management functions on request.</p>	30
Forensics, Ethics and Integrity	<p>The forensic responsibilities of the City's Forensics, Ethics and Integrity Branch include:</p> <ul style="list-style-type: none"> • providing a reactive forensic service; • implementing anti-fraud and anti-corruption policies, initiatives and measures; and • providing awareness, information and education. <p>In terms of ethics, it:</p> <ul style="list-style-type: none"> • provides ethics and integrity investigations; • develops an ethics code; • establishes processes for monitoring and reporting on ethics performance; and • undertakes ethics communication and training. 	31
Ombudsman	<p>The Ombudsman's office at the City was the first of its kind for local authorities in South Africa. It investigates and helps resolve public complaints against the Council administration and offers alternative dispute resolution, advocacy, relationship management and communication.</p>	31



A culture of democratic public participation

The City's Public Participation Unit determines the level of participation and the methods to be applied in every instance where public participation is required. Such democratic participation may be either citywide or by subcouncil, depending on the requirements of the City's development plans, projects, by-laws and policies. The City's approach is based on the principle that public participation is a continuous, open and transparent dialogue with communities to ensure that they have a say in the planning, implementation and monitoring of projects or programmes that affect their lives.

Annual Community Satisfaction Survey (CSS)

The tenth annual CSS (2016/17) was conducted by a contracted, independent service provider. The results of the survey reflect a consistently increasing level of satisfaction with the City's service delivery by residents and businesses, both over the past five years and since the very first survey in 2007/8.

In 2016/17, residents' average rating of the City's overall performance was 2,8 (on a five-point rating scale). This has not changed since 2014/15, but does represent an increase from the 2,4 recorded in 2007/8.

Overall, the 2016/17 business survey results indicate that the City continues to maintain good service delivery to Cape Town's businesses, and businesses on the whole are highly satisfied. Businesses' mean rating of the City's overall performance is 3,6 (on a five-point rating scale), up from 3,4 in 2012/13 and from 2,9 in 2007/8.

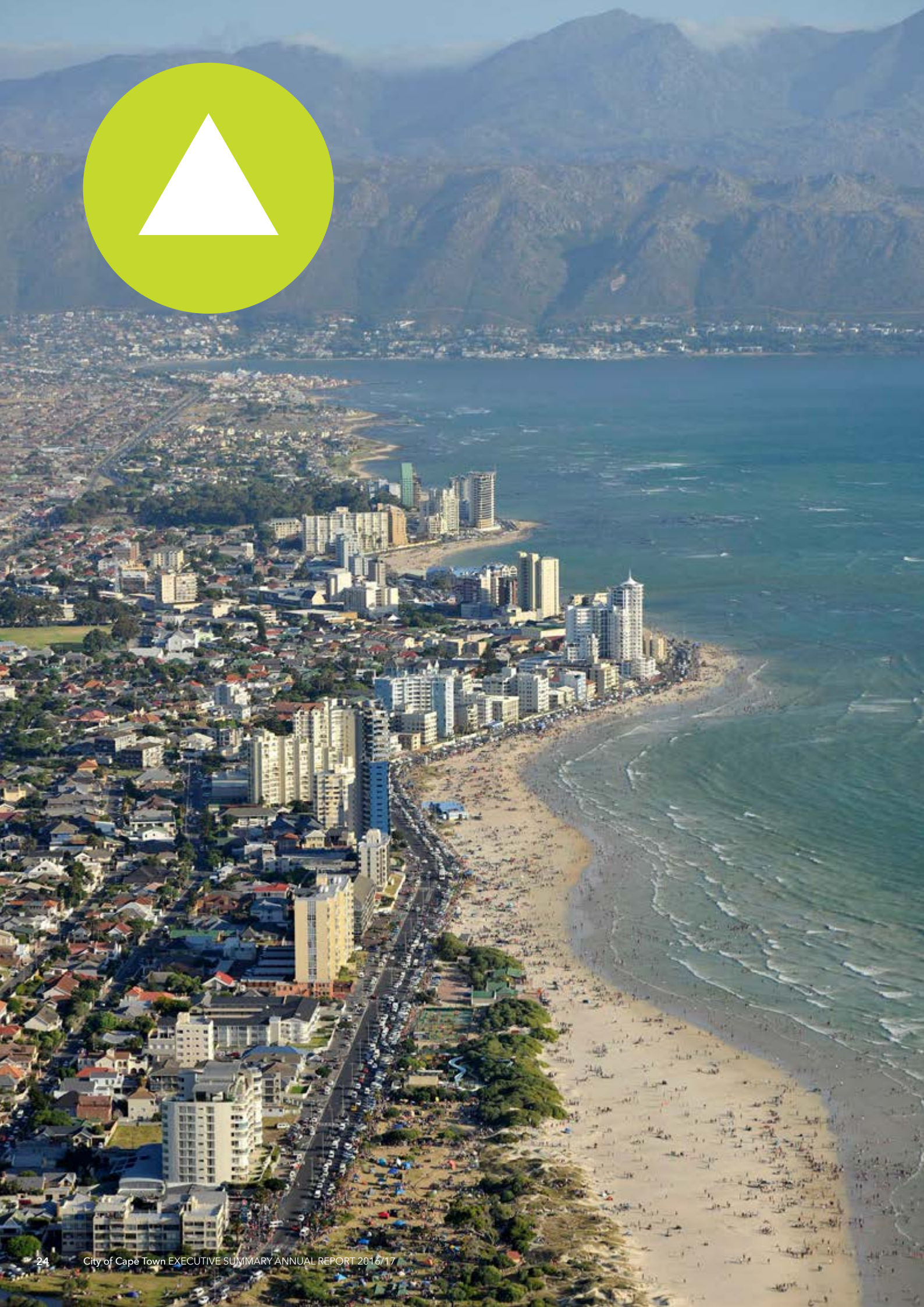
Read more about the City's commitment to public participation and engagement on page 33 of the 2016/17 annual report.





2016/17 PERFORMANCE REVIEW

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STRATEGIC FOCUS AREA 1 – OPPORTUNITY CITY

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

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

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

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

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

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

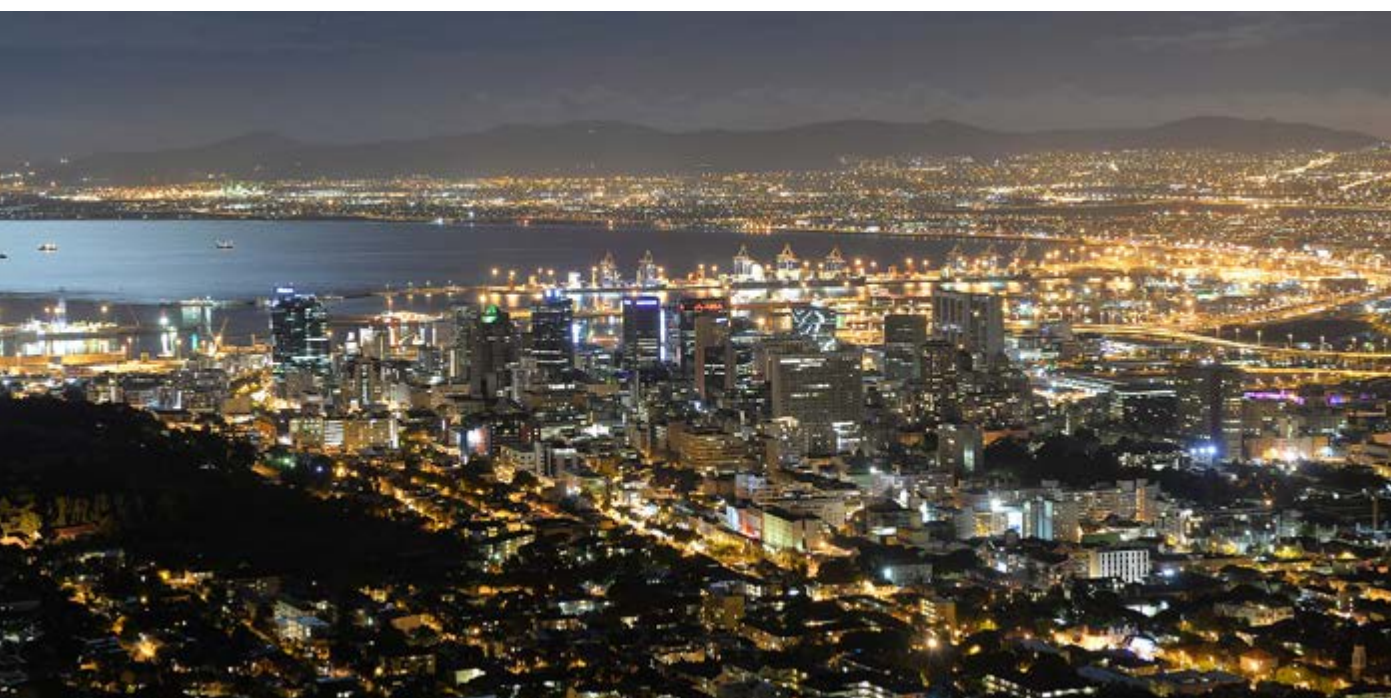




STRATEGIC FOCUS AREA 1 – OPPORTUNITY CITY

KEY OPPORTUNITY CITY ACHIEVEMENTS IN 2016/17

- SPENT **92,85%** OF CAPITAL BUDGET
- FINALISED **97,30%** (2015/16: 94,10%) OF BUILDING PLANS WITHIN STATUTORY TIMEFRAMES
- BROUGHT TOTAL NUMBER OF BUILDING PLANS APPROVED SINCE 2012/13 TO **127 870**, WITH A TOTAL VALUE OF APPROXIMATELY **R104 BILLION**
- INVESTED **R3,7 BILLION** (2015/16: R3,3 BILLION) IN REPAIRS AND MAINTENANCE
- CREATED **45 370** EPWP JOB OPPORTUNITIES, BRINGING THE TOTAL TO **204 348** SINCE 2012/13
- BROUGHT TOTAL FIBRE-OPTIC CABLE INSTALLED ACROSS THE METRO TO NEARLY **848 KM**



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

Growing investor confidence in Cape Town

The State of the Central City report released by the Central City Improvement District (CCID) in April 2017 revealed that investor confidence had grown over the past five years, and Cape Town is the second-biggest contributor to the national GDP. The City was also ranked 21st globally on fDi Intelligence's list of cities with the best foreign direct investment strategies.

Attracting investment to Cape Town

In the 2016/17 financial year, the City facilitated R2,67 billion worth of investment through its Enterprise and Investment Department. This boosted direct job creation by 6 236 work opportunities and empowered 2 052 people with training opportunities.

Cape Town joins 100 Resilient Cities and appoints chief resilience officer

In May 2017, the City appointed its first-ever chief resilience officer, Mr Craig Kesson, to lead Citywide efforts to build Cape Town's strength and adaptability in the face of the increasing social, physical and economic challenges of the 21st century. The appointment also ties in with the City's involvement in the 100 Resilient Cities (100RC) initiative pioneered by the Rockefeller Foundation.

Innovative funding through the green bond

The City's very first green bond of R1 billion went on auction in a closed bidding process in July 2017. Within two hours, 29 investors made offers totalling R4,3 billion. The R1 billion cleared at 133 basis points above the R186 government bond.

Read more in the full 2016/17 annual report on page 40.





Programme 1.1(a)

Western Cape Economic Development Partnership (EDP) programme

The City of Cape Town is a key partner in the EDP, which aims to lead, coordinate and drive the economic growth, development and inclusion agenda for Cape Town and the Western Cape.

Partnering with businesses to grow our city

The City funds and supports special-purpose vehicles (SPVs) to bring about growth and job creation in strategic sectors of the economy. Six SPVs are currently supported. Since 2011, the City has invested over R97,5 million in Wesgro and the SPVs. In return, they have brought over R14,2 billion's investments to Cape Town and created more than 28 200 direct jobs.

Building capacity in information technology

Since 2011, the City has invested more than R10 million in support of the Cape Innovation and Technology Initiative (Citi), which drives various information and communications technology initiatives to stimulate economic growth and job creation in Cape Town.

Maintaining a strong financial position

Over the past five years, the City has invested R27 billion in infrastructure. Of this amount, R12 billion was grant funding from National Government and Province, R11 billion was external loans and other contributions, and the remaining R4 billion was funded from the City's own cash flow.

Building on the Built Environment Performance Plan (BEPP)

The latest BEPP revision commits the City to spending the bulk of its R6,8 billion capital budget on projects in three integration zones across Cape Town. By prioritising dense, transit-oriented growth and development in these zones, the City seeks to create more inclusive communities with access to improved services, job opportunities, and affordable housing and public transport.

Read more in the full 2016/17 annual report on page 42.

Programme 1.1(b): Events programme

Tourism is a key driver of economic development and opportunities for communities to be economically active.

Promoting Cape Town as a filming destination

Since 2014, the City has approved more than 19 000 filming permits and over 30 000 film bookings. Now, a joint programme has been established to further strengthen Cape Town and the Western Cape's position as a film destination, and to convince more international studios to consider the town and province as their venue of choice.

Read more in the full 2016/17 annual report on page 44.

Programme 1.1(c): Identification and promotion of catalytic sectors, such as oil and gas

To stimulate the growth and development of the local economy, the City regards development in a number of specific catalytic sectors as critical.

Promoting biodiversity while growing the green-economy hub

The City is busy with a process of proactive biodiversity land-banking with partners in the Dassenberg Coastal Catchment Partnership. At the end of the 2016/17 financial year, the land bank stood at over 930 ha. The City uses its land bank to compensate for the loss of critically endangered natural vegetation.

Read more in the full 2016/17 annual report on page 44.

Programme 1.1(d): Small-business assistance programme

Where possible, the City provides informal traders with trading infrastructure, such as hard-surfaced areas and fixed trading stands or roof structures. In some instances, supporting services are also provided, including access to water and electricity supply.

In the reporting year, the City also hosted 12 roundtable sessions with 1 400 informal traders to discuss the challenges traders face, law enforcement issues, as well as policies and by-laws affecting informal trading. In addition, the informal trading plans approved by the City in 2016/17 created approximately 3 700 trading opportunities, while the City-supported annual Cape Town Summer Market at the Company Gardens created 180 opportunities.

Informal trading e-permitting system

The City's informal trading e-permitting system went live in the reporting year. The system offers online reservations, an automated process to submit trading plans, spatial tracking of permit allocation, and the easy identification of defaulting traders.

Business precinct management

The City has initiated business precinct management (BPM) in strategic pilot areas as a way to respond to any decline in service delivery standards and other circumstances that may compromise business development. The goal is to do so in proactive partnership with the private sector.

Read more in the full 2016/17 annual report on page 45.



Programme 1.1(e): Planning and regulation programme

Municipal Planning By-law an enabler of economic growth

The Municipal Planning By-law, 2015 has replaced the 30-year-old Land Use Planning Ordinance and various older statutes that had previously applied in the Cape Town jurisdictional area.

In the 2016/17 financial year, the City finalised 97,30% of building plans within the agreed timeframes. Against a year target of 90%, and compared to the 94,1% achieved in 2015/16, this is a sterling achievement. A total of 127 870 building plans with a total value of approximately R104 billion were submitted during the five-year IDP cycle up to 2016/17.

Read more in the full 2016/17 annual report on page 46.

Programme 1.1(f): Development of a 'green' economy

The City's green-economy framework is aimed at moving Cape Town forward towards an economy that offers improved human well-being and social equity, as well as significantly reduced environmental risk and ecological scarcities.

Green jobs

The City's Invasive Alien Vegetation Unit currently employs approximately 600 people a year, who operate on more than 300 sites in nature reserves and natural open spaces across Cape Town. This equates to more than 140 000 person days of temporary employment, and over 2 000 job opportunities.

Green procurement

In 2016/17, the City implemented further measures to improve its procurement of greener goods and services.

Integrated Coastal Management Policy and Programme

Based on its Integrated Coastal Management Policy, the City adopted an Integrated Coastal Management Programme to address the risks posed by climate change and a potential sea-level rise. A Coastal Spatial and Economic Development Framework has also been prepared, and was sent for consultation with stakeholders in 2016/17.

Read more in the full 2016/17 annual report on page 46.

Programme 1.1(g): City Development Strategy implementation

Transversal working groups have been established in the social and economic clusters. These are taking the long-term strategy and planning work forward, as mandated by the City Development Strategy.

Read more in the full 2016/17 annual report on page 47.

Programme 1.1(h): Arts, culture and creative industries

Public art and busking guidelines brochure

The City launched its public art and busking guidelines in the reporting year. The brochure provides guidance for placing works of art in public spaces in Cape Town, as well as for busking and street performances.

Read more in the full 2016/17 annual report on page 47.





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

Digital transparency for inclusive growth

The City's Open Data Policy makes City-generated data available to all, free of charge and in a usable format. The municipality's open-data portal contains 37 datasets, with more sets being systematically added.

**Cape Town the e-commerce hub
of South Africa**

Cape Town is widely considered a tech and e-commerce hub in South Africa. According to the Southern African Venture Capital and Private Equity Association, some 75% of all venture capital deals in 2015 were located in the Western Cape.

Read more in the full 2016/17 annual report on page 48.



Programme 1.2(a): Fibre-optic network programme

Broadband connectivity is fundamental to create an enabling environment for economic growth, development and inclusion. The City fully supports the vision outlined in the National Development Plan of providing seamless information infrastructure to sustain a dynamic and connected information society, as well as a more inclusive, equitable and prosperous knowledge economy.

City's fibre-optic network passes the 800 km mark

By the end of the 2016/17 financial year, the City had installed 848 km of fibre-optic cables. The network has 31 exchanges or switching facilities. By 2021, this number will have grown to 66 facilities, which will be connected by over 1 800 km of cabling.

City expands WiFi hotspots to boost digital inclusivity

Many of the City's buildings where residents queue for services now feature public WiFi zones. In total, 346 City buildings have been connected thus far. Over 200 000 unique users connect to the internet every month using these WiFi zones, with 1,31 million connections recorded to date. Each person can use up to 50 MB of data per day for free.

Read more in the full 2016/17 annual report on page 49.

Programme 1.2(b): Maintenance of infrastructure

Prioritising repairs and maintenance to ensure optimum service delivery

The City continues to invest in repairs and maintenance that make a visible difference to Cape Town and its people, primarily relating to roads and utilities infrastructure. Spend on repairs and maintenance since the 2012/13 financial year stands at around R16 billion.

Read more in the full 2016/17 annual report on page 51.



Programme 1.2(c): Investment in infrastructure

Infrastructure investment for sustainable development

Since 2012/13, the City has invested some R27 billion in infrastructure, of which R14 billion has been for new infrastructure and R13 billion has gone towards the refurbishment of existing infrastructure.

Electricity infrastructure upgrades

Key electricity infrastructure projects include the new Oakdale switching station and the Atlantis industrial station.

Investment in water and sanitation infrastructure

Since 2012/13, more than R1,7 billion has been spent on the water and sewer reticulation network. Taking into account other investments, including wastewater infrastructure, water meter replacements and the bulk water supply network, the City has invested close to R4,7 billion altogether in Cape Town's water and sanitation infrastructure since 2012/13.

Converting landfill gas into energy

Landfill gas extraction processes are under way at both Coastal Park and Bellville South landfills, and flaring at both sites will commence in the 2017/18 financial year.

Electricity services

The City of Cape Town is the electricity service authority for the entire Cape metropolitan region.

Highlights of 2016/17

- **Ongoing provision of subsidised electricity connections** to informal settlements and subsidised housing developments.
- **Continued roll-out of electricity services for backyard dwellers** at Council rental units.

Water and sanitation services

A total of 99,6% of Cape Town's water supply comes from six dams. The City's water infrastructure also includes 12 water treatment works, a 10 699 km water reticulation network, 86 pump stations and 129 reservoirs.

Highlights of 2016/17

- **Excellence award from the Southern African Society of Trenchless Technology** for micro-tunnelling work
- The Engineering and Asset Management Branch received a **record three internationally recognised certificates**
- **Exceeded 5% target for the reuse of treated effluent** for irrigation
- **27 386 m of water reticulation mains replaced**
- A total of **24 866 m of sewerage reticulation mains replaced**
- **Created 5 971 EPWP opportunities**
- **5,2 km of pipeline** completed in the Cape Flats 3 bulk sewer project phase 2
- **A new water star rating system** introduced

No Drop report recognises City's water management

The City of Cape Town received a No Drop score of 95% in the Department of Water and Sanitation's 2014 first-order assessment. The No Drop score indicates that the City has an excellent knowledge of its status and has the required processes, systems and plans in place to manage water losses and non-revenue water.

South Africa's first water fund

The City and the international conservation organisation The Nature Conservancy have agreed to a water fund for Cape Town to safeguard water supplies and biodiversity, and support local livelihoods. It will be a first for South Africa. The fund will not only enable the City to address its long-term water security concerns, but will also offer job-creation opportunities.

Waste management

The City's Solid Waste Management Department provides all formal properties and 99,74% of informal settlements with access to basic refuse collection services.

Read more in the full 2016/17 annual report on page 52.





Programme 1.2(d): Expanded Public Works Programme (EPWP)

In the five years up to 2016/17, the City successfully implemented the Expanded Public Works Programme (EPWP) across its various functions to improve operational efficiencies. At the same time, this has provided thousands of unemployed persons with valuable work experience and skills.

Table 1: Increase in EPWP job opportunities, 2012/13 to 2016/17

Total annual increase in EPWP job opportunities, 2012/13 to 2016/17	
2012/13 35 556	2016/17 45 370
29% increase since 2012	
DIRECTLY BENEFITTED 204 348 WORKERS	

Read more in the full 2016/17 annual report on page 64.



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

Climate Change Policy

The City has a new draft Climate Change Policy, which is its first dedicated policy document in response to climate change and represents a new approach for the administration.

To dedicate proper attention to energy generation, the City has also established a new Directorate of Energy, which is responsible for transforming the energy landscape in Cape Town, turning the City from an electricity distributor into a clean-energy generator.

Cape Town ranked as global leader in climate disclosure

In 2016, Cape Town was named one of the top five cities reporting to the Carbon Disclosure Project out of 533 participating cities globally. Having scored the highest in its region, Cape Town's efforts were showcased in an InFocus Report.

Read more in the full 2016/17 annual report on page 66.

Programme 1.3(a): Sustainable utilisation of scarce resources, such as water and energy

Energy efficiency and renewable energy

The City has been implementing energy-efficiency retrofit programmes in municipal operations since 2009, covering traffic lights, streetlights, buildings and wastewater treatment plants. Rooftop solar photovoltaic systems are also installed where possible.

Savings and progress are reported annually to the City's Finance Department. From 2009 to June 2016, the programme saved over 102 000 MWh, which translates into savings of R180 million and 101 000 metric tonnes of carbon dioxide equivalent.

Energy 2040 targets sustainable energy supply

The City aims to reduce carbon emissions by 37% (off business-as-usual levels) by 2040, with 21% from energy-efficiency improvements alone.

Solar water heater programme

The City's solar water heater accreditation and marketing programme forms part of its electricity-savings campaign to reduce citywide electricity consumption, alleviate the burden of electricity costs to households and the economy, cut CO₂ emissions and improve energy security.

Conserving biodiversity: Our natural capital

The City is committed to conserving and managing Cape Town's unique biodiversity. It further aims to promote natural areas as community spaces that deliver a vital ecosystem service, while also serving as recreational and social spaces.

Read more in the full 2016/17 annual report on page 67.

Programme 1.3(b): Water conservation and water demand management strategy

Reducing water demand and wastage

Through pressure management, combined with the throttling of the main bulk supply, various water restrictions and other demand management measures, the City managed to bring overall annual water consumption down from 342 442 million kilolitres in 2014/15 and 329 003 million kilolitres in 2015/16, to 287 030 million kilolitres by June 2017.

In addition, the City continued to replace piping in water and sewerage networks during 2016/17 at an average cost of R1,37 million/km water piping (27,4 km replaced) and R1,49 million/km for sewer piping (24,9 km replaced).

Read more in the full 2016/17 annual report on page 72.



REPORT ON THE ACHIEVEMENTS OF THE TRANSPORT AND URBAN DEVELOPMENT AUTHORITY (TDA) IN THE 2016/17 FINANCIAL YEAR

THE NEW TRANSPORT AND URBAN DEVELOPMENT AUTHORITY (TDA) BRINGS TOGETHER THE CORE FUNCTIONS THAT WILL ENSURE THE LONG-TERM SUSTAINABILITY OF CAPE TOWN AND THOSE WHO LIVE AND WORK HERE.

The TDA report contained in the full 2016/17 annual report covers the TDA's achievements against its Comprehensive Integrated Transport Plan (CITP) 2013–2018, the Integrated Public Transport Network (IPTN) 2032, as well as the IPTN 2032 operations plan. As the TDA houses the City's dedicated transport authority, its work also aligns with the City's IDP objectives, specifically objective 1.4.

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

Programme 1.4: Transport and Urban Development Authority (TDA) long-term strategy

The TDA long-term strategy builds on the former Transport for Cape Town (TCT) strategy, but adds a fifth element, namely the built environment, to reflect the TDA's mandate to establish better alignment between land use and transport in Cape Town.



The TDA transport development index (TDI)

The TDI is the baseline for understanding the state of transport in Cape Town, as determined by the people (public transport, private car, non-motorised transport) and goods (freight) user groups.

In the 2016/17 financial year, the TDI was further refined into what is now the 'TDI Generation 2.0'. In addition, due to the TDA having a broader mandate than the former TCT, the TDI is being expanded to become an urban development index, which will include added indices to measure the costs associated with living in Cape Town.

Strategy to manage freight transport on Cape Town's roads

Council adopted the Freight Management Strategy in August 2016. Interventions to achieve the vision of the strategy are structured around 11 key focus areas. All interventions will be monitored as part of the CITP.

Investing to alleviate traffic congestion

TDA proposed a R750 million investment in road infrastructure projects over five years to begin to alleviate the major pressure points on the city's roads, and the administration has given its stamp of approval. Congestion alleviation projects will be undertaken in a range of areas.

Travel Demand Management (TDM) Strategy

Council approved the TDM Strategy, which intends to encourage behavioural change as a means to relieve congestion on our roads. A programme promoting flexible working hours is entering a pilot phase in the City itself, and a number of other major employers in the city centre are also pursuing this.

Sustainable mobility

The City has undertaken to facilitate the creation of a Mobility Charter as well as a mechanism for ongoing engagement on the issue of sustainable mobility. Although these activities have been interrupted by the ODTP process, the City remains committed to drive sustainable mobility.

Integrated Public Transport Network (IPTN) Plan 2032

This plan describes the proposed higher-order network that is required to achieve integrated, interoperable and intermodal public transport for the benefit of all in Cape Town.

Transit-oriented development strategy

The City adopted a new and far-reaching policy document on integrated spatial and transport planning. The policy document is called the TOD Strategic Framework and proposes that all future developments in the city should be strategically located around public transport, providing residents with easy access to either rail or MyCiTi routes.

Transforming the minibus-taxi industry makes service and business sense

The City has adopted a new TDA-proposed investment model aimed at transforming the minibus-taxi industry in Cape Town. The intention is to move ownership of operating licences from individuals to association-based taxi operating companies (TOCs).

Investment pipeline to deliver performance-oriented service

The City is developing a pipeline of investment opportunities across the lifecycle of integrated transport. Some of these opportunities the City will deliver itself, while others will be open to private-sector partners.

MyCiTi success story continues

The City's MyCiTi integrated rapid transit service is aimed at transforming Cape Town's road-based public transport system. It seeks to do this through, among others, the provision of bus rapid transit services in dedicated right-of-way lanes, feeder bus services, automated fare systems, universal access, operating service contracts and institutional reform. Phase 1A, 1B and the N2 Express comprising 40 MyCiTi routes and 42 stations have already been implemented. The service continues to exceed targets in terms of passenger journeys undertaken.



TDA infrastructure projects and maintenance

The TDA managed to spend 79% of its repairs and maintenance budget in the 2016/17 financial year.

TDA integrated information management system (IIMS)

The TDA embarked on the development and implementation of an IIMS. The IIMS will provide the TDA with the business intelligence required to be the type of data-driven organisation that attracts investors and can serve its customers effectively and efficiently.

Stormwater

The rollout of the City's stormwater quality implementation plan continued during 2016/17. The City's successful efforts to manage pollution are still evident from the presence of flamingos and otters in the Salt River catchment areas. However, certain challenges are still being experienced in the provision, operation and maintenance of sanitation infrastructure in informal settlements.

Transport network management

Progress with transport network management in 2016/17 included R7,2 million spent on addressing the backlog in traffic-calming measures across Cape Town, as well as R12 million spent on upgrading the traffic signal system and improving remote monitoring capabilities.

Rail improvement and upgrades

Although the Passenger Rail Agency of South Africa (PRASA) manages the rail commuter network and services, the City continues to engage with them regarding service improvements and upgrades. One example of this is the Blue Downs rail line (BDRL). The BDRL feasibility study has been completed and implementation is set to commence by 2021. PRASA is in the detailed design phase of the BDRL, and the City is meanwhile aligning its bulk services, road network improvements and road-based public transport services in the wider BDRL corridor.

Read more in the full 2016/17 annual report on page 75.

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

The City has a programme to harness the development potential of underutilised municipal land in previously disadvantaged communities, thereby promoting economic growth and job creation.

Read more in the full 2016/17 annual report on page 89.

Programme 1.5(a): Investigate all the City's strategic assets

The City has made substantial progress with its immovable property asset management framework, which aligns the City's management of immovable property assets with international best practice.

Read more in the full 2016/17 annual report on page 89.

Programme 1.5(b): Mayor's urban regeneration programme

The mayoral urban regeneration programme (MURP) aims to introduce a sustainable system for the operation and maintenance of public infrastructure and facilities to stabilise declining areas and potentially attract public and private investment. MURP projects are currently under way in Bishop Lavis, Bonteheuwel, Valhalla Park, Gugulethu, Nyanga, Manenberg, Hanover Park and central Bellville, as well as central Parow, which forms part of the Voortrekker Road corridor development.

Read more in the full 2016/17 annual report on page 90.

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

**Programme 1.6: Sectoral education
and training authority (SETA)
and EPWP funding used to train
apprentices and create other
external training opportunities**

The City continues to offer a wide range of training opportunities to unemployed youth.

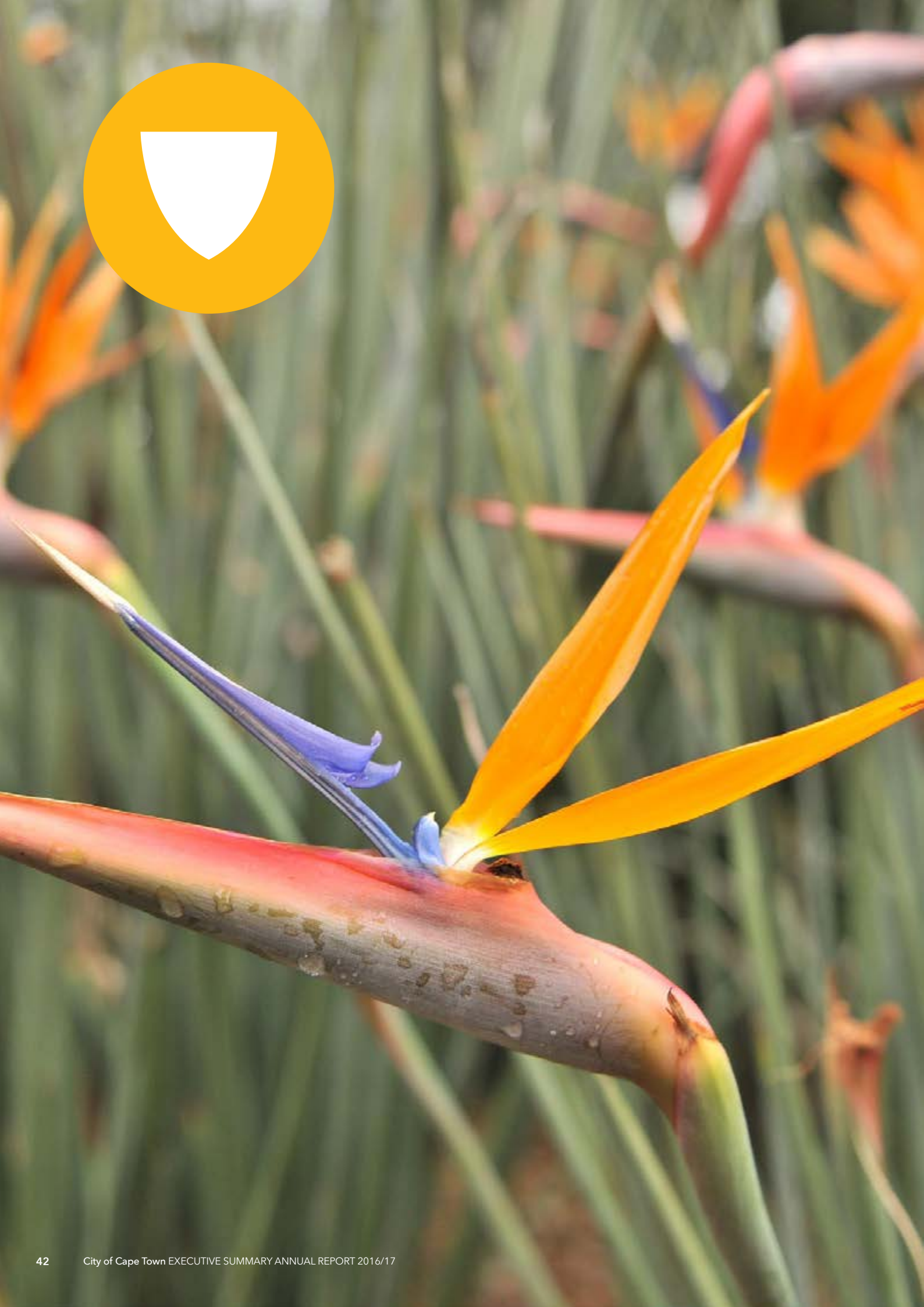
**Opportunities in urban sustainability and
environmental management**

The City's full-time, 12-month urban sustainability internship programme is managed by the Environmental Management Department (EMD) and funded by Human Resources. In 2017, 42 new graduates started on the programme. In the 12 years since programme inception, 375 interns have participated, 75 of whom now work for the City.

The City also collaborates with the Cape Town Environmental Education Trust to run skills development programmes at levels 4 and 5 of the National Qualifications Framework.

Read more in the full 2016/17 annual report on page 90.





STRATEGIC FOCUS AREA 2 – SAFE CITY

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

OBJECTIVE 2.2: RESOURCE DEPARTMENTS IN PURSUIT
OF OPTIMUM OPERATIONAL FUNCTIONALITY

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

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

OBJECTIVE 2.5: IMPROVE SAFETY AND SECURITY
THROUGH PARTNERSHIPS





STRATEGIC FOCUS AREA 2 – SAFE CITY

KEY SAFE CITY ACHIEVEMENTS IN 2016/17

- EFFECTIVE **COMBATING OF MAJOR FIRES** IN CAPE TOWN, AND PROVIDING VALUABLE ASSISTANCE TO OTHER MUNICIPALITIES
- CITY'S **CLOSED-CIRCUIT TELEVISION (CCTV) NETWORK** THE LARGEST PUBLIC-AREA SURVEILLANCE AGENCY IN AFRICA, AND THE ONLY IN SOUTHERN AFRICA THAT COVERS RESIDENTIAL AREAS, INFORMAL SETTLEMENTS AND CITY CENTRES
- MAINTAINED **HIGH ARREST RATE** FOR DRUG-RELATED CRIME
- **77,79%** OF EMERGENCY INCIDENTS **RESPONDED TO WITHIN 14 MINUTES** FROM INITIAL CALL
- **SCORED 100%** IN NEIGHBOURHOOD WATCH SATISFACTION SURVEY
- THE CITY'S CCTV FOOTPRINT NOW STANDS AT **586 CAMERAS**



OBJECTIVE 2.1:

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

Programme 2.1: Increase the operational staff complement Externally funded law enforcement programme

The Law Enforcement Department continues to strengthen its capacity through this programme, and currently has 224 externally funded members deployed.

Externally funded traffic officers

External partners and funders now provide for seven traffic officers, ten traffic wardens and three part-time attendants.

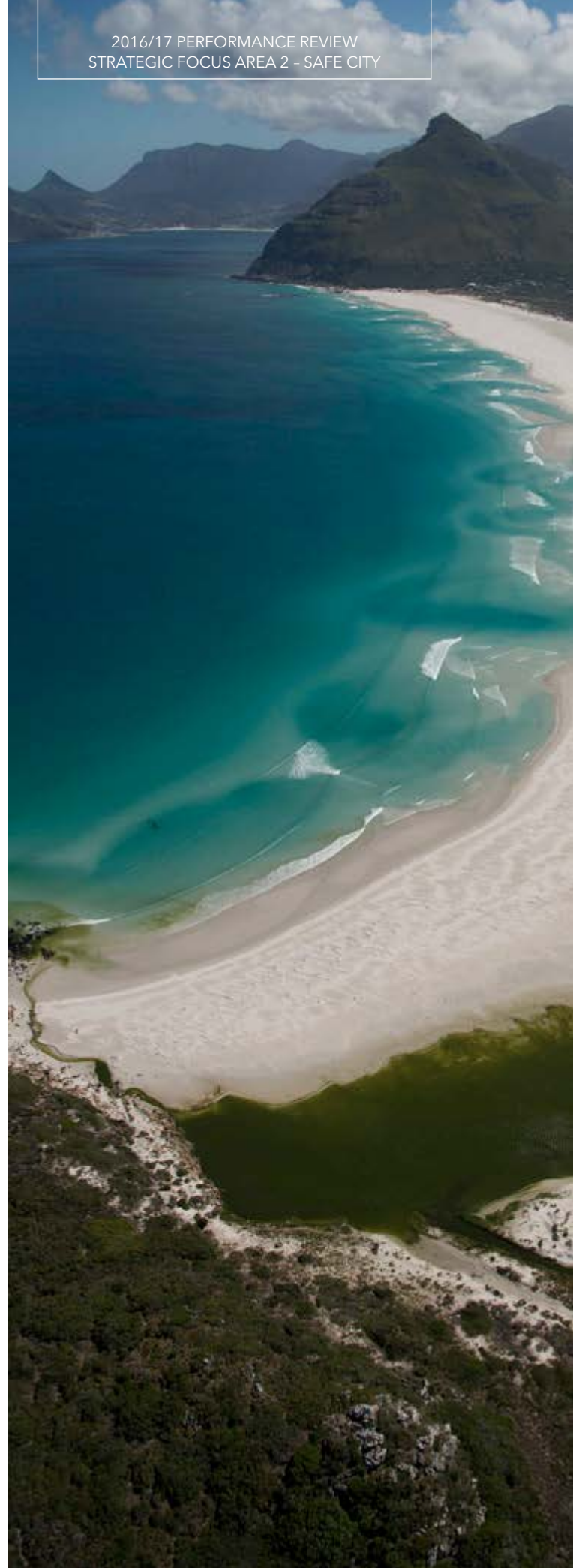
Stabilisation Unit helps deliver safer communities

Law Enforcement's Stabilisation Unit comprises 90 EPWP workers who have received extensive training to perform saturation policing. The unit has been deployed in gang-ridden suburbs and also forms part of a greater Manenberg upgrade strategy.

Training of fishery control officers

During 2016/17, members of the City's Marine and Environmental Law Enforcement Unit continued their work in marine and coastal law enforcement.

Read more in the full 2016/17 annual report on page 96.





OBJECTIVE 2.2:

RESOURCE DEPARTMENTS IN PURSUIT OF OPTIMUM OPERATIONAL FUNCTIONALITY

Public Emergency Communication Centre

The City's 107 Public Emergency Communication Centre (PECC) is staffed by 69 highly trained emergency communicators and is available to receive calls 24 hours a day, 365 days a year. In total, the centre serves 12 internal and external departments. Most calls relate to medical assistance, followed by assistance with law enforcement and fires.

EPIC provides integrated emergency call response

Project EPIC (emergency policing and incident command) is an integrated communication platform designed to ensure that all safety and security departments function optimally and are able to provide improved services to Cape Town's residents and visitors.

Meeting firefighting challenges

The first two weeks of January 2017 were particularly challenging, as the City's firefighters faced a number of major fires simultaneously. The City's Fire and Rescue Service also sent a 55-person team to assist with the devastating fires in Knysna.

Training of seasonal and learner firefighters

A total of 120 seasonal firefighters were employed for six months from November 2016.

Strengthening the Fire and Rescue fleet

The Fire and Rescue Service acquired 29 new firefighting, rescue and auxiliary vehicles during the reporting period.

Workplace trauma and substance abuse management

The City has introduced a trauma response service for staff who are exposed to traumatic incidents in the workplace.

Read more in the full 2016/17 annual report on page 98.



OBJECTIVE 2.3:

ENHANCE INFORMATION-DRIVEN

POLICING WITH IMPROVED

INFORMATION-GATHERING CAPACITY

AND FUNCTIONAL SPECIALISATION

Programme 2.3(a): Improved efficiency through information- and technology-driven policing

Gunshot detection technology

The City's first deployment of the Shotspotter gunfire detection system has resulted in a marked decrease in gunshots recorded in the areas monitored. The system has detected 2 205 incidents since installation in these areas.

Quicker responses and better communication

In 2016/17, the Fire and Rescue Service responded to 77,79% of the 21 610 emergency incidents within 14 minutes or less.

Read more in the full 2016/17 annual report on page 100.

Programme 2.3(b): Intelligent crime prevention

Security camera network helps minimise crime

The City's closed-circuit television (CCTV) network is the largest public-area surveillance agency in Africa. Network expansion occurs according to a pre-approved CCTV master plan. The City's CCTV footprint now stands at 586 cameras.

Smart SMS technology for quick fine payment

Operations at the City's Traffic Services Department have advanced even further with the roll-out of smart SMS technology that allows motorists to pay fines via their cellphones, tablets or personal computers.

Roadblock Unit

The City has established an integrated Roadblock Unit, which comprises 18 members from various departments, including Traffic Services, Metro Police and Law Enforcement.

The Metal Theft Unit

In 2016/17, the Metal Theft Unit conducted 1 513 inspections at scrap-metal dealers and so-called 'bucket shops'.

Combating drug and alcohol abuse

The City's Metro Police made a total of 1 466 arrests for drug-related crimes and 4 882 arrests for driving under the influence of alcohol.

Promoting road use compliance

Also in the reporting year, Traffic Services issued 2 767 011 traffic fines and other notices. A total of 91 245 arrests were made.

Law Enforcement Department's facility protection initiative

This initiative empowers neighbourhood watch members to prevent vandalism at City facilities and make communities generally safer. This is achieved by means of an EPWP project that teams neighbourhood watch members up with auxiliary law enforcement officers. A pilot with 50 EPWP neighbourhood watch members and eight auxiliary law enforcement officers at ten facilities in Nyanga and Gugulethu delivered good results.

Anti-dumping strategy

Following the promulgation of the amended Integrated Waste Management By-law, which *inter alia* allows for the impoundment of vehicles involved in illegal dumping, City Law Enforcement has thus far issued 170 dumping fines to the value of R723 700 and impounded 79 wheelie bins and 99 vehicles involved in dumping.

Read more in the full 2016/17 annual report on page 101.



OBJECTIVE 2.4:

**IMPROVE EFFICIENCY OF POLICING
AND EMERGENCY STAFF THROUGH
EFFECTIVE TRAINING**

Programme 2.4: Training and human resources development

Training for sustainable excellence

The City values and continues to strengthen its partnerships with international law enforcement and emergency service agencies. This has resulted in various specialised training interventions for City policing and emergency service personnel.

Read more in the full 2016/17 annual report on page 103.

OBJECTIVE 2.5:

**IMPROVE SAFETY AND SECURITY
THROUGH PARTNERSHIPS**

Programme 2.5(a): Strengthen community capacity to prevent crime and disorder

Neighbourhood watch support programme

The City's neighbourhood watch support programme strengthens neighbourhood watch organisations by providing community-based crime prevention training, issuing patrol equipment, and offering guidance to neighbourhood watches.

Read more in the full 2016/17 annual report on page 104.

Programme 2.5(b): Strengthen community capacity to respond to emergency situations

City leads with disaster volunteers

The City has the highest number of registered volunteers of any metro in the country. The 450 volunteers, some with 15 to 30 years' service, provide additional human resources for the City's essential services.

Read more in the full 2016/17 annual report on page 104.





STRATEGIC FOCUS AREA 3 – CARING CITY

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

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

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

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

OBJECTIVE 3.5: PROVIDE EFFECTIVE ENVIRONMENTAL
HEALTH SERVICES

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

OBJECTIVE 3.7: PROVIDE EFFECTIVE PRIMARY
HEALTHCARE SERVICES

OBJECTIVE 3.8: PROVIDE SUBSTANCE ABUSE OUTPATIENT
TREATMENT AND REHABILITATION SERVICES





STRATEGIC FOCUS AREA 3 – CARING CITY

KEY CARING CITY ACHIEVEMENTS IN 2016/17

- PROVIDED 676 **NEW WATER SERVICE POINTS** (TAPS) TO INFORMAL SETTLEMENTS
- PROVIDED 2 085 **NEW SANITATION SERVICE POINTS** (TOILETS) TO INFORMAL SETTLEMENTS
- INSTALLED 1 747 **SUBSIDISED ELECTRICITY CONNECTIONS**
- ASSISTED 828 **EARLY CHILDHOOD DEVELOPMENT FACILITIES** WITH MATERIALS TO GET REGISTERED AND COMPLIANT WITH THE LAW
- ASSISTED 20 483 **STREET PEOPLE**
- REACHED 17 484 **YOUTH IN YOUTH DEVELOPMENT** PROGRAMMES
- BROUGHT NUMBER OF COMMUNITY PROJECTS THAT HELP COORDINATE THE **ARTS AND CULTURE** SECTOR TO 16
- CREATED 2 441 **EPWP WORK OPPORTUNITIES** THROUGH THE SUBSTANCE ABUSE PROGRAMME
- PERMITTED 1 453 **EVENTS AT THE CITY'S PARKS**
- ESTABLISHED 55 **RECREATION HUBS**
- ATTRACTED MORE THAN 20 000 PARTICIPANTS WITH THE **ANNUAL CAPE TOWN GAMES**
- LIMITED THE NUMBER OF DAYS WHEN AIR POLLUTION EXCEEDED RSA AMBIENT **AIR QUALITY STANDARDS** TO 32
- ACHIEVED A RATE OF 93,4% OF HIV-POSITIVE TUBERCULOSIS PATIENTS ON **ANTIRETROVIRAL THERAPY**
- SCREENED 1 739 NEW CLIENTS AT THE SUBSTANCE ABUSE **OUTPATIENT TREATMENT CENTRES**



OBJECTIVE 3.1:

PROVIDE ACCESS TO SOCIAL SERVICES

FOR THOSE WHO NEED IT

Programme 3.1: Number of targeted development programmes

City parks

In the reporting year, more than 1 453 permitted events took place at the City's parks.

Sport, recreation and amenities

To date, 55 recreation hubs have been established across Cape Town. Programmes hosted at these centres attract more than 12 000 people per week.

Partnering to deliver sustainable development

In 2016/17, the administration established 41 sport-and-recreation development partnerships.

Library and information services

To date, 55 Friends of the Library partnerships have been established. Numerous City library programmes have become firm favourites on the annual community calendar, and 5 487 such programmes were held in 2016/17. All City libraries feature Encyclopaedia Britannica and World Book Online, which are accessible to all valid library cardholders.

Community programmes a healthy investment

In 2016/17, the City undertook many key community development initiatives to promote youth leadership and social cohesion in communities.

Enhancing the City's social development offering

The City's Social Development and Early Childhood Development Department provides targeted programmes in the following areas:

- **Substance abuse** – The Department collaborates with internal and external partners to promote awareness of substance abuse and support those affected by it.
- **Street people** – The street people programme aims to reduce the number of people living, sleeping and surviving on the streets, and to ensure that they receive the necessary assistance to reintegrate with society and find accommodation and employment.
- **Youth development** – The City's youth development component has grown consistently over the past five years, reaching a number of youth across Cape Town with various programmes.
- **Early childhood development (ECD)** – In the reporting year, the City continued to support ECD facilities in a number of ways.
- **Poverty alleviation and reduction** – The City continues to make a concerted effort to care for the marginalised and vulnerable in Cape Town.
- **Women's empowerment** – In partnership with Artscape, the City hosted a Women's Day event to raise awareness of women and gender issues, domestic and gender-based violence as well as fatherhood programmes. Through the EPWP, more than 800 women have also been granted temporary work opportunities across the City's MURP areas.

Read more in the full 2016/17 annual report on page 111.



OBJECTIVE 3.2:

ENSURE INCREASED ACCESS

TO INNOVATIVE HUMAN SETTLEMENTS

FOR THOSE WHO NEED IT

Programme 3.2(a): Innovative housing programme

In the 2016/17 financial year, the City spent 92,83% of its transferred Urban Settlements Development Grant (USDG) funding for all directorates to deliver 1 189 serviced-site housing opportunities, 4 839 top structures, and 849 other housing opportunities (including land restitution, services to backyarders, and re-blocking).

Read more in the full 2016/17 annual report on page 119.

Programme 3.2(b): Use property and land to leverage social issues

The City has adopted a set of directives for the planning, design and implementation of human settlement projects in Cape Town to improve the quality of work performed.

Land acquisition to achieve housing plans

In 2016/17, several pieces of land were acquired to develop housing opportunities. The devolution of land from Province to the City in terms of the Housing Act also continues. Around 200 pieces of land have been transferred.

Read more in the full 2016/17 annual report on page 119.

Programme 3.2(c): Partner with Province in education and school sites

Land owned by another sphere of government or by a state enterprise is often suited for development. The owner is then approached to secure a transfer between the relevant organs of state. In the course of 2016/17, four pieces of land were made available to the City.

Read more in the full 2016/17 annual report on page 120.

Programme 3.2(d): Integrated human settlements programme

The following section offers a broad overview of the City's achievements across its various housing programmes in 2016/17.

Subsidy housing

The year saw an increase in the delivery of top structures through the People's Housing Process (PHP).

The Fisantekraal project illustrates the successful use of well-researched, alternative building materials to construct homes with impressive features and standards.

The City has also partnered with Airports Company South Africa (ACSA) to develop ACSA-owned land.

The homes being constructed in the Heideveld project have attracted a lot of interest due to their prime location and attractive designs.

The Morning Star housing project, in turn, is an example of how well-located, City-owned land can be used to create high-density development. Construction of services and 161 houses started in the past year.

The City has also started with construction in areas such as Masiphumelele and Dido Valley, as well as on three other projects.

Addressing the challenge of land availability

The City strives to densify existing infill developments and optimise vacant land. Following this principle, the administration managed to increase the Illitha Park infill development from 215 to 317 units, and to redesign the existing 1 000 vacant Delft residential erven to create 2 407 new opportunities for waitlisted families.

A focus on climate change and greening

The City remains committed to its Climate Change Adaptation Plan of Action and has instituted a number of initiatives in response. Although not required by national standards, contractors are encouraged to include solar water heating systems in their tender offers.

Land restitution

To date, the City has approved the restoration (return) of 11 parcels of land to 11 groups of claimants and many individual family erven.

Social housing

The City continues to make excellent progress implementing its social housing programme, and has developed numerous strategies to improve the delivery of affordable housing including the following:

- **The precinct development approach** – The City has identified some precincts where it plans to deliver several social housing projects simultaneously.
- **Refurbishment of existing buildings** – The City is planning the purchase of a number of buildings and land parcels for refurbishment in the precincts along the Voortrekker Road corridor.
- **Development next to train stations** – One of the City's social housing partners has a lease agreement with PRASA for mixed-use development on the Goodwood, Heideveld and Steenberg train stations.
- **Mixed-use projects** – The City encourages the development of more projects catering for a mix of housing clients and income categories.
- **City-funded projects** – The City intends to develop a number of social housing projects with its own funds so as to be more innovative and less reliant on national grant funding.
- **More social housing partners** – The City wishes to partner with more social housing institutions in the future.





Gap housing

Gap housing caters for households earning between R3 501 and R15 000 per month. The City has made available well-located parcels of municipal land for this purpose.

Upgrading of informal settlements

In addition to the new housing opportunities the City creates, its Informal Settlements Department also provides opportunities through the upgrade of existing informal settlements.

The City continues to work with various non-governmental partners and informal-settlement residents to reconfigure settlements and replace old structures.

Improving systems to enhance delivery

The City's housing database has undergone a major upgrade. As at 30 June 2017, a total of 310 290 applicants were reflected as 'awaiting a housing opportunity'. By 30 June 2017, 22 895 applicants had registered and 4 991 had updated their personal details through the online housing portal.

Read more in the full 2016/17 annual report on page 120.

Programme 3.2(e): Densification programme

The City's densification programme depends on the identification of public and private land suitable for intensified property development.

Programme 3.2(f): Rental stock upgrade programme

The ageing rental stock of the City has undergone major interior and exterior refurbishment as part of the community residential unit (CRU) refurbishment programme. At the same time, the City is developing additional rental units to meet the growing demand.



OBJECTIVE 3.3:

ASSESS THE POSSIBLE SALE

OR TRANSFER OF RENTAL STOCK

TO IDENTIFIED BENEFICIARIES,

USING ESTABLISHED CRITERIA

Programme 3.3: Rental stock disposal programme

Through this programme, the City gives current tenants of City-owned rental properties classified as saleable the opportunity to purchase their rental units and become homeowners.

OBJECTIVE 3.4:

PROVIDE FOR THE NEEDS OF

INFORMAL SETTLEMENTS AND

BACKYARD RESIDENCES THROUGH

IMPROVED SERVICES

Programme 3.4(a): Anti-poverty programme

Service delivery to the poor in informal settlements and those living in backyards of City rental stock is challenging. The City is addressing these challenges as part of its informal-area upgrade strategy. When any intervention is undertaken, the City first considers conducting the work via the EPWP wherever possible, before considering mechanised means.

City's food gardens take root

In 2016/17, the City's poverty alleviation programme supported 114 food gardens, of which 86 were community gardens and 28 were gardens run at City-owned ECD centres across the metro.

Read more in the full 2016/17 annual report on page 129.

Programme 3.4(b): Service delivery programme in informal settlements

Since 2006, the City has prioritised sanitation delivery in informal settlements and has increased the ratio of toilets to households from 1:9,6 to 1:4,8, despite the pressures brought on as a result of population increase. The proportion of full-flush toilets has also increased from 15,8% to 32% of total toilets provided.

Investing directly in informal settlements

The City's Water and Sanitation Department spent more than R1,3 billion directly on services to informal settlements from 2012/13 to 2016/17. For the 2016/17 financial year alone, the investment amounted to R336 million.

Over the past five years, free services at an estimated value of more than R775 million (R143 million in 2016/17 alone) were provided.

The City had provided over 54 000 toilets and more than 12 000 taps across Cape Town as at the end of June 2017.

Innovating with alternative sanitation solutions

Over the past few years, the City has received requests for the distribution of more than 20 000 portable flush toilets (PFTs) to informal communities. PFTs are a safe, fully flushable and hygienic alternative to traditional waterborne toilet technology.

Providing humanitarian assistance after disasters

In the reporting year, the City issued 4 633 enhanced emergency kits, 717 relocation kits and 10 749 flood kits at a total value of approximately R31,3 million.

Read more in the full 2016/17 annual report on page 129.



Programme 3.4(c): Backyarder service programme

Cape Town is also the only metro in the country with a dedicated programme to provide basic services to backyard residents on Council-owned properties.

Connecting more backyarders to the grid

The City's Electricity Services Department invested another R55 million in its backyarder electrification project in 2016/17. This brings the total spent on this project from inception up until the end of the reporting year to R295 077 653.

Read more in the full 2016/17 annual report on page 130.

Programme 3.4(d): Energy services programme

As part of its redress policy, the City currently contributes approximately R10 million to Eskom's electrification-related interventions in informal settlements and temporary relocation areas.

OBJECTIVE 3.5:

PROVIDE EFFECTIVE ENVIRONMENTAL HEALTH SERVICES

Programme 3.5: Environmental healthcare programme

Blue Drop stamp of approval for the City's water supply

The City's entire water supply system has undergone all Blue Drop audits since the Department of Water and Sanitation introduced this in 2009 – and the City consistently excels. The most recent score was an impressive 95,86%.

Focus on environmental health

Environmental Health has identified informal settlements as a particular area of concern for the development and spread of infectious diseases. In 2016/17, environmental health practitioners conducted 23 941 visits to more than 300 informal settlements and presented 1 082 health-and-hygiene projects across Cape Town with the assistance of EPWP workers.

OBJECTIVE 3.6:

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

Programme 3.6: Measuring the number of days when air pollution exceeds World Health Organisation guidelines

Improving air quality

In 2016/17, air pollution exceeded RSA ambient air quality standards on 32 days, which is still well within the target of fewer than 40 days. Over the past five years, annual averages for key air pollutants have consistently improved.

In the reporting year, City Health spent R1,5 million on new ambient air quality analysers. This will further expand the City's monitoring capability and replace ageing equipment – all in the quest to protect the environment and Cape Town residents' health.

Read more in the full 2016/17 annual report on page 134.





OBJECTIVE 3.7:

PROVIDE EFFECTIVE PRIMARY HEALTHCARE SERVICES

Programme 3.7(a): Primary healthcare

Caring for Cape Town's youngest citizens

In 2016/17, a total of 834 744 patients below the age of 5, as well as more than 1,5 million children aged 5 and up were seen at the City's primary healthcare clinics that offer Well Baby services.

Diarrhoeal disease season campaign

The campaign to improve care for diarrhoea patients has seen a significant reduction in children below 5 presenting at clinics with dehydration due to diarrhoea.

Continuing the fight against HIV

The number of HIV tests performed increased to over 810 000 in 2016/17.

By the end of June 2017, City Health was offering antiretroviral therapy (ART) at 42 of its sites throughout Cape Town. During 2016/17, ART was initiated for 13 925 new HIV-positive clients at City clinics, while more than 55 000 existing patients remained in ART care.

Managing tuberculosis

The total number of tuberculosis (TB) cases reduced from a recorded high of almost 30 000 cases in 2010 to just over 23 942 cases in 2016. The cure rate for new smear-positive TB has been maintained at over 80%.

Read more in the full 2016/17 annual report on page 135.

Programme 3.7(b): Perception survey score on the provision of primary healthcare services

The overall health score and the scores for all the health service features measured in the annual Community Satisfaction Survey have improved significantly since 2009/10, indicating residents' positive attitude towards the services the City delivers at its 100 health facilities.

Read more in the full 2016/17 annual report on page 137.

OBJECTIVE 3.8:

PROVIDE SUBSTANCE ABUSE

OUTPATIENT TREATMENT

AND REHABILITATION SERVICES

Programme 3.8: Primary healthcare programme: Number of substance abuse outpatients provided with alternative constructive behaviour

From 2012 to 2015, the City increased its sites that provide the proven Matrix® treatment model for alcohol and other drug abuse from four to six. In the reporting year, these six Matrix® sites assisted more than 1 700 new clients and conducted almost 5 000 substance abuse tests.

Read more in the full 2016/17 annual report on page 137.





STRATEGIC FOCUS AREA 4 – INCLUSIVE CITY

OBJECTIVE 4.1: ENSURE

RESPONSIVENESS BY CREATING AN ENVIRONMENT

WHERE CITIZENS CAN BE COMMUNICATED WITH AND RESPONDED TO

OBJECTIVE 4.2: PROVIDE

FACILITIES THAT MAKE CITIZENS FEEL AT HOME





STRATEGIC FOCUS AREA 4 – INCLUSIVE CITY

KEY INCLUSIVE CITY ACHIEVEMENTS IN 2016/17

- **ANSWERED 1 303 198 CALLS** IN CORPORATE CALL CENTRE
- BROUGHT THE NUMBER OF **FREECALL LINES INSTALLED** SINCE 2012/13 TO 168
- STARTED **CONSTRUCTING DUNOON LIBRARY**
- ACHIEVED **BLUE FLAG STATUS** FOR TEN BEACHES



OBJECTIVE 4.1:

ENSURE RESPONSIVENESS BY CREATING
AN ENVIRONMENT WHERE CITIZENS
CAN BE COMMUNICATED WITH
AND RESPONDED TO

Programme 4.1(a): Managing service delivery through the service management programme (C3 notification responsiveness)

Responding to all citizens' service needs

In 2016/17, the City's corporate call centre answered 1 303 198 calls.

More FreeCall lines installed in identified areas

By 30 June 2017, a total of 168 FreeCall lines had been installed to improve access to service delivery through the City's call centre. The City also introduced a call centre learnership for unemployed job seekers.

Read more in the full 2016/17 annual report on page 141.

Programme 4.1(b): Building strategic partnerships

The City continues to work closely with Province, National Government and other stakeholders to put Capetonians' needs first. This occurs in various formal and informal forums. Council has now also adopted a policy to guide its collaboration with external stakeholders.

Read more in the full 2016/17 annual report on page 142.





OBJECTIVE 4.2:

PROVIDE FACILITIES THAT MAKE CITIZENS FEEL AT HOME

Programme 4.2(a): Community amenities programme (provide and maintain)

Quality public space programme delivers community spaces and facilities

In 2016/17, the City launched the upgraded public space and public parking facility at Langa Station southern precinct, while work on Pampoenkraal Heritage Square in central Durbanville, the gateway to Imizamo Yethu, Mfuleni Urban Park as well as the Strand Pavilion precinct is nearly done. The draft master plan for Kruskal Avenue in central Bellville has also been drawn up.

Library facility development and services

As the City moves with the digital era, it is transforming its libraries into innovative spaces where everyone can access endless sources of information, learn new skills and develop their ideas.

Enhanced library services bring benefits to communities

Construction on Dunoon Library started in the year under review. The facility is expected to be completed by mid-2018. Eikendal Library also received major upgrades at a total cost of R3,96 million, of which the Western Cape Library Service contributed R1,95 million.

Committed to delivering library services to all

The City's 79 community libraries, which provide basic services and collections to the community, operate for a minimum of 35 hours per week. The 20 regional libraries, which offer more extensive collections and services, are open for a minimum of 45 hours per week, while the two citywide libraries, Bellville and Central, provide their broad collections and services for a minimum of 63 hours per week.

Maintaining high standards for the City's parks

In the 2016/17 financial year, City Parks maintained 3 558 community parks and 13 district parks to its agreed maintenance standards. It also developed maintenance programmes to respond to the effects of climate change.

The City's smartparks project creates inclusive public spaces that appeal to all community members. The City had created its first three smartparks in Khayelitsha, Blikkiesdorp and Gugulethu and, in the reporting year, added smartparks in Nomzamo, Atlantis and Seawinds.

Cemetery provision and maintenance

The City maintains 40 cemeteries. Over the past four years, upgrades and new developments have been undertaken at a number of these and further work is planned for the coming year.

Sport, recreation and amenities provision and maintenance

Some of the sport and recreation facility developments completed over the past five years include:

- the installation of 27 synthetic pitches across Cape Town;
- the Valhalla Park multifunctional recreation hub;
- two new football-size fields in Masiphumelele;
- a new sports complex in Imizamo Yethu;
- the Dunoon sports complex;
- the Wallacedene complex;
- the Atlantis indoor multipurpose centre; and
- the installation of six spray parks.

City flies the Blue Flag high once again

Ten beaches in the City's jurisdiction received Blue Flag status for the 2016/17 season. This was the highest number for any South African city.

Read more in the full 2016/17 annual report on page 142.



Programme 4.2(b): Heritage programme

The City continues to map and grade the heritage buildings and resources in Cape Town. Working with the Cape Town Heritage Trust and other heritage bodies, blue heritage plaques are installed to identify and interpret key heritage sites around town.

Read more in the full 2016/17 annual report on page 146.



STRATEGIC FOCUS AREA 5 – WELL-RUN CITY

OBJECTIVE 5.1: ENSURE A TRANSPARENT GOVERNMENT,
AND WORK TOWARDS ERADICATING CORRUPTION

OBJECTIVE 5.2: ESTABLISH AN EFFICIENT AND
PRODUCTIVE ADMINISTRATION THAT PRIORITISES DELIVERY

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





STRATEGIC FOCUS AREA 5 – WELL-RUN CITY

KEY WELL-RUN CITY ACHIEVEMENTS

IN 2016/17

- SCORED 2,8 IN THE ANNUAL CITYWIDE **COMMUNITY SATISFACTION SURVEY**
- RECEIVED **INVESTMENT RATING OF Aaa.za** FROM INDEPENDENT RATING AGENCY
- **SPENT 92,30%** OF WORKPLACE SKILLS PLAN **BUDGET**
- ACHIEVED **69,86% EMPLOYMENT RATE** OF PEOPLE FROM EMPLOYMENT EQUITY TARGET GROUPS AT THE **THREE HIGHEST LEVELS OF MANAGEMENT**
- UNQUALIFIED AUDIT OPINION WITH OTHER FINDINGS RECEIVED



OBJECTIVE 5.1:

**ENSURE A TRANSPARENT GOVERNMENT,
AND WORK TOWARDS ERADICATING
CORRUPTION**

Programme 5.1: Transparent government (oversight) programme Independence of the Audit and Performance Audit Committee

Internal Audit provides independent, objective assurance and advisory services so as to add value to and improve the City's operations.

Enabling easy reporting of fraud and corruption

The City has a 24/7 hotline for reporting fraud and corruption, which is managed by an independent, external service provider.

Statutory Compliance Unit

In the year under review, the City received 711 requests for access to information.

Read more in the full 2016/17 annual report on page 152.



OBJECTIVE 5.2:

ESTABLISH AN EFFICIENT AND PRODUCTIVE ADMINISTRATION THAT PRIORITISES DELIVERY

Programme 5.2(a): Human resources, talent management and skills development programme

At the end of June 2017, the City had 26 856 employees. This represents an increase of 1,92% compared to the previous financial year. The vacancy rate for the City is 9,69%.

Employment equity

The City's five-year employment equity (EE) plan is accompanied by an implementation strategy for the same period.

Gender and race equity

The City makes every effort through recruitment, selection and capacity-building to ensure that women are afforded equal opportunity in the workforce.

Persons with disabilities

In the year under review, the City achieved its target of 2% employment of persons with disabilities.

Attracting and developing talent

The administration made 2 977 appointments (1 671 external and 1 306 internal) in the year under review, which secured its position as one of the top 50 employers of choice nationally among undergraduates and young professionals. Overall employee turnover at the City remains low, standing at 6,17% in scarce-skills categories.

Committed to skills development and learning

The City continues to invest in staff development and achieved a 92,3% spend on its training programmes in 2016/17. This provided more than 44 250 training opportunities to more than 17 370 staff members. In addition, 2 439 employees underwent training made possible by internal bursaries.

External bursary programme – The City awarded 65 external bursaries, with a total 2016/17 bursary budget of R6,3 million. Over the past 13 years, the City has assisted over 710 students in need.

Municipal Finance Management Act (MFMA)

competency training – After appointment, new City employees in certain positions have 18 months to complete MFMA minimum-competency training. Four newly appointed section-57 executive directors are currently being trained. The City has also invested substantially in training other employees in the MFMA minimum competencies.

Employee recognition and engagement

Any employee can be nominated for the annual Mayoral Awards by a colleague, team leader, supervisor or line manager. The 2016/17 awards received 503 nominations, introduced five new categories in line with the organisation's values, and honoured 96 employees.

Read more in the full 2016/17 annual report on page 153.

Programme 5.2(b): Human resources strategy

The City's single biggest asset is its staff, as is evidenced by the approximately R10,7 billion the administration spends every year on staff costs. Therefore, the human resources (HR) strategy is also aimed at ensuring optimal staff utilisation, motivation and development.

Read more in the full 2016/17 annual report on page 155.

Programme 5.2(c): Annual Community Satisfaction Survey (CSS) Listening to the community

The latest research points to sustained satisfaction with the City's service delivery among residents. The 2016/17 score of 2,8 on a five-point scale had remained unchanged since 2014/15, but had grown from the 2,4 recorded in 2007/8 (the start of the survey).

Read more in the full 2016/17 annual report on page 155.

Programme 5.2(d): Information and knowledge management framework – Development Information Resource Centre (DIRC)

The City believes that knowledge-sharing makes its employees more efficient in the work they do. The Development Information Resource Centre (DIRC) is a knowledge hub on the City's intranet that includes a spatial information portal, a section on statistics and indicators for Cape Town, a research hub, a reports repository and a data directory. In 2016/17, DIRC was further enhanced with additional functionalities.

Read more in the full 2016/17 annual report on page 156.

OBJECTIVE 5.3:

ENSURE FINANCIAL PRUDENCE,

WITH CLEAN AUDITS

BY THE AUDITOR-GENERAL

Unqualified audit with other findings

The City achieved an unqualified audit with other findings for the 2016/17 financial year.

Programme 5.3(a): Financial management programme

Financial oversight of the Cape Town International Convention Centre (CTICC)

The City is the majority shareholder in the CTICC. In line with the responsibilities that come with being the parent entity, the City oversees CTICC governance.

Read more in the full 2016/17 annual report on page 156.

Programme 5.3(b): Internal management processes programme

The Municipal Systems Act allows a municipality to enter into service delivery agreements for the provision of municipal services in its area. In all such instances, service delivery agreements are prepared, and serve as contracts between the municipality and the service provider. In line with the City's responsibilities in terms of section 81 of the act, the tender tracking system on the SharePoint platform allows project managers to electronically monitor how these service providers implement and carry out their contracts with the administration.

Ensuring the integrity of City supply chain management

For the 2016/17 financial year, the City received 2 704 tender submissions. Only 73 appeals were lodged against the award of tenders, and the Appeals Authority upheld ten. Compliance with supply chain management regulations is ensured through a rigorous tender evaluation and award process.

Committed to broad-based black economic empowerment (BBBEE) and transparent enterprise development

For the year ending June 2017, the City issued 216 865 purchase orders. More than 92,7% of these, equating to more than R13,6 billion, were placed with BBBEE-compliant vendors. The number of BBBEE service providers who conducted business with the City over the period under review was 2 754, or 87,4% of all service providers used.



OVERVIEW OF FINANCIAL PERFORMANCE AND ECONOMIC STABILITY

FOR THE 2016/17 FINANCIAL YEAR AND THE PAST FIVE YEARS

Operating results for revenue and expenditure	76
Net surplus result	78
Capital expenditure	78
Consumer debtors	79
Investments, cash and borrowings	79
Credit rating	79



OVERVIEW OF FINANCIAL PERFORMANCE AND ECONOMIC STABILITY

FOR THE 2016/17 FINANCIAL YEAR AND THE PAST FIVE YEARS

THIS REVIEW SETS OUT HIGHLIGHTS OF THE ENTITY'S FINANCIAL PERFORMANCE FOR THE PAST FINANCIAL YEAR AS WELL AS THE PAST FIVE YEARS. FULL DETAILS APPEAR IN THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS.

OPERATING RESULTS FOR REVENUE AND EXPENDITURE

Over the past year, revenues increased by 9,04% to R38,40 billion. The escalation is mainly due to annual tariff increases.

Operating expenditure increased by 7,05% to R33,02 billion. The entity does however attempt to keep the cost of operations as low as possible.

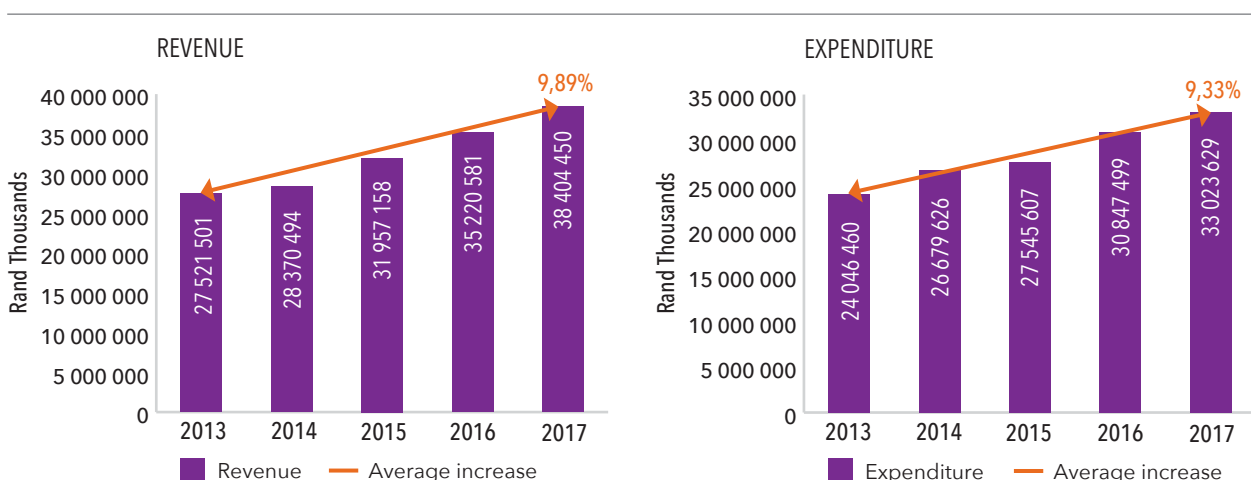
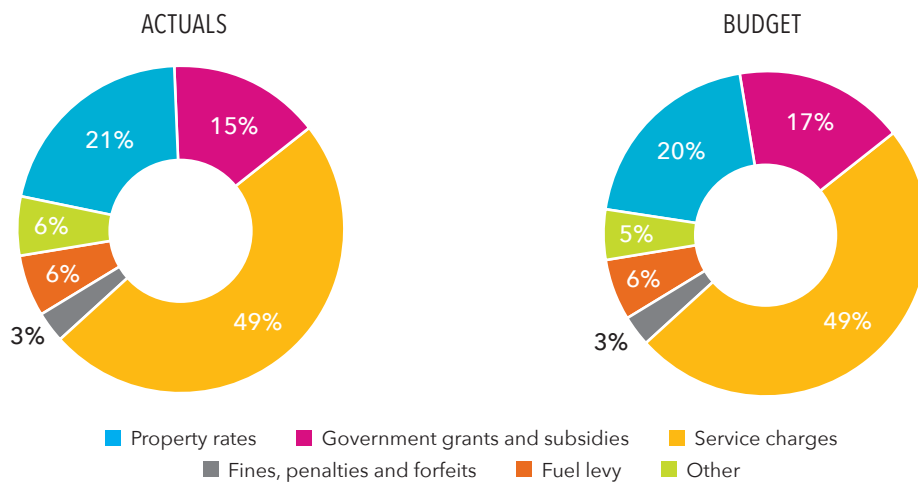


Figure 2: Entity's revenue and expenditure, 2013 to 2017

Operating revenue

For further details of service charges, turn to note 24 to the consolidated annual financial statements.



Operating expenditure

The entity continues to proactively control and contain cost increases as one of its key priorities. For further details, turn to notes 31 to 38 to the consolidated annual financial statements.

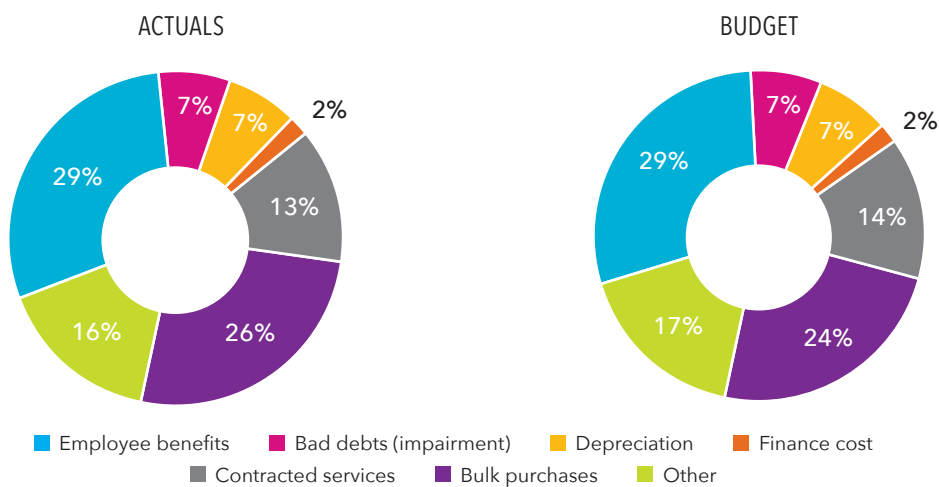


Figure 3: Categories of operating revenue and expenditure of the entity, 2016/17



NET SURPLUS RESULT

As at the end of June 2017, the entity reported a net surplus from operations of R5,38 billion (2016: R4,37 billion) against a budgeted surplus of R2,30 billion. This surplus includes grants revenue that had already been utilised to fund capital expenditure. A portion of the surplus was also committed to fund future expenditure, such as the replacement of capital assets. The surplus after appropriations is the best indicator of the entity's underlying financial performance and sustainability.

Table 1: Make-up of the entity's net surplus result, 2017

	Actuals R'000	Budget R'000
Total revenue	38 404 450	38 018 111
Total expenditure	33 023 629	35 713 011
Surplus from operations	5 380 821	2 305 100
Capital grants and donations	(2 126 516)	(2 293 012)
Taxation	(14 178)	(3 385)
Net result from operations - see annexure D	3 240 127	8 703
Transfers to/from reserves and non-controlling interest	(774 613)	(12 842)
Surplus attributable to non-controlling interest	(12 500)	(2 547)
Surplus/(deficit) after appropriations	2 453 014	(6 686)

CAPITAL EXPENDITURE

The entity's property, plant and equipment expenditure for the financial year under review amounted to R6,27 billion, compared to R5,87 billion for the previous financial year. This represents a 92,62% (2016: 90,10%) consolidated capital spend.

A complete analysis of capital expenditure (budgeted and actual) per functional area is included in the statement of comparison of budget and actual amounts, while annexure B to the consolidated annual financial statements contains details by asset class. More details on external loans used to finance fixed assets are contained in annexure A to the consolidated annual financial statements.

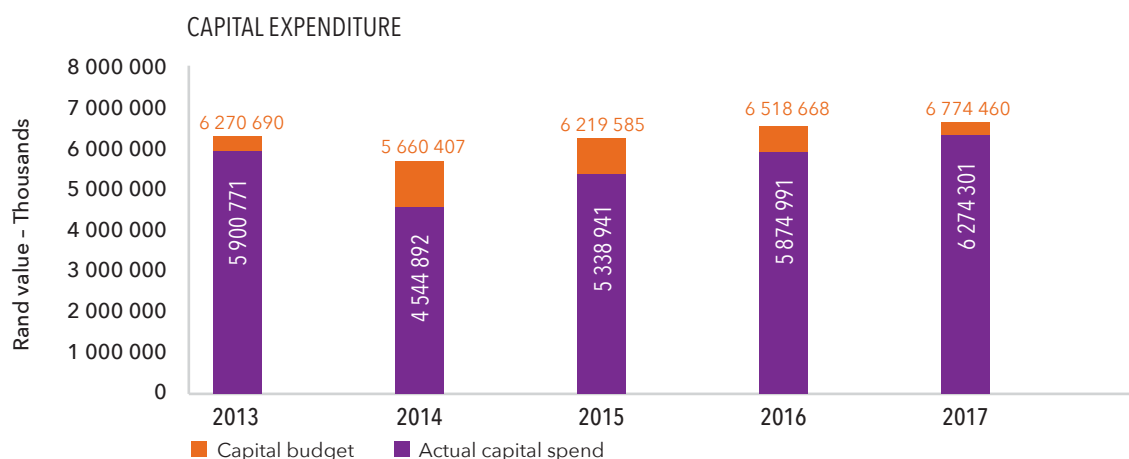


Figure 4: Entity's capital budget and capital spend, 2013 to 2017

CAPITAL EXPENDITURE BY FUNCTIONAL AREA

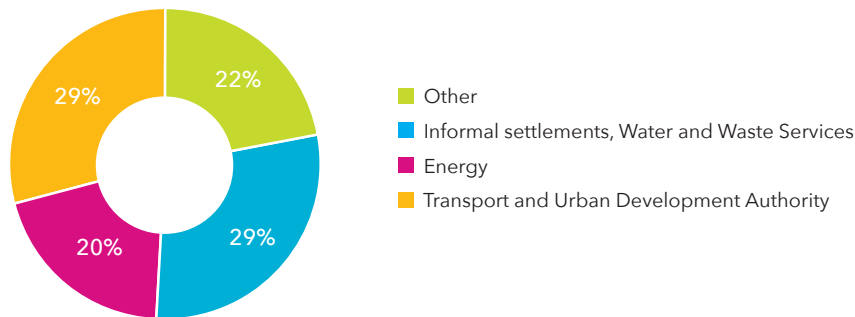


Figure 5: Entity's capital expenditure by functional area, 2016/17

CONSUMER DEBTORS

Outstanding consumer debtors as at 30 June 2017 were R10,88 billion (2016: R9,81 billion). Arrear debt of R971,65 million was written off (2016: R690,71 million). Total provision for impairment increased from R4,70 billion in 2016 to R5,16 billion in 2017, which represents 47,23% of total outstanding consumer debtors.

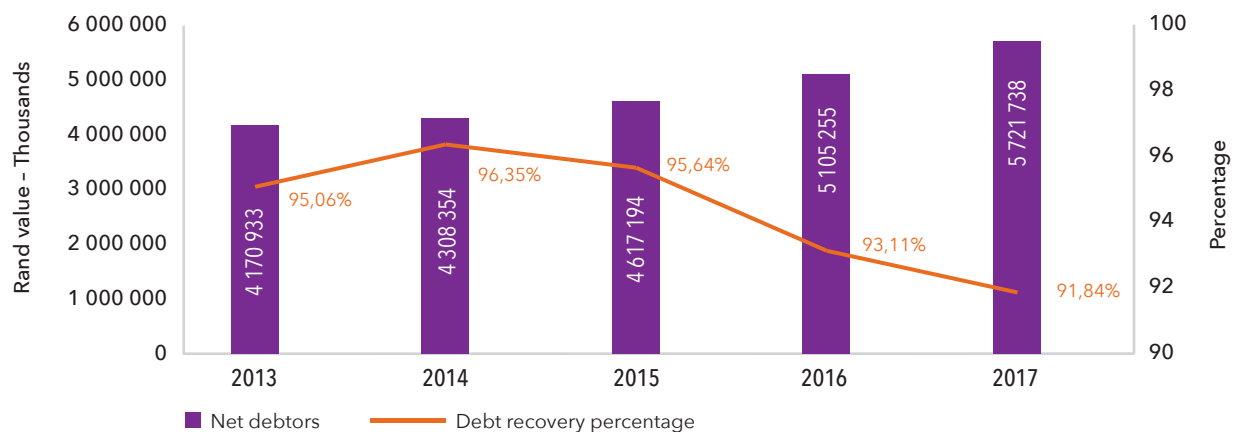


Figure 6: Entity's outstanding net consumer debtors and collection ratios, 2013 to 2017

INVESTMENTS, CASH AND BORROWINGS

The entity maintains a healthy cash and investment position, given the current economic conditions. Information on investments and cash and cash equivalents is provided in respectively notes 6 and 11 to the consolidated annual financial statements.

BORROWINGS

Based on the norms below, the City can service its current debt repayments, and also has sufficient cash flow to service long-term obligations. In addition, the City can take up further borrowing for capital expenditure/programmes based on its positive debt-to-revenue ratio.

Table 2: City's debt and cost coverage, 2015/16 to 2016/17

Financial ratios	Target	2017	Target	2016
Capital cost	6% - 8%	3,47%	6% - 8%	3,36%
Debt coverage by own billed revenue	2:1	4,5:1	2:1	5,83:1
Cost coverage	2:1	2,28:1	2:1	2,02:1

CREDIT RATING

In the 2016/17 financial year, Moody's Investors Service downgraded the City of Cape Town's long- and short-term global-scale rating to Baa3 and Prime-3, from Baa2 and Prime-2 respectively. This came on the back of a downgrade in the credit rating for the country. Yet the City maintained its long- and short-term national-scale rating of Aaa.za and Prime-1. This means that the City has the highest possible credit quality rating in the national context.



