

ITEM NUMBER: SPC 04/05/14

*RECOMMENDATION FROM THE EXECUTIVE MAYOR: 20 MAY 2014*

MC 60/05/14 ANNUAL REVIEW OF THE FIVE-YEAR PLAN 2012-2017: 2014/15  
IDP

It is **RECOMMENDED** that Council approve the amendments to the IDP as set out in Annexure A to the report on the agenda and the amended Five-year Plan 2012-2017: 2014/15 (IDP) and Corporate Scorecard in accordance with Annexure B attached to the report on the agenda.



**REPORT TO THE EXECUTIVE MAYOR  
COUNCIL**

**DATE**

1. **ITEM NUMBER : MC 60/05/14**

2. **SUBJECT**

**ANNUAL REVIEW OF THE FIVE-YEAR PLAN 2012–2017: 2014/15 IDP**

**ONDERWERP**

**JAARLIKSE HERSIENING VAN DIE VYFJAARPLAN 2012–2017: 2014/15-GOP**

**ISIHLOKO**

**UPHENGULULO LONYAKA LWESICWANGCISO ESIHLANGENEYO  
SOPHUHLISO 2012–2017: ISICWANGCISO ESIHLANGENEYO SOPHUHLISO  
SIKA-2014/15**

**[LSU: E1978]**

3. **STRATEGIC INTENT**

- ☒ - Opportunity City
- ☒ - Safe City
- ☒ - Caring City
- ☒ - Inclusive City
- ☒ - Well-run City

The City of Cape Town's Five-year Integrated Development Plan (IDP) represents the overarching strategic framework through which the City aims to realise its vision for Cape Town by building on the five pillars of a caring city, an opportunity city, an inclusive city, a safe city, and a well-run city.



These are the five key focus areas that inform all of the City's plans and policies and this document is structured to offer a clear view of the objectives, strategies and development priorities underpinning each focus area.

#### 4. PURPOSE

The purpose of the report is for the Executive Mayor, together with the Mayoral Committee to consider and recommend to Council the approval of the Amended Five-year plan 2012-2017: 2014/2015 IDP

#### 5. FOR DECISION BY

☒ This report is for consideration/decision by:

- The Executive Mayor together with the Mayoral Committee
- Council

#### 6. EXECUTIVE SUMMARY

The IDP is a 5 year strategy development plan that is drafted in terms of the Local Government: Municipal Systems Act No. 32 of 2000. Section 34 of the Act determines that a municipality must annually review its IDP and amend it in accordance with a prescribed process.

The process for amending Council's IDP as prescribed in Section 3 of the Local Government: Municipal Planning and Performance Management Regulations, GNR 796 dated 24 August 2001, has been adhered to.

On 26 February 2014, the draft IDP amendments and Budget (2014/2015) was tabled at Council to be approved for public comment.

The cd containing the statutory, strategic and operational plans are also included as Annexure C.



## 7. RECOMMENDATIONS

Not delegated: for decision by Council:

It is recommended that:

- a) The Executive Mayor, together with the Mayoral Committee, consider the amendments to the IDP (annexure A) and the amended Five-year Plan 2012–2017: 2014/15 (IDP) and the Corporate Scorecard and recommend it to Council in accordance with annexure B.
- b) Council approve the amendments to the IDP (annexure A) and the amended Five-year Plan 2012–2017: 2014/15 (IDP) and Corporate Scorecard in accordance with annexure B.

## AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

Daar word aanbeveel dat:

- a) Die uitvoerende burgemeester tesame met die burgemeesterskomitee oorweging skenk aan die wysigings aan die GOP (bylae A) en die gewysigde vyfjaarplan vir 2012–2017: 2014/15 (GOP) en die korporatiewe telkaart en dit by die Raad aanbeveel in ooreenstemming met bylae B.
- b) Die Raad die wysigings aan die GOP (bylae A) en die gewysigde vyfjaarplan vir 2012–2017: 2014/15 (GOP) en die korporatiewe telkaart goedkeur in ooreenstemming met bylae B.

## IZINDULULO

Aziqunyaziswanga: Isigqibo seseBhunga:

Kundululwe ukuba:

- a) USodolophu wesiGqeba ngokubambisana neKomiti yesiGqeba sakhe soLawulo, makaqwalasele izilungiso ezenziwe kwisiCwangciso esiHlangeneyo soPhuhliso (isihlomelo A) nesiCwangciso esilungisiweyo seminyaka emiHlanu 2012–2017: 2014/15 (IsiCwangciso esiHlangeneyo soPhuhliso) neKhadi lamaNqaku leZiko aze asindulule kwiBhunga ngokuhambelana nesiCwangciso B.



- b) IBhunga maliphumeze izilungiso ezenziwe kwisiCwangciso esiHlangeneyo soPhuhliso (isihlomelo A) nesiCwangciso esilungisiweyo seminyaka emiHlanu 2012-2017: 2014/15 (IsiCwangciso esiHlangeneyo soPhuhliso) neKhadi lamaNqaku leZiko ngokuhambelana nesihlomelo B.

## 8. DISCUSSION/CONTENTS

### 8.1 Constitutional and Policy Implications

This report aligns to certain outcomes of the South African National Development Plan 2030 (NDP), while also contributing to the Millennium Development Goals (MDG).

It also aligns to the Provincial Strategic Objectives and the objectives of the OneCape2040.

### 8.2 Sustainability Implications

Does the activity in this report have any sustainability implications for the City?	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
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8.2.2 Comply with the IMEP (Integrated Metropolitan Environmental Policy) approved by Council in October 2001 as the IDP link, integrate and coordinate plans and take proposals into account for the development of the municipality. The IDP align resources and the capacity of the municipality; form the policy framework on which annual budgets are based.

### Legal Implications

- Municipal Systems Act 32 of 2000, section 34

A municipal council-

(a) Must review its integrated development plan-

(i) annually in accordance with an assessment of its

performance measurements in terms of section 41; and

(ii) to the extent that changing circumstances so demand; and



(b) may amend its integrated development plan in accordance with a prescribed process.

[Date of commencement of s. 34: 1 July 2001.]

### 8.3 Staff Implications

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

No ☒

Yes ☐

### 8.4 Other Services Consulted

Portfolio Committees  
Subcouncils

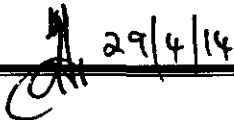
## ANNEXURES

Annexure A: Proposed amendments as per Council approval which will be incorporated in the reviewed 2014/2015 IDP document.

Annexure B: (Still to be submitted) 2014/2015 IDP document as reviewed with amendments mentioned in Annexure A.

Annexure C: CD containing the statutory, strategic and operational plans.

### FOR FURTHER DETAILS CONTACT:

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DIRECTORATE	Compliance and Auxiliary Services
FILE REF NO	2/2/8
SIGNATURE : DIRECTOR	 29/4/14



COMMENT:

**MAYORAL COMMITTEE MEMBER**

NAME

DATE

N.A.

P. de Lille.

**EXECUTIVE MAYOR**SUPPORTED FOR ONWARD SUBMISSION  
TO MAYCO ☒ / COUNCIL ☒

PC RECOMMENDATION

RECOMMENDATION AS CONTAINED IN  
ORIGINAL REPORTALTERNATIVE RECOMMENDATION TO  
BE REFLECTED BELOWAPPROVED  
AUTHORITY

I.T.O.

DELEGATED



NOTED



REFUSED



REFERRED BACK

DATE

09.05.2014

COMMENT:

Please update I.D.P. to align  
with water development  
framework. P. de Lille.

## ANNEXURE A

## HUMAN SETTLEMENTS CHAPTER TO CARING CITY STRATEGIC FOCUS AREA OF THE 2013/14 IDP REVIEW

### OBJECTIVE 3.2: Ensure increased access to innovative human settlements for those who need it

#### Programme 3.2(a): Innovative housing programme

*The Human Settlements Directorate has undergone strategic changes to its functional and managerial structure to enable it to successfully deliver on the objectives associated with developing sustainable integrated human settlements in line with the City's strategic focus area of being a Caring City.*

The City also continues to utilise the range of available national housing programmes to create innovative, integrated and sustainable human settlement development for its poorest communities, most of whom depend on the state for their housing needs.

These programmes allow the City to develop different forms of housing opportunities with different tenure options, ranging from in situ upgrades of informal settlements, to rental housing in the form of community residential units (CRUs) *which also include hostels that have been converted into family units*, institutional and social housing, as well as homeownership opportunities such as Breaking New Ground (BNG) for qualifying subsidy beneficiaries, and gap housing at the lower end of the private property market. To realise the above, the City uses various grants received from National Government. The Urban Settlements Development Grant (USDG) and the Human Settlements Development Grant are used, individually or in combination, not only to develop services and top structures within human settlements projects, but also to provide basic services, bulk infrastructure and community facilities to ensure a more robust and sustainable built environment.

**Identifying land and planning housing developments along the city's development corridors**  
The delivery of integrated human settlements depends on the availability and acquisition of suitable, well-located land. The City is engaging the land-holding departments of *National*, Province and the Housing Development Agency and other *parastatals* to unlock suitable *large and small pockets* of state-owned land in Cape Town. Large tracts of privately owned land in Cape Town are limited, and the scarcity of such open land has had the effect of inflating land prices. The City will continue to engage private landowners where such land is suitably located, and aims to secure – through various means – a further 150 to 300 ha in the coming five years for longer term development (15 to 20 years).

#### Land planning

The Human Settlements Directorate is involved in three levels of planning: programme planning, area planning and site planning. In addition, it maintains a geo-database of all land parcels that come up for discussion as potential projects. At present, this database contains over 1 000 discrete parcels and 235 ha of land.

#### Programme planning

The City has formulated several programmes, such as the informal settlements upgrade strategy, the backyard improvement strategy and, most recently, the urbanisation strategy. Each has land implications. For instance, the majority of informal settlements require a percentage of their occupants to be relocated to another piece of land, while urbanisation projections imply land-banking. The City has therefore been identifying land to match the demands generated by housing programmes.

#### Area planning

Large land holdings bought in recent years will be planned, subdivided and converted into projects. The mandate is to create integrated settlements, so it is essential that area planning *such as in Langa and Fisantekraal* includes commercial, community and industrial land uses, appropriate transport routes and infrastructure networks. In the coming years, land in Macassar and Darwin Road is to be developed in this way. Area planning of any large parcels of state land to be released for housing development will be prioritised.

#### Upgrades of informal settlements

The City has embarked on a strategic plan to improve the living environment of families in its 204 informal settlements areas.

The following objectives form part of this strategy:

- Establishing local offices to serve informal settlements;
  - Optimising land availability through the reblocking process
- Improving service delivery;
- Security of tenure;

- Improving quality of dwellings;
- Establishing development partnerships;
- Participative planning;
- Partnership-driven coordination;
- Communication.

#### Land for emergency housing circumstances

The City will proactively but also on an ad hoc basis identify suitably located sites where it can accommodate households in terms of the provisions of the National Housing Programme for Housing Assistance in Emergency Housing Circumstances (prescribed in the National Housing Code, 2009).

The City has conceptualised a process and product that is quicker to deliver and is premised on being permanent, albeit incremental – hence the name incremental development areas (IDAs). **A number of** possible IDA locations have been identified. These will be planned and developed in the coming three years, and more such sites will be identified across the city.

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

The City will use land it owns to address socio-economic issues, while City departments will collaborate in aligning asset deployment for the same purpose. An immovable property asset management framework will be developed to enable fact-based decision making on asset life-cycle management, with more effective use and deployment of assets to facilitate social development.

These initiatives provide a substantial opportunity to drive optimal use of immovable property, entrench accountability for effective asset management (value/maintenance), and promote the availability of immovable property assets to be used for social purposes *and potential business sites owned by the City be disposed of, to promote economic growth.*

#### Providing beneficiaries with secure freehold title as prescribed in national policy

The City aims to ensure that title deeds are given to all who are eligible. To this end, once a subsidy has been extended to a beneficiary, the certificate confirming the title to a residential property will be issued.

The first initiative in this regard is to convert leasehold titles to freehold titles. The State Attorney's office has requested the opening of a township register for all former African townships, where the leasehold tenants will become title holders. This process is under way and will result in significant transfers.

Many low-income families who bought their properties before 1994 funded these using loan finance, as per government policy at the time. Since the houses then were not free, owners were required to repay the loan value in instalments. Effectively, the state served as banker and issued these 'loans', but also retained title. Approximately 2 400 such serviced-site plots are still to be finalised in Cape Town, and 4 500 houses remain registered in the name of the National Housing Board. In both instances, operational procedures are in place to effect these transfers once final payment has been received.

Post-1994 housing projects in which title deeds have not yet been issued have recently been highlighted in research conducted by the City and Province. *A co-ordinated operational process with the Province* is being put in place to resolve *all historical title deed problems.*

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

Many schools are underfunded and, thus, unable to protect and maintain their huge grounds. Unused portions are fenced off, which exposes them to illegal dumping, invasion or security issues. It is now also widely conceded that many of the vacant suburban school sites will never be developed, and existing schools will need to carry the load.

As a consequence, a review process has been started between the City and Province's Department of Education, in which all vacant educational assets are being assessed in terms of whether they should be released to other forms of development. In particular, the urgent need for housing across the city makes these sites ideally suited to delivering well-located, affordable housing for local residents. Several sites have already been identified, and will be individually assessed.

#### Programme 3.2(d): Integrated human settlements programme

The City is committed to creating sustainable, integrated human settlements rather than merely providing low-cost housing. Therefore, the City is actively pursuing the transfer of the human settlements function for Cape Town from National Government and Province. *In addition, as part of the strategic changes to its functional and managerial structure, the Human Settlements Directorate has restructured its New Housing Department and created a Development and Delivery Department incorporating units that addresses community and project facilitation, implementation, land reform, technical services and implementation.* This will enable the City to fast-

track a range of housing projects *that will deliver serviced sites, with and without top structures, social and gap housing as well as planned non-residential erven for social and economic opportunities*. The City will also ensure that beneficiaries for the various housing projects are selected in terms of its housing allocation policy, to ensure a fair and transparent process.

Addendum A to this IDP, entitled 'Housing projects', provides details of the various housing developments that are currently being implemented across the metro, projects in various planning stages, as well as short-term to medium-term anticipated projects, which are delivered through the use of the wide range of national programmes and instruments available. *The City is also developing guidelines on how to deal with the growing number of families who, for various reasons, do not qualify for housing subsidies.*

#### Gap (affordable) housing

The term 'gap housing' refers to houses that are provided to households earning between R3 501 and R15 000 per month, which households are not provided for by the private sector or the state. The number of people seeking homes in the R150 000 – R350 000 price range has been growing steadily in the last ten years. The Human Settlements Directorate recognises the critical importance of supplying houses within this price range for the proper functioning of the overall residential housing market. In this spirit, the City has undertaken the sale of serviced plots at reduced prices to enable buyers to build their own homes on a piecemeal basis via access to short-term loans or with employer assistance.

At the upper end of the gap spectrum, a second initiative is in place. Well-located parcels of municipal land have been made available to social housing partners and banks to build homes with bond finance. Twelve such parcels have been released for development by banks, while 90 have been released to emerging developers. Ownership will be registered with the buyers and not the developers.

#### Programme 3.2(e): Densification programme

Rapid and continuous low-density development is threatening the long-term sustainability of Cape Town. Densification is necessary to reverse this trend, and to support the efficient functioning and viable provision of services such as public transport, while improving the quality of the built environment and safety.

The City's densification programme includes the identification of public and private land to use for property development. An important component of this is growth management, which includes densification, utilising the urban edge, and optimal and sustainable use of land through densification in transport corridors and economic nodes. To ensure densification on well-located land, infill housing developments will also be pursued.

The City of Cape Town aims to improve housing density per hectare, and will implement the following over the next five years:

##### Supportive policy framework

A citywide density-related policy is supported by more detailed district-based SDPs, local density plans and urban design guidelines and policies (e.g. tall buildings policy and public open space policy). To ensure a sound understanding of the policy by officials, councillors and the public, information-sharing and training sessions will be held.

##### Proactive promotion of densification in prioritised locations

The City will investigate the financial, design and institutional mechanisms to facilitate the development of affordable multi-storey *BNG ownership and rental* housing, and improve the form and quality of living environments in subsidised-housing areas. Pilot projects will be initiated to test the viability of separately metering and charging for services in backyard and second dwellings.

##### Monitoring and evaluation

Through its Built Environment Performance Plan, the City will implement a monitoring and evaluation system that assesses progress with regard to densification, and identifies and flags infrastructure-related issues.

##### Development corridors

The City will continue to identify and promote *high density* housing development along approved transport and development corridors in order to support densification.

#### Programme 3.2(f): Rental stock upgrade programme

The City will be *phasing out the current funding arrangements of the* upgrade to its existing non-saleable rental stock, and will work with the private sector to develop and maintain affordable rental housing units. The building of new rental stock and the upgrade of existing high-density hostels into family units will cater for families who prefer rental housing and earn less than R3 500 per month.

#### Progress update

The City has spent approximately 818 million of the approved budget of R1,2 billion of an initial five-year programme to undertake major refurbishment and upgrades of its rental stock. Work has been completed in Scottsville, Scottsdale, Uitsig, Woodlands, Connaught and Kewtown. Work is also continuing and near completion in Manenberg, The Range, Hanover Park, Heideveld and Ottery.

This City initiative has been widely recognised as being innovative, and has received awards from the Southern African Housing Foundation and the South African Institution of Civil Engineering, among others. Once this initiative has been completed and implemented, it is anticipated that service delivery to the City's tenants will be more efficient and staff functions streamlined. *The City is investigating alternative funding measures when considering any future phases of the upgrade programme.*

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

A maintenance policy will soon be finalised to guide private service providers and staff in undertaking maintenance repair tasks on City-owned rental properties. These initiatives will ensure that more people experience the improvement in the maintenance of Council rental stock. At the same time, the City has plans to sell and transfer the balance of its saleable rental units to tenants currently occupying those units.

#### **Programme 3.3(a): Rental stock disposal programme**

During the 1980s, government initiated the discount benefit scheme to encourage tenants and sales debtors to acquire ownership of their saleable housing units.

The following property categories were identified as saleable:

- Free-standing houses – Individual rental units on defined and designated pieces of land;
- Semi-detached houses – Rental units that share common walls with their neighbouring units;
- Terraced houses (row houses) – Rental units that have at least two common walls with neighbouring units, usually on either side of the house;
- Maisonettes – Generally, rental units that have two dwelling spaces, one on top of the other, but share common walls with neighbouring units.

The enhanced, extended discount benefit scheme was established to support the sales campaign. Approximately 16 300 of these rental units are earmarked for transfer to tenants over the next three years. The calculation of the various sale prices has been approved, and the City is also investigating ways in which tenants may be assisted with the payment of the transfer fees. The City is running an ongoing sales campaign and Council has recently approved an Enhanced Debt Management initiative based on a Co-payment Incentive by the City for homeowners and tenants who make arrangements to pay housing arrears within the specified terms and conditions which will fast-track the disposal programme.

### **OBJECTIVE 3.4: Provide for the needs of informal settlements and backyard residences through improved services**

#### **Programme 3.4(a): Anti-poverty programme**

In order to improve living environments and as part of the Urbanisation strategy, issues of service delivery to the poor are being addressed albeit in Informal Settlements or Backyards. A major challenge in this regard is the location of some settlements relative to bulk infrastructure.

Also where existing infrastructure does exist, increase in capacity for especially Electricity supply would be required.

Also high densities and accessibility to structures pose further debilitation to increased speed of improved provision.

Further any UISP program will consider economic and social development opportunities.

Where possible, when any intervention is done, consideration is first given to doing work through EPWP means before considering mechanised means.

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



The informal settlements Development Matrix is now an integral part of the urbanisation framework and strategy, and supports programme 3.4(a) above.

The Development Matrix allows for:

- a) Knowing as much as possible about all Informal Settlements; capturing this spatially; levels of service; limitations and encumbrances.
- b) Prioritisation of Informal Settlements for the order of development after considering whether total relocation or partial de-densification is required.
- c) Linking land to each Informal Settlement (where required).

With respect to provision of basic services: (Water and Sanitation; Electricity; Refuse removal)  
Water and Sanitation Program

In its striving to providing a water and sanitation service to all households, the Human Settlements Department will assist with identifying and causing relocation to improve the levels of service to ensure the provision of clean, safe portable water and efficient sanitation services (via the implementing line department of Utilities).

Where it is not possible to provide Water borne sewerage alternative technologies are used with an elaborate servicing program.

The following table reflects the backlog eradication programme over the period 2012/13 – 2016/17:

*Table 3.2: Backlog eradication programme*

#### Refuse collection and cleaning programme

All known informal settlements in the City of Cape Town receive a weekly door-to-door domestic refuse service, with free plastic bags provided. The filled bags are collected and taken to storage containers, from where they are removed to landfill twice a week. There are also ongoing litter-picking and illegal-dumping removal services in each settlement. These services are contracted out on three-year tenders, which stipulate that only local labour from the given areas may be employed.

Currently and in the short term, the focus will be on improving the monitoring of contractors' services, so as to ensure that all the residents receive a quality and efficient service.

#### Electrification programme

Electrification entails the provision of electricity to qualifying low-cost housing developments, backyarders and informal settlements within the metro. This function covers the provision of infrastructure to enable electrification of qualifying sites with funding from both municipal and national resources. The metro electricity supply area is divided between Eskom and the City, and both entities have programmes for electrification. These electrification programmes are aligned with those of the City's Human Settlements Directorate.

#### Re-blocking Programme

The Re-blocking programme now also forms an important part of the Urbanisation Strategy that leads to reconfiguration of structures into a more rationalised layout, fostering a safer environment; creating better living conditions and enabling easier access for the provision and servicing of basic services and emergency vehicles. This is an initiative which is done in collaboration with the community and NGO's, contributing to more cohesive neighbourhoods. It also provides a platform for incremental upgrade to formal tenure and ownership rights. The areas that have been identified for UISP which are in a planning stage will move into implementation stage and similarly new areas will be identified to move onto the planning matrix, such that a pipe line of projects is created.

#### Programme 3.4(c): Backyarder service programme

This programme involves the improvement of living conditions of people living in the backyards of City rental stock by providing better access to municipal services. These services will include water, sanitation, refuse removal and electricity.

Pilot programs of Factreton has been completed and Hanover Park is well underway.

Further areas have been identified for accelerated roll out, having learnt lessons from the pilots.

A policy for the program has also been initiated.

#### Programme 3.4(d): Energy services programme

This programme is aimed at Reconstruction and Development Programme (RDP) houses, backyard shacks, City-owned houses and informal dwellings, where suitable. It aims to improve the provision of energy services to low-income households. Basic energy costs take up a significant percentage of these households' monthly income, so by reducing these costs, the City will be helping to improve their quality of life.

Some of the challenges in this programme include regulatory considerations around budgeting for City spend on private households, and difficulties associated with raising adequate grant funding. An estimated 40 000 RDP households are currently without ceilings (as built up to 2005), and the future of the Eskom rebate on low-pressure solar water heaters is uncertain.

In addition to helping to meet the needs of all Capetonians, this initiative holds enormous job creation potential in the manufacturing, installation and maintenance sectors. Many of these jobs can be created within the actual communities receiving the services, resulting in skills development and community upliftment.

**Note:**

***[Updated Human Settlements Project List for 2014/15 see below]***

DEVELOPMENT AND DELIVERY					
Human Settlements Potential Projects					
No.	Potential projects 5+ years	Area	Sub-Council	Ward	Potential Units
1	Atlantis South	Atlantis	1	29	8 220
2	Bothasig Social Housing Phase 2	Bothasig	3	5	100
3	Brackenfell - Everite Land	Brackenfell	2	6	652
4	Capri Road	Strandfontein	19	43	132
5	Carol Raod	Grassy Park	18	66	320
6	Conradie Hospital	Thornton	15	53	885
7	Culemborg	Foreshore	16	77	1 344
8	Dennegeur Road	Strandfontein	19	43	2 680
9	Depot BNG	Zonnebloem	13	36	152
10	District Six Social Housing	Cape Town	15	57	750
11	Garden Close	Strandfontein	19	43	124
12	Goodwood Station Social Housing	Goodwood	4	26	180
13	Grassy Park Buffer Strip	Grassy Park	18	66	168
14	Hagley	Wallacedene	2	111	36
15	Joe Slovo Park - Freedom Way	Milnerton	1	4	30
16	Kensington Infill	Kensington	15	56	60
17	Kewtown Infill CRU	Kewtown	11	49	164
18	Langa Station CRU	Langa	15	51	64
19	Leonsdale GAP - Jan van Riebeeck Drive	Elsies River	4	26	672
20	Maitland	Maitland	15	56	72
21	Manenberg Schools BNG	Manenberg	17	46	210
22	Mew Way (Good Hope)	Khayelitsha	24	95	1 392
23	Montclair Phase 1 & 2 Social Housing	Mitchells Plain	23	76	650
24	Monwood	Philippi	13	34	48
26	Ottery CRU	Ottery	18	63	70
27	Ottery Infill	Ottery	18	63	1 556
28	Protea Park - CRU	Atlantis	1	32	140
29	Recife Road	Strandfontein	19	43	92
30	Salt River	Salt River	15	57	256
31	Sarepta GAP	Kuils River	21	11	72
32	Schaapkraal	Philippi	18	80	340
33	Sir Lowrys Pass Village	Sir Lowrys Pass	8	10	950
34	Somerset West Station	Somerset West	22	15	15
35	Swartklip/Deriel land	Khayelitsha	10	99	6 000

36	The Heights	Seawinds	19	67	268
37	Third Street	Manenberg	15	53	40
38	Walmer Estate	Walmer Estate	15	57	32
39	Wingfield	Wingfield	15	56	6 080
40	Woodstock Hospital	Woodstock	15	57	16
41	Youngsfield	Ottery	18	63	1 800
42	Zeekoevlei	Zeekoevlei	19	67	496
These projects are subject to review and change, and new land may be added during the year					

No.	Potential projects 1-5 years	Area	Sub-Council	Ward	Potential Units
1	Atlantis Kanonkop (Ext. 12) Phase 2 & 3	Atlantis	1	29	1 500
2	Belhar Vacant School Sites	Belhar	6	12,22	570
3	Bellville CBD - Taxi Rank/Station	Bellville	6	10	232
4	Beacon Valley (additional)	Mitchell's Plain	12	79	132
5	Erf 31915 Beacon Valley	Mitchell's Plain	12	79	100
6	Beverly Hills	Strand	8	86	30
7	Bloekombos and Surrounding properties	Kraaifontein	7	101	2 000
8	Blueberry Hills	Blue Downs	21	17	2 400
9	Brooklyn Regeneration Social Housing	Milnerton	15	55	250
10	Deep Freeze	Macassar	22	109	440
11	Delft Symphony Precinct Corridor	Delft	5	106	2 400
12	Delft Symphony Precinct 7 (P)	Delft	5	106	600
13	Eerste River Erf 4238	Eerste River	22	16	172
14	Gaylee GAP	Blue Downs	21	14	304
15	Gustrow	Strand	8	100	104
16	Hanover Park BNG	Hanover Park	17	46 & 47	348
17	Heideveld CRU	Heideveld	11	44	250
18	Hindle Road	Silversands	21	19	173
19	Ilita Park Infill	Khayelitsha	10	92	182
20	Kensington GAP	Kensington	15	56	136
21	Khayelitsha Erven 400 & 401	Khayelitsha	10	92	154
22	Khayelitsha Erven 18332 & 18370	Khayelitsha	24	95	224
23	Khayelitsha Erf 618	Khayelitsha	10	92	108
24	Makhaza Infill (4-1)	Khayelitsha	24	96	251
25	Mandela Park Infill Housing Development	Khayelitsha	10	94	284
26	Mupine Social Housing	Woodstock	15	57	150
27	Mitchell's Plain Social Housing	Mitchells Plain	23	76	200

28	Mitchell's Plain (Rocklands & Westridge)	Mitchell's Plain	12	78	536
29	Mitchell's Plain (Spine Road)	Mitchell's Plain	19	43	389
30	Mitchell's Plain (Lentegeur & Woodlands) (6)	Mitchell's Plain	23	75	778
31	Mitchell's Plain Erf 21778	Mitchell's Plain	12	81	166
32	Mitchell's Plain (Colorado Park)	Mitchell's Plain	23	75	144
33	Ottery Enslin Road Social Housing	Ottery	18	63	200
34	Ottery Phase 1 & 2 Social Housing	Ottery	18	63	350
35	Pelican Park Phase 2 (BNG)	Pelican Park	19	67	2 000
36	Pickwick Site Social Housing	Woodstock	15	57	200
37	Rondebosch East	Rondebosch	17	60	236
38	Royal Maitland Phase 4 Social Housing	Maitland	15	56	100
39	Nooiensfontein (Rotterdam)	Blue Downs	21	19	2 172
40	Salt River Market Social Housing	Salt River	15	55	300
41	Scottsdene Phase 2 Social Housing	Scottsdene	2	6&7	500
42	Scottsville GAP / Social	Kraaifontein	2	111	750
43	Southfield CRU	Southfield	20	72	224
44	Strandfontein (S 140 & S 141)	Strandfontein	19	43	1 144
45	Van Riebeeck Road	Eerste River	22	16	51
46	Woodstock Social Housing	Woodstock	15	57	500
47	Wetton Phase 1, 2 & 3 Social Housing	Wetton	18	63	400
48	Zonnebloem Social Housing	Zonnebloem	15	57	200
These projects are subject to review and change, and new land may be added during the year					

No.	Planning Stage	Area	Sub-Council	Ward	Potential Units
1	Beacon Valley Infill	Mitchell's Plain	10	99	813
2	Belhar Pentech Infill	Belhar	6	12	340
3	Belhar Social Housing	Belhar	6	12	629
4	Bloekombos and Surrounding properties	Kraaifontein	7	101	2 000
5	Bonteheuwel Infill	Bonteheuwel	5	50,31	407
6	Darwin Road	Kraaifontein	7	105	4 000
7	Delft Infill Housing Project	Delft	5	13	389
8	Dido Valley	Simonstown	19	61	600
9	Dillon Lane Social Housing	Woodstock	15	57	64
10	District 6 Phase 3	District 6	15	57	115
11	Driftsands	Driftsands	21	19	2 500
12	Edward Street: Ottery Sustainable Development	Ottery	18	66	104
13	Elsiesriver Housing Development	Elsies River	4, 5	25,26,28	1200
14	Forest Village	Blue Downs	21	14	5 268
15	Green Point Phase 3	Khayelitsha	10	93	388

16	Heideveld Station Social Housing	Heideveld	11	44	175
17	Hostels Redevelopment - Nyanga CRU	Nyanga	14	37,39,40	400
18	Hostels Redevelopment -Gugulethu CRU	Gugulethu	11	42,44	400
19	Imizamo Yethu - Phase 3	Hout Bay	16	74	850
20	Lansdowne Social Housing	Rondebosch East	17	60	130
21	Kapteinsklip	Mitchell's Plain	12	82	272
22	Macassar	Macassar	22	109	2500
23	Masiphumelele - Phase 4	Kommetjie	19	69	327
24	Maitland Social Housing	Maitland	15	56	306
25	Morkel's Cottage	Rusthof, Strand	8	86	562
26	Morningstar	Durbanville	7	103	160
27	Nyanda Infill Housing Development	Khayelitsha	24	96	400
28	Ocean View Infill	Ocean View	19	61	397
29	Penhill	Eerste River	21	14	8 452
30	Pine Road Social Housing	Woodstock	15	57	180
31	Retreat Station Social Housing	Retreat	20	71	102
32	Salt River Social Housing	Salt River	15	57	200
33	Thembelihle Domestic Workers Housing Project (P)	Pelican Park	19	67	219
34	Valhalla Park Infill	Valhalla Park	4	30	777
35	Vlakteplaas	Strand	8	100	2 892
36	Wolwerivier	Vissershok	1	32	6 800
These projects are subject to review and change, and projects from the potential lists may be added during the year					

No.	Under Construction (on site)	Area	Sub-Council	Ward	Units
1	Atlantis Kanonkop (Ext.12) Phase 1	Atlantis	1	29	455
2	Bardale Phase 4 & Upgrading Phase 1	Mfuleni	21	108	741
3	Delft Symphony Precinct 3&5 (P)	Delft	5	13	1 951
4	Delft The Hague	Delft	5	13	2 407
5	Garden Cities Housing Project	Durbanville	7	105	4 000
6	Gugulethu Infill (Erf 8448/MauMau)	Gugulethu/Nyanga	14	37,38	1071
7	Hangberg CRU	Hout Bay	16	74	141
	Hanover Park ( CRU Upgrade)	Hanover Park	17	47	354
8	Harmony Village	Mitchell's Plain	23	75	850
9	Hazendal Infill (Bokmakierie)	Athlone	11	49	153
	Heideveld (CRU Upgrade)	Heideveld	11	44	264
10	Heideveld Duinefontein Road	Heideveld	11	44	738
11	Kleinvlei Erf 901	Kleinvlei	21	17	65
12	Langa CRU (Hostel redevelopment)	Langa	15	51,52,53	462

	Manenberg (CRU Upgrade)	Manenberg	11,17	42,45,46	591
13	Mannenberg Infill: The Downs	Manenberg	11,17	42,46	587
	Marble Flats (Ottery CRU Upgrade)	Ottery	18	66	132
	Marble Flats (Ottery CRU Upgrade) brick skin	Ottery	18	66	132
14	Nyanga Upgrading	Nyanga	14	36,37,39	2 070
15	Pelican Park Phase 1 (BNG)	Pelican Park	19	67	2 024
16	Pelican Park Phase 1 (Bonded)	Pelican Park	19	67	761
17	PHP City Wide	Various	Various	Various	2 369
18	Scottsdene BNG	Scottsdene	2	6,7	464
19	Scottsdene CRU	Scottsdene	2	6,7	345
20	Scottsdene Gap/Bonded	Scottsdene	2	6,7	1 100
21	Scottsdene Social Housing Phase 1	Scottsdene	2	6&7	500
22	Steenberg Station Phase 3	Steenberg	18	68	100
23	Somerset West 10 ha site	Somerset West	22	15	151

#### URBANISATION PROJECTS (UP)

##### 1. (UP) Emergency Housing Program

No.	Under Construction	Area	Sub-council	Ward
3	Busasa	Mfuleni	22	16
1	Sir Lowry's Pass	Gordons Bay	8	100
2	Wolverivier (Visser'shok)	Blaauwberg	1	104

Any project that may be required in cases of emergency

##### 2. (UP) Upgrade Of Informal Settlements Program (UISP)

No.	Project (Construction)	Area	Sub-council	Ward
1	8st Laan	Valhalla Park	5	31
2	BM Section	Khayelitsha	10	89
No.	Project (Planning)	Area	Sub-council	Ward
7	Barney Molokwana section (BM)	Khayelitsha	10	89
10	Burundi	Mfuleni	21	108
5	Doornbach (Du Noon)	Milnerton	1	104
1	Enkanini	Khayelitsha	22	109
6	Hangberg	Houtbay	16	74
4	Kalkfontein (Kirby's Farm)	Kuilsrivier Smallholdings	21	11
12	Lotus Park	Gugulethu	11	42
11	Monwabisi Park	Khayelitsha	10	95
9	Monwood	Philippi	18	80
14	Philippi Station (PRASA relocation)	Philippi		
3	Phola Park	Gugulethu	11	38
8	Sweethornes	Philippi	18	80
2	Tambo Square	Gugulethu	14	41
13	The Heights	Lavender Hill	19	64

These projects are subject to review and change, and new land may be added

No.	Project (Pipeline)	Area	Sub-council	Ward
1	7de Laan	Strandfontein	19	43
2	Burundi (PRASA relocation)	Mfuleni	21	108
7	Dontse Yakhe (Imizamo Yethu)	Houtbay	16	74
8	RR Section (PRASA relocation)	Khayelitsha	9	89
4	Shukushukuma	Mfuleni	21	108
3	Shukushukuma (PRASA relocation)	Mfuleni	21	108
5	TR Section	Mfuleni	9	90
6	Walacedene (4 in 1 plus)	Kraaifontein	2	6&111

*These projects are subject to review and change, and new areas may become upgraded*  
**URBANISATION PROJECTS (Continued)**

### 3. (UP) Re-Blocking

No.	Project	Area	Sub-council	Ward
3	BBT section (Mlambo)	Khayelitsha	9	87
4	Kalbaskraal	Grassy Park	18	65
1	Masilunge	Mashlungi	11	45
2	Vygekraal	Athlone	17	48

### 4. (UP) Backyarder Projects

No.	Under Construction	Area	Sub-council	Ward
14	Atlantis		1	29,32
12	Bonteheuvel		5,15	31,50,52
8	Grassy Park		18,19	65,110,67
11	Gugulethu		11,14	42,38,41,45,40,44
1	Hanover Park		17	47
9	Heideveld		11	44
6	Lavender Hill		18	68,110
7	Lotus River		18,19	65,66,67
10	Manenberg		11,17	45,46,42
2	Mitchells Plain		12,13,23	36,35,34,33,88,76,75,78,79,81,82,99
5	Ocean View		19	61,69
4	Parkwood		18	66,110
3	Scottsdene		2	6,7
15	Uitsig		6,4	22,25
13	Valhalla Park		4,5	30,24,31

*These projects are subject to review and change*

### 5. Incremental Development Areas (IDA's)

No.	Construction	Area	Sub-council	Ward
2	Freedom Park	Ottery	18	63
4	Mfuleni Ext 2	Mfuleni	22	16
1	Sweet Lips	Ravensmead	4	25
3	Sweethomes (portion)	Philippi	18	80
No.	Planning	Area	Sub-council	Ward
3	AT & BT Section Khayelitsha (BRT)	Khayelitsha	9	18&87
1	Braafs Land	Philippi	13	35
2	Mfuleni Ext 1	Mfuleni	21	108
4	Sophakama (Driftsands (30m servitude water))	Mfuleni	21	19
5	The Island (BRT)	Khayelitsha	9	90
These projects are subject to review and change				



No.	Pipeline	Area	Sub-council	Ward
2	Borchards Quarry (TCT)	Philippi	14&13	39&36
1	Wag 'n Bietjie (EL-Overhead)	Strand	8	86

## 6. (UP) Other

No.	Construction	Area	Sub-council	Ward
1	Hazeldene: Services in Formal Areas	Philippi	18	80
2	Deep Freeze: Services in Formal Areas	Macassar	22	109
No.	Pipeline	Area	Sub-council	Ward
1	Victoria Mxenge	Philippi	18	80

**2012-17 INTEGRATED DEVELOPMENT PLAN****045****2014/15 – 2016/17 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK****Introduction**

Section 26 In chapter 5 of the Municipal Systems Act 32 of 2000 prescribes the core components of the IDP. Section 26(h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of the City over the medium term.

The Municipal Budget and Reporting Regulations (particularly part 2, “Budget-related policies of municipalities”) require the accounting officer to ensure that budget-related policies are prepared and submitted to Council. One of these policies relates to the long-term financial plan, which aims to ensure that all long-term financial planning is based on a structured and consistent methodology, thereby ensuring long-term financial affordability and sustainability.

A municipality’s financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets, and assesses financial impacts on outer years’ budgets, by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The City has a financial model (Medium-Term Revenue and Expenditure Framework, or MTREF), which aims to determine the appropriate mix of financial parameters and assumptions within which the City should operate to facilitate budgets that are affordable and sustainable at least ten years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality’s operating budget.

The MTREF model is reviewed annually to determine the most affordable level at which the municipality can operate optimally, taking into account the fiscal overview, economic climate, national and provincial influences, IDP and other legislative imperatives, as well as internal governance and community consultation.

**Financial strategic approach**

The 2014/15 MTREF period represents the 3<sup>rd</sup> year of the City’s 5-year IDP period.

Changes to recent years’ structures, protocols and processes envisage three separate budget committees with different focus of attention and responsibilities. This was implemented to ensure further improved strategic alignment of the budget to the IDP. In addition to the Budget Steering Committee (BSC) established in terms of the Municipal Budgeting and Reporting Regulations (MBRR), the two additional budget committees namely, the Budget Strategy Committee (BSM) and the Budget Oversight Committee (BOC) were established for the 2014/15 budget process. The purpose of the BSM is to ensure that the budget is aligned to the City’s strategies whereas the BOC has an oversight role ensuring that the overall strategic alignment is being met.

The 2014/15 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook and consultation with various role players.

The process encompassed the following:

- BSM provided the framework for and strategic direction of the budget
- MTREF model forecasted taking above direction into account
- Continuous MTREF presentations to EMT, BSC and the BSM
- IDP community consultations
- Presentations by directorates at budget hearings on their business improvement measurements, funding the IDP and capital investment plans for 3-year MTREF period
- Presentations by the Trading services with regard to their proposed budgets and tariff increases

### Economic outlook and external factors

According to Bureau of Economic Research (BER) growth performance is expected to revert back to the long term average. This forecast is due to the international financial markets recovering from the European Sovereign Debt crisis and the assumption that positive politics and improved economic policies will be experienced domestically. As a result, according to BER, GDP is expected to recover in 2015 to 3% and increasing steadily to 3.6% in 2017.

Oil prices are still currently volatile due to the negative fluctuations of the R/\$ exchange rate and uncertainties around potential supply disruptions stemming from political tension in the Middle East. Oil prices are projected to remain at the high rate of between \$100 to \$110 per barrel for 2015. BER further forecasts the Rand to end 2014 at an average of R10.89/\$ and is expected to end 2015 at R10.30/\$.

### Consumer price index forecasts

CPI is expected to remain within the SARB inflation target range of between 3% and 6%. CPI forecasts for the next 3 years are expected to remain at the upper end of the range due to food, petrol and energy costs. The graph below depicts the CPI for the past years and projections for the next 5 years as per BER.

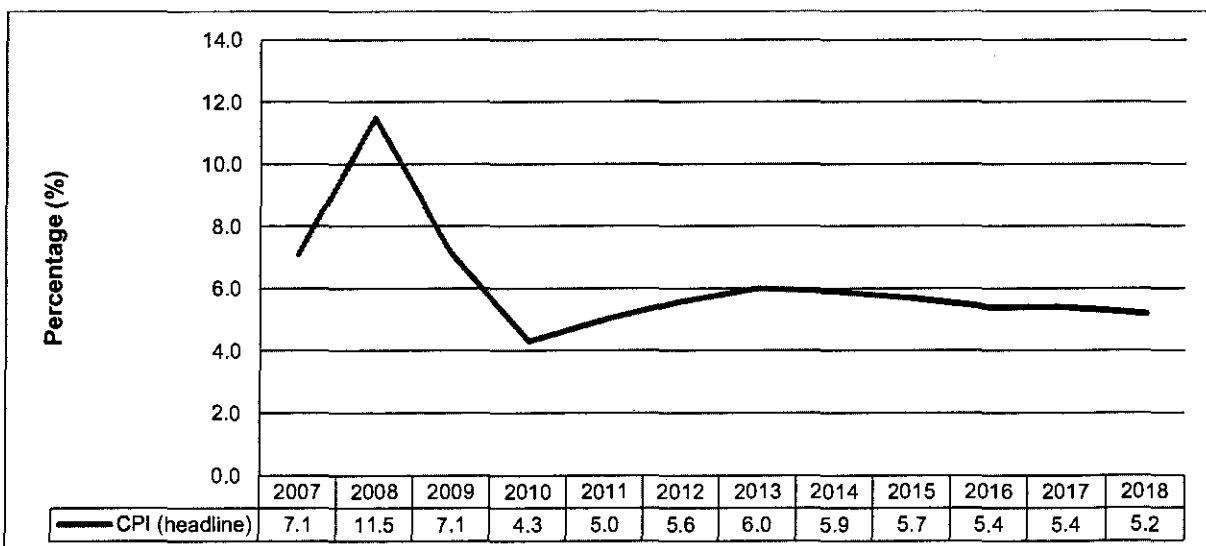


Figure 1: Consumer price index trends – actual and forecast

BER has forecasted CPI as 5.9%, 5.7% and 5.4% for the calendar years 2014 to 2016 respectively. The City's forecasted CPI in municipal financial years is 5.8% for 2014/15, 5.6% for 2015/16 and 5.4% for 2016/17. Years 1 and 2 is higher than the inflation forecasts set out in NT Circular 70 which estimated 5.6% and 5.4% respectively for 2014/15 and 2015/16.

### **National and Provincial Government Influences**

In drafting the 2014/15 MTREF special attention was given to National and Provincial influences which included:

#### **a) Medium Term Budget Policy Statement (MTBPS)**

The MTBPS outlined strategies and interventions required by local government in achieving economic stability and higher levels of growth, it include, among others:

- i. Expanding public sector investment in infrastructure through ensuring the budgets and MTREF's acknowledge that capital programmes needs a balanced funding structure addressing not only backlogs in services but also investment in new infrastructure as well as renewing current infrastructure.
- ii. Sustainable job creation - municipalities to ensure that in drafting their 2014/15 budgets and MTREFs, they continue to explore opportunities to promote labour intensive approaches to delivering services, and fully participate in the Expanded Public Works Programme.
- iii. Municipalities to act as catalysts for economic growth through creating an enabling environment for investment and other activities that foster job creation.
- iv. Implementing the National Development Plan through expanding electricity, transport, communications capacity and promoting industrial competitiveness.

The MTBPS further highlighted the current financial position of the country and informed amongst other, municipalities to minimise costs and abuse. The following six focus areas were highlighted for the period ahead:

- i. Consultant services: Improved contract management, stricter control of consultancy fees and each government entity to develop a consultancy reduction plan over the course of this financial year.
- ii. No credit cards.
- iii. Travel and related costs: Restricting the type of cars hired and the number of officials travelling
- iv. Advertising: Guidelines to limit non-essential costs and for better use of GCIS facilities will be developed.
- v. Catering and event costs: Guidelines to be developed for reducing event costs, including better use of government facilities rather than outside venues for meetings. No public funds to be used for purchase of alcohol. The entertainment allowance will be limited to R2 000.
- vi. Steps are under way to reduce long term office accommodation and government housing costs and make further savings from electricity demand management measures in government buildings.

With regard to the issues raised above, the City have further expanded their EPWP for the 2014/15 financial year, have already in the 2013/14 implemented cost cutting initiatives where provisions for National and International travel was reduced and stricter approving

mechanisms applied; catering, and entertainments budgets reduced. In addition, the City continuously assesses efficiencies in the utilisation of office accommodation.

b) MFMA circular 70

Cognisance was also taken of MFMA Circular No 70 – Municipal Budget Circular for the 2014/15 MTREF, which amongst other included:

- Municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts.
- Municipalities should carefully consider affordability of tariff increases;
- Municipalities should also pay particular attention to managing revenue effectively and carefully evaluate all spending decisions.
- Municipalities must implement cost containing measures as approved by Cabinet to eliminate non-priority spending.
- Strengthening procurement to obtain value for money and fighting against corruption
- Local government budget and financial management reforms, including the regulation of SCOA, the financial implication of SCOA and Management accounting and its impact on tariff setting
- Guidelines for the 2014/15 MTREF Electricity, Water, Sanitation and Solid Waste tariffs.
- Municipalities are urged to sign service level agreements and recover costs where unfunded/underfunded mandates are performed on behalf of other spheres of government. Unfunded/underfunded mandates pose an institutional and financial risk to the municipality as substantial amounts of own funding is allocated to non-core functions at the expense of service delivery.

### **Financial modelling and Key Planning drivers**

The alignment of the strategy of the City and the budget included alignment to:

- The Integrated Development Plan
- Resource prioritisation within the IDP objectives according to the City's Economic Growth Strategy (EGS) and the Social Development Strategy (SDS)
- The City's transversal goals as set out by the Economic and Social Clusters
- Core economic, financial and technical data obtained at local and national level
- Other issues deemed important at Mayco

The outcome of the MTREF modelling performed incorporated the above and the ensuing paragraphs outline the assumptions on which the MTREF was compiled.

The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher than inflation Repairs and Maintenance provisions to attain nationally benchmarked levels to ensure and enhance preservation of the City's infrastructure;
- Higher increases to selected cost elements subjected to higher than average inflationary pressure, e.g. staff costs;
- A 100% capital expenditure implementation rate assumed;
- Credible collection rates based on collection achievements to date and incorporating improved success anticipated in selected revenue items;
- Reprioritisation of the operating budget to give effect to the MTBPS and National Treasury circular 79 and to ensure strategic alignment of the budget.

- National and Provincial allocations as per the 2013 DORA and 2013 Western Cape Provincial gazette.

## EXPENDITURE ANALYSIS – A THREE-YEAR PREVIEW

### General inflation outlook and its impact on municipal activities

CPI projected for the City is 5.8% for 2014/15, 5.6% and 5.4% for 2015/16 and 2016/17 respectively. These levels are within the South African Reserve Bank (SARB) inflation targeting range of between 3% to 6% range and is depicted in the graph below.

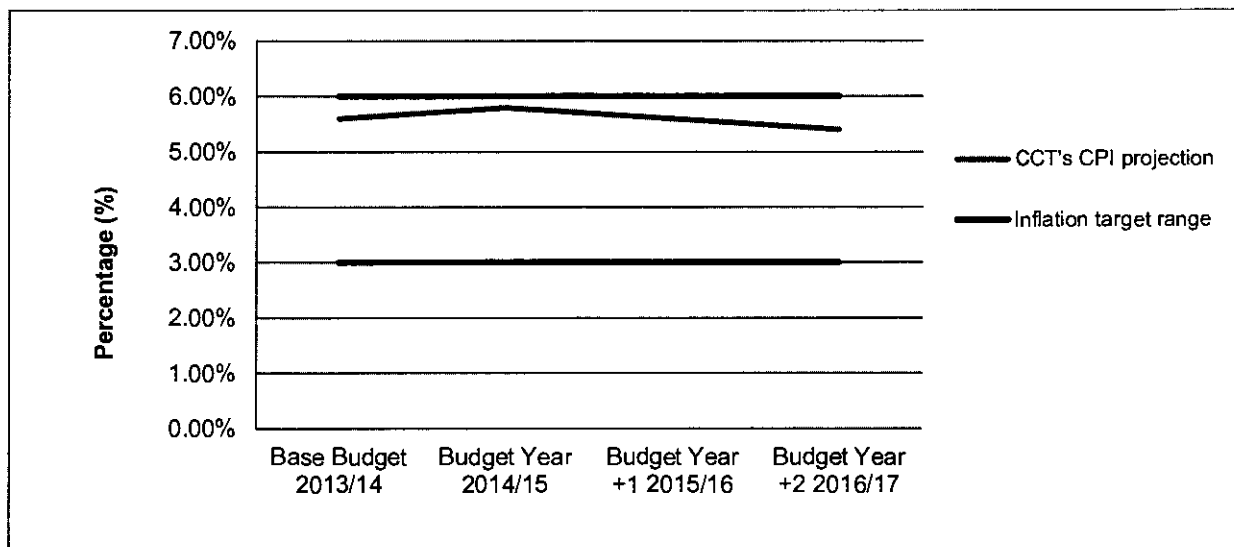


Figure 2: Consumer price index projections and Reserve Bank inflation target range

### Collection rates for revenue services

In accordance with relevant legislation and national directives, the City's projected revenue recovery rates are based on realistic and sustainable trends. In calculating the working capital reserve, the following collection ratios were applied:

Table 1: Service revenue collection rates

Services	Base Budget 2013/14	2014/15	2015/16	2016/17
Rates	96.00%	96.00%	96.00%	96.00%
Electricity	98.00%	98.00%	98.00%	98.00%
Water	92.50%	90.60%	89.50%	89.00%
Sanitation	92.50%	90.60%	90.00%	90.50%
Refuse	93.00%	95.00%	95.00%	95.00%
Housing	47.00%	50.40%	52.00%	54.60%

Property Rates and Electricity's collection ratios are expected to remain constant over the 2014/15 MTREF period. Refuse collection rate is expected to increase from 93% to 95% from 2013/14 to 2014/15, in line with recent years' trends. The yr. on yr. phased downward alignment of the Water and Sanitation collection ratio is as a result of lower than anticipated

actual outcomes. Current debt management initiatives being implemented is intended to raise the collection ratio to targeted levels.

Housing collection ratio is also expected to increase over the 2014/15 MTREF, which is due to initiatives that includes amongst other, expanded housing debt management and the Payers Incentive Scheme.

A R951 million was provided for debt impairment in the 2014/15 budget and is based on an average collection ratio of 94% (excludes Housing). The graph below shows the debt impairment for the period 2012/13 to 2016/17.

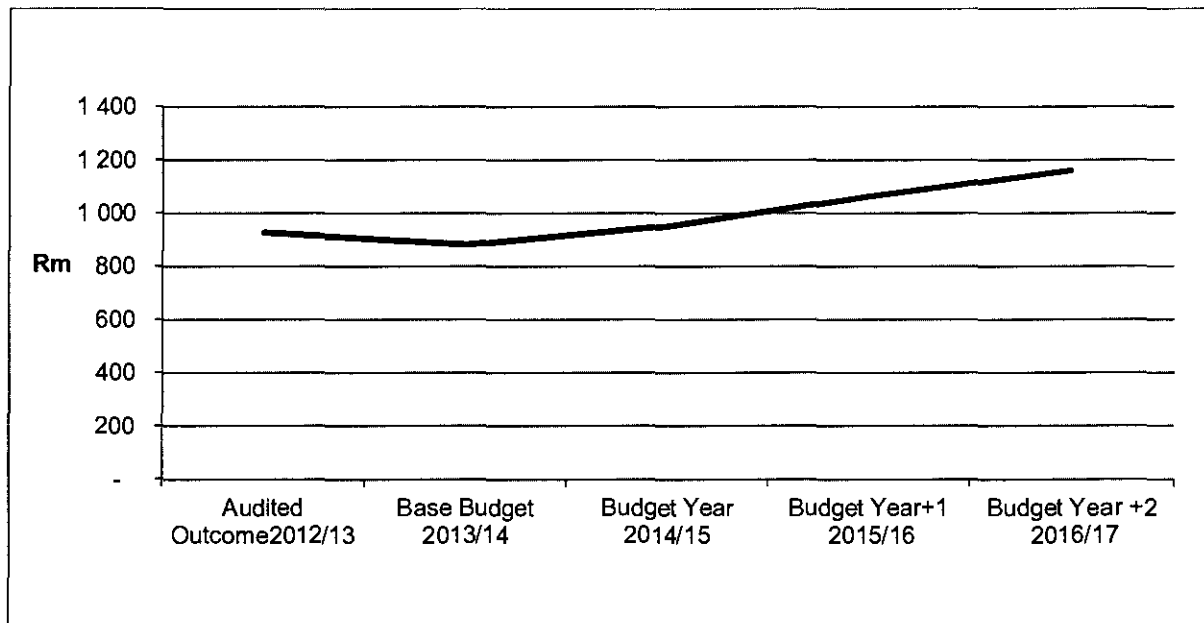


Figure 3: Provision of bad debts - 2012/13 to 2016/17

### Salary increases – salaries, wages and related staff costs

A 3 year Salary and Wage collective agreement was entered into in 2012. The term of the agreement covers the 2012/13 to 2014/15 period; in the absence of an agreement for the two outer years of this MTREF period the provisions provided for 2014/15 were also assumed for the two outer years.

In terms of the agreement, the salary and wage increases were annually calculated for all three years using the average CPI for the period 1 February of the previous year to 31 January of the current year.

The agreement further stipulates that if, in any of these years the average CPI percentage, as per the calculation above, is less than 5%, the average CPI will be deemed to be 5% and in the event that the average CPI is above 10% the average CPI will be deemed to be 10%.

The actual CPI for the period 1 February 2013 to 30 November 2013 (ex STATSSA) is 5.84%; the salary provision made for the 2014/15 MTREF is therefore 6.84% (5.84%+1%).

In addition, provision was made for an incremental allowance of 2% to cater for performance- and other notch increases.

The graph below shows the consistent above-CPI salary increases for the last three years and for the projected MTREF period.

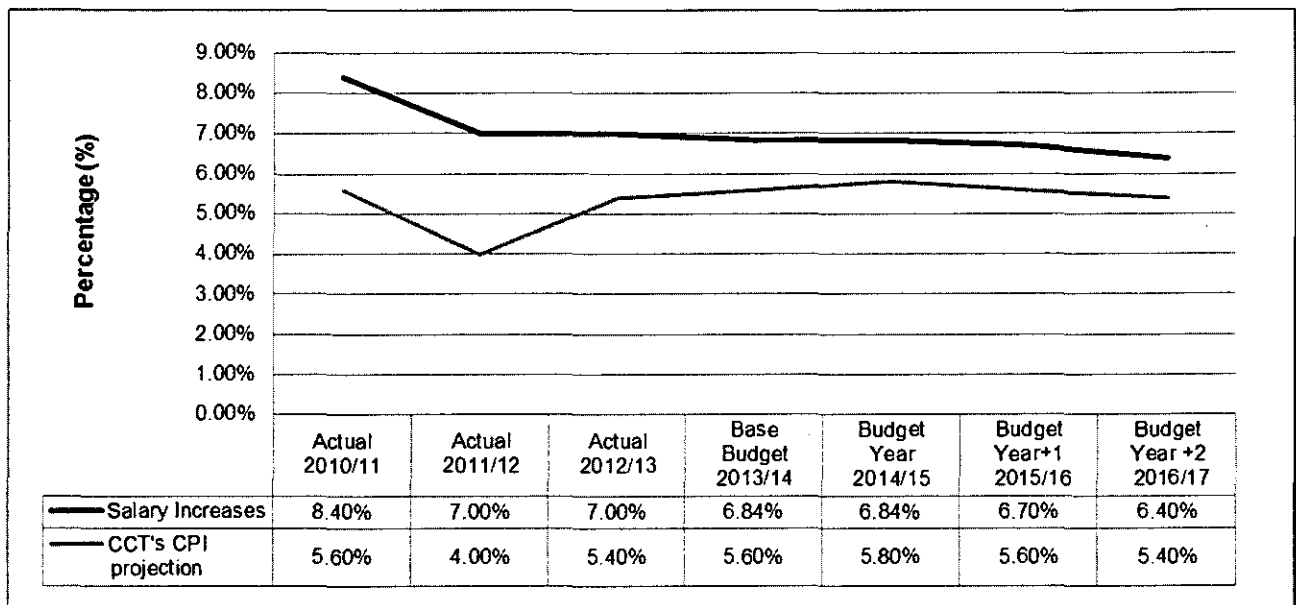


Figure 4: Above-CPI salary increases

#### Ensuring maintenance of existing assets: Repairs and maintenance

NT Circular 70 reminded municipalities to consider the budget management issues which were discussed in previous circulars. NT circulars 54, 55 and 58 stressed the importance of securing the health of a municipality's asset base by increased spending on repairs and maintenance. NT circular 55 further stated that "allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the benchmarks". NT Circular 55 and 70 set the percentage norm of operational repairs and maintenance to asset value (write down value) of the municipality's Property Plant and Equipment (PPE) at 8% this ratio outcome for the City averages 8.8% annually over the 2014/15 MTREF.

To give effect to the above directives repairs and maintenance was budgeted at 3% above CPI over the 2014/15 MTREF.

The graph below shows the increasing expenditure trend on repairs and maintenance from 2012/13 and projected to 2016/17.



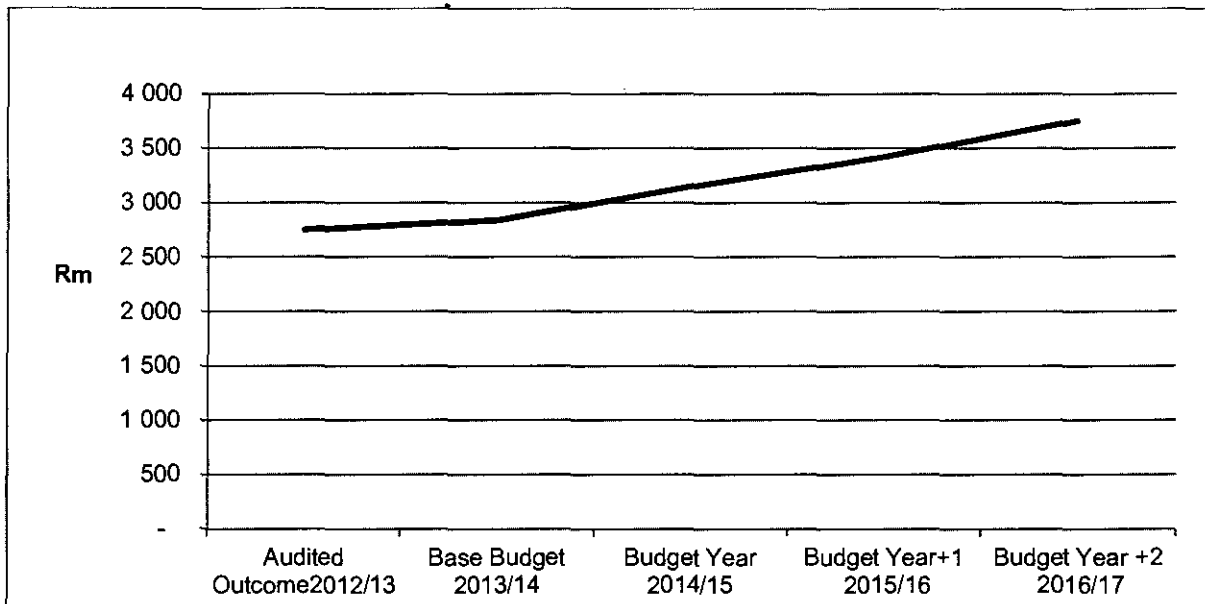


Figure 5: Repairs and Maintenance expenditure trends

### Interest rates for borrowing and investment of funds

Borrowing interest rates is factored at a prime rate stabilising at 11% over the 2014/15 MTREF. The investment interest rate has improved from the previous financial period by 0.5%. An average of 5.50% was forecasted over the 2014/15 MTREF.

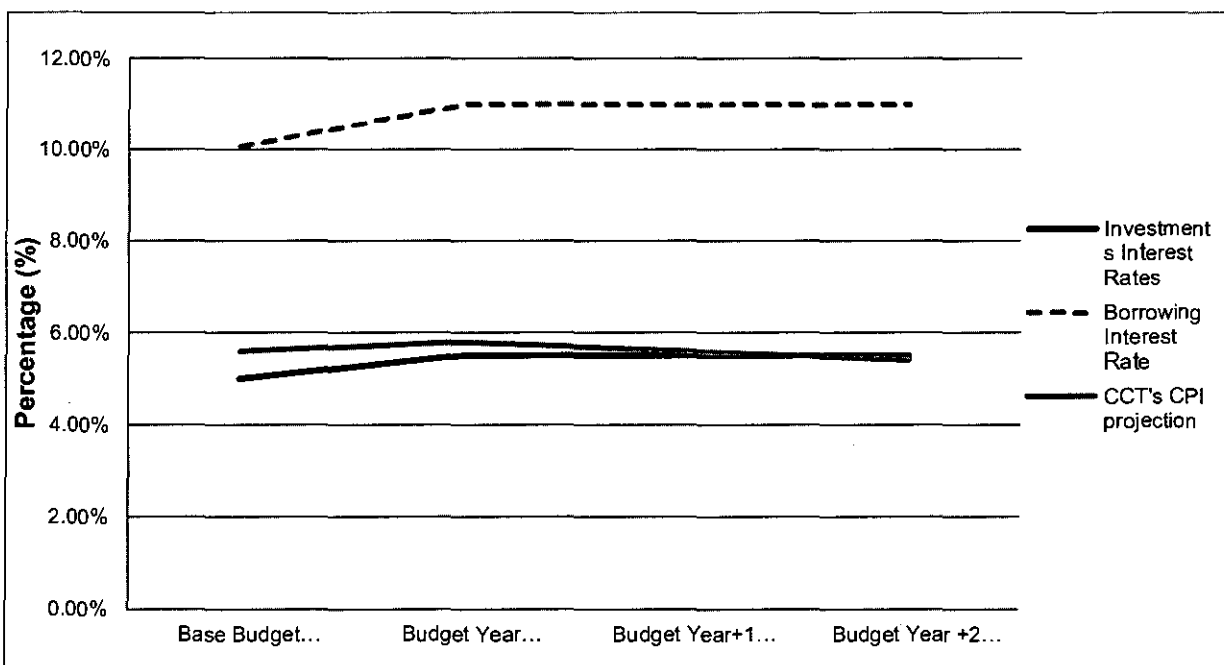


Figure 6: Investment and borrowing interest rates

### **Operating financing of capital**

Calculation of depreciation on new capital expenditure is based on variables such as asset class life span, ranging between 9 and 50 years, depending on the nature of the asset. An annual capital expenditure implementation rate of 100% was assumed. Depreciation of existing assets is based on simulated SAP data which reflects actual values per annum. Assets under Construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.

### **REVENUE ANALYSIS – A THREE-YEAR PREVIEW**

#### **Growth or decline in tax base and services of the municipality: Service growth**

The current unstable economic climate has restricted material service growth projections. The respective projected growth for the City's services is as follows:

##### *Rates*

Service growth applied for Rates has reduced from 1% in 2013/14 to 0.5% over the 2014/15 MTREF.

##### *Water and Sanitation*

A service growth of 1% was applied to Water and Sanitation over the 2014/15 MTREF. This is based on the average growth over the past years, on the revenue generating portion of water volumes.

##### *Electricity*

Electricity has projected negative service growth over the 2014/15 MTREF, due to the impact of energy saving plans and increasing tariffs which is reducing consumption. Negative service growth levels of 1.75% (2014/15) and 1% (2015/16 and 2016/17) are projected over the MTREF period.

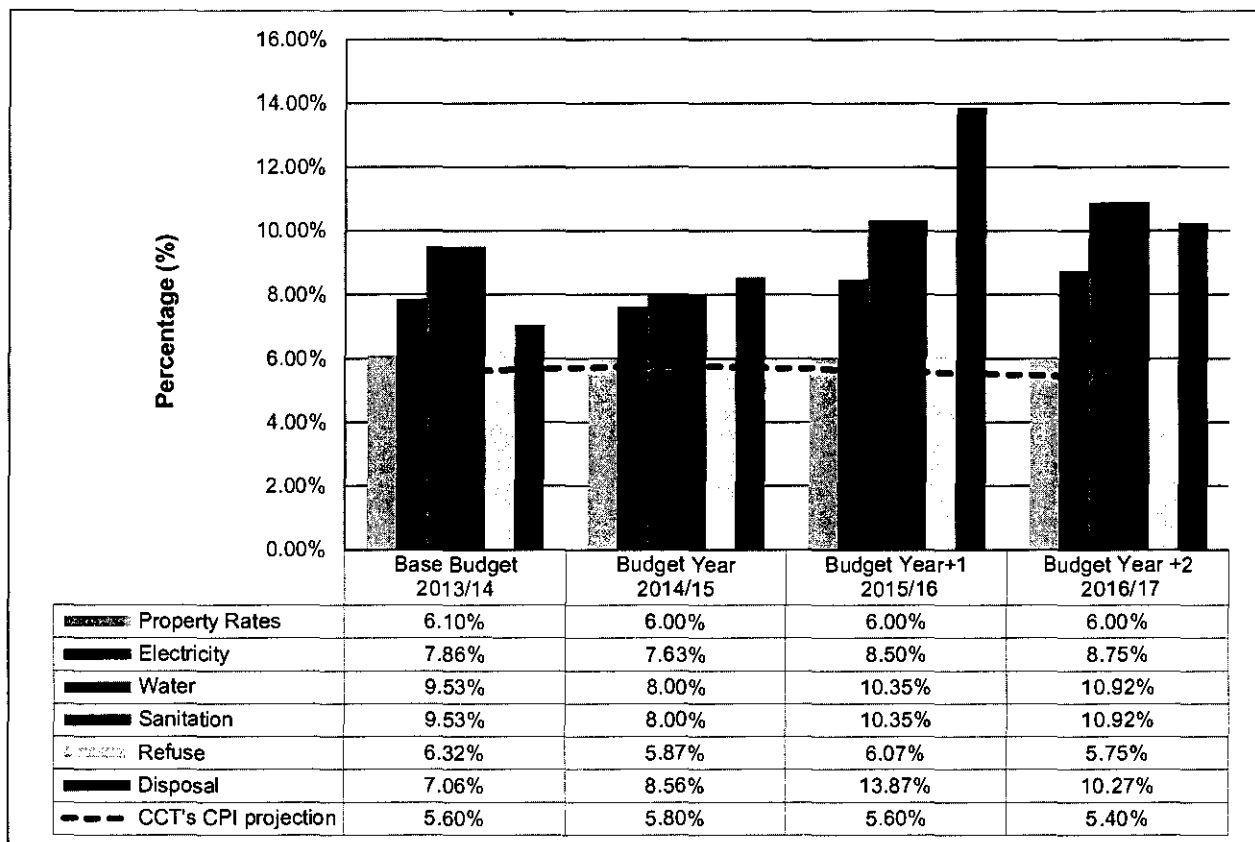
##### *Refuse*

A 2% service growth was applied over the 2014/15 MTREF for Refuse. This is as a result of the growth in the requirement for refuse services

#### **Major tariffs and charges: Rates and trading services**

The adverse impact of the current economic climate, coupled with the demand for new and upgraded infrastructure, made tariff increases higher than CPI levels inevitable.

NT circular 70 of December 2013 *"National Treasury also continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6.0 per cent upper boundary of the South African Reserve Bank's inflation target in the budget narratives"*. Nevertheless, it further indicates that tariffs should be cost reflective. In this regard the following represents the revenue increases included over the 2014/15 MTREF.



**Figure 7: Average service revenue increases**

#### *Property Rates*

The Rates revenue increase is at 6% over the 2014/15 MTREF, i.e. within the inflation target range. This increase will afford the City to provide for the recurrent operating costs, new budget realities and for the investments in new infrastructure of Rate funded services.

#### *Electricity*

The NERSA approved electricity bulk purchases increase for 2014/15 is 8.06%. Based on this, the City's average revenue increase requirement is 7.63% for the 2014/15 financial year and 8.50% and 8.75% for the two outer years respectively. The higher than CPI increase is attributed to various factors which would include the higher than CPI Eskom increase and salary increases. It furthermore caters for the increased costs of finance charges to the previous financial year, due to increased investments in new infrastructure to ensure continued optimal service delivery and an increase in the number of revenue collection teams to further improve the collection ratio.

#### *Water and Sanitation*

According to NT circular 70 municipalities were previously advised that "If the water and sanitation tariffs are not fully cost reflective, the municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time". It was further advised that "as per the guidance in previous Budget Circulars, municipalities are expected to have cost reflective tariffs for the 2014/15 MTREF for both water and sanitation. Should this not be case, municipalities will be required to clearly articulate the reasons within the budget document including remedial actions in rectifying this position".

The average Water and Sanitation revenue increase for 2014/15 is at 8.00% and averages 10.64% over the two outer years. The higher than CPI tariff increase requirement is as a result of the additional cost required to service informal settlement, to keep pace with the demand for maintenance of the current infrastructure, to cater for increased water demand, to ensure compliance to the Waste Water Treatment Works legislation issued by the Department of Water Affairs, the investment in new infrastructure as well as to absorb the cost impact of the lower collection ratio projected for the 2014/15 MTREF,

#### *Solid Waste*

According to Circular 70, *"municipalities are once again reminded that in many instances waste tariffs do not cover the cost of providing the different components of the service. Where this is the case, municipalities should aim to have appropriately structured, cost-reflective solid waste tariffs in place by 2015"*.

The Disposal average increase for 2014/15 is at 8.56%. This increase, amongst other, is required for the rehabilitation of landfill sites and for the operating costs relating to the new transfer station. The 5.87% average increase for Refuse in 2014/15 is to maintain and improve the standard of refuse removal service.

#### *Housing rental stock*

The monthly rental charge for the City's housing rental properties is based on a rate per square meter applied to the size of the unit being rented coupled with a set of premiums/deductions based on the location, maintenance level, facilities et al of the property for which the rent is charged.

The rates for 2014/15 are as follows:

- Rental (per square meter): R8.20
- Rental (per square meter including water charge where applicable): R11.58
- Plus the applicable premiums and deductions associated with the unit

#### **Impact of national, provincial and local policies on operating revenue**

##### ***Fuel levy***

The general fuel levy is legislated by the Taxation Laws Amendment Act (2009) that makes provision that each metro's share be announced through a Government Gazette. The fuel levy sharing amounts for each metro is therefore published annually through a Notice in the Government gazette.

The Fuel levy allocation is based on the latest available fuel sales figures within the jurisdiction of the City as a metro. The following indicative amounts were allocated to the City as per the 2013/14 allocation letter received from NT:

2014/15 –	R2.015bn
2015/16 –	R2.108bn
2016/17 -	R2.222bn (projected on average yr. on yr. increase)

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**Equitable share**

The reviewed Equitable Share formula provide a subsidy for the provision of free basic water, electricity, sanitation and refuse removal services for every poor household. It also provides funds for the institutional costs of municipalities, a community services component which provides funding towards the provision of core municipal services not included under basic services. To ensure that the funds for institutional costs and non-trading services are targeted at poorer municipalities, the formula applies a revenue-adjustment factor reflecting municipalities' ability to generate their own revenue. The revised formula used data from the 2011 Census which are to be updated annually to reflect estimates of population growth and projected increases in the cost of services such as water and electricity.

**Table 2: Equitable Share formula**

<b>Structure of the local government equitable share formula</b>	
<b><math>LGES = BS + (I + CS) \times RA \pm C</math></b>	
<i>where</i>	
<b>LGES</b> is the local government equitable share	
<b>BS</b> is the basic services component – basic services subsidy x number of poor households	
<b>I</b> is the institutional component – base allocation + [allocation per councillor * number of council seats]	
<b>CS</b> is the community services component – [municipal health and related services allocation x number of households] + [other services allocation x number of households]	
<b>RA</b> is the revenue adjustment factor	
<b>C</b> is the correction and stabilisation factor	

Equitable share provisions included in the budget are based on the 2013 Division of Revenue Act. Based on the calculation as set out above the City had a revenue adjustment factor of zero which meant that it did not receive any allocation from the institutional and non-trading services components on which the factor was applied. The following indicative equitable share amounts were allocated to the City as per the 2013 DORA.

2014/15 –	R1.502bn
2015/16 –	R1.815bn
2016/17 -	R2.193bn (projected on average yr. on yr. increase)

**Capital funding sources**

The total capital budget included for the 3-year MTREF period is as follows:

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**Table 3: Capital funding sources**

<b>Funding Source</b>	<b>2014/15 R' 000</b>	<b>2015/16 R' 000</b>	<b>2016/17 R' 000</b>
Capital Grants and Donations	2,886,199	2,995,459	2,942,306
Capital Replacement Reserve	722,927	681,040	607,349
Revenue	125,270	17,467	15,534
External Financing Fund	2,346,301	2,510,679	2,386,273
<b>TOTAL</b>	<b>6,080,696</b>	<b>6,204,645</b>	<b>5,951,461</b>

Grants received from National and Provincial Government remains a significant funding source over the 2014/15 MTREF. External Financing Fund (EFF) over the 3 years averages R2.41 billion.

### **Borrowing and credit rating**

The City's borrowing is done in terms chapter 6 of the MFMA and the City's borrowing policy and is influenced by the capital investment / EFF requirement for the 2014/15 MTREF. The City requires a credit rating to demonstrate its ability to meet its financial obligations. Potential lenders also use this rating to assess the City's credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework.

Moody's Investors Service has rated the City's credit rating as Aa3.za in 2013, which reflects the City's strong budgetary performance and its good liquidity position. The City is rated at the high end of the range of South African municipalities rated by Moody and it is expected that the City will maintain this relatively strong financial position in the medium term. The negative outlook on the City's rating mirrors the negative outlook on South Africa's sovereign rating. This position can only be improved by the stabilisation or upgrade of the sovereign rating.

**Table 4: Credit rating for the City of Cape Town**

<b>Category</b>	<b>Currency</b>	<b>Rating 02 April 2013</b>	<b>Previous Rating 14 Dec 2012</b>
Outlook	-	Negative	Negative
NSR Issuer Rating - Dom Curr	Rand	Aa3.za	Aa3.za
NSR ST Issuer Rating - Dom Curr	Rand	P-1.za	P-1.za
NSR Senior Unsecured - Dom Curr	Rand	Aa3.za	Aa3.za

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The definitions of the rating categories are:

Negative Outlook - reflects that a credit rating assigned to an issuer which may be lowered.

NSR Issuer Rating – Aa3.za – Issuers or issues rated A.za present above average credit worthiness relative to other domestic issuers.

NSR Issuer Rating – Aa2.za – Issuers or issues rated Aa.za demonstrate very strong creditworthiness relative to other domestic issuers.

NSR ST Issuer Rating – P-1.za – Issuers (or supporting institutions) rated Prime-1 has a superior ability to repay short-term debt obligations.

NSR Senior Unsecured – Issuers demonstrate very strong creditworthiness relative to other domestic issuers.

### Major parameters to the operating budget

**Table 5: Operating budget parameters**

	2014/15	2015/16	2016/17
	%	%	%
CPI	5.80	5.60	5.40
COLLECTION RATES			
Rates	96.00	96.00	96.00
Electricity	98.00	98.00	98.00
Water	90.60	89.50	89.00
Sanitation	90.60	90.00	90.50
Refuse	95.00	95.00	95.00
Housing	50.40	52.00	54.60
REVENUE PARAMETERS (excluding organic growth):			
Rates	6.00	6.00	6.00
Electricity	7.63	8.50	8.75
Water	8.00	10.35	10.92
Sanitation	8.00	10.35	10.92
Refuse	5.87	6.07	5.75
Disposal	8.56	13.87	10.27
REVENUE PARAMETERS (including organic growth):			
Rates	6.50	6.50	6.50
Electricity	5.88	7.50	7.75
Water	9.00	11.35	11.92
Sanitation	9.00	11.35	11.92
Refuse	7.87	8.07	7.75
EXPENDITURE PARAMETERS:			
Salary increase			
Salary increase (SALGA Agreement)	6.84	6.70	6.40
Increment provision	2.00	2.00	2.00
General Expenses	5.80	5.60	5.40
Repairs & Maintenance	8.80	8.60	8.40
Interest Rates			
Interest paid	11.00	11.00	11.00
Interest on investment	5.50	5.50	5.50
OTHER:			
Capital (EFF component) Expenditure	R2.346bn	R2.511bn	R2.386bn
Equitable Share Allocation	R1.502bn	R1.815bn	R2.193bn
Fuel Levy	R2.015bn	R2.108bn	R2.222bn

**FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17  
(2014/15 Year REVIEW )**

SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline <sup>1</sup>	Proposed targets				
				2012/13	2013/14	2014/15	2015/16	2016/17	
SFA 1 - THE OPPORTUNITY CITY	1.1 Create an enabling environment to attract investment that generates economic growth and job creation	1.A Percentage of Building plans approved within statutory timeframes (30-60 days)	69.32%	80.7%	82%	85%	87%	90%	
	1.2 Provide and maintain economic and social infrastructure to ensure infrastructure-led economic growth and development	1.B Percentage spend of capital budget	92.8% R4 233 bn	92.91%	91%	92%	93%	94%	
		1.C Rand value of capital invested in engineering infrastructure	R1,309 bn	R 2,1 bn	R 1,8 bn	R 1,8 bn	-	-	
		1.D Percentage spend on repairs and maintenance	100%	104.68%	100%	95%	95%	95%	
		1.E Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service	0.43%	< 0.65%	< 1%	< 0.9%	< 0.8%	< 0.7%	
		1.F Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service	0.09%	< 0.57%	< 1%	< 0.9%	< 0.8%	< 0.7%	
		1.G Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service	0.16%	< 0.13%	< 1%	< 0.9%	< 0.8%	< 0.7%	
		1.H Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service	0.01%	< 0.00%	< 1%	< 0.9%	< 0.8%	< 0.7%	
		1.I Number of Expanded Public Works programmes (EPWP) opportunities created	26 403	35 556	37 500	40 000	42 500	45 000	
		1.3 Promote a sustainable environment through the efficient utilisation of resources	1.J Percentage of treated potable water not billed	New <sup>(2)</sup>	New <sup>(2)</sup>	20.20%	19.70%	19.20%	18.70%
	1.4 Ensure mobility through the implementation of an effective public transport system	1.K Number of passenger journeys on the MyCiti public transport system	New	3 113 329	5.3 Million	8 Million	15 Million	19 Million	
	1.5 Leverage the City's assets to drive economic growth and sustainable development	1.L Percentage development of an immovable property asset management framework	New <sup>(2)</sup>	New <sup>(2)</sup>	48.66%	70.00%	85.00%	95.00%	
	1.6 Maximise the use of available funding and programmes for training and skills development	1.M (a) Number of external trainee and bursary opportunities (excluding apprentices)	531	954	700	750	800	850	
		1.M (b) Number of apprentices	108	314	250	270	300	320	

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**FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17  
(2014/15 Year REVIEW )**

SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline <sup>1</sup>	Proposed targets				
				2012/13	2013/14	2014/15	2015/16	2016/17	
SFA 2 - THE SAFE CITY	2.1 Expanding staff and capital resources in policing departments and emergency services to provide improved services to all, especially the most vulnerable communities	2.A Community satisfaction survey (Score 1 -5) - safety and security	2.7	2.5	2.8	2.8	2.8	2.9	
		2.B Reduce number of accidents at five highest frequency intersections.	New	321	367	362	358	353	
		2.C Percentage response times for fire incidents within 14 minutes from call receipt up to arrival	82%	84%	80%	80%	80%	80%	
	2.2 Resource departments in pursuit of optimum operational functionality	2.D Number of operational specialised units_maintained	New <sup>(2)</sup>	New <sup>(2)</sup>	14	14	14	14	
	2.3 Enhance information-driven policing with improved information gathering capacity and functional specialisation	2.E Percentage budget spent on Integrated information management system	New <sup>(2)</sup>	New <sup>(2)</sup>	15%	40%	85%	90%	
	2.4 Improve efficiency of policing and emergency staff through effective training	2.F Percentage staff successfully completing legislative training interventions	New <sup>(2)</sup>	New <sup>(2)</sup>	70%	70%	70%	70%	
	2.5 Improve safety and security through partnerships	2.G Percentage of Neighbourhood Watch satisfaction survey	New <sup>(2)</sup>	New <sup>(2)</sup>	60%	65%	70%	75%	
SFA 3 - THE CARING CITY	3.1 Provide access to social services for those who need it	3.A Number of social development programs implemented	New	7	7	7	7	7	
		3.B Number of recreation hubs where activities are held on a minimum of 5 days a week	New	28	40	40	55	55	
	3.2 Ensure increased access to innovative human settlements for those who need it	3.C Number of human settlements opportunities provided per year	7 141	12 416					
		Serviced sites		6 391	4 400	5 142	4 000	4 000	
		Top structures		4 300	4 242	5 614	3 200	3 000	
		Other (CRU upgrades and shared services provision to Reblocked Informal settlements and backyarders)		1 725	4 641	3 605	2 000	2 000	
	3.3 Assess the possible sale or transfer of rental stock to identified beneficiaries, using established criteria	3.D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units	New <sup>(2)</sup>	New <sup>(2)</sup>	2 500	2500	tbd	tbd	
	3.4 Provide for the needs of informal settlements and backyard residences through improved services	3.E Improve basic services							
		3.E (a) Number of water services points (taps) provided	277	599	1 020	1 040	1 070	1 100	
		3.E (b) Number of sanitation service points (toilets) provided	3 354	5 043	3100	3 100	3 100	3 100	
3.E (c )Percentage of informal settlements receiving door-to-door refuse collection service		223	204	99%	99%	99%	99%		
3.F Number of electricity subsidised connections installed		1 050	918	1 500	1 500	1 500	1 500		

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**FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17  
(2014/15 Year REVIEW )**

SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline <sup>1</sup>	Proposed targets				
				2012/13	2013/14	2014/15	2015/16	2016/17	
SFA 3 - THE	3.5 Provide effective environmental health services	3.G Percentage compliance with drinking water quality standards	98.60%	99.3%	98%	98%	98%	98%	
	3.6 Provide effective air quality management and pollution (including noise) control programmes	3.H Number of days when air pollution exceeds RSA Ambient Air Quality Standards	New	4	< 25	< 25	< 25	< 25	
	3.7 Provide effective primary health- care services	3.I New Smear Positive TB Cure Rate	New	84.2%	83% (2012/2013)	83% (2013/2014)	84% (2014/2015)	85% (2015/2016)	
	3.8 Provide substance abuse outpatient treatment and rehabilitation services	3.J Number of New Clients screened at the Substance Abuse Outpatient Treatment Centres	New <sup>(2)</sup>	New <sup>(2)</sup>	1 520	1 572	1 628	1 687	
SFA 4 - THE INCLUSIVE CITY	4.1 Ensure responsiveness by creating an environment where citizens can communicate with and be responded to	4.A Percentage adherence to Citywide service standard based on all external notifications	New	96.98%	100%	100%	100%	100%	
	4.2 Provide facilities that make citizens feel at home	4.B Customer satisfaction survey (Score 1 -5 Likert scale) -community facilities	3	3.1	3.1	3.1	3.1	3.1	
SFA 5 - THE WELL-RUN CITY	5.1 Ensure a transparent and work towards eradicating corruption	5.A Number of municipal meetings open to the public	New <sup>(2)</sup>	New <sup>(2)</sup>	174	174	174	174	
	5.2 Establish an efficient and productive administration that prioritises delivery	5.B Employee Engagement index as measured in a biennial Staff Engagement Survey	35%	Survey will be completed in the 2013/14 financial year	39%	Survey will be completed in the 2015/16 financial year	3.6	Survey will be completed in the 2017/18 financial year	
		5.C Community satisfaction survey (Score 1 -5) - city wide	2.7	2.9	2.8	2.9	2.9	3	
		5.D Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan	65.70%	65.85%	78%	80%	82%	85%	
		5.E Percentage budget spent on implementation of WSP for the City	103.89%	102.04%	95%	95%	95%	95%	
		5.F Opinion of the Auditor General	Unqualified Audit	Unqualified Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit	
	5.3 Ensure financial prudence, with clean audits by the Auditor-General	5.G Opinion of independent rating agency	High investment rating of P-1.za Aa2.za	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	
		5.H Ratio of cost coverage maintained	New	2.67:1	2:1	2:1	2:1	2:1	
		5.I Net Debtors to Annual Income [Ratio of outstanding service debtors to revenue actually received for services]	New	20.31%	20.5%	21.5%	21.5%	21.5%	
		5.J Debt coverage by own billed revenue	New	3.24:1	2.5:1	2:1	2:1	2:1	

(1) The baseline figures currently reflects the audited actual achievements as at 30 June 2013. These figures will be available at [www.capetown.gov.za/ldp](http://www.capetown.gov.za/ldp) after September 2014.

(2) The indicator will be reported on in 2013/14.

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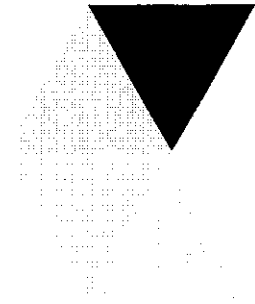
FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17 (2014/15 Year Review)		
INDICATOR	IDP	INDICATOR DEFINITION
1.A Percentage of Building plans approved within statutory timeframes (30-60 days)	1.1 (e)	Percentage of applications approved within statutory timeframes (30 – 60 days). The objective is to improve approval time of the applications. This improvement is in the trend over the course of the five year term of the Integrated Development Plan, but targeted annually as the weighted average percentage achieved for the specific year. The approval of Building plans are measured within the statutory time frames of < 500 m2 (30 days) and > 500 m2 (60 days). Refer Section A7 of the National Building Regulations Act, Act 103 of 1977.  Date and Time Stamped Data: A cut-off date of 3 days of the next month is allowed for the capturing of the previous month's production (i.e. 30th or 31st day of the month). Statistical data will be extracted on the 4th day, with a date and time stamp end reported accordingly and will be reported as a weighted average percentage for the two categories of building plans.
1.B Percentage spend of capital budget	1.2 (b)	Percentage reflecting year to date spend / Total budget less any contingent liabilities relating to the capital budget. The total budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
1.C Rand value of capital invested in engineering infrastructure	1.2 (b)	Investment into engineering infrastructure relates to growth, refurbishment and replacement of water, sanitation, electricity, solid waste (removal and disposal), roads, stormwater, transport and broadband infrastructure.
1.D Percentage spend on repairs and maintenance	1.2 (b)	Percentage reflecting year to date spend (including secondary cost) / total repairs and maintenance budget Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based.  Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure.  Primary repairs and maintenance cost refers to Repairs and Maintenance expenditure incurred for labour and materials paid to outside suppliers.  Secondary repairs and maintenance cost refers to Repairs and Maintenance expenditure incurred for labour provided in-house / internally.
1.E Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service	1.2 (b)	This indicator reflects the number outstanding valid applications expressed as a percentage of total number of active billings for the service, (where down payment has been received) for water services (where valid applications translate into an active account) for domestic customers as extracted from the City of Cape Town's SAP database. Proxy measure for NKPI.
1.F Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service	1.2 (c)	This indicator reflects the number outstanding valid applications (where down payment has been received) for sewerage services (where valid applications translate into an active account) expressed as a percentage of total number of active billings for the service. Billing equates to active contract accounts (sewerage services) for domestic customers as extracted from the City of Cape Town's SAP database. Proxy measure for NKPI.
1.G Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service	1.2 (c)	This indicator reflects the number outstanding valid applications (where down payment has been received) for electricity services (meter and prepay) (where valid applications translate into an active account) expressed as a percentage of total number of active billings for the service. Proxy measure for NKPI.
1.H Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service	1.2 (c)	This indicator reflects the number outstanding valid applications (C3 notifications) for a new refuse collection services at the end of a reporting period, expressed as a percentage of total number of active billings for formal residential refuse collection services as at the end of the same reporting period. Billing equates to active contract accounts (formal kerbside refuse collection service) for domestic customers as extracted from the City of Cape Town's SAP database. Proxy measure for NKPI.
1.I Number of Expanded Public Works programmes (EPWP) opportunities created	1.2 (d)	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP). An EPWP work opportunity is paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for Special Public Works Programmes.
1.J Percentage of treated potable water not billed	1.3 (b)	The percentage of treated potable water not billed pertains to non-revenue water. This is the volume of potable water that is treated but is either lost or not billed for, expressed as a percentage of total potable water treated.  It is calculated on a 12-month rolling basis in order to smooth out short-term fluctuations.  The aim is to reduce the percentage of treated potable water not billed over the planned period and is reflected in the targets.
1.K Number of passenger journeys on the MyCiti public transport system	1.4 (c)	The takeup of the MyCiti transport will be determined by the demand. Definition of a passenger journey is calculated from the first boarding of a bus at a feeder stop or trunk station to the last exit from a bus at a feeder stop or trunk station and includes any transfers between buses (single journey).
1.L Percentage development of an immovable property asset management framework	1.5 (a)	This indicator measures the percentage of the weighted average of the components below: 1. Development of a comprehensive immovable property asset register 2. Development of an immovable property asset management compliance framework 3. Development of a centralised custodial role for immovable property asset management (communication) 4. Identification of all strategic immovable property assets 5. Development of a medium-term (five-ten year) strategy for the release of immovable property 6. The strategic acquisition and holding (land banking) of new immovable property assets
1.M Number of external trainees and bursary opportunities created	1.6 (a)	This measures the number of learning opportunities created for the unemployed youth as a contribution to the job creation initiative and provision of real world of work exposure to graduates. This includes external bursaries awarded, in-service student trainees, graduate internships, learnerships and apprenticeships.  There are two measures under this indicator. Measure (a) includes external bursars, in-service student trainees, graduate interns and learner (Learnership beneficiary). Measure (b) includes apprentices.
2.A Community satisfaction survey (Score 1 -5) - safety and security	2.4 (a)	This indicator measures community perception in respect of the prevailing levels of general disorder in the City. "Anti-social behaviour and Disorder" are concepts frequently used in the law enforcement environment to describe the prevailing sense of lawlessness in a particular area and refers to minor crimes, by-law offences, nuisances and traffic offences which impacts directly on the quality of life of residents. The City's Community Satisfaction Survey measures public perception around a number of these issues i.e. • Visible presence of traffic enforcement • Action taken against illegal land invasions • Action taken against illegal dumping • Acting on complaints relating to noise and other disturbances • By-Laws being enforced.  Total score in respect of the section in the survey that relates to anti-social behaviour and general disorder. Questionnaires completed by residents as part of the City's Community Survey which inter alia measures public perception around the following: • Traffic Enforcement • Illegal land invasion • Illegal dumping • Noise and disturbances • General enforcement of the City's By-Laws.

**FIVE YEAR CORPORATE SCORECARD 2017/13 TO 2018/17**  
(2014/15 Year Review)

INDICATOR		INDICATOR DEFINITION
2 B Reduce number of accidents at the highest frequency intersections.	2.1 (a)	The indicator measures the decrease of vehicle accidents in the five highest identified accident frequency locations. These locations are: - M7 x Voornrekker Rd - N7 x Beemansdam Rd - Section St x Koobong Rd - Camron Rd x Voornrekker Rd x Koobong Rd (Mainland) - Victoria Rd x NZ-West (Somerset West)
2 C Percentage response times for fire incidents within 14 minutes from call receipt up to arrival	2.1 (a)	Percentage response times for fire incidents within 14 minutes from call receipt up to arrival
2 D Number of operational specialised units maintained	2.2 (a)	The indicator will measure the number of specialised units in the three policing departments, i.e. Metro Police, Traffic and Law Enforcement that the Safety and Security Directorate manages to maintain as operationally active and fully capable of delivering on their specialised mandates.
2 E Percentage budget spent on regulated information management system	2.3 (a)	The indicator measures the percentage budget spent on the integrated information management system.
2 F Percentage staff successfully completing legislative training interventions	2.4 (a)	The indicator measures the percentage of members of the Metro Police, Traffic and Law Enforcement Departments that have undergone any legislative training intervention that is directly relevant to the performance of their operational duties i.e. occupational specific training interventions.
2 G Percentage of Neighbourhood Watch satisfaction survey	2.5 (a)	This indicator will measure the percentage satisfaction with the City's assistance to Neighbourhood Watch.
3 A Number of social development programs implemented	3.1 (a)	The indicator refers to the number of social development programs implemented. Seven programmes have been identified and each program will consist of a number of projects and interventions. The programs are listed below: - Youth development - ECD training - Social entrepreneurship - Vulnerable groups (senior citizens, gender and disability) - Street people - Substance abuse - Poverty alleviation and reduction
3 B Number of recreation hubs where activities are held on a minimum of 5 days a week	3.1 (a)	A Recreation Hub is a community facility which focuses on implementing a variety of sport and recreation activities for at least five days a week, for at least 3 hours per day. Activities will target all sections of the community namely children, youth and adults. Activities will be implemented by staff, volunteers, NGOs, clubs and federations.
3 C Number of human settlements opportunities provided per year	3.2 (a)	A human settlements opportunity is defined under the following three categories: (a) Sites are any property providing a municipal service on an individual basis to a household including the provision to households in multi-story units, on high density residential sites, as well as other non-residential sites related to the provision of municipal services. (b) Top Stock is a property that is not a household, but is a multi-unit residential development, where the main focus of funding is the provision of housing in a human settlements development by means of any National Housing Programme, where the main focus of funding is the Human Settlements Development Grant (HSDG) in terms of COIDA for such purposes. (c) Other is the number of existing rental stock units undergoing major upgrading and any number of households provided with shared services and other services in the Backyarder, Repackaging and Informal Settlement Upgrade programmes. Definition of a human settlements opportunity: A human settlements opportunity is incremental access to, and/or delivery of one of the following housing products: (A) Subsidy housing (SHG), which provides a maximum floor housing allowance of R120 000 per household, (B) Rental housing, which provides a maximum floor housing allowance of R120 000 per household, (C) Rental housing, which is a new Community Residential Unit, upgrading and improvement of existing rental units and houses, (D) Rental housing, which is a new Community Residential Unit, upgrading and improvement of existing rental units and houses, (E) Land Rehabilitation included land approved by Council or Court decisions to yield claimants, (F) Social housing is new rental units, delivered by the City's Social Housing partners, (G) GAP housing is a serviced plot, a completed unit for sale or Affordable units for sale, (H) Repackaging of informal settlements is the reconfiguration of the layout of the settlements and to allow improved access and levels of services. Access to is as contemplated in Section 26 (1) of the Constitution of South Africa 1996 i.e. "Everyone has the right to have access to adequate housing" Note: An opportunity is specifically defined above and is only counted at a point where specific evidence is available for auditing purposes. The delivery targets reflected on the Corporate Scorecard and the COIDA only reflect delivery by the City. In some instances delivery of a serviced site and a top structure may be on the same property but is viewed as two opportunities (serviced site and top structure) to align with reporting requirements or expenditure for Grant Funding as two separate missions. A separate report (not for auditing purposes) for information to Council will reflect total delivery in the City which includes delivery by PGWC (NLZ, PHF, GAP, other projects) and Social Housing and Realisation Cases within the City facilities.
3 D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferable rental units	3.3 (b)	This indicator refers to the registration of transferable rental stock to qualifying tenants. The evidence for this indicator will be Signed Sales Agreements
3 E Improve basic services		
3 E (a) Number of water services points (taps) provided	3.4 (b)	This indicator reflects the number of taps provided in informal settlements and for backyarders in City rental stock (pilot) during the period under review. Certain taps may however have been vandalised or removed after provision.
3 E (b) Number of sanitation service points (toilets) provided	3.4 (b)	- Backyarder provision based on one tap per backyard property which could be serving several households. This indicator reflects the number of toilets provided in informal settlements and for backyarders in City rental stock (pilot) during the period under review. Certain toilets may however have been vandalised or removed after provision.
3 E (c) Percentage of informal settlements receiving door-to-door refuse collection services	3.4 (b)	- Backyarder provision based on one toilet per backyard property which could be serving several households. This indicator reflects the percentage of informal settlements receiving a weekly door-to-door refuse removal collection services for the period under review.
3 F Number of electricity subsidised connections installed	3.4 (b)	The collection of domestic refuse in informal settlements is done through contract services, employing local labour. Three-year contracts are awarded to a legitimate main contractor through the procurement tender process.
3 G Percentage compliance with drinking water quality standards	3.5 (a)	The indicator reflects the number of subsidised connections installed per annum in informal settlements, rental stock backyarders (pilot) and low cost housing.
3 H Number of days when air pollution exceeds RSA Ambient Air Quality Standards	3.6 (a)	Measure of potable water sample pass rate according to the SANS 241 standard.
3 I New Street Positive TB Case Rate	3.7 (a)	The indicator measures the number of new smear positive primary TB cases started on treatment on whom there is bacteriological confirmation that the patient has responded to treatment and can be considered cured. Numerator: Number of new smear positive primary TB cases started on treatment on whom there is bacteriological confirmation that the patient has responded to treatment and can be considered cured. Denominator: Number of new smear positive primary TB cases
3 J Number of New Clients screened at the Substance Abuse Outpatient Treatment Centres	3.8 (a)	The percentage indicates the previous financial years figures e.g. for 2012/13 it will be financial year 2011/12 etc. The number of new clients, seeking help for substance abuse, being screened in a first interview at the City's outpatient treatment sites.

FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17 (2014/15 Year REVIEW)		
INDICATOR	IDP	INDICATOR DEFINITION
4.A Percentage adherence to Citywide service standard based on all external notifications	4.1 (a)	Measure the percentage adherence to Citywide service standard based on all external notifications.
4.B Customer satisfaction survey (Score 1 -5 Likert scale) - community facilities	4.2 (a)	<p>A statistically valid, scientifically defensible score from the annual survey of residents' perceptions of the overall performance of the services provided by services at community facilities, measured by calculating the average of the responses to a number of survey questions related to community facilities.</p> <p>The measure is given against the non-symmetrical Likert scale ranging from : 1 being Poor; 2 being Fair; 3 being Good; 4 being Very Good and 5 Excellent</p> <p>The objective is to improve the current customer satisfaction level measured through a community satisfaction survey (Score 1 -5) from the 3.1 baseline set for 2010/11, to a 3.2 target in 2012/13. The annual improvement is calculated by determining the difference between the average customer satisfaction scores of the different financial years.</p>
5.A Number of municipal meetings open to the public	5.1 (a)	The indicator measures the number of municipal meetings open to the public to maintain transparency in the day to day governance of the municipality.
5.B Employee Engagement index as measured in a biennial Staff Engagement Survey	5.2 (b)	Employee engagement index (EEI) as measured in the biennial staff engagement survey. EEI determined by formula which is proprietary copyright of the independent service provider IPSOS. EEI converted into 5 point Likert scale measure by Service Provider.
5.C Community satisfaction survey (Score 1 -5) - city wide	5.2 (c)	<p>A statistically valid, scientifically defensible score from the annual survey of residents' perceptions of the overall performance of the services provided by the City of Cape Town.</p> <p>The measure is given against the non-symmetrical Likert scale ranging from : 1 being Poor; 2 being Fair; 3 being Good; 4 being Very Good and 5 Excellent</p> <p>The objective is to improve the current customer satisfaction level measured through a community satisfaction survey (Score 1 -5) from the 2.4 baseline set for 2007/2008, to a 2.8 in 2012/13. The improvement is calculated by taking the difference between the different financial years.</p>
5.D Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan	5.2 (d)	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan. Each Directorate contributes to the Corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting.
5.E Percentage budget spent on implementation of WSP for the City	5.2 (e)	<p>A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate budget for appropriate training interventions which will address the needs arising out of Local Government's Skills Sector Plan, the City's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDPs. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan.</p> <p>Formula: Measured against training budget.</p>
5.F Opinion of the Auditor General	5.3 (e)	<p>The indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as "clean opinion".</p> <p>Alternatively in relation to a qualified audit opinion the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with General Recognised Accounting Practices or could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives.</p>
5.G Opinion of independent rating agency	5.3 (e)	<p>A report which reflects credit worthiness of an institution to repay long-term and short-term liabilities. Credit rating is an analysis of the City's key financial data performed by an independent agency to assess its ability to meet short- and long-term financial obligations.</p> <p>Indicator standard/Norm/Benchmark The highest rating possible for local government which is also subject to the Country's sovereign rating</p>
5.H Ratio of cost coverage maintained	5.3 (s)	Total cash and investments (short-term) less restricted cash to maintain operating expenditure.
5.I Net Debtors to Annual Income (Ratio of outstanding service debtors to revenue actually received for services)	5.3 (a)	This is a calculation where we take the net current debtors divided by the total operating revenue.
5.J Debt coverage by own billed revenue	5.3 (a)	This is a calculation where we take the total debt divided by the total annual operating income

# INTEGRATED DEVELOPMENT PLAN **2012 – 2017** **2014/15** REVIEW



PICTURE



# VISION & MISSION

The vision and mission of the City of Cape Town is threefold:

- To be an opportunity city that creates an enabling environment for economic growth and job creation
- To deliver quality services to all residents
- To serve the citizens of Cape Town as a well-governed and corruption-free administration

The City of Cape Town pursues a multi-pronged vision to:

- be a prosperous city that creates an enabling and inclusive environment for shared economic growth and development;
- achieve effective and equitable service delivery; and
- serve the citizens of Cape Town as a well-governed and effectively run administration.

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.

Spearheading this resolve is a focus on infrastructure investment and maintenance to provide a sustainable drive for economic growth and development, greater economic freedom, and increased opportunities for investment and job creation.

To achieve its vision, the City of Cape Town will build on the strategic focus areas it has identified as the cornerstones of a successful and thriving city, and which form the foundation of its Five-year Integrated Development Plan.

The vision is built on five key pillars:



## THE OPPORTUNITY CITY

**Pillar 1:** Ensure that Cape Town continues to grow as an opportunity city



## THE SAFE CITY

**Pillar 2:** Make Cape Town an increasingly safe city



## THE CARING CITY

**Pillar 3:** Make Cape Town even more of a caring city



## THE INCLUSIVE CITY

**Pillar 4:** Ensure that Cape Town is an inclusive city



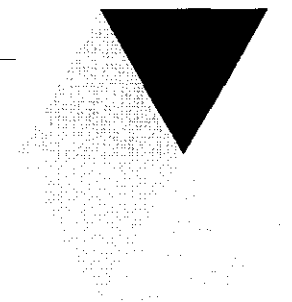
## THE WELL-RUN CITY

**Pillar 5:** Make sure Cape Town continues to be a well-run city

These five focus areas inform all the City's plans and policies.

### Front cover:

The City's Integrated Development Plan (IDP) provides the strategic framework that guides the municipality's planning and budgeting over the course of each political term.



## About the Integrated Development Plan

The City of Cape Town's Five-year Integrated Development Plan (IDP) represents the overarching strategic framework through which the City aims to realise its vision for Cape Town by building on the five pillars of a caring city, an opportunity city, an inclusive city, a safe city, and a well-run city. These are the five key focus areas that inform all of the City's plans and policies and this document is structured to offer a clear view of the objectives, strategies and development priorities underpinning each focus area.

While this IDP is the City's main planning document, it draws on, and is informed by, a large number of other plans and strategic frameworks developed by the other spheres of government and the various City directorates and departments, inter alia:

- ▼ Integrated Development Plan – 2013/14 Review
- ▲ Budget 2012/13 – 2014/15
- ▼ Integrated Human Settlements Five-Year Strategic Plan – 2013/14 Review
- ▲ Integrated Transport Plan 2013
- ▼ Traffic Accident Report 2013
- ▲ Annual Report 2012/13

Each of these publications offers comprehensive information and data covering the components of the City's five strategic pillars that are relevant to its readers or to the stakeholders of the Directorate that produced it.

While this means that each publication can be read independently of the others, to gain a comprehensive understanding of the City's planning, performance and budgeting structures, the suite of books should preferably be considered in its entirety.



## FOREWORD



**The IDP is a strategic framework for building a city based on five pillars: the opportunity city, the safe city, the caring city, the inclusive city and the well-run city. These five key focus areas inform all the City's plans and policies.**

**MESSAGE FROM THE EXECUTIVE MAYOR**

The world is changing. As the global economy shifts, the developing world is generating financial forces with greater strength and frequency than ever before. This has brought numerous changes and challenges and greatly accelerated the processes of urbanisation. Now, more people than ever live in cities in search of a better life.

For their part, cities and the regions these cities support have become recognised as drivers of economic growth and development. This is due to a number of factors, including the volume of people living in these areas, the critical mass of skills and labour that they represent, and the potential for economies of scale created by these numbers.

In development terms, over the next 20 years, growth will be driven by a multitude of mid-size cities, which is also the category of city that best applies to Cape Town.

Our regional position renders us well placed as a gateway to African markets. Our unique strengths, including our smaller size, good infrastructure, excellent service provision and sophisticated higher-education network, make us ideally suited to build a competitive advantage in certain sectors.

Such advantages bring with them economic growth, which creates jobs and provides resources – all of which leads to an increasingly inclusive society. To capitalise on its strengths and meet its challenges head-on, Cape Town must position itself accordingly and unlock its full potential.

Therefore, while there will always be numerous levers and forces beyond our control, we can prepare strategies for development. As such, the City of Cape Town will conduct numerous strategic undertakings over the next few years, which will inform and influence everything we do.

The Integrated Development Plan (IDP) is such a strategy that will inform our government over the next five years. We are proud that this IDP has reached over one million people in an extensive public participation process. This is proof that the IDP is a plan that belongs to all the people of Cape Town; a plan in which they all have a say.

It provides the strategic framework for building a city based on five pillars: the opportunity city, the safe city, the caring city, the inclusive city and the well-run city. These five key focus areas inform all of the City's plans and policies. They work together to inform the holistic view of development that this government pursues. And in pursuing it, we will help to move this city forward.

In this way, the IDP helps us build Cape Town into the African city of the future, today.

*P. de Lille*

ALDERMAN PATRICIA DE LILLE  
Executive Mayor of Cape Town



## INTRODUCTION BY THE CITY MANAGER

A wise man once said: 'If you don't have a road map and you don't know where you are going, how will you know when you have reached your destination?'

The Integrated Development Plan (IDP) for the City of Cape Town is more than just a document that we are legally required to draft every five years. It provides us with the strategic framework within which we aim to deliver on the City's five pillars – to make Cape Town a caring city, an opportunity city, an inclusive city, a safe city and a well-run city.

Through the five-year IDP, the City is able to:

- develop and articulate a clear vision;
- identify its key development priorities;
- formulate appropriate strategies;
- develop the appropriate organisational structure and systems; and
- align resources with development priorities.

The IDP also describes the type of Cape Town that we want to leave for our children and for their children's children. It is a city that people will be proud to call their home, a city that works for, and with, the people.

In compiling this IDP, we aimed to interact with as many Capetonians as possible. At several public meetings, we discussed our plans and asked communities for their inputs on key deliverables, such as bulk infrastructure and housing targets, which we know will bring much-needed development to many parts of the city.

The City asked residents to have their say and we listened carefully to every piece of input we received.

Our updated road map for the future is now complete and the exact route for the next five years is described in this IDP. But this, like all City undertakings, is intended to be done in partnership with all our communities. The City cannot do it on its own. True collaboration is the key to our success.

An exciting future lies ahead if we all work together to make this the incredible city that our children should inherit from us.

ACHMAT EBRAHIM  
City Manager

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**Denotes:**



National Development Plan



Objectives delivered



More online

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## PICTURE

## INTRODUCTION

### PICTURE

Mandated by the Municipal Systems Act, Act 32 of 2000, and other legislation, the City of Cape Town's Integrated Development Plan (IDP) provides the strategic framework that guides the municipality's planning and budgeting over the course of each political term. Given the almost simultaneous occurrences of a political election and organisational processes, some administrations in the past experienced a disconnection between the political leadership and the organisation. This means that some IDPs may have been produced without sufficient investigation into, and guidance on, the requirements of the people of Cape Town. This IDP, however, has reversed that trend and has been produced based on the detailed input of the people whom the City of Cape Town (hereinafter 'the City') has the privilege of serving.

When the new City administration was elected, a strong plan of action for Cape Town was developed. This was based on a clear understanding of what needs to be achieved during this term of office: We wanted to create a more inclusive society by working towards greater economic freedom for all the people of the city. This requires us to increase opportunities by creating an economically enabling environment in which investment can grow and jobs can be created.

We set out to do this by building on the five key pillars of:

- the opportunity city;
- the safe city;
- the caring city;
- the inclusive city; and
- the well-run city.

These five pillars help focus the City's message and purpose of delivery. They also help us to translate our electoral mandate into the organisational structures of the City.

By having an expansive view of development as the building of a total environment that allows individuals to reach their full potential, we acknowledge the critical importance of a multitude of factors. To produce any long-term outcome, one must plan for all the variables that influence the equation. That is the logic behind a consolidated strategy that works. As such, the City recognises it must try and influence as many processes as possible to ensure that all of the tools at its disposal work together towards a common aim.

It is one thing to have a grand concept of government. It is quite another to translate that concept into a bureaucracy that must synchronise its efforts to realise its vision. That is why the five pillars have become the beacons that guide the City and inform its plans for delivery.

In this IDP, these pillars are called strategic focus areas (SFAs). We have carefully measured all City programmes to determine into which of these five focus areas they best fit. The result is a detailed matrix that enables effective programme implementation and accurate performance measurement of the focus areas.

Being able to measure outcomes and outputs is vital, as it allows us to determine whether we are actually delivering on the objectives of each SFA. This requires taking what is in essence a qualitative measure and quantifying it. In doing so, a scheme is established that allows for the rational assessment of our mandate, mapped across all City directorates. Confident of the effectiveness of this formula of principles working together as parts of a greater whole, we have also created a formula for their implementation and assessment.

Sometimes, there is debate within the City regarding the SFA in which a particular objective or programme should be measured. This is healthy and serves to reinforce our view that these strategic areas complement each other and exist because of each other rather than in isolation.

While these programmes and objectives are often interdependent and may even cut across focus areas, classifying them allows us to measure their outcomes effectively. They ultimately act together in the matrix of consolidated outcomes. For example, an outcome classified as an 'opportunity' SFA may therefore very well also increase 'inclusion'. That is the intention. Working together, these areas will produce the objectives of our administration and help us address the structural inequalities of the past. They will help us fulfil our constitutional mandate, as local government, of being the drivers of social and economic development. And they will help change people's lives.

The IDP is the City's principal strategic planning instrument, from which various other strategic documents will flow. It informs planning and development in the City.

We are also mindful that we will have opportunities for greater, regional, long-term strategies arising from the City Development Strategy and the Future Cape process. For this reason, the IDP is aligned with the outcomes of National Government as well as the key objectives of the Western Cape Provincial Government (hereinafter 'Province'). The City has also incorporated the outputs required in terms of its Turnaround Strategy into its medium-term planning.

The IDP has been developed with maximum participation. This has involved input from all levels of the administration – from Mayoral Committee (Mayco) members, to councillors and subcouncils, representatives from all directorates, and the most senior officials in each department.

The process has also involved the most extensive public participation process ever undertaken by the City. Citizens across the metro were canvassed for their input and opinions via numerous channels, including public meetings, newspaper inserts, information brochures, websites and social media.

Based on this inclusive approach, this IDP describes the programmes under each SFA, as informed by the overarching principle of infrastructure-led growth. Working together, these SFAs will take Cape Town to the next level of government and into the future it deserves.

## The opportunity city

The core focus of the opportunity city is to create an economically enabling environment in which investment can grow and jobs can be created. Only by having a job can people make the most of their lives and attain dignity.

The City will use numerous levers to attract investment, thereby creating economies of scale in city-based industries and build a critical capacity that will not only sustain future growth, but will create more economic opportunities for individuals to find employment.

To do this, we must realise our role as government. We must provide adequate support to the market by, for example, providing efficient planning and regulation processes, transparent and accountable government, easy access to officials and infrastructure support.

City development relies on infrastructure. If a city does not have sufficient infrastructure to support industries or residents, it cannot sustain itself. As such, we will continue investing in infrastructure, addressing backlogs and working to the point where we can lead in development instead of merely responding to it. However, we must also realise that government does not necessarily know what the market needs at all times, nor can it always respond with the speed needed to direct strategic issues of development.

For this reason, our economic partnerships will be essential. We have joined with other stakeholders to form the Economic Development Partnership (EDP). With City support and input, the EDP will provide a forum for strategic economic planning, so that we can maximise our growth potential as a city and region.

While the EDP is essential, we are already aware of some strategic interventions through which we can support growth. These come in the form of catalyst projects – a key means by which government can support development.

Over the next five years, these projects will include investment in broadband infrastructure across the city to increase capacity for the market while bearing capital costs, and the extended roll-out of the MyCiTi service as part of the Integrated Rapid Transit (IRT) network, especially to the south-east of the city.



## INTRODUCTION

Furthermore, these catalyst projects will include combinations of area revitalisation and investment in renewable energy, such as the Atlantis revitalisation scheme. Such projects will help us build a competitive advantage in green technology.

To support these growth initiatives, the City will also engage in projects of internal improvement. These will include streamlining the planning process, so that the City can fully support and assist everyone who wishes to engage in development – from large-scale developers to smaller entrepreneurs and individual citizens.

In addition, building an opportunity city requires leveraging City assets to aid development and growth. The City owns a great number of assets, especially land, which will be rationalised into one register. Those assets and their zoning will then be considered for sale, release or rezoning to assist development.

The City will also encourage the growth of small businesses and entrepreneurs through programmes such as Activa, which will teach new entrepreneurs the skills to aid them in business and planning procedures.

All of these initiatives will be pursued with a view to building our potential in certain key markets where we can develop a competitive advantage. Those markets include agro-processing, tourism, major events, oil and gas, shipping and ship-building, health and medical technology, services and the green economy.

Being an opportunity city also requires a concerted focus on taking care of the natural environment in which we find ourselves. We must also ensure that future generations are able to enjoy a clean and safe environment, in which biodiversity is conserved and tourism and recreational opportunities are maximised.

By managing our natural resources more efficiently and investing in green technologies, we will ensure that there is enough water and energy to go around, and that we do not generate more waste than is strictly necessary. It is also important that we continue to strive towards a more robust and resilient city that is able to respond to the ongoing challenges of climate change and other natural hazards.

### The safe city

Citizens need to be safe in their city. If they feel threatened by violence or crime, they can never truly access the opportunities that the city and fellow citizens offer them.

In terms of policing, the primary mandate belongs to the South African Police Service (SAPS), which is directed by National Government. However, Cape Town has demonstrated that a metro that effectively uses resources and international best-practice models can also have its own efficient and successful metro police service.

However, safety also goes beyond policing. A truly safe city manages disasters and risks, enforces traffic regulations, and provides fire and rescue services. Safety is essential to the public enjoyment of open spaces, city beaches and nature reserves.

Over the next five years, we will continue to dedicate resources and programmes to ensure the maximum effectiveness of the various components of safety provision. This will first entail the fostering of partnerships to build capacity. These partnerships come in various forms.

International partnerships will allow for training and models of best practice to be applied to improve efficacy. Local partnerships will foster community relationships, which are critical to building a safer city.

**PICTURE**

To this end, we will extend the roll-out of neighbourhood watch programmes, continue with the practice of civilian oversight, and extend the programme of neighbourhood safety officers across the various wards of the metro to build local responsiveness and capacity.

Furthermore, we will increase public awareness and participation at a broader level, primarily through initiatives such as the Disaster Risk Awareness programme, to ensure that all residents are adequately informed of safety strategies.

To build internal capacity, we will align our staffing models with national and international best practice. We will also invest in staff training and capacity building while, at the same time, implementing a reservist programme for law enforcement and fire services. Environmental compliance and enforcement will be promoted through staff training and other programmes to ensure compliance with the City's bylaws and other relevant legislation.

This capacity will also extend to innovative safety policies. We will continue to invest in specialised units and programmes like Smart Cop. Furthermore, our strategies will be directed through a policy of information and technology-led processes to align with international best practice, while also adopting new technologies to increase our effectiveness.

Safety innovation will extend to meeting the need for greater capacity in the Traffic Department and designing more effective solutions for safety. This includes influencing urban design to prevent social disorder and disruption, modelled on the success of the Violence Prevention through Urban Upgrading (VPUU) programme.

By continuously aligning ourselves with international best practice and proven safety strategies, while working with the limited resources available, we will continue to build a safe city in which residents feel secure and that responds to their needs.

## The caring city

In order to be a world-class city, Cape Town must be welcoming to all people. It must make residents feel at home and allow them to feel that their government is doing everything it can to provide for them, truly enabling them to access opportunities.

That means looking after all Cape Town's people – especially those who are most in need of assistance – as well as the environment in which they live. Key to that will be the maintenance of our rates rebates policy for people qualifying as indigents, to provide a measure of poverty alleviation. The most direct effect on all communities will be through the provision of amenities, such as parks, libraries, sports and recreational facilities, and community and youth centres.

The next five years will see us explore ways to increase our scope of such provision. This will include investigating public-private partnerships (PPPs) for certain amenities, especially parks, whereby a private body sponsors the facility in exchange for advertising rights, for example. Such partnerships will also be explored to increase library capacity, with either private organisations or international funders.

There will also be a greater focus on the more direct levers of social development. These will include greater resources to register new early childhood development (ECD) facilities, as well as community and youth awareness and development workshops.

An attendant strategy will see the City address more direct causes of social dislocation through a new substance abuse programme developed in conjunction with other partners, including non-governmental organisations (NGOs) and Province.

The homeless will also be catered for as we increase efforts to ensure social reintegration and a more direct 'social worker' approach to the needs of this group.

We will continue with our programme of creating integrated human settlements by building communities, not just houses. This approach will be informed by a densification policy that seeks to limit the creation of communities that are far removed from opportunities, instead bringing people closer to economic and social centres.

We will also be exploring the need to broaden the scope of our approach to ensure that limited resources do not constrain us in our delivery. To this end, we will evaluate all Council rental stock, either for upgrade or for possible sale, rental or transfer to bona fide inhabitants.

Where feasible, helping people to take ownership of their homes would provide a new, dynamic aspect to housing provision in South Africa. That dynamism in policy will be extended to backyard residents as well. Over the next five years, the City will endeavour to extend services to so-called 'backyarders' on City-owned land through a unique service point containing a covered toilet and basin as well as external electricity connections.

We will also constantly review the provision of services to informal settlements. It is our mission to ensure that all informal settlements receive services. Further to that, we want to ensure that informal settlements receive a good level of consistent service delivery. As such, we will be reviewing our refuse collection, cleaning and waste management procedures in those areas, and implementing changes and improvements where necessary.

For all areas, we will continue investing in our primary health-care facilities. This includes providing clinics for our citizens and taking all necessary measures to ensure effective environmental health through noise control, monitoring air pollution, managing waste, hygiene inspections, and water quality control and management.



## INTRODUCTION

### The inclusive city

An inclusive city is one where everyone has a stake in the future and enjoys a sense of belonging. For historical reasons, the South African society has been divided along artificial lines. While we have come a long way in terms of addressing many of those divisions, there is still work to be done. An inclusive city, however, also strongly relies on the proper functioning of the programmes in the other focus areas in order to give meaning to this concept.

For instance, the various areas of the city need to be physically connected to each other to allow people to move freely in the city and connect with each other – hence the need for effective public transportation programmes. Furthermore, people in the city must never be made to feel economically excluded – hence the need for the success of programmes under the opportunity city.

Multiple factors must come together to make the city truly inclusive. However, certain direct programmes can give effect to this. One aspect of making people feel included is recognising their heritage. Only by finding strength in our diversity can we come together as one city. As such, the heritage programme will take on special significance as a primary means of social redress. This will involve restoring certain historical sites, and recognising and preserving others, to truly represent and preserve our cultural heritage.

Linked to this heritage programme is the events programme. While the City will be using events to attract resources to Cape Town, those events will also become linked to our heritage, so that we showcase our full diversity to the world as well as link the economic development benefits generated by events to a variety of different areas.

The City will also be allocating resources to address the backlog of community facilities in underdeveloped areas and exploring new partnerships with external funders. This will ensure that the recognition of our heritage is matched by investment in facilities that can be used by future generations.

Key to an inclusive city, of course, is a government that responds to the needs of its citizens. People must know that government deals with their concerns seriously and efficiently. Government must have the tools in place to recognise weaknesses and address them in a systematic manner to improve overall performance.

The City has the tools in place to address these needs over the next five years. Our C3 notification system allows for a central point where all complaints can be logged and then channelled to the relevant departments. This system also

allows for complaints to be monitored up to completion, maximising efficiency and accountability.

The internal service management programme allows for City service regulation and monitoring, and ensures that effective systems are put in place within departments to avoid the recurrence of resolved problems wherever possible.

### The well-run city

A well-run city is the guarantor of all other government programmes. Citizens need to know that their government works for them, is accountable to them and answers to them at all times. Governments manage public resources and programmes. As such, they must be constantly scrutinised in public to ensure responsible management. The underlying tenets of a well-run city are the principles of openness and due process.

The City will keep Mayoral Committee (Mayco) meetings open to the public to ensure that the City's political leaders have their actions and decisions scrutinised. All City tenders above a certain limit will be publicly advertised, as will appeals and procurement, to prevent corruption. A councillor from an opposition party will chair the City's Municipal Public Accounts Committee (MPAC).

Revenue streams, including budgets and programmes of debt collection and revenue projections, will be adhered to. So too, will projections of rates increases to ensure a measure of predictability for citizens. City bills will be itemised to ensure that citizens are paying only for the services they use.

The staff structure will be managed according to a corporate, rational model. This will allow not only for a consistent salary structure, but also for full adherence to the principle of having the right people, in the right place, at the right time, to maximise service delivery.

To increase levels of service delivery even further, the City will maximise staff potential through effective human resources management, staff training and staff development. Furthermore, the City has appointed an external audit committee to evaluate risks and controls, including the staffing and resourcing of an internal audit unit, which ensures maximum efficiency and transparency within the organisation.

In all programmes, strict monitoring will be rigorously adhered to in order to ensure that the need for constant service delivery is always being met. Only by being completely open and constantly monitoring ourselves can we ensure that we deliver the most to our citizens.

## Infrastructure-led growth

The City will continue to invest in infrastructure to ensure that Cape Town has the capacity to support development. As cities expand, their industries and people need to be supported by adequate services, from electricity, water and other amenities to additional services that aid modern development beyond the basics, such as a broadband network and public transport networks.

By continuously investing in infrastructure, we will be encouraging and, indeed, leading growth by always ensuring the physical supporting capacity for people to build opportunities. Such an approach places the City of Cape Town at the forefront of South African metros and will bring us in line with international best practice in terms of development strategies.

Over the next five years, the City will be investing in a number of major infrastructure projects. These include the following:

- Landfill space and other strategic infrastructure to support waste management;
- Additional funding for the expansion of the Cape Town International Convention Centre (CTICC);
- Backyarder service programmes, extending municipal services to backyard communities in Cape Town;
- Service upgrades in informal settlements;
- Redevelopment of the Bellville Velodrome;
- Broadband infrastructure project for the Cape metro area network;
- Rehabilitation and reconstruction of metro roads;
- Extension of the MyCiTi service as part of Cape Town's Integrated Rapid Transit (IRT) system;
- Upgrades to, and refurbishment of, electricity services;
- Infrastructure programme for bulk water resources; and
- Wastewater capacity upgrades at Zandvliet, Bellville and Potsdam.

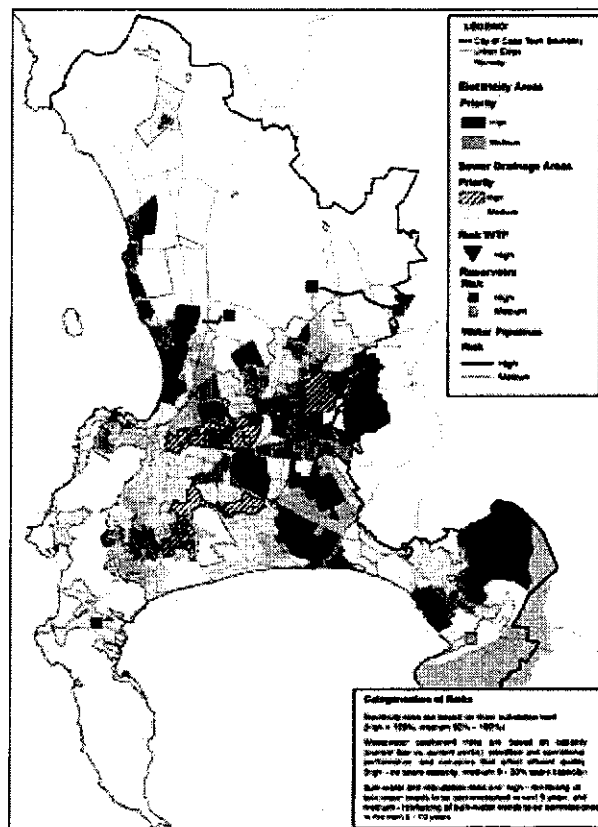


Figure A1: Major infrastructure risk areas within developed area

By providing excellent services and continuing to invest in infrastructure, we will gain a competitive advantage over other metros in South Africa and will influence development patterns. The City can no longer disregard the urgent need for infrastructure maintenance and upgrades in its older urban areas, specifically its economic areas. In the future, greater balance will be required between investment in infrastructure that supports greenfield development, and existing infrastructure maintenance and upgrades.

## PICTURE

## INTRODUCTION

### Cape Town Spatial Development Framework

In May 2012, the Cape Town Spatial Development Framework (CTSDF) was approved as part of the IDP in terms of section 34 of the Municipal Systems Act, Act 32 of 2000, and by the Provincial Minister of Local Government, Environmental Affairs and Development Planning in terms of section 4(6) of the Land Use Planning Ordinance, No. 15 of 1985.

The CTSDf will guide the spatial form and structure of Cape Town (the way in which we use the space available for urban growth) in the future. This long-term plan, extending over 20 years or more, will enable the City to manage new growth and change in Cape Town, to ensure that we live in a more sustainable and equitable city, and to see to it that the City works for all. The plans and policies of the CTSDf:

- indicate the areas best suited to urban development, the areas that should be protected, and the areas where development may occur if it is sensitively managed;
- provide investors with a clear idea of where they should invest;
- guide public investment in infrastructure and social facilities; and
- will be used to assess applications submitted by property developers and to guide changes in land-use rights.

The CTSDf does not grant or take away zoning rights. The spatial ideas and building blocks that will shape how the city grows and put Cape Town on a more sustainable, equitable development path include the following:

- **Resilience** – The spatial organisation of the city must be flexible in order to respond and adapt to change.
- **A city within a region** – Cape Town's functional interrelationships with neighbouring towns require better coordinated planning, budgeting and growth as well as resource management.
- **Natural assets** – The natural resources that make Cape Town a unique and desirable place to live should shape where and how the city develops.
- **The multidirectional accessibility grid** – The spatial organisation of the city must shift towards a grid-based movement system that facilitates convenient access and multidirectional movement. Activity and development routes are key elements of the grid.
- **Areas of land-use intensification** – A diverse mix of land uses should be concentrated in accessible, high-opportunity locations. Areas of land-use intensification include development corridors, urban nodes, strip development and civic precincts.

- **Development edges and growth directions** – City growth should be managed through development edges, which contain sprawl and protect natural, heritage and urban areas. Identified growth directions will serve to direct urban expansion in the medium to longer term.
- **Destination places** – Landmarks or locations that are significant points of attraction and form part of Cape Town's unique identity should be protected and enhanced, while new destination places should be developed.

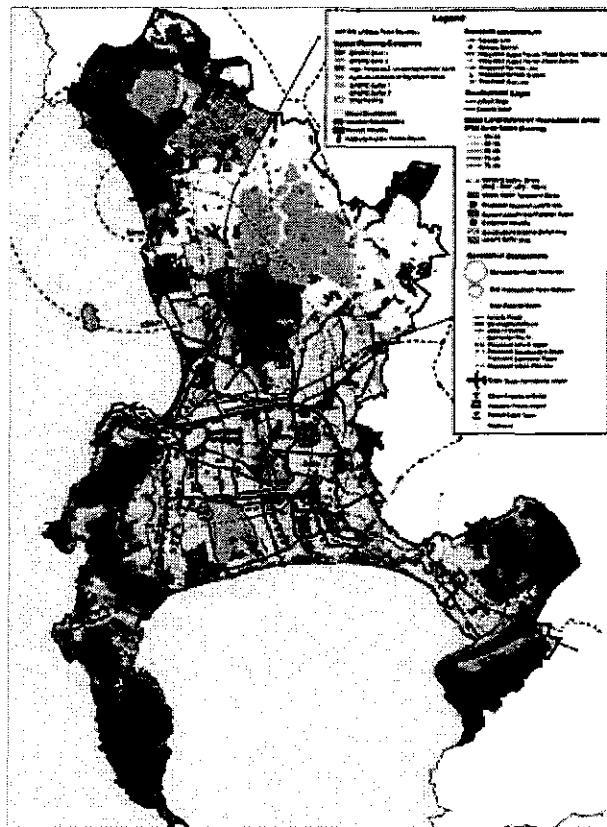


Figure A2: Cape Town Spatial Development Framework

For the City to meet the commitments outlined in the CTSDf and sector-based policies, all plans and budgets need to be aligned in the IDP. In addition, the IDP needs to be supported by a 15-year growth management plan that provides a link between the CTSDf and medium-term sector plans, master plans, and strategic and asset maintenance investment priorities. This growth management plan needs to align investment locations and establish clear targets and programmes for capital expenditure.

It should be reviewed annually when the IDP is reviewed. For the growth management plan to be effective, it needs to be developed in collaboration with all spheres of government, surrounding municipalities, the private sector and communities.

The objectives of the growth management plan will be to:

- identify and spatially depict sector-linked interventions and investment;
- harmonise spatial and infrastructure forward planning;
- determine the preferred phasing of the city's spatial development;
- identify infrastructure hot spots where enhancement of development rights may need to be limited in the short to medium-term, and establish monitoring mechanisms to review their status;
- prioritise and align the priority action areas spatially and by sector;
- identify the cross-sector programming and project-level planning and budgeting required to support the implementation of the prioritised action areas;
- identify the policies, the economic, administrative/regulatory and financial measures and/or institutional arrangements that need to be investigated or introduced to support implementation in the priority action areas;
- align the City's budget spatially and across sectors; and
- align the City's capital budget with that of surrounding municipalities and spheres of government.

In the preparation of the CTSDF, a number of short to medium-term priority action areas of metropolitan significance were identified. These need to be supplemented by the priority action areas identified

in the district-based spatial development plans (SDPs), aligned with sector-based strategic and asset maintenance investment priorities, and prioritised through the IDP and 15-year growth management plan.

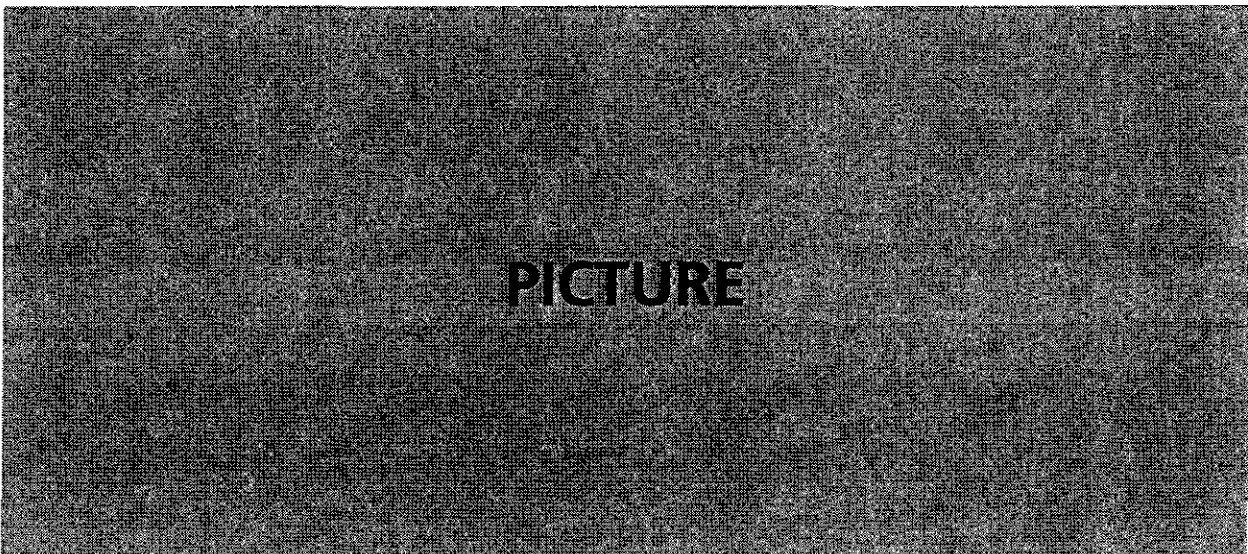
## Definition of a priority action area

A priority action area is a location requiring intervention or action by the City, other spheres of government and state-owned enterprises. The interventions may take a variety of forms, such as dealing with 'crime and grime', investing in bulk infrastructure and social facilities, improving the quality of the built environment, or introducing development incentives.

The priority action areas that have been identified are based on current available information and plans and are therefore likely to change over time. The Spatial Planning and Urban Design Department will, as part of the annual IDP review process, assess the progress made in the priority action areas, and amend and/or add to them.

The priority action areas have been grouped as follows:

- Transport
- Economic
- Housing and infrastructure
- Environmental
- Social



## INTRODUCTION

### Conclusion

Cities around the world are becoming drivers of growth. Regional centres, revolving around cities, have become the hub of economic activity. As urbanisation accelerates, the size and power of cities will only increase. That growth, however, brings with it a concomitant growth in needs.

As a city, Cape Town must position itself to embrace these twin realities and maximise growth, while providing services to a growing population. As economic growth shifts to the more dynamic developing world, we must do all we can to ensure that we are part of that shift.

Only innovative and dynamic policies that make us a flexible city can help us in that task. The plans articulated in this IDP will go some way towards helping us position ourselves for the opportunities of the future, and will guide us as we work to build the African city of the future, today.

### Situational analysis

Cities of the developing world will absorb roughly 95% of the total population growth expected worldwide in the next two decades, and over 1,5 billion residents will be added to developing-country cities by 2030.

Urbanisation will be one of this century's biggest drivers of global economic growth, and developing-country cities – especially middleweight cities<sup>1</sup> – will increasingly become the locus of such growth. By 2030, about 84,5% of the global population will live in less-developed countries.<sup>2</sup> Cities are thus key to bringing about social upliftment involving millions of people.

Global trends show that the major drivers of economic growth in the next 20 years will be mid-size cities, which are due to an increase in number and size. Projections demonstrate remarkable potential for the growth of these cities along the African west coast, which makes Cape Town ideally positioned to capitalise on that growth, providing a regional centre for transport connections and a services base for industries wishing to expand to this region.

An approach favouring infrastructure development and focusing on competitive advantages will aid Cape Town in this positioning. In an increasingly competitive world, the only way the city will be able to share in exponential growth from other developing countries is by building on the strengths of the Cape Town city region, and ensuring it does not misappropriate resources in support of industries that will not be competitive into the future.

With respect to global challenges like global warming and climate change, cities are central to adaptation and mitigation strategies, and to meeting global environmental quality goals (such as reducing carbon emissions).

For residents and communities, cities are important locations of opportunity; for accessing a better life, including shelter, services, health, education, leisure, interaction with diverse cultures, intellectual stimulation and personal growth, and of developing a sense of belonging. It is clear, then, that cities must succeed in order for states to succeed.

### Cape Town's challenges and opportunities

#### Global conditions

The world is still confronted by challenging economic conditions and a recession. There are numerous stark economic realities that we must continue to face.<sup>3</sup>

Globally, traditional investors from the developing world are not in an entirely favourable position to invest. Where there is investment in the developing world, it tends to be directed to developing economies that have built competitive advantages, either through economies of scale in particular industries or through conditions deliberately fostered to aid business rather than restrict it.

Developing-world investors look for similarly favourable investment climates, and are motivated by the logic of financial success rather than social imperatives.

#### National economic conditions

As a local government, the City is responsible for economic development in the region. However, the City does not have control over many key levers that affect the economy. In addition, the City has no authority over labour legislation, the inflexibility of which can lead to a loss in competitive advantage in the labour market, thereby lessening the scope of the kind of industries that have a realistic chance of becoming viable in the region.

The City does not have control over state-owned enterprises. This has a double effect. Firstly, rail, as the major transport source for the majority of people, is underserved and lacks capacity, and the City has little power to effect change directly. Secondly, the City has little or no say over key access points in Cape Town. Both the harbour and the airport are controlled by state-owned enterprises, and unrealistic tariffs decrease the potential to create a favourable climate for producers looking for a competitive transport hub. However, the single transport authority – Transport for Cape Town – launched by the City of Cape Town in October 2012 is expected to have a positive impact in this regard.

The City also has no say in national divisions of revenue or financial policy. Due to current national policy provisions that favour symmetrical development, Cape Town often does not benefit from all of the revenue it generates.

<sup>1</sup> These are defined as emerging-region cities with current populations of between 150 000 and ten million inhabitants. These middleweight cities are then subdivided into three categories based on population size. Large middleweights have populations of five million to ten million, mid-size middleweights have two million to five million, and small middleweights have 150 000 to two million. See McKinsey Global Institute 2011, p.44.

<sup>2</sup> See United Nations 2011

<sup>3</sup> Western Cape Provincial Economic Review & Outlook (PERO) 2012.

## Aligned long-term strategies and plans

In August 2012, National Cabinet approved the South African National Development Plan 2030 (NDP).<sup>4</sup> The plan addresses a large number of social, political and economic challenges and issues, and essentially proposes a long-term strategy to increase employment and invest in human capital through education and training.<sup>5</sup> One of the main ways of influencing a city's development path is through a planning process with a strong vision to achieve what is necessary to counteract negative forces and impacts of rapid urbanisation. A long-term plan can also set a city and its region on changed growth and development paths in the provincial, national and international context.

An overarching vision for the Western Cape outlined in the OneCape2040 strategy, spanning 28 years and intended as a statement of direction for the Province, is to bring about a 'highly skilled, innovation-driven, resource-sufficient, connected, high-opportunity and collaborative society'. In response to this overarching framework in the OneCape2040 document, the City of Cape Town has responded with a City Development Strategy (CDS) that will seek to bring about six key transitions in the city, all of which are closely aligned with the objectives of OneCape2040 and the NDP, as well as the 2012 – 2017 IDP.<sup>6</sup>

## Demographic and social challenges

In 2011, the population of Cape Town was estimated at 3 740 026 people, with an estimated 1 068 572 household units.<sup>7</sup>

Like developing-country cities across the world, the population in Cape Town is expected to grow, and is projected to reach 4,25 million by 2030. This growth exacerbates the range of challenges facing Cape Town, including unemployment, high drug use and crime incidence.

TB incidence per 100 000 of the city's population has been fairly stable, at below 900 every year between 2003 and 2009. The overall HIV prevalence in Cape Town appears to be stabilising, though at quite a high level, which means that the HIV/Aids epidemic continues to be one of the major challenges facing the city. According to 2007 figures, South Africa has the highest burden of HIV/Aids globally, and is implementing the largest antiretroviral (ARV) treatment programme in the world.<sup>8</sup> According to the 2009 National HIV Survey, the HIV prevalence for the Western Cape was estimated at 16,8% of the total population.<sup>9</sup> Cape Town's infant mortality rate (IMR)

declined considerably between 2003 and 2009, indicating good overall health as well as improved living and social conditions in the city. Cape Town significantly outperforms the national IMR, at 20,76 (per 1 000 live births) in 2009, a decline from the 2006 rate of 21,4.

In 2011, indigent households – those who applied and met the City criteria – made up 21% of the total number of households in the city. In 2011, 35,7% of households reported a monthly income of up to R3 500 (the poverty line used by the City).

## The economy

Following the global economic slowdown, which continued in 2011, the International Monetary Fund lowered its economic growth forecast for South Africa in 2012 to 2,6% of the gross domestic product (GDP).<sup>10</sup> The South African economy remains vulnerable to the continuing economic slowdown in Europe as well as growing concerns about an economic slowdown in China.

Cape Town's economy has a number of key positives on which to build. It is known to have solid economic infrastructure and a good services base with which to attract international and national industry.

During the past decade, Cape Town has remained the second-largest contributor to South Africa's total GDP, with the 2011 contribution remaining steady at 10,7%. While average annual growth rates are fairly similar among the metropolitan municipalities, Cape Town's GDP per capita is nearly double compared to the South African average, which ranks Cape Town among the top three metropolitan municipalities (after Johannesburg and Tshwane).

Cape Town's economic performance, according to gross value added (GVA), is dominated by four sectors, namely finance and business services, manufacturing, trade and hospitality, and community services and general government. There have, however, been structural changes, specifically in the respective contributions of these sectors. In 2011, the finance and business services sector maintained its importance – at 36,1% of total GVA – supported by one of the highest growth rates. And while the manufacturing sector share of the Cape Town economy has grown nominally, it has lost some more jobs potentially suited for semi-skilled and unskilled job seekers.

4 National Planning Commission 2012.

5 PERO 2012, p 3.

6 For more information on the alignment between the six transitions in OneCape2040 and the five pillars of the IDP, see section 1.1(g).

7 Census 2011.

8 State of Cape Town Report 2010, p.36

9 State of Cape Town Report 2010, p.36

10 Bonnelly, L 2012 'IMF drops SA growth forecast amid growing labour unrest, joblessness' Mail & Guardian 23 Aug.



## INTRODUCTION

Table A1: Cape Town sector contribution to gross value added

Sector contribution to GVA (excluding taxes and subsidies)	Values at constant 2005 prices (Rand, millions)											Contribution to GVA		Average annual growth
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2001	2011	2001 – 2011
Agriculture	1 026	1 086	1 099	1 133	1 204	1 159	1 172	1 265	1 286	1 289	1 309	0,8%	0,7%	1,9%
Mining	288	285	274	276	289	276	277	260	244	249	240	0,2%	0,1%	(1,7%)
Manufacturing	25 761	25 785	24 910	26 295	27 631	29 277	30 716	31 450	28 754	30 146	30 644	19,5%	16,1%	1,7%
Electricity	1 740	1 802	2 034	2 194	2 281	2 231	2 195	2 045	2 105	2 110	2 111	1,4%	1,1%	1,6%
Construction	3 317	4 395	4 406	4 808	5 374	5 918	6 774	7 266	7 550	7 604	7 690	3,3%	4,1%	5,8%
Trade and hospitality	21 421	21 544	21 996	23 073	25 122	26 362	27 691	27 794	27 441	28 298	29 595	16,3%	15,6%	3,2%
Transport, storage and communication	13 291	13 987	14 946	15 741	17 177	17 908	19 154	19 747	20 045	20 465	21 234	10,6%	11,2%	4,3%
Finance and business services	40 510	42 458	45 093	48 582	50 591	54 897	59 152	63 429	63 445	65 967	68 474	32,0%	36,1%	4,9%
Community services and general government	20 937	21 199	21 952	22 521	23 407	24 221	25 293	26 445	26 940	27 540	28 546	16,0%	15,0%	3,0%
Total industries (gross value added – GVA)	128 291	132 542	136 711	144 622	153 076	162 250	172 426	179 702	177 809	183 667	189 842	100,0%	100,0%	3,7%
Taxes less subsidies on products	14 965	15 825	16 327	16 968	17 730	18 809	19 664	19 750	19 309	19 915	20 152			2,4%
Total (gross domestic product – GDP)	143 256	148 367	153 038	161 590	170 806	181 059	192 090	199 452	197 118	203 581	209 994			3,5%

Source: Data extracted from Regional eXplorer (ReX), Global Insight, compiled September 2012

The same sectors that dominate Cape Town's economic performance also contribute the most to employment, although with very different rankings. The community services and general government sector contributes most to total employment, with its contribution increasing to 28,2% in 2011. The manufacturing sector, once the second-largest contributor to employment, has dramatically decreased in its jobs contribution. In addition, it has been shedding jobs in the past decade, the loss totalling around 42 000. What is remarkable is the growth in employment by the community services and government sector over the last decade, while the sector's GVA contribution declined over the same period.

Between 2010 and 2011, the number of available jobs increased in all sectors, with the exception of the agriculture, forestry and fishing, and manufacturing sectors. In 2011, the average unemployment rate for Cape Town was 23,8% for all in the age group 15 – 64 (down from 24,9% in 2010).

Cape Town has a young population who can drive the demand for consumer goods and services, provided they have the ability to earn an income and have the requisite disposable income.

The informal economy in Cape Town is involved in activities – mainly wholesale and retail trade, home-based catering and accommodation, and working in private households – that are not linked to the city's main economic activities. In 2011, the

Cape Town economy supported only about 11% of informal employment opportunities out of the total employment in Cape Town, compared to a national average of 17%.<sup>11</sup>

Up to 75% of businesses in Cape Town are classified as small and medium enterprises and account for 50% of the city's economic output. Up to 93% of all small and micro-sized firms are low-tech operations in mature, traditional industries, with very little interaction with large firms.

### Natural wealth<sup>12</sup>

The environmental challenges that the City faces include the need for climate change adaptation and mitigation, conservation of unique natural landscapes or ecosystem goods and services, and dealing with resource depletion.

### Climate change adaptation and mitigation

Cape Town is vulnerable both to the environmental effects of climate change (such as rising sea levels and changes in rainfall patterns) and resource depletion (such as water scarcity and shrinking oil reserves).

Global emissions agreements require that the City pay more attention to greenhouse gas emissions such as carbon dioxide (CO<sub>2</sub>).<sup>13</sup> One way to reduce CO<sub>2</sub> and other harmful emissions from private cars is to encourage more residents to use mass public transport and other modal options.<sup>14</sup>

11. Based on the ratio of informal employment as a proportion of total employment in Cape Town and nationally.

12. The issues in this section are dealt with comprehensively in the City's State of the Environment Report series, and are therefore discussed in much less detail in this chapter.

13. CO<sub>2</sub> is a greenhouse gas that has a negative impact on the environment, as it artificially increases the ability of the atmosphere to retain the earth's heat, and has been identified as the leading cause of climate change.

14. Among the modes to be integrated are Metrorail services, road-based services on main routes, conventional bus services, minibus taxis, feeder bus services, pedestrian and bicycle access, metered taxis and park-and-ride facilities.

The following table shows the modal split in transport use. The 2011 figures suggest that slightly more people are walking and (motor)cycling, fewer are taking the bus and taxi, while there is a slight increase in the number of people who use the train to commute to work. The Integrated Transport Plan (ITP) review process currently under way as well as the October 2012 launch of the Transport for Cape Town (TCT) government entity are some of the exciting current initiatives that are likely to change these patterns. TCT will seek to mould the current system into an 'integrated, multi-modal system that puts commuters first – resulting in more efficient, affordable and safer public transport'.<sup>15</sup>

Table A2: Key modes of transport to place of work in 2011

	Black African	Coloured and Asian	White	Total
Office is at home	7,27%	6,48%	14,35%	8,36%
Walking	10,33%	7,91%	3,55%	7,77%
Bicycle/motorcycle	0,75%	0,58%	1,01%	0,72%
Taxi	20,71%	19,73%	0,11%	15,98%
Bus	13,33%	7,70%	0,71%	8,03%
Train	23,36%	14,18%	3,23%	14,81%
Lift club	3,28%	4,24%	1,40%	3,35%
Car	19,74%	37,15%	75,20%	39,54%
Other	0,00%	0,28%	0,00%	0,14%
Unspecified	1,22%	1,74%	0,44%	1,31%
Total	100%	100%	100%	100%

Source: Statistics South Africa General Household Survey 2011

### Conservation of natural wealth

Cape Town has no fewer than six endemic national vegetation types. Currently, approximately 40% of the biodiversity network is under formal conservation management.

Water quality is another important conservation issue, especially in relation to maintaining the quality of coastal water and inland water bodies.<sup>16</sup> Overall, the greater majority of coastal water points on the False Bay and Atlantic coast comply with coastal water quality guidelines.

<sup>15</sup> See <http://www.capetown.gov.za/en/Pages/CityLaunchesTransportforCapeTown.aspx>.

<sup>16</sup> Drinking water quality is another area that is monitored through an incentive-based monitoring programme named 'Blue Drop certification' launched in September 2008. In 2012, the City received a platinum award for having excelled in the Blue Drop awards programme for four successive years. Importantly, the City's score for this year increased to 98,14% (up from 97,61% for the 2011 awards). See <http://www.capetown.gov.za/en/Pages/CityachievesBlueDropstatusagainforwaterquality.aspx>. The index starts from a rating of less than 33%, which means the water supply system needs urgent attention. Between 33% and 50% means it needs more attention; 50 – 75% means it is good; 75 – 90% means it is very good; and more than 90% means it is excellent.

<sup>17</sup> The World Health Organisation recommends a minimum per capita of 50 l of water per day for basic cooking, drinking and hygiene requirements. However, it is important to note that this is a basic level of service. The City provides 6 000 l of free water to all households, at an average household size of four people, which works out at 50 l per person per day. The Urban Environmental Accords recommend that cities with a consumption of more than 100 l per capita per day implement measures to reduce consumption by 10%. City of Cape Town State of the Environment Report 2009, p. 53. See [http://www.capetown.gov.za/en/EnvironmentalResourceManagement/publications/Documents/State\\_of\\_Environment\\_Report\\_2009\\_2010-08.pdf](http://www.capetown.gov.za/en/EnvironmentalResourceManagement/publications/Documents/State_of_Environment_Report_2009_2010-08.pdf).

<sup>18</sup> Statistics South Africa Census 2011

### Mitigating waste generation and resource depletion

Increased recycling by the city's population, along with improvements in solid waste disposal, has the potential to decrease the demand for landfill use. Voluntary recycling may account for a portion of the dramatic decline in waste disposed at landfills in 2008 and 2009. However, only a small percentage of Cape Town residents currently recycle their waste and there is enormous scope for improving recycling practices.

In 2009, water use per capita was at its second-lowest since 1996, at 223,4 l per capita per day, and dropped even further in 2011, to 215 l per capita per day. This is the lowest daily water use per capita figures since the 2004 water restrictions. Thus, residents are continuing to respond positively to and have internalised the City's messages about the need to save water (see following figure). The City has set an organisational target to reduce overall water use.<sup>17</sup>

Daily water use per capita (litres)

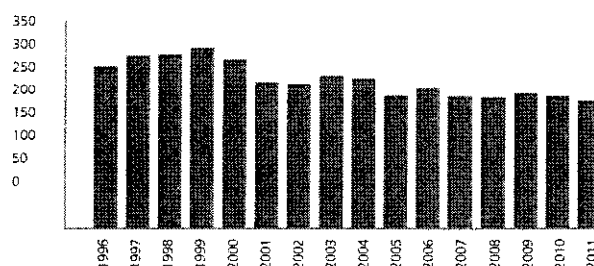


Figure A3: Cape Town's average daily water use per capita in litres, 1996 – 2011

Source: Strategic and Development Information & GIS Department, City of Cape Town

### Challenges of urban growth and form

In terms of population, Cape Town is significantly smaller than most of the world's major cities. However, it faces similar developmental challenges, and will require a major focus on physical and economic infrastructure as well as human capital development.

In 2011, there were 1 068 572 households in Cape Town, of whom 78,4% lived in formal housing, 13,5% in informal settlement housing, 7% in informal backyard dwellings, and 1,1% in other dwellings (including tents, caravans and traditional structures).<sup>18</sup>



## INTRODUCTION

### PICTURE

#### Managing the urban edge

The city grew by 40% in developed-land area between 1985 and 2005. More recently, the city has been developing at an average rate of 1 232 hectares per year. Cape Town's geography with its long coastline and mountains, the airport location and other hazardous, noise-generating activities limit the amount of land available for development, and make it essential that any such development is effective and efficient.

The average population density for the city is low, at 39 people per hectare.<sup>19</sup>

One of the city's challenges is to transform its spatial and social legacy into a more integrated and compact city, with mixed-use zoning areas that bring residents closer to work and offer opportunities to break down the social barriers.

All of these challenges outline the need for a development path for Cape Town that promotes economic growth, reduces poverty and social marginalisation, and encourages residents' engagement in making the city more resilient in terms of its economy, natural and cultural landscapes, households and communities, as well as its ecosystem. This is a highly integrated city, and it requires integrated solutions.

#### High-level overview of City of Cape Town services sector plans

This section provides a high-level overview of the City's basic service commitments to residents and businesses, and its plans to honour these. While the City is involved in providing a wider range of services, including social and community services, only the core basic services are reviewed below. For more details on City programmes and activities related to these services, the relevant sector plans and SFAs are identified.

Over the current term of office, the City will continue to meet legislative requirements and to address community needs. This will be done by matching existing facilities to established criteria, determining resource capacity requirements so as to address any gaps, ensuring that high levels of services are maintained and extended across the city, and providing the public with clean, safe potable water and efficient sanitation services.

Developers provide basic services in formal housing developments, and then generally recover the costs involved. In the case of low-income housing, costs are subsidised by the City.

19. Estimates were based on past growth trends, and modelled on future residential development – including for rates for informal settlements, subsidy housing as well as market housing. See *Evaluation of Developable Land within Urban Edge* produced by Spatial Planning and Urban Design (SPUD) in October 2010.

In terms of basic services provision for residents, the City's focus is primarily on informal settlements and backyard dwellings in public housing developments.

#### Electricity services [refer sector plan in Annexure H and SFA1]

The metro electricity supply area is divided between Eskom and the City of Cape Town, and both entities have electrification programmes. The City provides access to electricity for 75% of its residents, while Eskom serves the remaining 25%.

Electrification in the city is guided by the City's electrification plan. This plan entails the provision of electricity to qualifying<sup>20</sup> low-cost housing developments and informal settlements within the metro. This function covers the provision of infrastructure to enable electrification of qualifying sites with funding from both municipal and national resources. These electrification programmes are aligned with those of the City's Human Settlements Directorate.

Currently, the bulk of the electrical connection backlog in informal areas is in the portion of the metro serviced by Eskom.

#### Water and sanitation services [refer sector plans in Annexure N, SFA1 and SFA3]

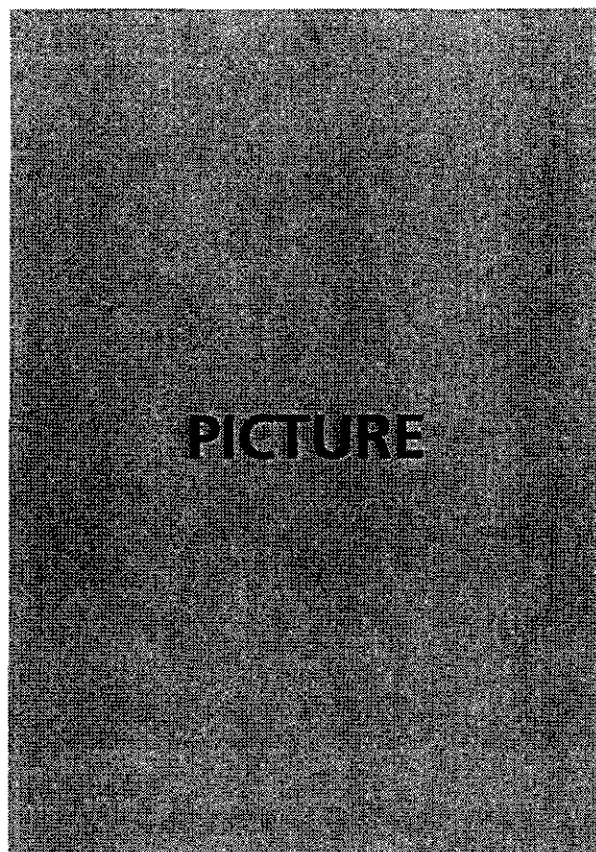
The City's 10-year Water Demand Management Strategy aims to reduce the rate of demand growth, and includes various water conservation and water demand management (WCWDM) initiatives.

Most of the maintenance activities of the Water Reticulation Branch – such as the pipe replacement programme – also have a WCWDM impact. WCWDM initiatives include pressure management (to decrease the amount of water lost through leaks and burst pipes), the leaks repair programme (for indigent consumers), retrofitting, the meter replacement programme, installation of water management devices, treated-effluent reuse, and consumer education and awareness to promote greywater reuse, rainwater harvesting, and the like.

#### Solid waste services [refer sector plan in Annexure M, SFA1 and SFA3]

The Solid Waste Management Department fulfils the function of waste management by collecting waste on a weekly basis from residents and businesses throughout the city.

Environmental Health monitors the quality of this service. Medical-waste monitoring, management and disposal are also key programmes. Clean-up campaigns and community awareness programmes, particularly in informal settlements, are developed to assist the Solid Waste



Management Department in improving waste management and reducing waste. The Solid Waste Management draft sector plan guides these programmes.

Currently, 100% of formal households receive the basic service of weekly kerbside refuse collection using the wheeler bin system. All informal settlements are serviced, and receive a door-to-door refuse collection or ongoing area-cleaning service (litter picking and illegal-dumping removal). All residents receive at least two free plastic bags per week in which to place their refuse. The filled bags are taken to shipping containers, where they are stored until they are transported to a landfill site. All containers are serviced at least twice a week. Local labour for this purpose is hired from the City subcouncil databases. These services are contracted out for three-year periods. The Solid Waste Management Department has developed a pictorial 'Standard of Cleanliness' to be able to hold the service provider in informal settlements to a particular level or standard of service provision.<sup>21</sup>

#### Human settlements [refer Annexure J and SFA3]

The City is challenged to ensure innovative human settlements and housing for those in need.

<sup>20</sup> Certain informal areas are excluded from the electrification programme if dwellings are (i) below the 50-year flood line; (ii) in road, rail and power line reserves; or (iii) on private property.

<sup>21</sup> The 'Standard of Cleanliness' is a qualitative performance management tool. Level 1: Desired standard of cleanliness; Level 2: Fair/reasonable standard of cleanliness; Level 3: Unacceptable standard of cleanliness, and Level 4: Totally unacceptable standard of cleanliness.

## INTRODUCTION

Interventions will require significant additional capital investment, together with a fundamental reconsideration of how to deliver more housing, more rapidly, in a more integrated, sustainable manner. Key elements for successful urban restructuring include higher-density housing developments in well-located areas, major improvements in public transport to link fragmented places, and higher employment levels in townships and informal settlements.<sup>22</sup>

The City continues to utilise the range of available national housing programmes to create innovative, integrated and sustainable human settlement developments for its poorest communities, most of whom depend on the state for their housing needs. The City has formulated several programmes, such as the informal upgrade strategy, the backyard improvement strategy and, most recently, the urbanisation strategy.<sup>23</sup>

The City is committed to upgrading informal settlements in different parts of Cape Town, and the five-year housing plan for 2012 to 2017 sets out a range of strategies for upgrading the living conditions of people in informal settlements and makeshift backyard structures, and steadily stepping up access to shelter by providing incremental housing – starting with the provision of adequate services such as access to electricity, water and sanitation.<sup>24</sup>

### Informal settlements upgrades

The City has embarked on a strategic plan to improve the living environment of families in its 204 informal settlements. Objectives that form part of this strategy include establishing local offices to serve informal settlements, optimising land availability, improving service delivery, providing security of tenure, and improving the quality of dwellings. Processes that are meant to support the objectives of this programme include establishing development partnerships, engaging in participative planning as well as partnership-driven coordination.

The City has prioritised settlements for incremental upgrades and for reblocking, which involves the reconfiguration of informal settlements into a more rational layout to enable a safer environment, better living conditions and easier access for the provision of basic services.<sup>25</sup>

### Backyarder service programme

This programme is guided by the backyarder policy, and involves the improvement of living conditions of people living in the backyards of City rental stock by providing better access to municipal services. These services will include water, sanitation, refuse removal and electricity. The backyarder service programme also includes the identification of vacant land that could be utilised for infill housing projects.

## IDP public needs analysis 2011 – 2012

Three sources of City of Cape Town information are used to compile the IDP needs analysis: the Community Satisfaction Survey, the IDP public engagement process and the C3 notification system. These sources of information and the processes used to generate them are discussed in more detail below.

The Community Satisfaction Survey (CSS) is a survey of a representative sample of residents undertaken annually since 2007. It is intended to monitor the performance of the City as viewed through the eyes of Cape Town residents. It provides the City with information about its residents' perceptions, priorities and views. This information is then translated into a series of key recommendations, which are used to guide City planning.

PICTURE

<sup>22</sup> A more compact urban form, however, should not mean losing access to public green and open spaces, and neighbourhoods will have to be designed with amenities that will foster a sense of community and social interaction. This will advance social inclusion and increase the livability of compact environments.

<sup>23</sup> These programmes allow the City to develop different forms of housing opportunities, ranging from in situ upgrades of informal settlements to rental housing in the form of community residential units (CRUs), institutional and social housing, as well as home-ownership opportunities such as Breaking New Ground (BNG) and gap housing for qualifying beneficiaries.

<sup>24</sup> A strategy to provide basic services to informal settlements will be implemented. The development of an integrated human settlements plan includes not just houses, but all community facilities, such as cemeteries, sports facilities and libraries. See City of Cape Town *Five-Year Integrated Housing Plan 2010/2011 – 2014/2015*.

<sup>25</sup> Refer Integrated Housing Plan 2010/11–2014/15 (Annexure I).

## Cape Town residents' priority needs according to the Community Satisfaction Survey, 2007 – 2012

The CSS report is scientifically defensible and adheres to the codes of good research practice. Data is gathered from 3 000 respondents across eight health districts (stratified sampling) to reflect the diversity of Cape Town. Thus, data is available on a city-wide and health district level. The respondents are randomly selected, and participate in an in-depth 40-minute interview with trained interviewers. Questions are carefully formulated and potentially confusing questions carefully explained. Clarity, research methods and processes are some of the strengths of the CSS.

### What should the City prioritise?

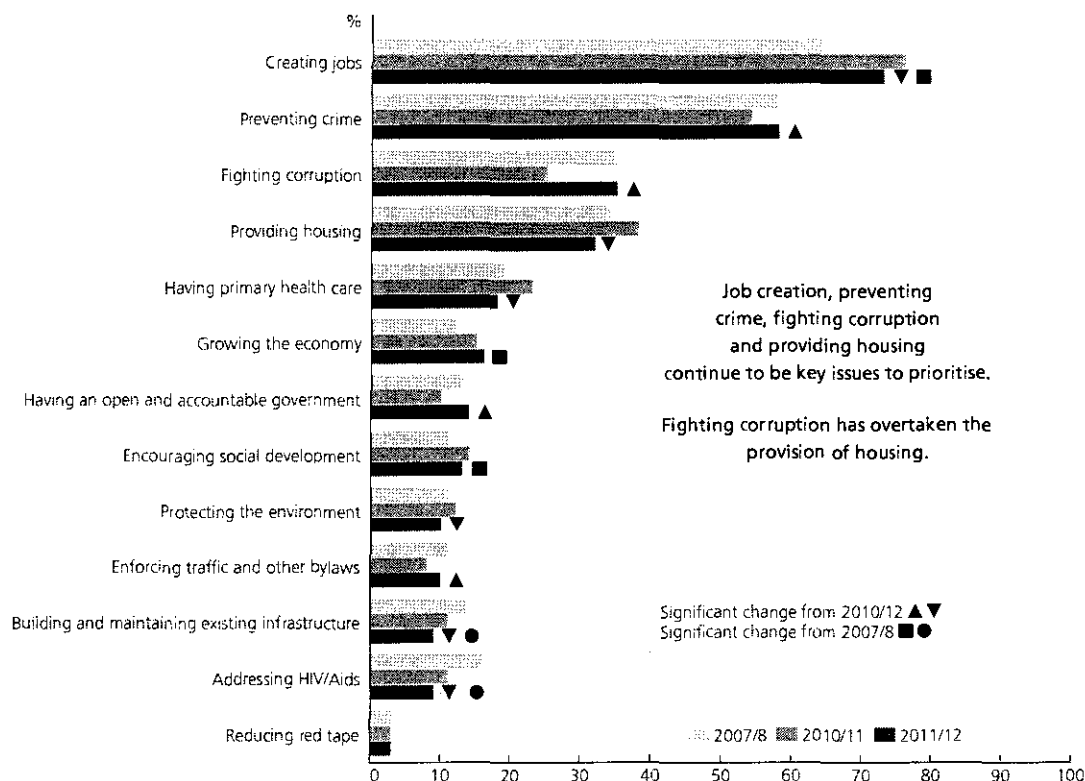


Figure A4: Priority areas identified by Cape Town residents according to the Community Satisfaction Survey 2007 – 2012

Source: City of Cape Town Community Satisfaction Survey 2012

Research for the 2012 CSS survey was conducted during October and November 2011. In the question from which the data for the above graph was derived, residents were asked to name the top three needs that all in Cape Town should prioritise. The answers were then used to provide the composite for the various priorities graphed on the y-axis. Many priorities tend to hover within a range of scores, rising or dropping a few points annually. Priorities with significantly declining scores are 'Building and maintaining existing infrastructure' and 'Addressing HIV/Aids'. Priorities showing increases are 'Preventing crime', 'Fighting corruption', 'Having an open and accountable government' and 'Enforcing traffic and other bylaws'.

Overall, positive perceptions of the City's performance have increased significantly over the four-year period, with increases in the percentage of residents indicating approval across service delivery areas such as overall performance,

performance as a public service provider, and in terms of residents' level of trust in the City. This means that more residents are satisfied with the City's services.

#### This is what residents had to say

Altogether 63% of residents said that, overall, the City's performance was good, very good or excellent (up from 62% in 2010/11, 57% in 2009/10, 54% in 2008/9, and 50% in 2007/8).

A total of 62% of residents rate the City as good, very good or excellent in fulfilling its role as a public service provider (the same as 2010/11 and up from 58% in 2009/10, 54% in 2008/9, and 46% in 2007/8).

Altogether 69% of residents rate their level of trust in the City of Cape Town as fairly strong, very strong or extremely strong (up from 66% in 2010/11 and 2009/10, 61% in 2008/9, and 50% in 2007/8).

## INTRODUCTION

More generally, the 2011/12 findings of the survey reveal the following:

- Essential services remain an area of relative strength for the City overall, particularly in water provision, sewerage and sanitation as well as refuse collection.
- Stormwater drains being regularly cleaned and prevention of flooding have shown improved ratings by residents in the past year, and continue a positive upward trend.
- In terms of community services, parks have shown an improvement in both the short and long term, while residents continue to rate library services as good.
- Law enforcement scores have improved overall both in the long term and in the past year. Illegal dumping, illegal land settlement and noise have again been identified as important concerns to residents.
- Environmental and conservation services have improved across most categories, with cleanliness of the urban environment in particular showing a significant improvement.
- Fire and emergency services continue to be a priority for residents, and these services have shown improvement in response times to emergency situations.
- The provision of affordable transport has shown an improvement in the long term, with all other perceptions on transport remaining stable both in the long and short term.

### The 2012 IDP engagement process

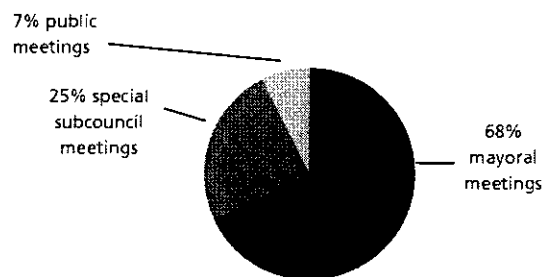
In the IDP engagement process, it could of course be argued that the responding members of public are more likely to drive specific agendas than in the other two sampling processes.<sup>26</sup> Nevertheless, the IDP public engagement process adopted the format of a series of meetings that were hosted during July and August 2012. Three types of meetings were used, namely mayoral meetings, special subcouncil meetings and general public meetings.

A total of six mayoral meetings were held, one each in Mitchells Plain, Kraaifontein, Grassy Park, Strand, Atlantis and Khayelitsha, with a total attendance of around 3 500 people. Meeting attendance ranged between 160 and 1 000 people per meeting, with Atlantis having the fewest attendants and Khayelitsha the most.

Special subcouncil meetings were held in all 24 subcouncils. Attendance of the subcouncil meetings was lower than for the mayoral meetings. The figures per meeting ranged between 8 and 46 attendants, with the average number of attendants for all meetings being in the mid-teens.

Two general public meetings were held in Dunoon and Langa. Total attendance for both public meetings amounted to 237.

*Attendance by meeting type (%)*



*Figure A5: IDP 2012 meetings – attendance by meeting type*

Source: 2012 IDP public engagement process summary

### How the IDP engagement process works

The IDP public engagement process is not only about numbers, but about people and issues too. It is important to understand the context of the meetings as well as how the data are collected to understand the usability of the data.

At a meeting, members of the public are invited to give comment, either verbally or by completing the 'Have your say' form. This year, the 'Have your say' form was designed to capture very specific information about what residents want to have done in their specific wards/subcouncils – concretely, to the point of being able to suggest a potential physical location for the service. The form was also designed to capture at least one input for all service departments.

Ward committees were used to help identify and invite all community-based organisations to the public meetings and to help distribute meeting information to residents. In many instances, the committee members assisted in ensuring that all members of the public who wanted to attend a meeting knew where the pick-up points would be and assisted with their registration at meetings. At the meetings, 74% of the active ward committee members as at July 2012 were present.

The idea is to draw lines of direct accountability, so that if service departments do not have the resources available to address residents' needs, departments may then include projects in departmental plans and budgets for the next budget cycle.

26. In the CSS, participants are selected randomly, thereby minimising potential bias. With the CS system, respondents complain about a very specific problem, for which a direct solution is sought. Thus, it is generally an operational process – focused and more free of any potential hidden motive.

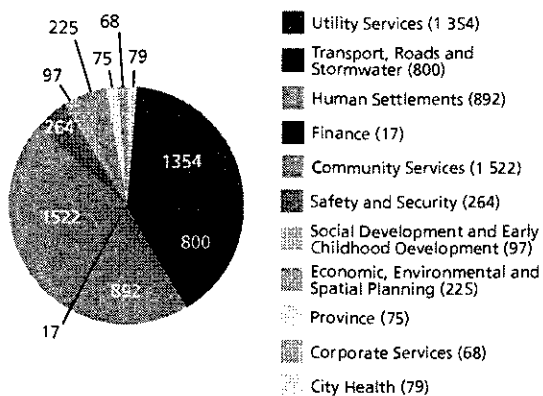


Figure A6: 2012 IDP engagement – distribution of comments, by directorate

Source: 2012 IDP public engagement process summary

Using this format of soliciting comment from members of the public, submitting it to the relevant line departments and drawing up a reply and action plan produces a neat

match between issue and response, and allows for forward planning and budgeting to meet specific service needs raised during the IDP engagement process.

### The City of Cape Town C3 notification system

The C3 notification system is the information logged from telephonic service requests that the City call centre receives. All calls are captured, and more than one call may relate to the same issue/complaint. Therefore, C3 data is not of a scientific standard; yet, the data provide a useful indication of residents' issues. During the period 1 July 2011 until 30 June 2012, some 732 873 calls were received, down from 828 945 in the previous financial year.

The C3 notification system captures residents' calls and complaints regarding City services and functions. In this analysis, the call volume of the C3 notification system describes frequency of calls. The table below lists actual percentages of C3 notifications by City function, expressed as a percentage of total C3 notifications.

Table A3: Ten City functions with the highest C3 notification call volumes for 2011/12

City functional area by C3 notification	Percentage of total calls
Sewer	15,6
Water	15,2
Water demand management	7,4
Solid waste	6,8
Roads and stormwater	6,2
Housing – existing	5,8
Electricity technical complaints	5,8
City parks	1,3
Other	1,1
Traffic signals	1,0

Comparing the data for 2011/12 with 2010/11, it is evident that sewer, water, water demand management, solid waste and related issues remained important in the last financial year. In contrast, there was a decline in call volumes relating to technical electricity complaints, safety and security, transport, health and social development issues. The remaining notifications on City functions have largely remained constant.

Table A4: Areas where call volumes have declined most significantly from 2010/11 – 2011/12

City function with the largest decline in notifications 2009 – 2012			
City functional area	Calls in 2010/11	Calls in 2011/12	Percentage change
Water – informal settlements	8,2%	0,7%	(7,5%)
Safety and security	11,9%	0,1%	(11,9%)
Transport	13,8%	0,0%	(13,8%)
Electricity technical complaints	23,2%	5,7%	(17,5%)

There have been significant declines in calls associated with technical electricity complaints, transport, safety and security, and water-related issues in informal settlements. It is therefore possible that residents have experienced significant improvement in these service areas.



## INTRODUCTION

Call volumes about solid waste, water demand management, water and sewers all increased significantly from 2010/11 – 2011/12. The biggest increase in call volumes related to sewers, and occurred as a result of blocked drains. Sanitation believes that these changes are a result of the launch of the sewer blockages education and awareness campaign (October 2011 – July 2012), where residents were provided with the contact details of the technical operations centre.

Below, all C3 notification categories are graphed as a percentage of total calls. Figures for 2011/12 (light grey) are contrasted with 2010/11 (dark grey).

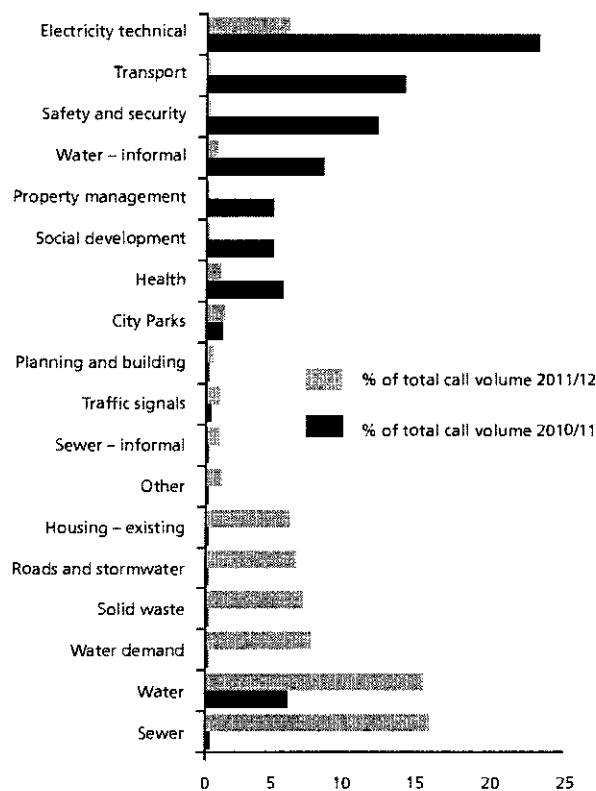


Figure A7: C3 call volumes by organisational function: 2010/11 vs 2011/12

### Conclusion

Three different data sources were used to compile the City of Cape Town's IDP Public Needs Analysis. These are the Community Satisfaction Survey, the IDP engagement process and the C3 notification system for review 2013/14. The strengths and weaknesses as well as the major findings and implications of each data source used to compile the public needs analysis for the 2013/14 IDP review can be summarised by noting the following:

- The CSS has shown that while there are some minor variations, residents' needs have remained largely unchanged this year, with job creation the top need.
- The IDP engagement process has revealed that mayoral meetings are the most popular form of engagement for residents. Residents seem to make the most demands on the directorates of Community Services and Utilities.

## HOW THE CITY CONTRIBUTES TO THE NATIONAL DEVELOPMENT PLAN



### NDP chapter 3: Economy and development

The objective relates to the implementation of public employment programmes, with which the City aligns through its Expanded Public Works Programme (EPWP) implementation.

### NDP chapter 4: Economic infrastructure

This objective relates to the provision and sustainability of services such as water, electricity and public transport, and the establishment of a fibre-optic network that can provide competitively priced and widely available broadband. To achieve this, the City continuously strives to maintain and invest in its water and electricity infrastructure, and is implementing a fibre-optic network programme.

### NDP chapter 5: Environmental sustainability and resilience

This objective also relates to the implementation of public employment programmes, and the City aligns through its Expanded Public Works Programme (EPWP) implementation.

### NDP chapter 6: Inclusive rural economy, and chapter 7: South Africa in the region and the world

These objectives have no direct impact on the City of Cape Town.

### NDP chapter 8: Transforming human settlements

This objective relates to how municipalities should spatially enable the densification of cities to promote a better mix of human settlements, which will allow people to live closer to their places of work, and the implementation of a better public transport system, which will in turn facilitate integration. The City responds through its densification, integrated human settlements as well as public transport programmes.

### NDP chapter 9: Improving education, training and innovation

This objective relates to early childhood development, while also ensuring that artisans enter the job market. The City's women and child health services, such as family planning and immunisation, along with targeted ECD development programmes, contribute to this objective.

### NDP chapter 10: Health care for all

This objective relates to access to primary health care by improving tuberculosis (TB) prevention and cure, reducing maternal, infant and child mortality, and reducing injury, accidents and violence. This is supported by the City's implementation of women and child health services, such as preventive, promotional and curative services and TB control; attempts to establish a law enforcement as well as a fire and rescue reserve member service, and enhanced speed enforcement capacity.

### NDP chapter 11: Social protection

This objective relates to the need for all children to have proper nutrition, employment opportunities to be created through skills development, and for all people, especially women and children, to feel safe. The City's programme comprises awareness raising, improving child safety, meeting wellness and nutrition needs, and leveraging the City's resources (human and financial) to provide training and development opportunities for currently unemployed youth.

### NDP chapter 12: Building safer communities

This objective relates to the need for all people, especially women and children, to feel safe at home, at school and at work, and to enjoy an active community life free of fear. To this end, the City has implemented a programme for neighbourhood safety officers (NSOs) per ward and selected schools, is extending the neighbourhood watch assistance project into new areas, and is expanding the VPUU programme.

### NDP chapter 13: Building a capable and developmental state

This objective relates to the state playing a developmental and transformative role. It entails that staff at all levels should have the competence, experience and authority to perform their jobs, and that the relationship between the spheres of government should improve and be managed more proactively. To comply, the City will use property and land to leverage social issues and implement a human resources, talent management and skills development programme. The City will also contribute to the creation of a capable and developmental state through ongoing collaboration with the National Department of Transport, Province and the Passenger Rail Agency of South Africa (PRASA)/Metrorail on the rail services improvement and upgrade programme, and will partner with Province in providing and maintaining education and school sites.

STRATEGIC FOCUS AREA 1  
THE OPPORTUNITY CITY

STRATEGIC FOCUS AREA 2  
THE SAFE CITY

STRATEGIC FOCUS AREA 3  
THE CAPABLE CITY

STRATEGIC FOCUS AREA 4  
THE PRODUCTIVE CITY

STRATEGIC FOCUS AREA 5  
THE SUSTAINABLE CITY



## INTRODUCTION

### NDP chapter 14: Fighting corruption

This objective relates to achieving a corruption-free society, high adherence to ethics throughout society, and a government that is accountable to its people. The City aligns with this objective through its establishment of an external audit committee and an effective system to process complaints (and report corruption). A financial management programme through the Municipal Public Accounts Committee (MPAC) along with a management accountability programme will focus on training managers in identified core administrative business processes in order to ensure improved accountability.

### NDP chapter 15: Nation building and social cohesion

This objective relates to the need for citizens to accept that they have both rights and responsibilities, and, most critically, the pursuit for a united, prosperous, non-racial, non-sexist and democratic South Africa. To achieve this outcome, the City's objective to ensure increased access to innovative human settlements for those who need it, and providing community facilities, will make citizens feel at home. Strengthening community capacity to prevent crime and disorder, and managing service delivery through the service management programme, ensures cohesion.

PICTURE

## STRATEGIC FOCUS AREA 1: THE OPPORTUNITY CITY

Objective 1.1: Create an enabling environment to attract investment that generates economic growth and job creation	30
Objective 1.2: Provide and maintain economic and social infrastructure to ensure infrastructure-led economic growth and development	35
Objective 1.3: Promote a sustainable environment through the efficient utilisation of resources	44
Objective 1.4: Ensure mobility through the implementation of an effective public transport system	48
Objective 1.5: Leverage the City's assets to drive economic growth and sustainable development	52
Objective 1.6: Maximise the use of available funding and programmes for training and skills development	53

## PICTURE



## STRATEGIC FOCUS AREA 1 THE OPPORTUNITY CITY

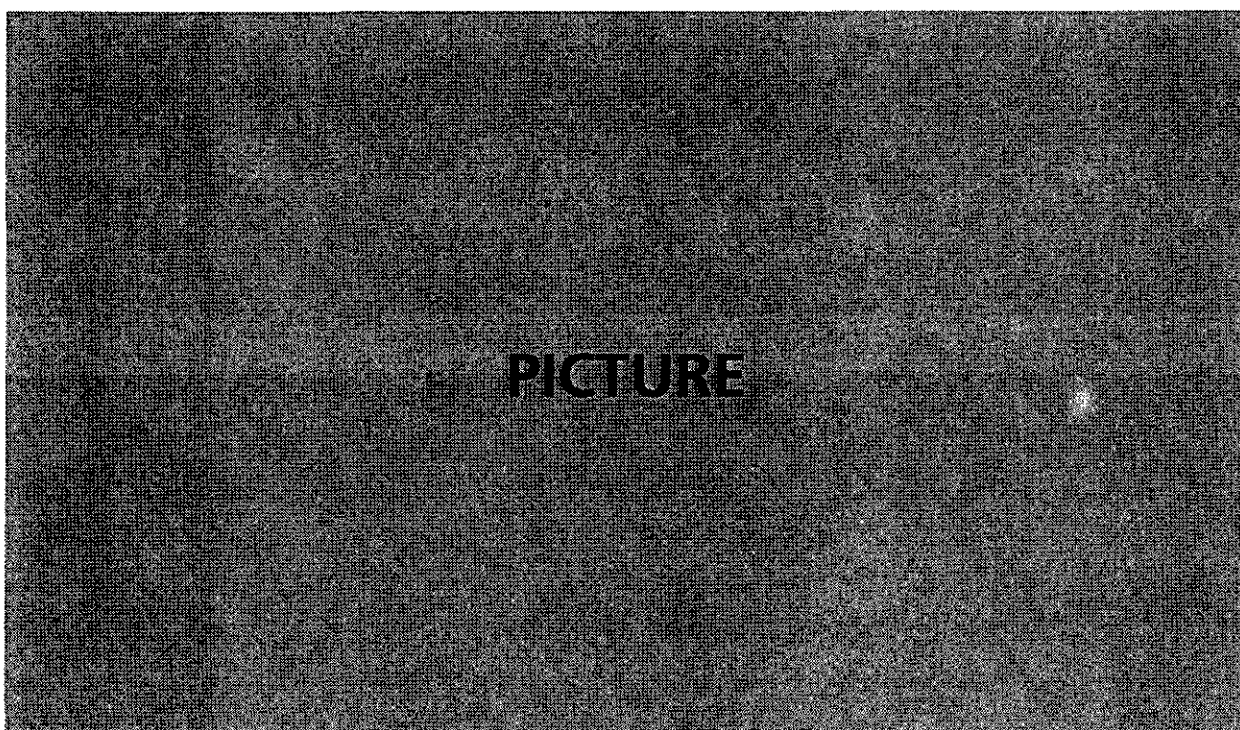


### SFA 1

This SFA is aligned with Province's objective of creating opportunities for growth and jobs. It is also aligned with the following National Government outcomes:

- Outcome 4 – Decent employment through inclusive economic growth
- Outcome 5 – A skilled and capable workforce to support an inclusive growth path
- Outcome 6 – An efficient, competitive and responsive economic infrastructure network
- Outcome 10 – Environmental assets and natural resources that are well protected and continually enhanced

The City contributes to Millennium Development Goal 1, 'Eradicate extreme poverty and hunger', through the implementation of the Expanded Public Works Programme (EPWP).



Only the market – as a key part of an economic-enabling environment that allows for competitive and inclusive growth – can truly provide the opportunities that lift people out of poverty and provide them with dignity. Governments have a critical role to play in facilitating the requisite economic environment for these twin imperatives. The City plays such a role through its commitment to infrastructure-led growth, lending the support that governments can and must provide to enable economic growth. At the same time, the City must get out of the way of business, for only business can create the sustainable jobs that this city and our country so desperately need.

The state, in its various guises, must perform a range of functions, including providing support to the poor and

vulnerable. However, when it comes to the interface with business, its key role must be to provide infrastructure, support and a level of regulation to ensure that fair practices are adhered to. Ultimately, it must facilitate business.

The City's mission in this regard is to create an economic environment in which investment can grow and jobs can be created. This involves a strategy on multiple fronts. At the higher end of the market, the City wants to attract big corporations to establish their headquarters in Cape Town. We want to encourage those sectors where we have a competitive advantage, like the financial sector and the oil and gas industry, to expand their foothold in Cape Town.

The City wants to capitalise on its appeal as a creative and educational centre, and the industries that comprise them. It wants to maximise the value of Cape Town's geographic location as an entry point for industry to the West African market. In addition, the City wants to encourage smaller enterprises, which are the most direct drivers of economic activity in communities, to become established and to grow.

The City aims to establish catalyst projects to serve as the major drivers of growth. These include expanding and enhancing our public transportation links system, and installing a competitive broadband infrastructure network, both of which will enhance access to economic opportunity. This entails rolling out infrastructure to support commerce, and making strategic investments such as the R500 million that the City has earmarked for the CTICC expansion programme, which holds the promise of creating numerous additional jobs.

However, it also means simplifying and streamlining the planning regime. The City wants to make Cape Town development-friendly. We must attract large-scale developers, whose investments will create jobs, through the planning process. We must help those just getting started by exposing them to expertise in the market, and by advising them on how to navigate a complex regulatory environment. The City also intends to talk to all levels of the market, every step of the way, by engaging with their formal representative bodies and the forum provided by the Economic Development Partnership (EDP).

Boosting the local economy is a response to the fundamental challenge of enhancing the city's sustainability, and increasing its residents' resilience by making income-earning opportunities more accessible. In the main, to stimulate the economy, it must become easier to conduct business. It is important for business to link up with the necessary municipal utilities, and for bulk infrastructure to be adequately maintained. Publicly owned property and infrastructure should be leveraged to stimulate and boost the economy and job creation.

The Cape Town economy is undergoing some important shifts. The labour-absorbing manufacturing sector continues to shrink in terms of its overall contribution to the city's economy. In 2012, the services sector – particularly financial and business services – remained the city's best performing sector in terms of GVA to Cape Town's economy.

The City will continue to engage with stakeholders about ways in which it can create a more business-friendly environment. These measures might include adjusting barriers to formal market entry, building business skills and experience, facilitating market and finance access, facilitating speedier release of property for investment, as well as promoting more flexible, compact and mixed-use zoning that is likely to reduce procedural delays linked to onerous City application processes.

### Creating an enabling environment

Approximately 75% of businesses in Cape Town are classified as small and medium enterprises,<sup>27</sup> which account for 50% of the city's economic output.<sup>28</sup> Up to 93% of all small and micro-sized firms are low-tech operations in mature, traditional industries, with very little interaction with large firms. The City will therefore engage the business community and social entrepreneurs to encourage and support efforts to create a cross-section of job opportunities.

### Provision and maintenance of economic and social infrastructure

Broadband penetration<sup>29</sup> is tied positively to GDP and employment growth.<sup>30</sup> For the finance and business services sector in Cape Town to continue its growth trajectory, it will need ever-greater capacity for processing and transmitting information. Skilled people, greater computer processing capacities and access to high-speed, high-bandwidth fibre-optic cable are critical if we are to achieve this.

### Ensuring mobility

The City is in the process of implementing an IRT system that is intended to promote the use of public transport in the city and to integrate all modal options.<sup>31</sup> The planning of the IRT to the metro south-east – namely phase 2 of the project – will take into account where new jobs are being created, and may require the creation of new and more direct routes between emerging industrial and residential areas, and alignment with the medium-term growth management plan. The City's launch of the single transport authority, Transport for Cape Town, in October 2012 will also have a positive impact on advancing a coherent public transport system in Cape Town.

27 CIPRO 2008.

28 See 'Cape Town – a force to be reckoned with'. Available at <http://www.capetown.gov.za/en/ehd/Pages/EconomicStatistics.aspx>.

29 Broadband penetration is generally measured at household level.

30 The ITU Broadband Commission recently released its second report showing a positive correlation between access to the Internet and GDP growth. A 10% increase in broadband penetration (at the household level) in China contributes to a 2.5% growth in GDP. A 10% increase in broadband penetration in low and middle-income countries contributes to a 1.4% increase in economic growth; access to broadband in Brazil added approximately 1.4% to employment; broadband will create two million jobs by 2015 in Europe. See ITU Broadband Commission 2011 *Broadband: A Platform for Progress*. Available at <http://www.broadbandcommission.org/report2/overview.pdf>

31 Among the modes to be integrated are Metrorail services, road-based services on main routes, conventional bus services, minibus taxis, feeder bus services, pedestrian and bicycle access, metered taxis and park-and-ride facilities.

## STRATEGIC FOCUS AREA 1 THE OPPORTUNITY CITY

### Leveraging City assets to drive economic growth and sustainable development

The City will continue to explore how it can better leverage its assets to assist economic growth and job creation. In marginalised communities, the City can use municipal assets to support a wide range of community, voluntary and not-for-profit activities, also called social-economy enterprises.<sup>32</sup>

In order to position the City as an opportunity city, six key objectives have been identified:

- 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 and access 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

These objectives are unpacked in more detail below.

#### OBJECTIVE 1.1: Create an enabling environment to attract investment that generates economic growth and job creation

This objective will be achieved through the implementation of the following lead programmes:

##### Programme 1.1(a): Western Cape Economic Development Partnership (EDP) programme

The City is a key partner in the EDP. The purpose of the EOP is to 'lead, coordinate and drive the economic growth, development and inclusion agenda for Cape Town and the Western Cape'.<sup>33</sup> The City of Cape Town and the EDP have agreed to work together in the following areas:

- Producing economic and market intelligence
- Formulating economic visions and strategies
- Creating a common business brand
- Reforming the city and region's business environment

The City will contribute financial support to the EDP over the next five years, and will also consider the secondment of staff to the EDP if and when necessary. The City will ensure that the EDP is aligned with the priorities of the administration. Appropriate accountability mechanisms will be put in place.

##### Programme 1.1(b): Events programme

Globally, events are at the centre of strategies for change, redevelopment, social inclusion and improved competitiveness. They are acknowledged as potential contributors to economic growth, and offer the potential to achieve social, cultural and environmental outcomes within broader urban development strategies. Events also affect various sectors in the city, and have a profound multiplier effect on tourism and the visitor economy, enabling them to address seasonality effectively. Cape Town has the infrastructure and inherent potential to become the events capital of sub-Saharan Africa.

Over the next five years, the City will position itself as the events capital in Southern Africa, promoting iconic and strategic events by actively developing, inter alia, the following events segments:

- Large events, such as the *Cape Argus* cycle race
- Sports events, such as the Soccer World Cup and F1 racing
- Business events, exhibitions and conventions
- Cultural events, such as the Cape minstrel parade
- Music events, such as the Cape Town Jazz Festival

The City will work with National Government and Province as well as neighbouring municipalities to ensure alignment of brand positioning, event strategies, event calendars and bidding processes for sought-after events. Such alignment of tourism promotion initiatives is critical to managing the visitor footprint in the city region.

##### Tourism

Tourism is a key driver of the Cape Town economy. To deliver on the City's constitutional mandate in terms of local tourism, a comprehensive Tourism Development Framework will be developed for the period 2012 – 2017. Alignment with South Africa's partners in Brazil, Russia, India and China (BRICS) holds the potential of growing domestic tourism. Cape Town's offering will include the following:

- Cultural and heritage tourism
- Icon-based tourism, such as Table Mountain, Robben Island, Cape Point, Kirstenbosch Botanical Gardens, Blaauwberg Conservation Area and False Bay Ecology Park
- Business tourism

<sup>32</sup> The primary purpose of social-economy enterprises is not to obtain a return on capital, but to build solidarity and cohesion while responding to a social need. These enterprises are created by and for those with common needs, and are accountable to those they are meant to serve. They are run generally in accordance with the principle of solidarity and mutuality, and managed by the members on the basis of the rule of equality. They are flexible and innovative in order to meet changing social and economic circumstances. They are based on active membership and commitment, and very frequently, on voluntary participation. See *What is Social Economy?* Available at <http://www.socialeconomyisburn.org/?tabid=696&tabindex=7>

<sup>33</sup> Boraime, A 2010 Presentation given to Mayco in September 2011 on the Western Cape EDP.

- Events-based tourism
- Education-based tourism

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

In order to stimulate the growth and development of the local economy, development in the following catalytic sectors has been identified as critical:

- Marine, oil and gas, ship repair and boat-building
- Agro-processing and the location of head offices in the finance and retail sectors
- Health and medical technology
- The green economy, including energy from the sun, wind and waste
- Tourism and events

Possible development in these sectors will be investigated in partnership with Province and the private sector to determine how and when it will be rolled out in the city. Other, more specific initiatives include the following:

#### Craft Production Cluster

The Craft Production Cluster is an incubator for small craft producers. The programme will give them the creative space and appropriate business infrastructure to help them grow sustainable businesses.

#### Animation Academy

The Animation Academy is a skills development initiative that was initiated and launched by the Cape Film Commission, the City of Cape Town and Animation South Africa. Its aim is to address the animation, creative and technical skills shortage in the film industry. It provides deserving, previously disadvantaged students with training, workplace learning and enterprise development opportunities in animation and digital media.

#### Call Centre Academy

The Call Centre Academy project is designed to enhance the competitiveness of small, medium and micro-sized enterprises (SMMEs) operating in the business process outsourcing industry, and to improve the industry's skills base through training. The academy will consist of an incubation facility for SMMEs operating in the industry, also incorporating a crèche and an internet café. The City will oversee implementation, monitoring and evaluation in collaboration with Business Process Enabling South Africa. Other partners will be Province and various members from industry.

#### Java training project

This programme trains previously disadvantaged students in Cape Town to become Java programmers. Its importance to Cape Town's economic development is twofold. Firstly, it will help address the shortage of skilled information technology talent, particularly for the development of niche information

technology products and services that can be exported. Secondly, the programme gives previously disadvantaged students an opportunity to improve their employment prospects. The City will oversee the implementation, monitoring and evaluation of this project in collaboration with the Cape IT Initiative and various industry members, who will host, mentor and sponsor the students.

#### Small-boat harbours and ports

The City will explore mechanisms to improve business opportunities around small-boat harbours and, in partnership with Transnet, will work towards the improvement of Cape Town Port. The City will continue to promote the upgrade of harbour operations and facilities.

#### Landfill gas-to-electricity project

Landfills generate a flammable gas known as landfill gas. This biogas contains a high percentage of methane, and is produced by biological activity within the landfill. Landfill gas is a greenhouse gas, and the methane component has the potential to increase global warming by more than 21 times that of CO<sub>2</sub>. The management of this gas is essential to ensure the protection of humans and the environment.

Landfill operating permits allow for the biogas to be vented in a controlled manner, and for the process to be monitored, ensuring that there are no dangers. The additional implementation of gas mitigation measures includes the destruction of the methane gas, and the harnessing of the energy component as electricity is proposed for the City's three operating landfills. This process would be regarded as compliant with the additional criteria for Clean Development Mechanism projects registered in terms of the Kyoto Protocol. This could create additional income for the City, while generating renewable energy.

#### Waste-to-energy project

Waste-to-landfill contains a number of components with energy-generating potential. The City is investigating the feasibility of harnessing this energy through the implementation of waste-to-energy projects. Direction in this regard has been provided in the Municipal Systems Act section 78(3) investigation, which recommended the consideration of future organic-waste treatment facilities that use the organic fraction of municipal solid waste as well as sewage sludge to produce biogas, which can be used as a fuel to generate electricity. In addition, the non-organic high-calorific value components going to landfill can possibly be separated and potentially used as a fuel in power-generating facilities. The project funded by the German Development Bank (KfW) is looking in more detail at the type of disposal/treatment technology that can be implemented in Cape Town. This project would reduce the amount of waste being disposed of in landfills.

## STRATEGIC FOCUS AREA 1 THE OPPORTUNITY CITY

### Cape Health Technology Park

The Cape Health Technology Park aims to establish a health technology hub, accommodating firms, government and academia in the health-care industry. The rationale is to share services and knowledge, to reduce costs in the industry with the aim of producing health-related technological innovations (new firms, intellectual property, products and services), as well as to generate spin-offs such as improved capacity, economic growth, and increased regional and country competitiveness. The deliverables will be in the form of fixed assets (land for development) and a health technology park, which will be located in Pinelands. This will be established in partnership with Province's Department of Economic Development, the Biovac Institute and Disa Vascular.

### Atlantis green-technology industrial park

The Department of Energy will soon appoint preferred bidders to supply renewable energy. Thus, the downstream capabilities and industry services will need to be in place. A green-technology cluster park can benefit from synergies through co-location, and can serve the industry more effectively. Atlantis provides an ideal location, with good access to roads, well-priced industrial land and access to port facilities. The deliverables of this initiative will be the following:

- Facilitating the process of establishing a green renewable-energy hub;
- Identifying the portions of land available for such an initiative;
- Rapid release of City land to manufacturers/suppliers who qualify in terms of predetermined criteria; and
- Establishing institutional structures to manage the process.

This will be an internal partnership between the City's Property Management; Planning and Building Management Development; Water and Sanitation; Transport, Roads and Stormwater; Environmental Resource Management; Electricity, and Fire and Rescue departments.

### Cape Town Stadium

As the City's single-largest strategic asset, Cape Town Stadium will play a critical catalytic role in positioning Cape Town as a key events and tourism destination. This world-class facility, comparable to any other leading facility in the world, is primed to play a leading role in attracting local and international events of varying sizes and complexity. Hosting these types of events will result in increased opportunities in the hospitality, events, tourism, facilities management and logistics industries, and will generate additional income for the Western Cape economy. The focus for the next five years will be to secure a long-term operating model, anchor tenants and partnerships with private-sector entities (both large and small), and to increase the international events-hosting profile of the stadium.

### Programme 1.1(d): Small-business centre programme (Activa)

The Cape Town Activa (CTA) strategy was initiated by the City to stimulate entrepreneurship and business activity in the local economy. CTA is creating a stakeholder network that will make it easy for entrepreneurs and individuals looking for employment support to navigate and make use of service organisations and practitioners' services and resources. The multi-stakeholder network will draw services from the public sector (local, provincial and national), the private sector (business development, associations, financiers, and so forth) and academia (the Cape Higher Education Consortium or CHEC, universities, colleges, and the like).

**PICTURE**

CTA's strategic goals are to:

- stimulate the creation of locally owned businesses by linking entrepreneurs with resources, capital, skills and opportunities;
- develop human capital, addressing the needs of the business community (e.g. innovation support, small-business skills development, career support and placement programmes); and
- make Cape Town a more competitive business environment by providing better support to incubate and grow local business and attract others.

The Business Place eKapa, an independent business advisory service agency, is contracted as an implementing partner for the roll-out of CTA.

#### Programme 1.1(e): Planning and regulation programme

Many of the City's current planning frameworks and policies are outdated, and have inconsistent status and conflicting development objectives. However, there has been progress with the rationalisation and updating of all aspects of the current Land Use Management System (LUMS). Business processes and the customer interface, while adequate, could be taken to the next level in terms of staff capacity, skills, information dissemination and technology.

##### Supportive legal frameworks

Activities include the integration of the existing 27 zoning schemes into a single, approved Cape Town Integrated Zoning Scheme, and contributions to new planning and environmental law reform processes at national and provincial level.

##### Rationalised spatial plans

The CTSDP and eight district-level SDPs will allow for a coherent, policy-driven, decision-making framework. Local-area plans and policy documents will be rationalised and, where appropriate, scrapped.

##### Environmental management frameworks

Integrated district-level SDPs and environmental management frameworks will determine the suitability of areas for specific types of development activities, and the issues likely to be encountered if environmental authorisation is needed for development to occur.

##### Business process improvement initiatives

These will include existing and new system enhancements, the phased roll-out of a comprehensive electronic customer interface tool and development application management system, an agreed Province/City protocol for strategic major applications (such as Cape Town Stadium), a talent development and retention strategy, and the introduction of streamlined vacancy-filling procedures.

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

There is considerable space for investment and growth, now and into the future, as the renewable-energy sector burgeons. The City plays a pivotal role in creating demand for 'green' services through its programmes, projects and procurement systems, as well as through the use of renewable energy in its own operations. The City aims to promote small-scale embedded power generation in Cape Town, as well as to ensure that it benefits from regional and national-scale projects, where suitable.

The City faces skills development challenges, and requires significant investment, land release and buy-in from various stakeholders. There are opportunities for sustainable industries (such as solar water heater, photovoltaic and wind turbine manufacturers), whose services and products will be required for many years. This can result in job creation and skills development from new businesses.

#### Programme 1.1(g): City Development Strategy implementation

One of the main ways to influence a city's development path is through a long-term planning process with a strong vision to achieve what is necessary to counteract the negative forces and impacts of rapid urbanisation. Given the depth and complexity of the challenges facing cities globally, horizons have had to be adjusted to accommodate longer-term strategies and targets. Cities have to be responsive to, and plan for, future horizons.<sup>34</sup>

A potent tool used globally to address long-term city planning is a City Development Strategy (CDS). A CDS functions as both a guide and action plan to support and manage growth, and lead predetermined change in a city over a specified time frame. The action plan (comprised of interventions), which results from the development of a collective vision can significantly alter the city's development path to one that will improve the quality of life for all citizens, inter alia by increasing appropriate investments, expanding employment opportunities and services, reducing poverty and providing growth, and stimulating sustainable development of the city and its citizens.

In line with global trends of long-term planning, the National Planning Commission (NPC) of South Africa was responsible for developing a long-term vision and strategic plan for South Africa. During November 2011, the NPC released a draft National Development Plan (NDP) for the country, which was finalised and approved by Cabinet in August 2012. The NDP proposes to eliminate poverty and reduce inequality by 2030.

<sup>34</sup> State of African Cities Report 2010.



## STRATEGIC FOCUS AREA 1 THE OPPORTUNITY CITY

In line with the NDP, Province and the City initiated processes to develop a long-term vision and strategy for the Western Cape and Cape Town. The result is a one-outcome document with a vision and strategy for the Western Cape province, known as OneCape2040. OneCape2040 is the Western Cape agenda for joint action on economic development.

The long-term vision for the Western Cape and Cape Town is to be a highly skilled, innovation-driven, resource-efficient, connected, high-opportunity and collaborative society.

Six key transitions are identified to move from the present to 2040, each with its own focus area:

- Knowledge transition – *Educating Cape*
- Economic-access transition – *Enterprising Cape*
- Ecological transition – *Green Cape*
- Cultural transition – *Connecting Cape*
- Settlement transition – *Living Cape*
- Institutional transition – *Leading Cape*

Using the OneCape2040 vision and transitions as a framework, the City's CDS has been prepared with inputs from a wide range of stakeholders.

The City's six long-term goals, which are aligned with OneCape2040 and the 2012 – 2017 IDP, are outlined below. The six goals fall under three types, and are bolstered by three support mechanisms:

Table 1.1: City's long-term development goals

Goal type	City's CDS goals	Alignment with IDP 2012 – 2017 strategic focus area	Alignment with OneCape2040 transition – focus area
<b>Foundational</b> The basics that need to be achieved in order for the City to function	1. Lead a healthy, vibrant life	Caring city	Living Cape
	2. Be educated and informed	Inclusive city	Educated Cape
<b>Enabling</b> Support the delivery of the foundational goals	3. Be an inclusive and resilient economy	Opportunity city	Enterprising Cape
	4. Be connected and interconnected	Inclusive city	Connecting Cape
<b>Defining and differentiating</b> Set Cape Town apart from other cities and regions, and give the edge that is required to take the city to 2040	5. Build and celebrate Cape Town spirit	Safe city	Connecting Cape
	6. Inspire an eco-friendly city region	Caring city	Green Cape
		Opportunity city	
<b>Support mechanisms</b>	<ul style="list-style-type: none"> <li>• Optimum basic service delivery</li> <li>• Engaging leadership</li> <li>• Responsible citizenry</li> <li>• Innovative financial mechanisms</li> </ul>	Well-run city	Leading Cape

The support mechanisms are vital to the achievement of the CDS goals. They are as follows:

- Optimum basic service delivery, inter alia through the continued reinforcement of service delivery excellence and improvement in the service range and quality delivered to Cape Town citizens, business and visitors, needs to take place.
- Engaging leadership should drive active partnerships.
- There should be responsible citizenry, in which citizens take responsibility for themselves as well as their communities.

- Innovative financial mechanisms need to be developed to support projects and initiatives, including financial and social partnerships (community PPPs).

The goals are not independent of each other, but are closely interlinked, as illustrated in Figure 1.1. Therefore, each is a piece of the puzzle, although all six are needed to complete it. Together with the support mechanisms, they will enable the achievement of the OneCape2040 vision. Each goal has accompanying sub-goals, which are each defined with their own set of strategies and interventions in the form of early victories and game changers.

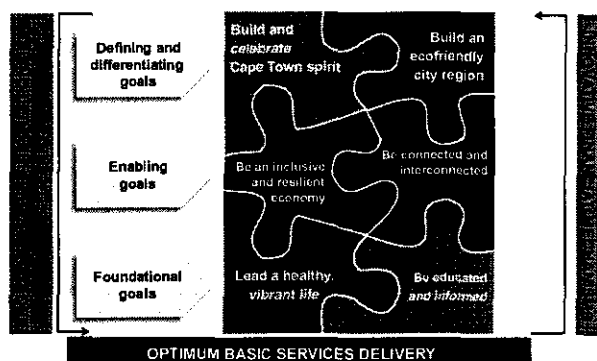


Figure 1.1: OneCape2040 goals

Proposals for key interventions to start the implementation process in 2012/13 will be considered. However, it is intended that the OneCape2040 and CDS long-term strategies will inform the IDP 2014/15 review and related programme, project and resource-allocation processes.

The long-term vision and strategies of OneCape2040 and the City's CDS provide a strong basis from which to inform planning, leverage innovation, and take the province and city, its residents and business into the next three decades in a sustainable way.

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

An important emphasis for the City is infrastructure investment. This entails the determination of investment and growth trends to ensure that adequate infrastructure is provided in areas of high growth. The City will act as catalyst by investing in suitable economic and social

infrastructure to support and further stimulate economic development. This will happen by means of the following key programmes:

##### Programme 1.2(a): Fibre-optic network programme

The broadband fibre-optic network programme will construct a fibre-optic communication network within the Cape Town metro to realise service delivery, social and economic benefits by providing access to affordable telecommunication infrastructure on an open-access basis.

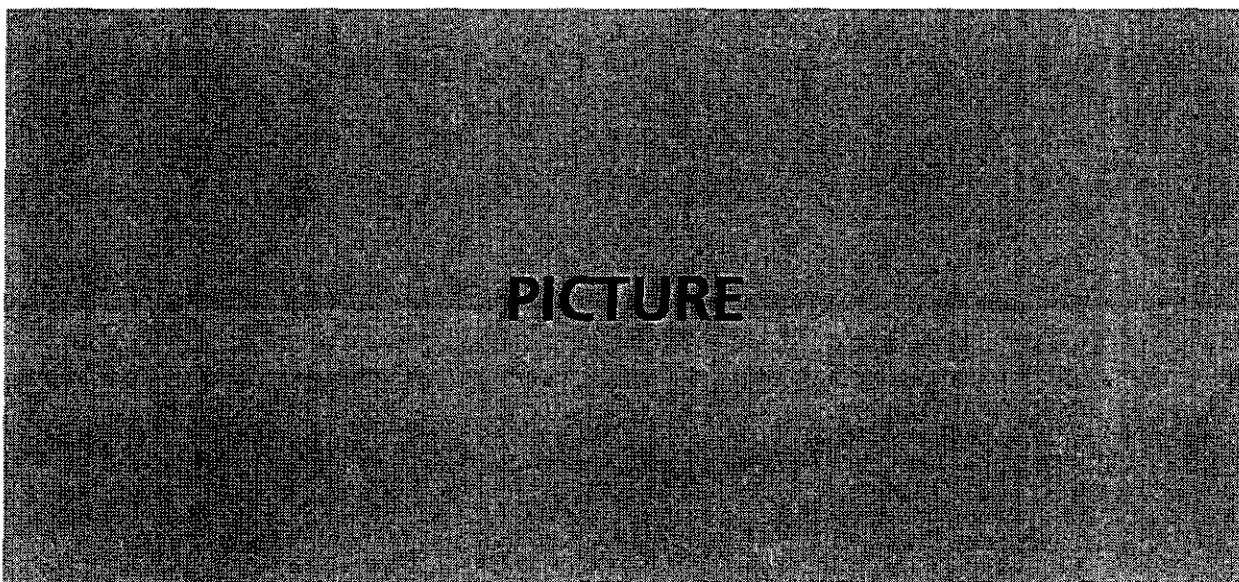
Access to broadband services has proven to be a stimulus of the modern economy and, by making spare capacity available, the City will harness this infrastructure investment to enable both economic and social benefits.

The network will further support the telecommunications and service delivery needs of the City administration by providing more bandwidth to enable new, enhanced services, while at the same time bringing down the cost of telecommunication. Accessing City services from outlying offices will be greatly improved, which will in turn have a positive impact on service levels.

In addition to providing enhanced services, more bandwidth will allow new services to be rolled out to areas that previously did not have access to these due to the lack of connectivity. Ultimately, the network is intended to cover the entire city.

##### Programme 1.2(b): Maintenance of infrastructure

Investment in the maintenance and expansion of essential utilities and services, such as water and sanitation, electricity, solid waste removal and disposal, roads, stormwater and transport infrastructure, is fundamental to improve services and the quality of life of all citizens, as well as to encourage local and foreign investors to invest in other economic infrastructure.



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In the coming years, the City will focus on investing in bulk services delivery. Asset condition and replacement values have to be determined to enable a life-cycle approach, which will optimise funding. This approach will also be extended to other assets, such as housing rental stock, fixed property, information technology and communication, and the City's vast vehicle fleet.

### Infrastructure-led development and growth

The City will prioritise the allocation of resources to a strategic infrastructure asset management plan and asset register for all municipal infrastructure, both above and below ground. The City is developing a public infrastructure plan, and will embark on a consistent, long-term development path by using public infrastructure investment and partnerships as platforms and catalysts to enable economic growth.

#### ✓ Progress update

*The City successfully registered a programme of activities for projects involving landfill gas extraction and utilisation. The feasibility assessment of these projects may result in private-sector involvement to develop these projects as part of the goal to build a green economy.*

Investment in transport and other infrastructure is also considered an important enabler of economic growth and poverty reduction. The provision of basic services, access to social services as well as human resource development in areas of need will also be ensured.

### Infrastructure asset management

The City's objective is to develop and implement a life-cycle management system for infrastructure assets. The infrastructure asset management plan (IAMP) is a corporate project that is aligned with the National Department of Cooperative Governance and Traditional Affairs (COGTA) and National Treasury's requirements to establish, implement and use a comprehensive infrastructure plan.

Preventative maintenance and timely upgrades or replacements will save costs in the long term, minimise outages, and improve service provision. The first projects for certain assets that are used to provide services in the City's Water and Sanitation, Electricity, Solid Waste Management, and Transport, Roads and Stormwater departments already delivered results last year.

### Water and sanitation infrastructure

Medium-term and long-term planning for water and sanitation infrastructure is critical to ensure that the provision of new infrastructure will support City growth and development in order to provide these essential services where they are required. The integrated infrastructure master plan, as completed in 2010, is updated annually, and is used to guide and inform capital budget requirements. It responds to the spatial informants

of planning undertaken by the Town Planning and Housing departments as well as measured service demand patterns. In this way, it truly supports fully integrated city planning.

The programmes in the City's 10-year Water Demand Management Strategy, which have the overall effect of reducing the rate of demand growth, are also key, and are dealt with later in this document. Pressure management and pipe replacement to strengthen the reticulation network form part of the strategy to reduce losses.

The established city growth areas continue to require capital investment in infrastructure, while densification is a future spatial strategy being provided for in the design of long-term capacity upgrades. The City is in the planning stages of its large bulk water augmentation scheme (BWAS). When implemented, this will increase the potable-water treatment, bulk storage and bulk conveyance capacity of the City's water supply system, increasing the overall capacity as well as boosting supply to development areas.

Increased investment is being channelled towards the eradication of maintenance backlogs, such as the replacement of failing pipelines and the upgrade of treatment and pumping plants. The City is committed to developing, implementing and maintaining tools and business processes that promote a smooth, seamless and responsive experience for the consumer.

### Sewerage reticulation network

Sewage and wastewater generated from the City's 3 820 000 (as at June 2011) inhabitants (with approximately 608 266 even sewer connections as at June 2012) are collected and pumped to the City's 24 wastewater treatment works (WWTWs), three marine outfalls and two oxidation ponds. This system is facing the challenges of ageing infrastructure and the deterioration of assets. The latter could result in further health and environmental hazards.

Attempts to address these challenges have included the use of targeted closed-circuit television (CCTV) inspections to enhance proactive sewer maintenance. The challenge is to achieve a comprehensive sewer network condition assessment for such a large network. The City is developing and implementing an asset management plan, and is working to increase the skilled, experienced maintenance staff complement as well as to improve the monitoring of equipment condition.

A network replacement strategy is proposed, together with operational improvements that will lead to better-performing reticulation with less water loss and sewage spillage. These investments will contribute to sustainable development by helping to safeguard public health and the environment, and by supporting social and economic development.

The correct operation of infrastructure is required, and must be standardised across the metro. Proposals to achieve this

are focused on the fields of record-capturing, defects analyses and the introduction of 'first-level responses' throughout the city. Among others, the following major projects will be undertaken during the period 2014/15 – 2016/17:

- Khayelitsha sewerage network upgrades;
- Rehabilitation of outfall sewers in Pentz Drive and Sandrift;
- Replacement of, and upgrades to, the sewage network citywide; and
- Informal settlements water installations.

#### Managing infrastructure assets

An IAMP will be developed on a coordinated basis across City directorates. This is based on establishing an accurate infrastructure asset register, geo-database and master database. An improved asset management plan will be delivered, which could in turn result in improved health, environmental conditions, improved asset life and optimised budget expenditure. The Water and Sanitation Department is now focusing on growing its 'asset management maturity' with the implementation of a strategic municipal asset management programme. This is facilitated through reliability engineering (formerly known as an 'asset care centre').

#### Potable-water reticulation

Approximately 623 191 (as at June 2012) metered water connections will be effectively managed and maintained.

#### Water reticulation network

Infrastructure replacement is most economically based on the performance of individual pipe sections, so as to achieve an accurately focused replacement programme. Pressure management has been introduced in large segments of the reticulation system. The primary focus of this intervention is to reduce water consumption, but also to prolong the immediate serviceability of the affected network.

The following major projects will be undertaken during the period 2014/15 – 2016/17:

- Replacement of, and upgrades to, the water network citywide; and
- Informal settlement water installations.

#### Sewerage maintenance

A strategy focused on improved operations and maintenance interventions would significantly reduce blockages. Proactive sewerage maintenance, including CCTV inspections, is a prerequisite for the effective management of these assets, and will reduce the contamination and deterioration of coastal and inland water quality.

The proposed network replacements (water and sewerage) are aimed at equalising and normalising network performances throughout the metro, and elevating performance.

#### Solid waste infrastructure

The rehabilitation of the City's disused, full landfills and dumps will continue as required by the Municipal Finance Management Act (MFMA), Act 56 of 2003 and operating permit conditions. The replacement of ageing waste collection vehicles will make service delivery more reliable and efficient. The City's landfill site at Vissershok North along with the planned refuse transfer facility in Bellville South will assist in relieving pressure on existing disposal infrastructure. The continued development of drop-off facilities helps to divert some of the waste from being landfilled, thereby achieving landfill airspace savings.

#### Electricity distribution infrastructure

Continued investment is required to ensure that quality, adequacy and reliability of supply are achieved and maintained in compliance with the South African distribution grid code. While demand-side measures will make some contribution to the slowing of the rate of growth in demand, the electricity demand will continue to grow as the city develops. The necessary infrastructure must be available to support development initiatives and policies, such as land-use densification. There is also a strong focus on the refurbishment and replacement of existing assets to achieve a balanced, cost-effective approach to the long-term viability of infrastructure.

#### Transport infrastructure and assets

Over the next five years, the following major road upgrades and maintenance projects will be undertaken and/or completed:

- Table Bay Boulevard phase 2
- Main Road reconstruction, Muizenberg to Clovelly – phases 2 and 3
- Dassenberg Drive, Atlantis
- Francie van Zijl Drive, Parow
- Old Faure Road/Spine Road
- Van Riebeeck Road, Eerste River
- Glencairn expressway
- Swartklip Road
- Mission Grounds, Sir Lowry's Pass Village
- Concrete roads, Heideveld

The following structural maintenance to bridges and retaining walls will also be carried out based on the earlier output from the bridge management system:

- Replacement of expansion joints
- Repairing damage caused by theft of aluminium handrails, vandalism and squatter fires (below bridges and adjacent to retaining walls)

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- Wooden bridge – Milnerton Lagoon
- Foreshore freeway bearings
- Strand Street footbridge – Golden Acre
- Balustrade repairs – concrete replacing aluminium
- Timber bridges – general safety repairs
- Duncan Road in the harbour – stormwater culverts – inspection and repairs
- Glencairn retaining wall, phase 2

Regular maintenance will also be carried out on local streets and footways, together with continuous remarking of streets and replacement of street signage and guardrails.

Street maintenance will concentrate on crack sealing and light-surfacing sealing to ensure that water ingress is minimised. Local contractors appointed on period contracts and procured through a public tender process carry out much of this planned work. Many of these contracts entail labour-intensive activities, which support the City's achievement of its EPWP targets.

The newly-established integrated Transport Management Centre (TMC) ensures integrated land transport operations, including the following:

- Incident management – Rapid response to incidents on major arterials;
- The Transport Information Centre – The upgrade and establishment of a transport call centre and the expansion of services offered, where the public can obtain information and lodge complaints on, among others, trains, buses, MyCiTi, scheduled bus services, parking, Dial-a-Ride services and event transport; and
- Variable-messaging signs (VMSs) and CCTV cameras – The installation of 48 VMSs and 197 CCTV cameras for monitoring and informing the public about traffic conditions on the major arterial routes. Installation of environmentally friendly technology, both wind and solar-energy devices.

The TMC will also be rolling out and consolidating the following:

- *Dedicated bus ways and bus stations as part of the MyCiTi service* – The expansion of the significant infrastructure as part of the City's high-quality public transport service, covering the remainder of the phase 1A route, as well as the commencement of building of infrastructure for phase 1B and phase 2 (metro south-east). The infrastructure will include the acquisition of buses, building of depots, technology for real-time bus control, automated fare systems, and the like.

- *VMS and cellphone-based systems for MyCiTi service* – Provision of equipment and technology to provide up-to-date passenger information, such as the number of minutes until the next bus arrives.
- *CCTV camera roll-out* – Installed along main MyCiTi bus routes and then rolled out in public transport facilities and on other vehicles under City control, to improve response to incidents as well as overall passenger comfort and safety.
- *Directional signs* – Installed along major arterial routes as well as for pedestrians around public transport facilities.
- *Freeway management system* – In partnership with the South African National Roads Agency Limited (SANRAL), renewable-energy sources in the form of wind and solar energy have been installed along the major freeways.
- *Conversion of traffic signals to low-energy devices* – On the major traffic-signal intersections.
- *Management of public transport interchanges* – The City has 213 public transport interchanges that require ongoing repair and maintenance. Other public transport assets include bus shelters, stops and transfer stations.

### Programme 1.2(c): Investment in infrastructure

A framework for the maintenance of infrastructure has been completed.

#### Bulk water infrastructure

The bulk water supply system comprises 13 dams and 12 water supply treatment works. Uncoordinated growth, development, inappropriate spatial and town planning, lack of coordination between departments, and inadequate identification of development growth in specific areas all present risks to the City. Over the next five years, the City aims to formalise a 20-year plan for coordinated development, stricter enforcement of regulations and engineering standards, the setting up of coordinating forums with business units such as Human Settlements, and reinforcing intergovernmental relationship processes between the City and Province.

The timing of the development of the required bulk water infrastructure depends on the growth in water demand and the effectiveness of the Water Demand Management Strategy. To ensure security of supply, the City, in consultation with the National Department of Water Affairs (DWA), is exploring the next water resource scheme to be developed by 2019.

The most probable schemes in the order of economic priority are the raising of the Voëlmei dam (DWA), wastewater reclamation, groundwater

(Table Mountain Group aquifer) and desalination. The desalination study is currently under way, and the water reclamation study will commence soon, as will the pilot for groundwater (Table Mountain Group) extraction. In addition, the City will increase the treatment and conveyance capacity of the bulk water supply to enable optimum utilisation of the existing water resource capacity created by the construction of the Berg River Dam.

To this end, the BWAS, which entails the construction of the Muldersvlei treatment plant (500 Mℓ/day), reservoirs (600 Mℓ) and conveyance bulk pipelines (56 km), is being planned and designed. The City will also upgrade and replace 300 km of water reticulation mains, and will construct the Contermanskloof, Parklands, Steenbras and Helderberg reservoirs.

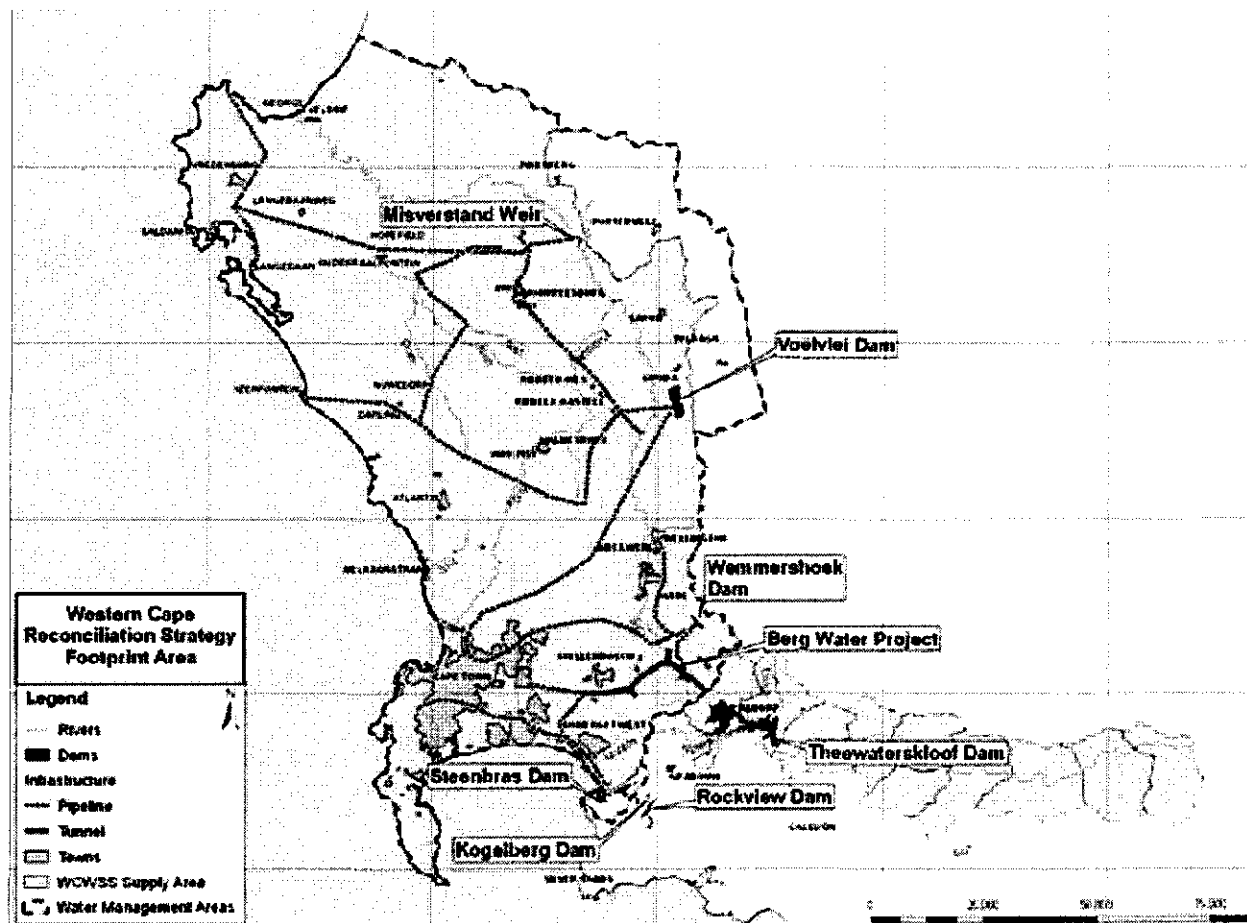


Figure 1.2: Main components of the bulk water supply infrastructure

The bulk water system in the northern areas of the city is under stress during peak periods due to the rapid growth there. As such, further development must be accompanied by infrastructure upgrades and extensions. The northwest corridor infrastructure also needs upgrading. Seawater desalination is one of the alternative technologies being evaluated to supply water to both these regions, in addition to the proposed BWAS.

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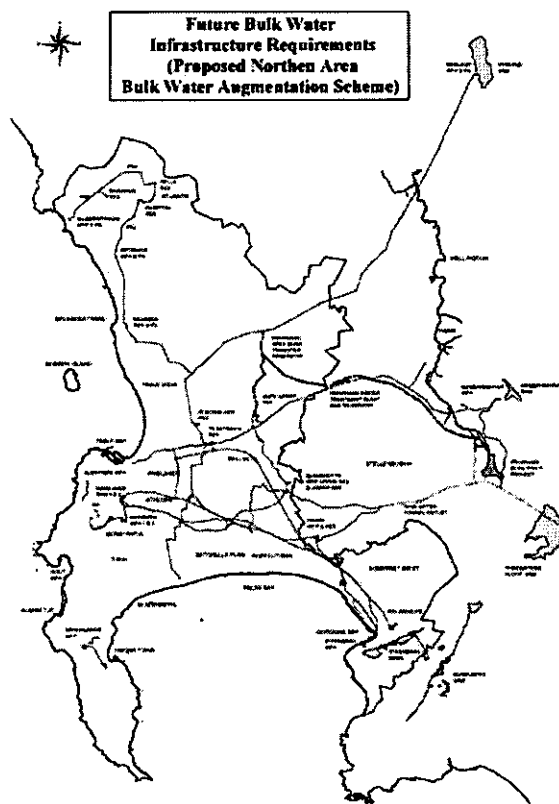


Figure 1.3: Future bulk water infrastructure

DWA has introduced the Blue Drop certification system – a programme that encourages local municipalities to improve their water quality management, while empowering consumers with the right information about the water they get from their taps. The City has been awarded Blue Drop status, and aims to maintain its high water quality standards.

### Bulk wastewater infrastructure

There are 24 WWTWs in Cape Town, all of which need to be upgraded to meet DWA's requirements. A number of the works, including Borchers Quarry and Kraaifontein, are operating above their hydraulic and load design capacity. A considerable number of other works, such as Athlone, Bellville, Gordon's Bay, Potsdam and Zandvliet, are fast approaching their design capacity.

### Wastewater drainage areas

Among others, the following major WWTW projects will be undertaken during the period 2014/15 – 2016/17:

- Athlone – 15 Ml/day capacity extension
- Wesfleur – increase capacity
- Macassar – extension
- Cape Flats – refurbish various structures



Figure 1.4: Wastewater treatment works in Cape Town

- Potsdam – extension
- Zandvliet – extension
- Green Point sea outfall – investigation into need for flow attenuation

DWA has also introduced a Green Drop certification programme for WWTWs. This initiative attempts to ensure the progressive improvement of operations, so as not to have a negative impact on the water bodies into which wastewater is discharged. The City has been awarded Green Drop status, and aims to maintain its wastewater quality standards.

The Green Drop programme also has an impact on reticulation operations, as it requires proof of a management plan detailing how stormwater will be prevented from entering sewerage systems, and how sewer spillages will be prevented from entering the stormwater system.

### Landfill airspace and strategic infrastructure programme

This programme entails the development of strategic assets, such as the capping and rehabilitation of closed landfills, the continued development of landfill airspace at current landfill facilities, the development of a regional landfill site, and the related development of strategically located integrated refuse transfer stations and material recovery facilities. A feasibility assessment to implement landfill

gas projects will also be performed in the coming year in order to reduce greenhouse gas emissions to meet climate change objectives. The City is currently in the process of registering projects with the United Nations Framework Convention on Climate Change involving landfill gas and organic waste.

Limited airspace is left for waste disposal at the City's three operating landfills. The following figure presents the results of the model that was used to determine these airspace predictions.

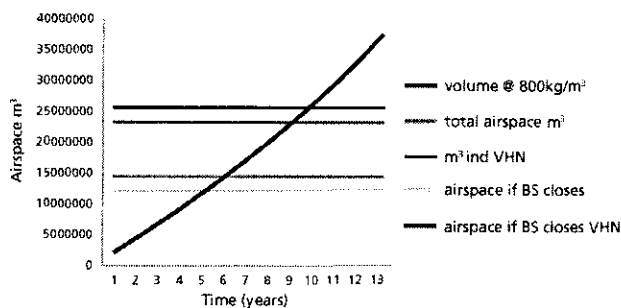


Figure 1.5: Airspace prediction model giving the estimated remaining time in years (x-axis), taking into account existing airspace with or without Vissershok North (VHN)

#### Airspace constraints

There is limited airspace available at the City's three operating landfills, even though it is accepted that at least 15 years' worth of airspace should be available for a city like Cape Town. Following an extensive technical process and a subsequent scoping and environmental impact assessment (EIA) process on two shortlisted sites, a record of decision was issued during 2007 in favour of a site south of Atlantis. The regional landfill must be able to receive waste by 2017. The project to find and have authorised a new regional landfill to serve the City for another 30 years is still under way, and the Provincial Minister of Local Government, Environmental Affairs and Development Planning (MEC) should consider the supplementary EIA in the course of 2013.

The following important initiatives will be investigated as part of this project:

- Vissershok informal settlement: An EIA will be submitted for Province to decide between three parcels of land in order to establish a temporary relocation area (TRA).
- Licence for a regional landfill site: A high-level political intervention will be pursued to obtain environmental authorisation for the regional landfill site.

#### Solid waste fleet management services

This project entails the investigation and analysis of all strategic solid waste fleet and plant assets, the development of maintenance programmes, and investment in an infrastructure programme.

The development of an asset management plan and a long-term (15-year) vehicle replacement policy and plan will be refined and budgeted for according to the vehicle replacement plan, as well as to catch up on the backlog. Business improvement recommendations will be implemented in line with process mapping and standard operating procedures. Adequate training will be provided and an appropriate budget secured for additional resources.

The City will develop and introduce proper service-level agreements for both internal and external clients. A dedicated section in Technical Services will be established to monitor outsourced repair and maintenance work on vehicles, plant and equipment.

## Electricity infrastructure investment

### Bulk electricity supply point

Investigations undertaken in conjunction with Eskom indicate that a new major bulk intake point in the vicinity of Mitchells Plain will be required to relieve the load on the Philippi intake point, and to meet the anticipated demand from extensive prospective developments in the Philippi horticultural area.

### High-voltage distribution network infrastructure plan

Capital projects are evaluated and graded on a risk matrix. The likelihood of an impact on the ability to distribute power as well as the severity of that impact were evaluated and plotted on Figure 1.6. The numbers on the figure refer to the projects as listed.

### Low-voltage and medium-voltage distribution network infrastructure

Investment in the medium-voltage distribution network is required, and a new voltage level is being considered to improve efficiencies. Over the next five years, existing substations, underground cables and overhead power lines across the metropolitan area will be upgraded and refurbished as part of a 15-year network development programme. A programme to replace ageing low-voltage overhead reticulation with underground networks has commenced and will continue over at least the next five years.

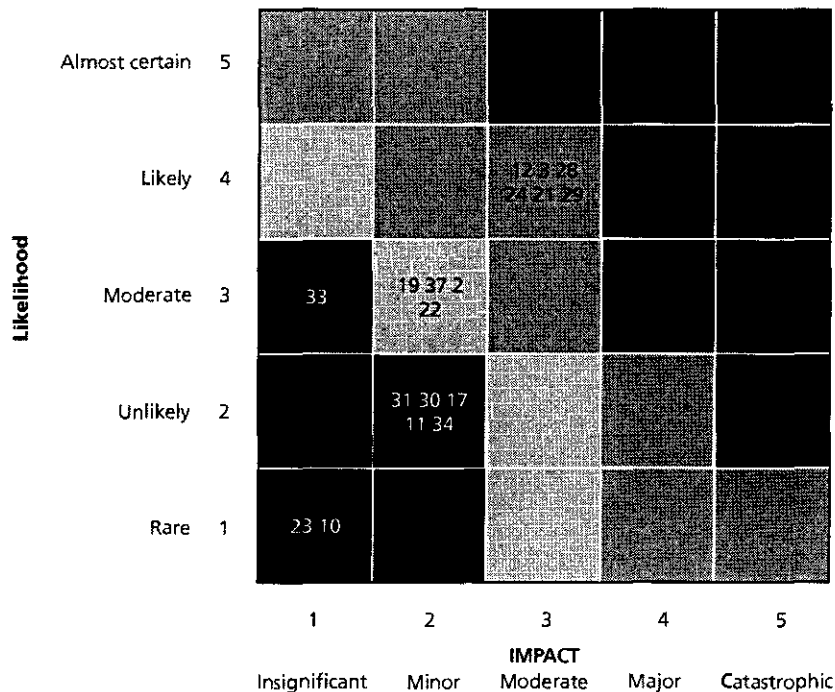
### Management of legacy medium-voltage switchgear

The City faces serious challenges in the management and maintenance of equipment on the medium-voltage distribution system, mainly due to ageing infrastructure. This applies to all types of medium-voltage switchgear on the system. A 30-year programme has been initiated, through which all obsolescent medium-voltage switchgear will be replaced with equipment complying with modern best-practice specifications, thereby improving safety and security of supply as well as reducing maintenance requirements.



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THE RESIDUAL RISK TO THE COUNCIL  
(if project is not implemented)



### FIVE-YEAR TRANSMISSION SYSTEM IMPLEMENTATION PLAN

Note: Projects should be implemented before the risk profile exceeds a moderate risk as indicated by the solid line

Extreme risk to Council
  High risk to Council  
 Moderate risk to Council
  Low risk to Council

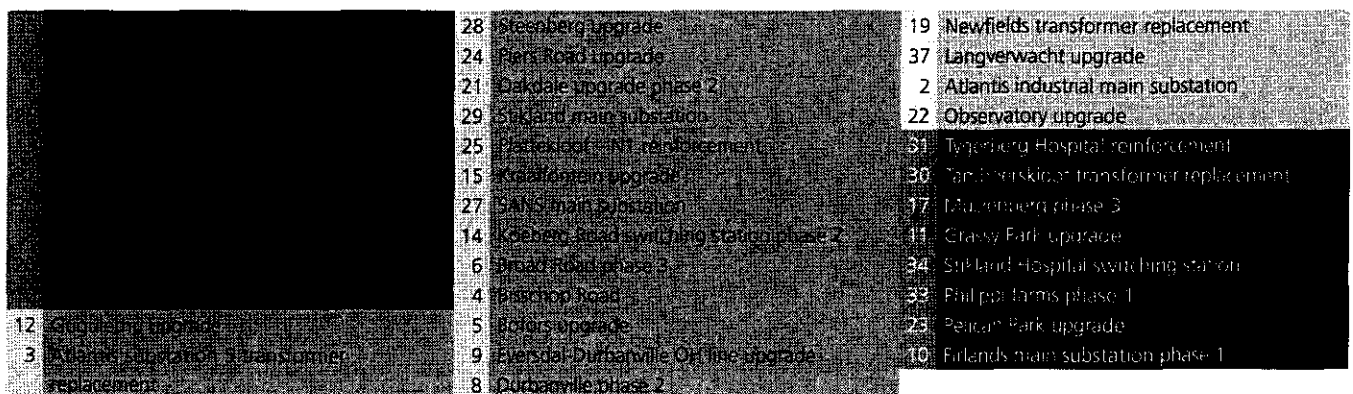


Figure 1.6: Risk assessment of high-voltage distribution network infrastructure plan

### Road and street infrastructure

Providing an efficient, well-run city calls for a well-developed, well-maintained and well-functioning road and stormwater network. The Cape Town stormwater network comprises a 9 819 km road and stormwater system, together with approximately 1 850 bridges and other ancillary elements, such as retaining walls, guardrails, footways, cycle ways, signs and sign gantries.

The operation and maintenance of the road as well as the rail network, both of which form part of the integrated transport network, greatly affects the efficiency with which people and goods are transported into and within the city. The demand for streets and associated services for social housing places huge pressure on the capital and operating budgets of the Transport

Department. The condition of the road and stormwater network is fair to good in most places, but the required continued and increased maintenance to limit its deterioration exceeds the annual budget by a factor of four. This is identified in the annual output from the pavement management system, which shows a rapidly deteriorating network. The annual budget allocation needs to be greatly increased to reverse this trend. The associated bridges and other road elements are displaying similar deteriorating trends.

The two management systems – the pavement and bridge management systems – form part of the City's IAMP. This integrated system requires a huge increase in funding and staffing to bring it up to date in terms of both inventory correctness and infrastructure condition, so that time-consuming maintenance initiatives can be identified and implemented. The condition output reports from this programme support the request for increased capital and operating funding for the road and street network. The focus for the next four years is to lobby in support of infrastructure sustainability and the promotion of socio-economic growth in Cape Town.

### Stormwater infrastructure

The City's stormwater infrastructure network requires large capital inputs to deal with existing inadequacies. Upgrades to existing infrastructure and the provision of new infrastructure are required to reduce flood risk, particularly in vulnerable communities, as well as to enable new development. The following initiatives will be undertaken:

- Implementation of formal flood risk reduction and mitigation programmes focusing on vulnerable communities, including:
  - flood alleviation measures in the Lourens River corridor, where many communities as well as large parts of the Somerset West central business district are threatened; and
  - general minor stormwater projects identified throughout the city as necessary to deal with localised flooding.
- Continuation of the City's successful winter readiness programme to reduce the risk of flooding for affected communities by ensuring effective maintenance of stormwater infrastructure. This programme has a strong EPWP component.
- Implementation of infrastructure upgrades and provision of new infrastructure to enable new development, including:
  - upgrades to Sir Lowry's Pass River as well as continuation of the provision of new bulk stormwater for Table View North to support the strong development thrusts in those areas; and

- the continuation of the Lotus River widening project in order to enable the ongoing development in the vicinity of Cape Town International Airport, while managing any resultant potential flood risks in Gugulethu, Nyanga and other communities further downstream.

- Metro-wide stormwater master planning (as part of the asset management plan formulation) to identify and prioritise capital funding requirements.
- Development of skills and capacity building around sustainable urban drainage systems, both within and outside Council, as well as the formulation of a programme for monitoring, operation and maintenance to ensure the ongoing successful implementation of the Management of Urban Stormwater Impacts Policy adopted by Council in 2009.
- Working together with Human Settlements and Utilities in a transversal problem-solving methodology for the upgrade and sustainability of infrastructure in informal settlements.

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

The EPWP is one element within a broader government strategy to reduce poverty. Phase 2 of the EPWP is being implemented over the 2009 – 2014 financial years with the national government's aim of creating two million full-time equivalent jobs (or 4,5 million work opportunities) by the end of the period.

The City has committed itself to the outcomes of the EPWP, and seeks to go beyond these outcomes to give effect to its strategic focus areas of turning Cape Town into an opportunity and caring city. The City has confirmed its commitment to EPWP by:

- Adopting job creation targets aiming to create 200 000 EPWP work opportunities over the implementation period;
- Signing the EPWP protocol agreement with the National Department of Public Works (DPW);
- Signing the annual integrated conditional grant agreement with DPW; and
- Developing the relevant policy and institutional frameworks for the implementation of EPWP in the City's line directorates.

The administration, governance and reporting requirements are being coordinated through an EPWP Office, which reports to the Deputy City Manager. This office is responsible for planning and coordinating the implementation of special EPWP projects and programmes. Thus, the City will aim to meet the full-time equivalent job targets (a factor of job creation and period of employment) set by DPW, as published in the annual Division of Revenue Act, in order to gain access to the EPWP conditional grant.

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This grant will be used to enhance the City's ability to create temporary EPWP work opportunities.

The City aims to expand the EPWP outcomes by using its programmes, projects and resources to develop innovative solutions and create relevant, sustainable opportunities to improve the social and economic conditions of its citizens, particularly those disadvantaged by abject poverty and unemployment, in a manner that embodies the motto 'This City works for you'. Additional funding sourced from within City budgets will also be utilised for projects and programmes that will improve and enhance service delivery, and will favour the employment of low-skilled and semi-skilled workers. Over the period, the City will also work closely with other stakeholders in the development environment in order to generate innovative solutions for the benefit of citizens.

### OBJECTIVE 1.3: Promote a sustainable environment through the efficient utilisation of resources

Programme 1.3(a): Sustainable utilisation of scarce resources, such as water and energy  
Manage the City's biodiversity and ecosystems, and promote the recreational and social opportunities of the natural environment

The City has made a commitment to conserve and manage Cape Town's unique biodiversity, while promoting natural areas as community spaces that perform a vital ecosystem service, recreational and social function. The social benefits of the biodiversity network include job creation and skills development opportunities, benefitting particularly the surrounding communities.

The following key projects and initiatives are planned for the next five years:

- Proclamation of existing managed areas under the new National Environmental Management: Protected Areas Act;
- Completion and adoption of a bioregional plan, the purpose of which is to inform land-use planning and decision-making by a range of sectors whose policies and decisions affect biodiversity;
- Meeting the Integrated Metropolitan Environmental Policy (IMEP) environmental agenda target of conserving 60% of the biodiversity network by 2014, by increasing conservation land through partnerships

and stewardship programmes, as well as acquisition where financially feasible;

- Meeting IMEP environmental agenda targets in respect of invasive alien species to significantly reduce the coverage of invasive alien plants and eliminate problematic invasive alien animal populations;
- A commitment to continue to roll out environmental education and outreach programmes, including the Youth Environmental School (YES) programme, which will increase the public's ability to access nature reserves, and will promote environmental education and awareness. This includes the development of a sustainable City communication strategy aimed at improving and streamlining environmental communication across all City departments;
- Ensuring continued management of the existing conserved areas in such a way that the benefits to the community are enhanced; and
- Creating a viable ecological link between Dassenberg Hills and the coast as part of the Dassenberg coastal catchment partnership. This partnership aims to protect critical ecological infrastructure, unlock socio-economic opportunities, promote climate change adaptation and mitigation, and promote the natural and cultural heritage of the area.

Investigating and pursuing alternative methods of energy generation via solar, wind and gas power  
The City pursues a target of generating 10% renewable energy by 2020 (ECAP). The City is developing a renewable energy plan to meet this target, and to support energy business investment in Cape Town and the rest of the province. Policy to facilitate residential and commercial-led small-scale embedded generation is also being developed, and private project developers will also be engaged where large-scale electricity generation projects could add strategic benefits to the general economy. Options for City-owned electricity generation are being investigated. Projects for renewable energy supply from City operations, including micro-hydropower from potable water systems, a landfill gas initiative as well as energy from wastewater treatment facilities, are under way.

### Improving the City's own energy use and carbon footprint

The City is pursuing a range of opportunities to reduce energy consumption in Council operations. An Internal Energy Management Policy will ensure a systematic approach to energy consumption reduction across all operations. Programmes and projects include the municipal energy efficiency and demand-side management programme, which covers street and traffic light retrofits, and a City-owned building retrofit programme. The City is improving its electricity consumption management through the use of automated meter readers. Work to green the fleet is ongoing, and a project to green information technology infrastructure has been initiated.

### Citywide electricity consumption reduction

The residential sector consumes 43% and the commercial sector 42% of all electricity in the city. There is huge potential for households to save energy, which would reduce their monthly expenditure.

The City has played, and will continue to play, a key role in assisting residents to save electricity through its electricity-saving campaign. The City is establishing a programme to facilitate the mass roll-out of solar water heaters to households. It is intended that the programme will boost both local business and skills development. Energy savings per 100 000 high-pressure systems installed will be in the order of R800 million per annum for households, a R1 billion investment in the economy, and 280 000 MWh of power. To help the commercial sector achieve energy savings, the City, in partnership with Eskom and the South African Property

Owners' Association, runs a very successful Energy Efficiency Forum, which provides information-sharing networking and a market place for Cape Town business.

### Encourage cost-effective means of recycling as well as waste minimisation initiatives

#### Waste minimisation programme

The City is committed to achieving citywide waste minimisation. Steps in this regard include developing and running waste management facilities; incorporating material recovery facilities, public drop-off sites, composting and builder's rubble crushing facilities, as well as running waste minimisation promotion and awareness projects (like the Think Twice campaign, the Integrated Waste Exchange and Waste Wise). The intention is to sustain current waste minimisation pilot initiatives for future learning and benchmarking.

The City will focus on waste streams that have the largest impact on airspace – namely greens and organic waste, recyclables and builder's rubble. Organic waste is a key aspect, together with sewage sludge, for the waste-to-energy projects being contemplated in the PPP feasibility assessment.

A separate greens collection service will be considered to increase the 35% greens diversion currently achieved by means of drop-offs. The City will also prioritise waste minimisation options by focusing on high-impact waste diversion activities through partnerships. The feasibility of PPPs will be evaluated in the coming year. The City will also effect institutional changes and set up a separate cost centre to ensure that costs and revenue are ring-fenced for each new PPP.

PICTURE

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Such PPPs will be investigated for different disposal facilities and both the Radnor and Bellville composting sites as well as the potential landfill gas utilisation and organic waste treatment projects to generate energy from waste. Budgeting for integrated waste management facilities will be prioritised, and allowance will be made for private-sector involvement through PPPs. These facilities will achieve the highest impact on waste minimisation and effective diversion of waste from landfill sites. The City will also encourage and engage in cost-effective limitation of the amount of waste sent to landfill by means of waste reduction, reuse and recycling initiatives. Cooperatives will be considered, which also hold the potential for job creation. The Think Twice programme will be continued in certain residential areas along the Atlantic seaboard, the Southern Peninsula, the Helderberg, and northern suburbs east of Tygerberg Hills. The programme will also be continued in certain portions of Sea Point, Mouille Point, Three Anchor Bay, Kraaifontein, Hout Bay and Camps Bay.

### Inland and coastal water quality initiative

The City will develop and refine an inland and coastal water quality improvement strategy and implementation plan to address declining inland and coastal water quality through a coordinated project-based approach. This will take place in partnership with communities, business and other spheres of government in a manner that improves quality of life, sustains economic development, values natural resources, and complies with statutory requirements. Priority will be given to the following aspects:

- Informing and directing the City's long-term servicing and infrastructure planning, particularly with regard to the provision of basic sanitary services, by ensuring that water quality issues are adequately considered in the allocation of resources;
- The disinfection, or deviating to sewers, of highly polluted, dry-weather stormwater flows that pose immediate risks to adjacent communities or recreational water users. This approach will be tested by means of pilot projects in high-priority areas; and
- Ensuring synergy across departmental programmes with an impact on water quality; forming partnerships, and building capacity and understanding among internal and external stakeholders.

Desired outcomes include:

- Improved living conditions for vulnerable communities, underpinning socio-economic development and job creation;
- Healthy rivers and coastal waters with good water quality and thriving ecosystems, which are valued by communities for cultural and recreational purposes;
- Increased sustainability, resource efficiency and climate change resilience;

- Positioning the City as innovative, proactive and leading in the fields of integrated urban water management and water-sensitive urban design; and
- Capacitated communities working in partnership with the City.

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

For the past three years, the City has paid attention to its own infrastructure, and decreased its water demand by introducing various water conservation and water demand management (WCWDM) initiatives. Most of the maintenance activities of the Reticulation Branch also have a WCWDM impact, for example the pipe replacement programme. WCWDM initiatives include the installation of pressure relief valves in high-pressure areas, thus decreasing the quantity of water losses through leaks and burst pipes. In addition to pressure management, further initiatives implemented include the leaks repair programme (for indigent consumers), retrofitting, the meter replacement programme, installation of water management devices, treated-effluent reuse, and consumer education and awareness.

As part of the City's commitment to ensuring that all Cape Town's citizens have access to water, a change management plan (communication and training) will be formalised. The City will also complete the investigation of extended water resources to supplement current water supply.

The City aims to intensify water conservation initiatives such as user education in order to reach a wide audience and create awareness of the limitations of the area's available water resources, the cost of developing new resources, and the implication this will have for the consumer. The City will also focus on efficient methods of water utilisation at the end-user level.

### Promote rainwater harvesting

There are various methods of rain harvesting, the most common being the use of tanks to collect water from rooftops. This has limited benefits due to winter rainfall patterns in Cape Town. However, rainwater harvesting could be useful in low-income areas, particularly when used in conjunction with food gardens.

### Promote local borehole extraction for small consumers

The development and use of small boreholes and wells for domestic gardening in non-sensitive groundwater areas will be promoted. This will reduce the demand for potable water and surface run-off resources. The groundwater table is relatively high in a number of areas throughout Cape Town, and the installation of such boreholes and wells may be relatively inexpensive.

### Promote greywater reuse

The conservation of existing water resources entails their protection from pollution and overutilisation as well as the optimisation of operations to reduce losses. Most of these functions are the responsibility of DWA, but the City is obligated to assist and accept joint responsibility in a number of functions and activities.

### Retrofitting

This objective is arguably one of the most important in the City's water management strategy, as it will ensure that all new consumers and connections are water-efficient.

The integrated water leaks programme aims to save water and reduce your water and wastewater (sewerage) bill by empowering you to identify and repair your water leaks and to reduce wasteful consumption. It will deal with all aspects, be they social, regulatory, commercial or technical. The concept behind the integrated water leaks programme is to be able to carry out plumbing leak repairs (and other demand management activities) in low-income areas on a sustainable and ad hoc basis by empowering community plumbers.

After a comprehensive demand management project has been completed, the purpose of the programme will be to maintain and sustain the objectives achieved in that specific area.

### Recycling and reuse of treated effluent

The City has numerous treated-effluent reuse schemes at its various WWTWs. These are used for both formal network distribution and informal or private reuse of treated effluent. The treated-effluent infrastructure will be expanded to protect natural resources, prevent current and future potable-water shortages, return the city's streams to seasonal flow conditions, and enable unrestricted irrigation during water restrictions. This is in line with the principles of the City's Water Demand Management Policy and the policies of DWA and Province's Department of Environmental Affairs and Development Planning.

There is an opportunity to secure external funding from a range of institutions and donors, and to establish PPPs geared towards the elimination of water wastage. A number of private companies are willing to enter into concessions or joint management contracts to manage water services delivery or specific key performance indicators, such as the reduction of non-revenue demand. The use of service providers in certain focused projects can provide significant benefits.

### Manage the city's coastline and coastal processes, and promote the coast as a public and social asset

The City aims to be a national leader in ensuring that all aspects of the Integrated Coastal Management Act are implemented, enforced and complied with. This will

optimise the economic assets and opportunities linked to Cape Town's coastline, marine resources and harbours.

The following programmes, projects and initiatives are planned for the next five years:

- Development and implementation of a long-term coastal monitoring programme that will track natural and man-made changes in the coastline and improve decision making;
- Implementation of the City's coastal setback, and enforcement of the Coastal Protection Bylaw. This also demarcates nodal development areas to promote investment in coastal areas as recreational and social amenities;
- Development and implementation of a coastal management plan in accordance with the requirements of the National Environmental Management: Integrated Coastal Management Act as well as associated new and revised coastal policies;
- Development and implementation of a coastal infrastructure policy to address coastal risks; and
- Continued participation in the Blue Flag programme for beaches and marinas.

### Promote appropriate climate change adaptation and resilience planning

Although the City recognises the need to contribute to global efforts to mitigate the effects of climate change, it also recognises the need to adapt proactively to the unavoidable climate changes likely to occur in the shorter term. In so doing, the City has developed the Climate Adaptation Plan of Action (CAPA), a sector-based approach that aims to integrate climate change adaptation measures with all of the administration's relevant service delivery and planning functions.

In order to balance the need for preparedness and proactivity with the many uncertainties around climate change impacts, CAPA will be continuously reviewed and updated as climate science develops and the City improves its own understanding of the specific climate impacts it needs to manage. Flexibility in adaptation interventions is an important part of the plan.

By 2011 all sectors had completed the scoping phase of the CAPA process and will be moving through the prioritisation, implementation and review phases over the next five years. CAPA is supported by the City's Climate Change Think Tank, a partnership between the City and academics as well as specialists in the field of climate change.

Examples of adaptation measures that are either currently ongoing or planned for the next five years include:

- ongoing citywide ecosystem services (green infrastructure) mapping and costing;

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- a 15% increase in new stormwater design specifications to accommodate increasing rainfall intensity;
- climate change factored into 25-year bulk water supply modelling;
- a sea-level rise risk assessment and identification of a coastal protection zone; and
- the Salt River marine/freshwater flooding interface modelled under various sea-level rise scenarios. This will be rolled out to other city rivers as well.

### Reduction in unconstrained water demand

The limited availability of water resources and adequate bulk water and wastewater infrastructure to meet the growing water demand in Cape Town constrains social upliftment and economic prosperity. Unconstrained water demand refers to the quantity of water that would have been used if there had been no changes in user behaviour and no constraints on production or delivery. The total water saving or reduction in water demand has historically been measured as a reduction below this unconstrained demand estimate for a particular year. The main factors that influence demand are user behaviour (using more than is necessary) and rising industrial use as a result of a growing economy. The measurement is also affected by water losses, which can be either real losses (leaks or physical losses) or apparent losses (theft or metering inaccuracies).

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

Mobility in Cape Town comprises various modes, including walking, cycling, private cars, rail, commuter buses, minibus taxis, bus rapid transit (BRT), as well as other options. Delivery on the vision for transport involves ongoing cooperation, communication and collaboration with the City's partners, including the National Department of Transport, National Treasury, Province, state-owned enterprises, transport agencies, the private sector, public transport operators, and communities.

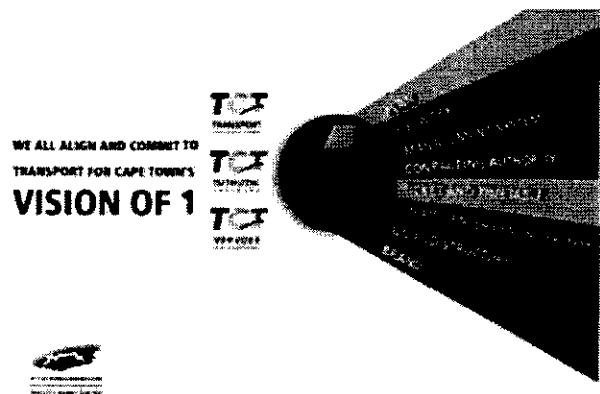
The City aims to improve the public transport system and services for the benefit of all citizens, both now and in the future. Therefore, transport policies and investments need to support the growth and development of the city. These include support for infrastructure-led economic growth and development as well as social inclusion, the need for improved public transport systems and services, as well as other social, economic and environmental objectives.

In order to achieve these objectives the City has embarked on a process to achieve integrated, interoperable and intermodal transportation across the City of Cape Town. The approach is to engage in a comprehensive plan, that strategically aligns the processes and projects undertaken in

a prioritised manner, within the given policy and legislative imperatives. The City of Cape Town launched Transport for Cape Town, in October 2012, with the overall vision and desired outcomes that include:

- one plan;
- one network;
- one management system;
- one contracting authority;
- one ticket and one timetable for all modes of transport;
- one enforcement system;
- a unified standard for infrastructure and operations across the city;
- one brand; and
- one city.

Over the next four years, the vision, and outcomes detailed above will be rolled out in order to achieve integrated, sustainable and intermodal public transport across the City.



### Integrated Transport Plan (ITP)

The comprehensive ITP is a statutory transport sector plan of the IDP in terms of the National Land Transport Act (NLTA) 5 of 2009. The ITP, a five-year strategic plan with annual reviews, programmes and action plans, recommends the transport policies and investments required to support the City's strategic development objectives.

The ITP is vertically integrated with high-level national and provincial plans and policies, as well as with regional and district plans at a lower level. Horizontal integration occurs with other line departments within the City, but also with neighbouring municipalities and parastatals.

As a strategic investment plan, the aim is to redirect capital and operating investments as follows:

- Invest to maintain – Repairs and upgrades to keep existing systems, services and infrastructure in a good working order.



- Invest to enhance – More, better and faster services without major building investment.
- Invest to expand, where appropriate – New infrastructure requiring major improvements.

The 2013 – 2018 ITP will set the framework and formulate standards relating to:

- operational and technical standards for services, for all modes of public transport;
- finance and investment standards;
- governance standards;
- operating licensing strategy and standards;
- information management;
- intermodality and interoperability;
- non-motorised transport standards; and
- special services (such as people with disabilities, pensioners, scholars, indigent).

The 2013 – 2018 ITP will be completed in July 2013, and will be used along with the integrated public transport network (IPTN) to provide the mandate for the roll-out of TCT's 'Vision of 1' for Cape Town in consultation with all stakeholders.

#### Programme 1.4(a): Public transport programme

The public transport programme gives effect to the City's policy to 'put public transport, people and quality of life first', and encompasses various activities and projects.

The policy stems from the drive to ensure a sustainable transport system that supports the citywide environmental, social and economic development objectives. It is therefore closely aligned with strategies such as climate change and energy efficiency, integrated human settlements, economic development and spatial planning. This applies not only at a metropolitan level, but also within the provincial and national spheres of government, where broader policy directives and strategic budgetary alignment are critical.

Public transport systems require large capital and operational budgetary commitments in order to support economic and social mobility needs. The affordability of the system depends on high levels of utilisation at appropriate densities. It also necessitates the required levels of service to be met for the system to compete with private cars. High-density areas without appropriate public transport run the risk of being as detrimental as large infrastructure expenditure without appropriate densities.

The programme will be delivered in terms of an IPTN plan, which will highlight the role of rail and BRT as bulk services, while also including support services in the form of conventional buses, taxis and others in a multimodal transport system. While the City's MyCiti services are

changing the image of public transport, the PRASA/ Metrorail plan to modernise the rail system will further improve the quality of public transport in the city over the next five years and beyond. All these initiatives are to be collectively managed under the auspices of TCT.

### Review process towards the planning and implementation of the integrated public transport network

Recognising the need for improved public transport systems, Cabinet approved a National Public Transport Strategy and Action Plan in 2007, with a specific vision of moving away from basic public transport commuter operations to accelerated modal upgrades and the establishment of IPTNs in the major metropolitan areas of South Africa. The critical building blocks for this strategy include the following:

An IPTN and implementation plan for:

- BRT phase 1A of the network, covering the link between the Cape Town central business district and the airport, inner-city distribution system as well as the link to Table View, including a feeder service in Montague Gardens and Parklands;
- municipal control and authority over the integrated and intermodal transport networks;
- a maximum stake for the existing bus and minibus-taxi sector in the IPTN operations. Integrated rapid public transport networks (IRPTNs) (the rapid component of the IPTN) will comprise:
  - modernisation of priority rail corridors (Kapteinsklop, Chris Hani central corridor);
  - promotion of the new Blue Downs rail network line for development by PRASA; and
  - BRT – road-based public transport that will imitate rail by running in exclusive lanes;
  - the formalisation and inclusion of current operators and labour, especially from the minibus-taxi and bus industries as contracted operators;
  - the formulation and implementation of a common fare collection system for trains, buses, taxis, and BRT main and feeder routes; and
  - efficient public transport that will facilitate the development of nodes and development corridors.

### Dedicated public transport lanes

The next five years will see the implementation and enforcement of a citywide network of public transport lanes, which started with the reintroduction of a bus and minibus-taxi lane on Main Road from central Cape Town to Mowbray.



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### Dial-a-Ride public transport service

Dial-a-Ride is a demand-response public transport service for persons with disabilities who are unable to access mainstream public transport. Even though the service has over 6 000 registered users, the current fleet can only accommodate 4% of this user base on a regular basis. There is therefore an urgent need for additional funding to expand this important service, and to ensure that the scheduled public transport services become more accessible to more users.

### Management and upgrade of public transport interchanges

Upgrades and development of public transport interchanges are planned to accommodate growth in demand for access and mobility. These include Retreat, Dunoon, Wynberg, Bellville and central Cape Town.

### Programme 1.4(b): Rail service improvement and upgrade programme

Cape Town has an extensive rail network, which represents the backbone of public transport in the city. While PRASA/Metrorail is continually upgrading its fleet of carriages, due to their age, some of these can no longer be upgraded and are permanently withdrawn from service. The number of carriages operated in Cape Town has reduced from more than 100 in the early 1990s to fewer than 85 at present.

The result is a decrease in the quality of service being offered, which is evident in the unacceptably high levels of overcrowding experienced on many lines. PRASA has also planned a number of upgrades to the city's train stations and railways, including:

- the central line in conjunction with the first phase of the modernisation;
- the Cape Town–Monte Vista–Kraaifontein line; and
- Cape Town, Athlone, Heideveld and Langa stations.

Cape Town Station recently underwent a R408 million<sup>35</sup> transformation in recognition of its role as a catalyst for the renewal of the Cape Town central business district. The station provides an important interface between the central city and the outlying metropolitan areas. In addition, the new Century City station has been operational since the 2010 FIFA World Cup.

Through ongoing collaboration with the National Department of Transport, Province and PRASA/Metrorail, the City will continue to support the following initiatives undertaken by PRASA/Metrorail:

- Upgrading of the signal system for the Western Cape region;
- An investigation into the requirements to construct and implement services in the Blue Downs rail corridor;

- An investigation into the utilisation of the Atlantis goods rail line as a passenger line;
- An investigation into greater utilisation of the Fisantekraal rail line;
- The modernisation of the Chris Hani and Kapteinsklop rail corridors;
- Ongoing upgrades to rail stations; and
- Rail-based park-and-ride projects.

### Due-diligence study on the devolution of rail subsidies

The City, together with Province and the National Department of Transport, has embarked on a due-diligence study on the devolution of rail subsidies from the Department to the City.

### Programme 1.4(c): Bus rapid transit (BRT) programme

The improvement of public transport is a key strategic focus area that the City has identified in its IDP for achieving its long-term vision and developmental goals. Public transport plays a vital role in providing all citizens and visitors with access to opportunities and facilities, whether for economic, education, health, recreational or social purposes.

In February 2007, the City performed a scoping study on an IPTN. The report flowing from this study, *City of Cape Town – Public Transport Implementation Framework*, recognised the potential for a citywide network of BRT routes and related feeder services to complement the existing rail system as part of an integrated public transport system. The principles that underpin and define the MyCiTi project can be summarised as follows:

- **Quality** – Delivering a car-competitive service that is based on customer needs, including rapid travel times and frequent services, few transfers, safety and security, service integration, universal access, comfort and convenience, clean vehicles, and helpful staff.
- **Equity** – Ensuring that all segments of society receive an equal, high-quality public transport experience, especially through considering the special needs of low-income earners, women, children, the elderly and those with physical disabilities.
- **Security** – A system that gives customers confidence in their personal safety and security.
- **Sustainability** – A system that is economically viable, environmentally responsible, and that promotes social equity.
- **Integrity** – Implemented in an open, transparent and participatory manner.

<sup>35</sup> According to a PRASA press release in December 2009.

On 27 August 2008, Council approved the implementation of phase 1A of the MyCiti project, which includes the inner city and airport services, and certain routes along the corridor between the inner city and Table View and Atlantis. The full phase 1A is currently being implemented, and is scheduled to be completed and fully operational by November 2013.

Phase 2 is defined as the metro south-east area, and is responsible for the majority of the total public transport activity in the metropolitan area. Years of planning, research and investigation have identified critical missing transport links in the public transport system serving this area, where BRT could prove very useful. In the short term, the City is evaluating the early introduction of a MyCiti express service via the N2 for implementation by December 2013. Any infrastructure and fleet built and procured for this express service will be able to be used by future main services in the metro south-east, and will therefore not result in abortive expenditure.

#### Programme 1.4(d): Travel demand management programme

The travel demand management (TDM) programme recognises the negative effects of providing infrastructure and operational capacity to the unconstrained growth in urban travel, especially in private cars. TDM aims to achieve a progressive modal shift away from private-car dependence to public transport, as well as a reduction in the need to travel and in average trip distances. This is undertaken in line with the City's aim to develop into a sustainable, more compact city, which reduces energy dependence and the environmental impacts of transport. The following components of the TDM programme are currently being rolled out:

- Rail-based park-and-ride programme – This programme focuses on improving park-and-ride facilities at rail stations across the metropolitan area, with the aim of increasing the safety and convenience of the station precinct. The project relies on the rail system to provide the necessary capacity for the additional commuters who are attracted to rail.
- Travel Smart programme (employee trip reduction project) – This project includes promotion of public transport, ride-sharing, and the expansion of the city's non-motorised transport (NMT) network and facilities among employees of leading corporates in the central city. The programme will be expanded to include more organisations and other employment centres across the city.
- NMT programme – This programme includes the promotion of walking, cycling and public-space improvement throughout the city.
- Parking management programme – The City's Parking Policy is being revised to support the objectives of the TDM programme, and will be rolled out in coordination with improvements in public transport services. A Parking Management Bylaw was approved in 2010.

#### Programme 1.4(e): Intelligent transport systems programme

The intelligent transport systems programme aims to maximise the operational capacity of both the private and public components of the transport system. For this, it employs technology and an information system to receive operational information about the performance of various parts of the system, and to communicate appropriate messages to the users of the system. The management of intelligent transport systems is housed in the state-of-the-art TMC, which is located in Goodwood.

The programme is delivered as a joint effort by intergovernmental agencies, including the City's transport and metropolitan police functions, as well as Province and SANRAL. The intention is to include the management structure of the IRT system as well as Metrorail's operations centre in due course. The current levels of cooperation between the different disciplines have been acknowledged as exceptional and a critical success factor in the efficiency of the centre.

Intelligent transport systems currently include the management of the City's traffic signals, the provision of information on all scheduled bus and train services through the call centre (0800 65 64 63), and communication with road users through VMs on the freeways as well as through Twitter feeds (#capetownfreeway). The service will be expanded to provide real-time information on punctuality of all scheduled services for both rail and road-based public transport. The TMC already plays a critical role in event transport services for Cape Town Stadium, which will be expanded to more venues in future.

#### Programme 1.4(f): Institutional reform programme

##### Implementing the requirements of the National Land Transport Act 5 of 2009

This aims to achieve institutional reform in terms of the requirements of the National Land Transport Act 5 of 2009 through the establishment of TCT, the City's transport authority, which is responsible for the transformation of the current, fragmented transport system into an integrated, multimodal system that puts commuters first, resulting in more efficient, affordable and safer public transport.

In assessing the implications of the NLTA, the City has identified the following focus areas: transport planning, contracting authority, regulatory entity, monitoring and evaluation, and transport asset management.

The NLTA makes provision for funding reform as part of institutional reform, by devolving operational funding responsibilities to the municipality. A Municipal Land Transport Fund has been established in terms of the NLTA to give effect to the objectives of the Act. More than R4,84 billion has been allocated for transport purposes over the next three years in order to deliver on the objectives of

## STRATEGIC FOCUS AREA 1 THE OPPORTUNITY CITY

the ITP. However, it is critical that sustainable mechanisms for the adequate long-term funding of public transport are secured. This will require engagement with National Government, the Financial and Fiscal Commission, and other stakeholders.

The business plan for the assignment of the contracting authority function, which is currently with Province, has been approved by Council and submitted to National Treasury as well as the national departments of Transport and COGTA for approval. This function will be started and incorporated into TCT over the Medium-Term Expenditure Framework period.

Further processes are under way for the City to motivate and set the business case for the assignment of the regulating entity function, as determined in the NLTA.

<b>COMMUTER</b> Information Streamlined service Engagement Integrated ticket	<b>INFRASTRUCTURE</b> Increased implementation Integration Modernisation Public transport Interchanges	<b>GOVERNANCE</b> Transport for Cape Town Contracting authority Regulations Business planning
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### OBJECTIVE 1.5: Leverage the City's assets to drive economic growth and sustainable development

The City will develop an immovable property asset management framework dealing with land, buildings and property rights, incorporating a comprehensive asset register, asset management system, compliance framework and strategy aligned with the City's strategic focus areas and international best practice in immovable property asset management.

#### Development of vacant municipal land, and improvement and management of municipal and public facilities – portion of erf 21750, Bellville (Bellville Velodrome)

The City has released a 4 ha underutilised municipal property in the Tyger Valley area to the private sector for the development of a 100 000 m<sup>2</sup> mixed-use project, which will include retail, office, residential, hotel and conference facilities. The successful bidder for the development will also contribute substantially towards the upgrade and improvement of the velodrome and Bellville athletics stadium located on this property will take over the responsibility for the management and maintenance of these facilities, and will improve some bulk services infrastructure within the area. Ownership of the velodrome and Bellville athletics stadium will however remain vested in the City.

Besides the R152 million that the City will receive from the sale of the developable land, it is expected that the development will create 6 000 job opportunities in the medium to long term. It is foreseen that this development will become a catalyst for further development within

the Tyger Valley precinct as well as unlock further development opportunities along Durban Road towards Voortrekker Road. Access, parking and linkages with the surrounding developments within the precinct are some of the challenges facing this development. Construction of the mixed-use development will commence as soon as the necessary statutory approvals have been obtained.

#### Expansion of Cape Town International Convention Centre (CTICC), and unlocking related development opportunities

The expansion of the CTICC to provide an additional 10 000 m<sup>2</sup> of exhibition and conference space was approved by Council in March 2011. The expansion follows on the success of the existing CTICC, and it is expected that, with the expansion, CTICC's contribution to national GDP will increase from the current R2,3 billion to over R5,1 billion per annum, with an expected additional 2 380 job opportunities created.

The expansion will be accommodated on the Foreshore precinct on vacant land between Table Bay Boulevard and the Naspers building. The current and proposed CTICC facilities will be linked by means of a sky bridge and/or an underground tunnel beneath the Heerengracht. This project will be co-funded by Province.

The expansion of the CTICC will also stimulate and unlock other related and non-related development within this Foreshore precinct, estimated at over R4,5 billion. Construction of the CTICC expansion is expected to commence by mid-2013.

Utilising municipal property to leverage economic growth and sustainable development in poorer communities

#### ✓ Progress update

*A programme has been initiated to unlock the development potential of underutilised municipal land in previously disadvantaged communities to promote economic growth and job creation. The process includes the identification of suitable, underutilised Council properties in poorer communities, conducting of feasibility studies, development of the concept, land use and statutory approvals, the tendering process, and contracting with the private sector to lease/own finance, construct and operate such developments.*

*Opportunities for the development of retail, commercial, residential, industrial and social facilities will be unlocked through this process, and will be presented to the private sector for implementation. Properties prepared and packaged for the market will be released in accordance with a structured property release programme, and will include areas such as Khayelitsha and Mitchells Plain.*

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

The City will develop an immovable property asset management framework incorporating international best practice, including managing and performance-measuring portfolios of immovable property assets over their full life cycle (planning, acquisition, holding/utilisation and disposal), reporting on performance, and aligning immovable-property objectives with the SFAs of the IDP.

The development of the immovable property asset management framework will include the following:

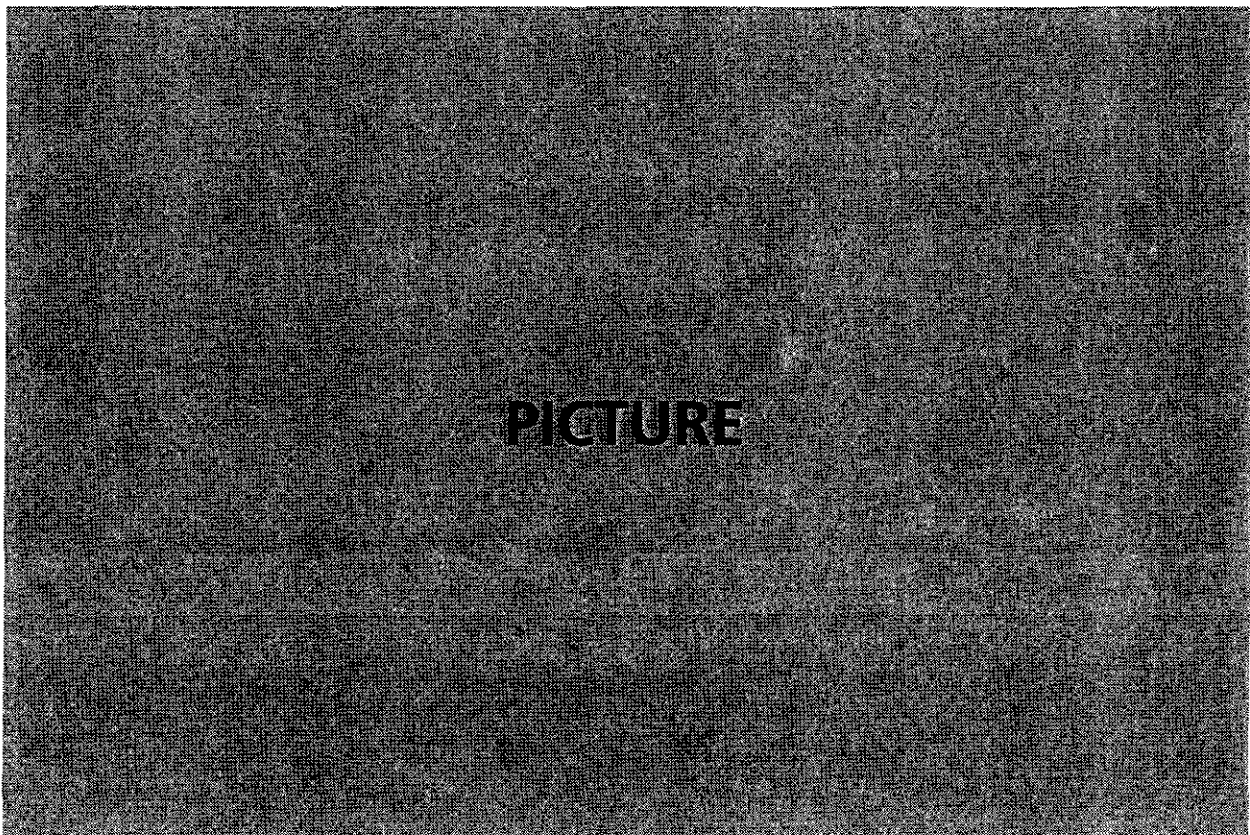
- Development of a comprehensive immovable property asset register;
- Development of an immovable property asset management compliance framework to ensure legislative compliance;
- Development of a centralised custodial role for immovable property asset management, with policy/strategy-based decision-making over the full property life cycle, and the development and retention of existing capacity within the organisation;
- Identification of all strategic immovable property assets; development of strategic asset management plans per strategic asset, including performance measures, and

the development of options for optimal function and use of strategic immovable property assets;

- Development of a medium-term strategy (spanning five to ten years) for the release of immovable property not required for municipal purposes, with the objective of stimulating economic activity, economic investment and growth, job creation, and opportunities for the development of social asset infrastructure to promote social cohesion; and
- The strategic acquisition and holding (land-banking) of new immovable property assets to ensure the availability of immovable property to support the City's future economic and social objectives.

#### **OBJECTIVE 1.6: Maximise the use of available funding and programmes for training and skills development**

Programme 1.6(a): Sectoral education and training authority (SETA) and EPWP funding used to train apprentices and create other external training opportunities. Training of apprentices for vacant posts in the administration and the City.



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The City will roll out an apprenticeship programme to the Water and Sanitation, Electricity, Stormwater, Solid Waste Management, and Roads departments. These apprentices will meet the demand side of the labour market, using the training the City provides either to become skilled technicians employed by government, or to move into the private sector as young people with new qualifications.<sup>36</sup>

This objective is aimed at leveraging the City's resources (human and financial), the City's partnerships and all available external funding sources to provide training and development opportunities for currently unemployed youth – school leavers, current students and graduates. In addition to this skills base, the City has multiple current partnerships that would see the above opportunities succeed, including the four major tertiary academic institutions (together forming CHEC), Province, the Cape Town Regional Chamber of Commerce, the Tertiary School in Business Administration and the SETAs.

The programme aims to provide for the following expansion of the City's current programmes:

- Apprentices: 200 per year (100 per year intake, as the programme spans two years);
- New apprenticeship programme: In partnership with further education and training, with the City responsible for practical-aspects bursaries. The aim is to start with 20 apprentices and expand these to 50 in future years;
- External bursaries: 60 per year, to be expanded to 80 to include apprentice bursaries, and, in later years, to 110;
- In-service training of students requiring work-based experience to graduate: 450 opportunities, to be expanded to 600 in the first year, and thereafter according to budget and the partnership with the EPWP;
- Graduate internships: To be expanded into all professional areas. Currently, these are limited to engineering and environment. Expansion is subject to budget models and the partnership with the EPWP;
- Learnerships: The current nine learnerships are focused primarily on internal requirements. These will be opened to external learners, with an initial target of 20 learners, to be expanded in future years based on internal capacity to develop and mentor, as well as the partnership with the EPWP.

Every City directorate will be required to participate in one or more of the above options, depending on the nature of the work performed within the various departments. The directorates that will employ the learners and apprentices are required to drive the various programmes.

PICTURE

PICTURE

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<sup>36</sup> Inaugural speech by Executive Mayor Patricia de Lille, June 2011.



## STRATEGIC FOCUS AREA 2: THE SAFE CITY

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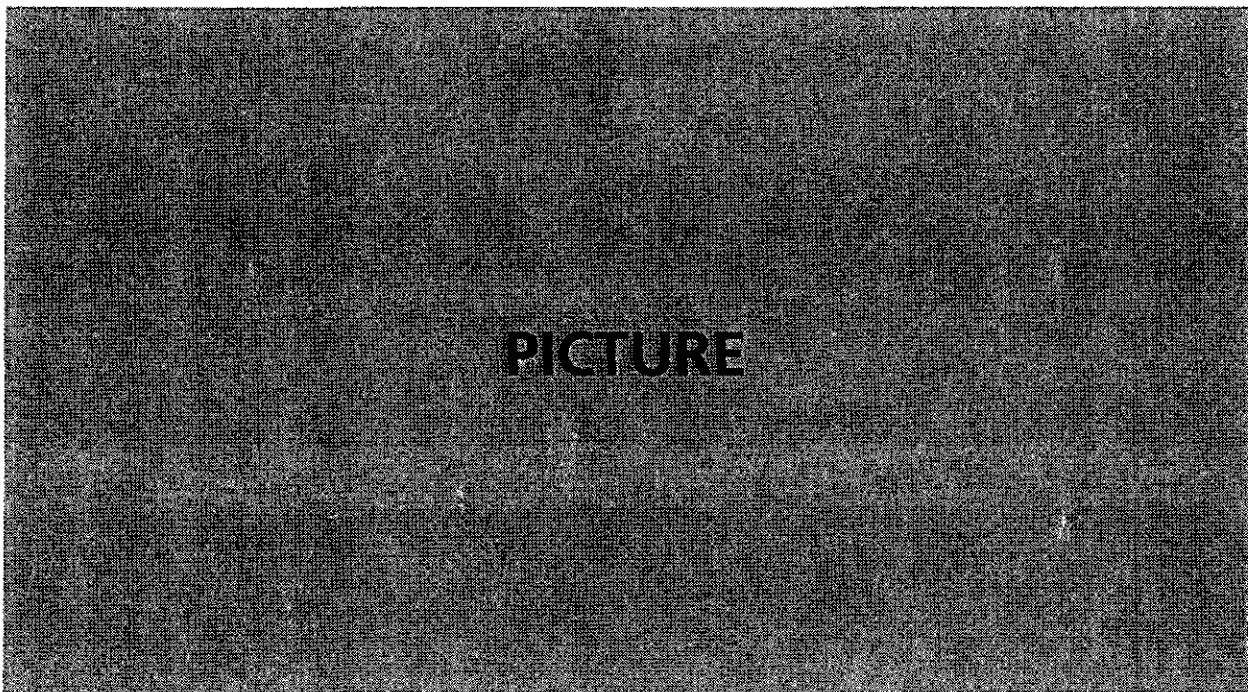
## STRATEGIC FOCUS AREA 2 THE SAFE CITY



### SFA 2

This SFA is aligned with Province's objective of increasing safety in the province, and making it a safe place in which to live, work, learn, relax and move about. It is also aligned with the following National Government outcomes:

- Outcome 3 – All people in South Africa are and feel safe
- Outcome 11 – Create a better South Africa, and contribute to a better, safer Africa and world



### Improve safety and security through partnerships

Responding to crime is more than a law enforcement function. It includes positive action on the whole spectrum of development challenges facing the residents of Cape Town. The VPUU programme in Khayelitsha demonstrates how partnerships between the City and the community<sup>37</sup> can bring about steady reductions in the incidence of crime.<sup>38</sup> A key strategy for the City is to replicate this model and build strategic partnerships to implement social crime prevention coupled with urban regeneration efforts in more communities with high crime rates.

The City will expand and capacitate its municipal and community courts to handle prosecutions for traffic offences and bylaw contraventions, thereby reducing pressure on magistrate's courts (as per the memorandum of understanding concluded with the Department of Justice

and the National Prosecuting Authority). The City will also adopt a zero-tolerance approach to speeding (warrant execution and speed control) as well as drunk driving. As part of this process, offenders will be identified, caught, punished and 'named and shamed' in the media.

In order to optimise Cape Town's reputation as a safe city, five key objectives have been identified:

**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



<sup>37</sup> These could include partnerships with neighbourhood watches as well as working with community leaders and NGOs.

<sup>38</sup> Ndenze, B 2011 'DA lauds VPUU success' IOP News 4 May Available at <http://www.iol.co.za/news/south-africa/western-cape/da-lauds-vpuu-success-1.1064098>

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

**Objective 2.5:** Improve safety and security through partnerships

**OBJECTIVE 2.1: Expanding staff and capital resources in policing departments and emergency services to provide improved services to all, especially the most vulnerable communities**

**Programme 2.1(a): Increase the operational staff complement**

The City aims to bring staffing levels in the Fire and Rescue Services in line with the South African National Standards (SANS 10090) guidelines. It will also move towards aligning with the staffing objectives of the 2001 Metro Police establishment business plan.

**Expansion of the City's externally funded policing programme**

The externally funded policing programme was launched in 2008. It enables the private sector to secure the dedicated services of members of the City's policing departments for specific areas. It is expected that the initiative will grow steadily during the new financial year. The following matters will be addressed in support of this programme during this period:

- Ensuring the effective marketing of the externally funded policing programme;
- Exploring innovative ways to make the programme more attractive for potential sponsors, while significantly contributing to the safety of the city's residents and visitors;
- Continuing to explore the possibility of Council wards funding the appointment of Metro Police members for purposes of expanding the Directorate's neighbourhood safety officer initiative;
- Continuing to negotiate mutually beneficial agreements with other City directorates to secure additional sponsorship for the programme. This will include the deployment of Law Enforcement members at public transport interchanges as well as the establishment of film and events, housing and transit police units;
- Ensuring that all officials deployed in terms of this initiative are trained in the principles of problem-orientated policing/crime prevention to increase their capacity to prevent crime and disorder; and
- Growing the City's law enforcement capacity.

**Establishment of a law enforcement auxiliary member service**

Volunteers can significantly boost deployment numbers. The City has therefore adopted a policy that will allow residents to become auxiliary members of the Law Enforcement Department. This programme will strengthen existing neighbourhood watches by providing them with a dedicated law enforcement capacity. The City will continue to identify and recruit prospective reserve Law Enforcement members to be trained and deployed in this capacity.

**Fire and rescue reserve member service**

A policy for the implementation of a fire and rescue reserve member programme is currently being drafted. The City aims to grow these reservist numbers over the next five years, depending on the availability of financial resources.

**Enhanced speed enforcement capacity**

A specialised traffic officers' component will be at the forefront of the City's adoption of a zero-tolerance approach to speeding and drunk driving. Strategies will include specialised operations to apprehend the offenders in the city, and a 'name and shame' media campaign.

**OBJECTIVE 2.2: Resource departments in pursuit of optimum operational functionality**

**Development of a vehicle replacement policy**

This will entail the effective maintenance of vehicular resources and a well-planned replacement programme for ageing vehicle fleets spanning five, ten and 15 years.

**Invest in specialised units in line with international best practice**

Wherever feasible, the City will develop specialised policing units to focus on specific priority crimes, particularly through intelligence-driven policing. The following units will be kept fully operational:

- Substance Abuse Unit
- Tactical Response Unit
- Metal Theft Unit
- Anti-Land Invasion Unit
- Displaced People Unit
- Camera Response Unit
- Liquor Control Unit
- Equestrian Unit
- K9 Unit
- Problem Building Unit
- Graffiti Control Unit
- Traffic Services Ghost Squad
- Public Transport Enforcement Unit
- Road-Haulage Unit



## STRATEGIC FOCUS AREA 2 THE SAFE CITY

The City will ensure that its specialised policing units are properly equipped with appropriate resources in line with international best practice. The Safety and Security Directorate will accordingly embark on a research study for purposes of developing minimum standards for the resourcing of all its specialised units.

### **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**

The City will implement an effective police management paradigm similar to the well-known CompStat model. This entails the collection and analysis of crime and disorder-related data as well as a mechanism that will ensure accountability of decision makers within the policing environment. The following initiatives will contribute to increased availability of information crucial to intelligent policing:

#### **Full implementation of the ISERMS (Smart Cop system)**

The integrated spatially enabled response management system (ISERMS) will enable the Metro Police Department to coordinate its activities more efficiently. The overall objective of this initiative is to create an integrated information management system that can effectively contribute to law enforcement management. The system will enable management to monitor the City's policing resources in

real time, and to access crucial information on crime and disorder-related incidents and trends, which can be analysed for operational planning purposes. Full implementation of ISERMS in the City is anticipated to take four years.

#### **Introduction of advanced patrol vehicle technology in support of management information**

The introduction of advanced technology for patrol vehicles is currently being investigated, and it is the City's intention to introduce this technology in all three of its policing departments over the next five years. This technology will include an in-car camera system that will allow for the recording of offences, an automated number plate recognition system and a speed-over-distance system that will allow for mobile speed testing. In addition, Traffic Services will equip supervisory staff's patrol vehicles with technology that will enable officers to check for outstanding warrants. This technology will also be linked to traffic officers' handheld radios.

#### **Introduction of gunshot location technology**

Technology that can pinpoint the location of a gunshot has been introduced in a number of American cities in recent years, with remarkable results. The City will investigate the feasibility of this system for use in Cape Town. The system provides real-time data that enable an intelligent police response, increase positive community engagement with police, and improve investigation and forensic analysis. The data obtained through the technology will add considerable value to the Directorate's information management system. Province, SAPS and the private sector will be approached for potential partnerships and pilots in areas with a high incidence of crime and gangsterism.

**PICTURE**

## PICTURE

### Programme 2.3(b): Intelligent crime prevention

The City will continue to investigate and experiment with operational strategies and crime prevention concepts.

### Programme for neighbourhood safety officers (NSOs) per wards and selected schools

The Dutch police concept of 'neighbourhood directing' is the ideal implementation model for the philosophy of problem-orientated policing. It provides for a specific police official to be designated as the safety coordinator and problem solver in a particular area (neighbourhood). These officials are encouraged to identify problems that lead to crime and disorder, work closely with communities and other stakeholders to discover the root causes and, ultimately, develop and implement solutions. Four specially-trained NSOs have been deployed in selected areas in Cape Town, and the programme will now be expanded. This initiative is conducted in cooperation with various international policing agencies.

### Influence urban design to reduce crime and disorder

Crime prevention through environmental design (CPTED) is widely regarded as an effective strategy in the fight against crime and disorder. This approach entails the application of universal CPTED principles to the building of new structures and the remodelling of existing ones. Possible actions that the City can take are to adjust its building regulations to provide for CPTED principles, use its inspection authority to ensure adherence, and instruct that all building plans be scrutinised by suitably trained staff.

CPTED principles are already employed in the City's VPUU programme in Khayelitsha, and guidelines for the implementation thereof have been developed. However, such principles and practices need to be institutionalised in the City, and a policy that will govern the implementation of safety design guidelines will accordingly be developed during this period.

### Information-led special operations

Information-led special operations have contributed much towards the improved official crime statistics in respect of drug-related crime and driving under the influence of alcohol. The Safety and Security Directorate will therefore continue to work closely with SAPS in support of such operations, and the combating of drug and alcohol-related offences will remain high on the operational agenda.

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

#### Programme 2.4(a): Training and human resources development

The ongoing training and development of staff in pursuit of higher efficiency will remain a focus over the next five years. Appropriate policies with regard to recruitment, promotion, annual criminal-record checks of all members, random substance abuse tests and driver's licence authentication will be developed to ensure that the City recruits and promotes the best policing staff and that appropriate screening takes place. The Directorate will also continue to support the bursary scheme in line with the approved skills plan.

## STRATEGIC FOCUS AREA 2 THE SAFE CITY

### **Continue to build relationships with international partners towards the introduction of specialised training interventions**

International law enforcement agencies have provided valuable training to members in recent years, and the City will continue to seek and utilise such opportunities. Specialised guidance and training will be secured for the City's CCTV system as well as school resource officers during this period.

### **Capacity expansion of the City's training colleges**

This will include expanding the staff capacity of Epping Fire and Observatory Metro Police training colleges, maintaining the accreditation of these training colleges, and expanding

the range and quality of training college courses and facilities. The additional human resources yielded by these training colleges will be required for new initiatives, including the following:

- Implementation of a training programme for law enforcement reservists;
- Repurposing Metro Police staff in support of the NSO community-orientated policing strategy;
- Implementation of the Directorate's Wellness and Fitness Policy; and
- Introduction of a training programme on problem-orientated crime prevention.

**PICTURE**

## OBJECTIVE 2.5: Improve safety and security through partnerships

The City aims to expand partnerships with communities, the private sector and other departments and spheres of government. This will include continued support of the Civilian Oversight Committee, which comprises apolitical members of civil society with expertise in the field of community safety, as well as the implementation of law enforcement at public transport interchanges in partnership with transport authorities and SAPS.

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

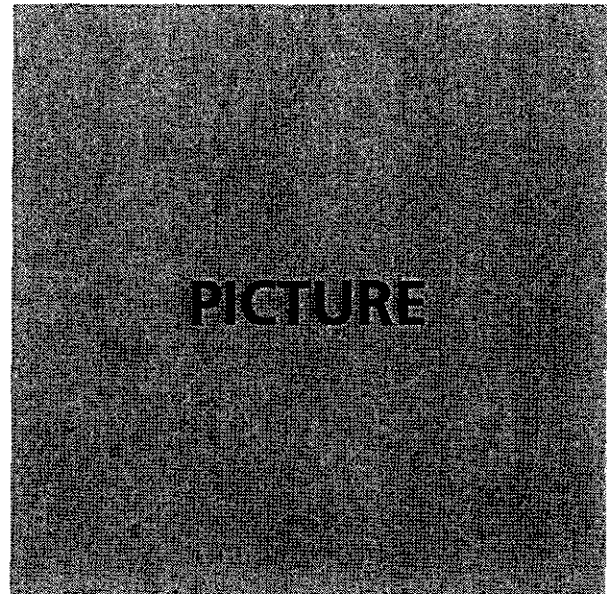
The City will continue to work closely with local communities, relevant government departments and the private sector to strengthen the capacity of communities to prevent crime and disorder. Initiatives in support of this programme include the following:

#### Extend the City's neighbourhood watch assistance project into new areas

The City's neighbourhood watch assistance project was initiated in August 2008, and has as its main objective the strengthening of the crime and disorder prevention capacity of local communities. The project is delivered in conjunction with Province's Department of Community Safety, which is the agency primarily responsible for neighbourhood watches. The project also has the following strategic objectives:

- Ensuring that all members of neighbourhood watches are trained in the principles of problem-orientated crime prevention;
- Achieving self-sufficiency of the targeted neighbourhood watches; and
- Ensuring that select neighbourhood watches achieve the agreed goals.

The Safety and Security Directorate will continue to refine its course content on the principles of problem-orientated crime prevention that is presented to neighbourhood watches. This approach enables neighbourhood watch members to identify the underlying causes of crime and disorder, and to provide guidance on how communities can address such matters. It therefore enables participation in neighbourhood watch activities, without necessarily being involved in patrol activities. The Directorate will also continue to experiment with patrol equipment and other resources in an effort to increase the effectiveness of neighbourhood watches.



#### Expand the Violence Prevention through Urban Upgrading (VPUU) programme

VPUU is a systemic approach to neighbourhood upgrades. It is a multilateral collaboration between the City of Cape Town, Province, KfW, National Treasury, a number of NGOs, and the residents of a specific geographic area.

VPUU aims to prevent violence in these areas and, consequently, to improve the quality of life of the residents. The goals include a general increase in the safety of the beneficiary population, upgrades to neighbourhood facilities, and economic and community development. VPUU implements an integrative strategy combining the following:

- Community participation – Participative planning and engagement are applied in developing an area-specific community action plan that is ratified between the City and local leadership
- Social crime prevention – Changing the harmful social culture of the past into a caring culture that supports victims and limits opportunities for offenders
- Situational crime prevention – Changing the fractured built environment into integrated human settlements
- Institutional crime prevention – Supporting local organisations to take ownership of spaces, and supporting the City to initiate integrated planning, budgeting and the implementation of projects
- Knowledge management – Measuring and assessing progress, providing the basis for continuous adaptation to suit changing and specific local needs, and aiming to replicate and mainstream the approach and methodology into other programmes and initiatives



## STRATEGIC FOCUS AREA 2 THE SAFE CITY

### ✓ Progress update

*The area-based approach has been applied through so-called safe node areas in Khayelitsha (Harare, Kuyasa and Site C) since 2006. Since 2010, the methodology has been mainstreamed into the informal settlements pilot programme in Monwabisi Park, TR Section/Island, BM Section/France, The Heights and Lotus Park. The programme is currently also being expanded to include Manenberg and Hanover Park.*

The programme will be expanded to include the CeaseFire violence prevention methodology, which aims to bring down the levels of violence in gang-infested areas. This will require the deployment of specially trained violence interrupters for purposes of mediating conflict between gangs, and intervening to stem the threat of retaliatory violence after a shooting incident, as well as outreach workers to support the youth and connect them with the necessary support services.

### Joint law enforcement initiative

The City is exploring the possibility of entering into formal agreements with certain NGOs and parastatals in terms of which specialised law enforcement services may be delivered. Such initiatives will allow for financial and other resource contributions by outside organisations, and will bolster the City's crime and disorder prevention capacity. Currently, negotiations are under way with the Animal Welfare Society of South Africa, Transnet and Eskom. The finalisation of agreements with these organisations will be actively pursued. In addition, the City will seek to initiate law enforcement at public transport interchanges in partnership with transport authorities and SAPS.

### Introduction of a Youth Academy

A policy is being developed for the introduction of a Youth Academy for the City's three policing departments. This initiative will be delivered by means of two models: a police camp programme and a school resource officer programme. The main objectives of these programmes will be to improve school safety and foster an interest in, and understanding of, the law enforcement profession among learners.

The police camp programme will be a week-long programme delivered at Metro Police facilities during school holidays, and will present learners with an opportunity to experience what it is like to be a police officer. The school resource officer programme will be delivered in schools by specially trained Metro Police members. School resource officers will be responsible for:

- providing a safer school environment;
- promoting respect for police/law enforcement officers;
- encouraging learners to be partners in building safer schools and communities;

- inspiring the youth to assume their own role as champions of justice;
- teaching life skills and cultivating personal accountability;
- providing youth with a better understanding of law enforcement;
- providing a high-quality recruiting source for law enforcement departments; and
- providing youth with better insight into career opportunities in the criminal justice environment.

The initiative will be implemented in close cooperation with the provincial departments of Education, Community Safety, and Cultural Affairs and Sport. The American State Department also indicated its willingness to provide expert guidance to the City during the initial phase.

### Civilian oversight

The City's Civilian Oversight Committee (CIVOC), which has an oversight function in respect of the Metro Police, Traffic Services and Law Enforcement, has now been active for five years. It continues to set the benchmark for effective oversight across the country, and has contributed significantly towards the achievement of open and democratic policing in the City. The Safety and Security Directorate will continue to support CIVOC in exercising its oversight role, and welcomes the committee's contributions.

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

Fire warden and emergency coordinator programmes The Disaster Risk Management Centre will continue to increase the number of fire warden and emergency coordinator programmes provided for commerce and industry. It will also continue to present events safety courses for events organisers and emergency services personnel.

### Disaster risk public awareness

The Disaster Risk Management Centre will also continue to increase the number of public awareness and preparedness sessions it conducts with at-risk communities in informal settlements. These sessions aim to raise awareness regarding the hazards of fires and floods, climate change, etc. This initiative will also entail the development of risk-specific pamphlets for distribution among identified communities, as well as industrial theatre performances on specific themes relating to identified risks. Such interventions will contribute significantly to positive behavioural change towards conforming to risk reduction initiatives, which could result in a decrease in the number of fire and other life-threatening incidents.

### STRATEGIC FOCUS AREA 3: THE CARING CITY

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## STRATEGIC FOCUS AREA 3 THE CARING CITY



### SFA 3

This SFA is aligned with Province's objectives of increasing access to safe and efficient transport, increasing wellness in the province, developing integrated and sustainable human settlements, mainstreaming sustainability, optimising efficient resource use, poverty reduction, and integrating service delivery for maximum impact. It is also aligned with the following National Government outcomes:

- Outcome 2 – A long and healthy life for all South Africans
- Outcome 8 – Sustainable human settlements and improved quality of household life
- Outcome 9 – A responsive, accountable, effective and efficient local government system

The City contributes towards Millennium Development Goal 4, 'Reduce child mortality'; Goal 5, 'Improve maternal health'; Goal 6, 'Combat HIV/Aids, malaria and other diseases', and Goal 7, 'Ensure environmental sustainability' through the implementation of the environmental and primary health-care programme.

The City is committed to becoming more caring. By this, we mean doing all we can to build a metro in which we create a sustainable environment; where everyone feels at home; where all people have access to services; where those who need help, receive it, and where we do all we can to make the city a desirable place to live.

While government cannot do everything for its citizens, it can use its powers to create an environment that serves the needs of the people who live in it, and preserve it for future generations. Building a caring city is therefore an investment in social and environmental resources – an investment that ranges from human settlements, including informal settlements, to social services, community facilities and others.

These all take place around the cornerstone poverty-alleviation policy of indigent relief. This includes providing rates rebates to poorer people according to differing scales of need, so that those who need help the most, receive it. Ultimately, it is an investment in the city for the benefit of the people who live in it.

### Human settlements

One of the City's biggest challenges relates to growing informality – the expansion of informal settlements and the rising number of households living in makeshift shelters in backyards. The City needs to ensure innovative human settlements and housing for those in need.

To meet this need, the City will assess the possible sale or transfer of rental stock to clearly identified beneficiaries according to established criteria. Where possible, this will allow for a sense of ownership for community members, and for the City to focus on other rental stock and new settlements, while being cognisant of certain limitations, such as sectional title deed limitations in City-owned apartment blocks.

From the perspective of creating more resilient cities, the mechanisms for future housing design, production and

delivery may need to be more participative, flexible and responsive to household needs and capacities (including budgets). The City is committed to upgrading informal settlements in different parts of Cape Town. The five-year housing plan for 2012 to 2017 sets out a range of strategies for upgrading the living conditions of people in informal settlements and makeshift backyard structures, and steadily stepping up access to shelter by providing incremental housing – starting with the provision of adequate services such as access to electricity, water and sanitation.<sup>39</sup>

Interventions will require significant additional capital investment, together with a fundamental reconsideration of how to deliver more housing, more rapidly, in a more integrated, sustainable manner. Key elements for successful urban restructuring include higher-density housing developments in well-located areas, major improvements in public transport to link fragmented places, and higher employment levels in townships and informal settlements.

A more compact urban form, however, should not mean losing access to public green and open spaces, and neighbourhoods will have to be designed with amenities that can foster a sense of community and social interaction. This will advance social inclusion and increase the liveability of compact environments.

### Effective environmental health services

Water quality is an important environmental health issue, especially in relation to maintaining the quality of coastal water and inland water bodies. Overall, the majority of coastal water points on the False Bay and Atlantic coast comply with coastal water quality guidelines. The City's Blue Drop score for 2012 increased to 98,14% (up from 97,61% in 2011), but despite this improvement, the City dropped from second to sixth position in the overall rankings. Monitoring the quality of Cape Town's drinking water remains a service delivery priority.

39 A strategy to provide basic services to informal settlements will be implemented. The development of an integrated human settlements plan includes not just houses, but all community facilities such as cemeteries, sports facilities and libraries. See City of Cape Town Five-Year Integrated Housing Plan 2010/11 – 2014/15.

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### Air quality management and pollution control

The City of Cape Town aims to source at least 10% of the metro's energy from renewable sources by 2020, and to reduce its dependence on coal-based energy. A key strategy to improve air quality is to reduce the amount of CO<sub>2</sub> and other harmful gases emitted by the excessive amount of private cars on Cape Town's roads, and to encourage greater use of mass public transport and non-motorised modal options.<sup>40</sup>

### Substance abuse treatment and rehabilitation services

A key component of the City's primary health-care service is addressing the high incidence of drug and alcohol abuse in Cape Town, with the aim of encouraging drug users to adopt alternative, more constructive behaviours.

While City support for facilitating the conditions to grow the local economy is vital, it is not enough in itself. The City will need to explore alternatives, and must engage strategic partners and stakeholders on how best to coordinate and deliver social programming and social entrepreneurship with a view to reducing inequality and amplifying programmes and activities that break down old patterns of racial inequality and discrimination.

In order to achieve these goals, the City has identified the following eight key objectives:

- **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 health-care services; and
- **Objective 3.8:** Provide substance abuse outpatient treatment and rehabilitation services.

40. Among the modes to be integrated are Metrorail services, road-based services on main routes, conventional bus services, minibus taxis, feeder bus services, pedestrian and bicycle access, metered taxis and park-and-ride facilities.



## STRATEGIC FOCUS AREA 3 THE CARING CITY

### **OBJECTIVE 3.1: Provide access to social services for those who need it**

#### **Programme 3.1(a): Number of targeted development programmes**

#### **Community and social development programmes**

The City will ensure access to, and use of, community facilities manned by skilled and suitably trained staff. It will provide relevant and adequate library collections in both printed and electronic format, and offer development projects and programmes and value-added services in support of the communities' informal and formal educational, cultural, recreational, sports development, information and life skills needs.

The City will actively forge partnerships to empower local communities and users of community facilities to assist with the management of those facilities as well as the necessary development programmes and the promotion of increased facility use.

#### **Library and Information Services – programmes**

The City will endeavour to form partnerships with other Friends of the Library associations, explore the establishment of new Friends organisations, and set up linkages with other entities to enable libraries to deliver programmes and services that are relevant and responsive to the communities they serve. These will include storytelling and reading programmes, holiday programmes and HIV/Aids awareness and prevention displays and programmes as well as other events and fundraising activities.

#### **City Parks – programmes**

The City will explore the potential for PPPs with regard to both existing and new parks. These could include agreements between private stakeholders and the City, in terms of which the private stakeholders will fund the upkeep of parks in exchange for some benefit, such as advertising rights, in accordance with existing and new regulations.

The City will continue to facilitate the development of a community gardening programme in community parks. Four pilot projects have already been initiated, and the establishment of formal agreements will be pursued. The City will also develop a parks activity programme, using local community facilities for recreation and social programmes in parks.

The City will work towards establishing community gardens in each of its districts. Gugulethu, Mitchells Plain, Blue Downs and Bonteheuvel will serve as pilot sites, after which the initiative will be rolled out to other areas. These community gardens are critical to enhancing the aesthetic value of neighbourhoods and to contribute to the overall well-being and social development of communities by providing outdoor social and recreational areas.

#### **Sport, Recreation and Amenities programmes**

With community involvement, the City will transform community centres into centres for community development (recreation hubs), where activities and development programmes will take place throughout the week. The intention with the establishment of the recreation hubs is to increase community involvement, promote the use of the City's facilities, encourage mass

PICTURE

participation, increase and consolidate partnerships, increase volunteerism, and consolidate the institutional framework that governs the City's relationship with its various partners.

This roll-out of the recreation hub programme will be undertaken in partnership with the private sector, institutional framework affiliates, the municipal facility management committee, the local and district sport and recreation councils, NGOs, community structures and ward committees.

### Recreational programmes

The City budgets approximately R1,2 million per year to support a strategic partnership with district sports councils in respect of community centres, and facilities that are more appropriate for the delivery of core services have been identified. Funds for these facilities will be allocated from the repairs and maintenance budget.

### Social development and early childhood development (ECD)

To enable the seamless delivery of social services and programmes to residents of Cape Town, the number of designated districts within the health district model will be expanded from four to eight. In addition, the extended implementation protocol agreement between Province and the City will help to share programme delivery responsibilities for certain priority focus areas.

The ECD period, from birth to age six, is the most critical time in a child's development, during which children require the most care and support. The ECD period is when cognitive stimulation, nutrition and emotional attachment all work together to shape the identity, coping skills, intelligence and problem-solving abilities that children will need to grow into positively adjusted adolescents and adults. The aim of the programme is therefore to offer quality ECD services with a variety of development components, such as ECD training, expansion and awareness, as well as the construction of ECD facilities.

### ECD training, expansion and awareness

In respect of training, expansion and awareness, the City will run a programme comprising awareness raising, organisational development, entrepreneurial training and development, the improvement of child safety, provision for wellness and nutrition needs, the improvement of practice standards, and training and awareness raising on the needs of children with disabilities or special-care requirements, such as those suffering from foetal alcohol syndrome and HIV/Aids. There are approximately 2 000 unregistered partial-care facilities in the metropolitan area, many of which are in informal settlements. There is however a need for programme realignment in terms of future ECD centres of excellence.

### Construction of ECD facilities

Facilities that are to be constructed will be centres of excellence, which, besides being facilities for children, will serve as multipurpose centres used by the broader community as well, such as for training.

### Street people

A key City objective is to reduce the number of its citizens living on the streets. It seeks to achieve this through the implementation of its street people programme. The programme is aimed at developing and implementing projects to effectively reduce the number of people living, sleeping and surviving on the streets, and at ensuring that street people are given the necessary development assistance to achieve reintegration with society, accommodation and employment. The programme entails the following key projects and interventions:

- Rehabilitation and community reintegration of people living, sleeping and surviving on the streets;
- Focused, proactive activities aimed at youth and adults at risk. Programmes include after-care services for youth at risk in communities of origin, and assistance for parents of youth at risk;
- Providing a safety net for those individuals that are reintegrated with their communities of origin;
- Providing support, monitoring and assessment of individuals reintegrated with their communities of origin;
- Providing a seamless interaction between reintegration and follow-up services;
- Providing a complete assessment of general physical and mental health, including aptitude tests where possible, to ensure appropriate skills training;
- Providing rehabilitation and detoxification programmes, where required;
- A winter readiness programme to keep homeless people occupied through a series of activities and life skills training programmes, with a view to reintegrating them with their communities; and
- Implementation of the Give Responsibly campaign to encourage tourists and the general public not to give hand-outs to persons begging on the street, but rather to give responsibly through the various official mechanisms that the City and its partners have put in place.

### Youth

The City is committed to the development of its youth, and recognises the important role they play in society. In order to accomplish the objective, the City will improve its capacity to deliver on the various programmes.

## STRATEGIC FOCUS AREA 3 THE CARING CITY

The programme interventions supporting youth development are multifaceted, taking into account the many challenges facing the youth. The following three major youth programmes will be implemented across the city:

- Skills development, including personal assessment, development plans and career pathing, entrepreneurial skills, income opportunity skills and computer skills development;
- Capacity building in the fields of organisational development, leadership skills training, moral regeneration and train-the-trainer initiatives; and
- Greater awareness about youth at risk, teenage pregnancy, HIV/Aids, substance abuse, risk of involvement in gangs, and so forth.

### Building of inclusive communities

The aim is to facilitate the development of a healthy and socially inclusive society. The development of programmes that focus on the well-being of the most vulnerable and marginalised will turn the notion of 'a caring city' into a practical reality, with an emphasis on the poor, vulnerable and marginalised.

### Poverty alleviation

Being a caring city requires a targeted effort to care for the marginalised and vulnerable in Cape Town. Given the current economic environment of ever-higher unemployment and the increasing number of residents living below the poverty line, indigent programmes and other economic enabling measures require urgent attention.

Collaboration with a range of partners is essential. This will require corporate social investment as well as

social entrepreneurship initiatives to create sustainable opportunities and promote independence over time. Business incubators with mentorship schemes will be a critical intervention. These will be based in impoverished communities, and will teach entrepreneurship and business management.

### People living with disabilities

The programme recognises the various challenges experienced by people with disabilities. Some of the programme interventions developed to respond to these challenges include:

- training aimed at enhancing understanding of disability;
- demystification of disability, and breaking down negative stereotypes; and
- improved coordination within the disability sector.

### Substance abuse

Substance abuse is a priority area, given the high incidence of drug and alcohol abuse in Cape Town. The City will continue to work with Province in rolling out various programmes to support the users, capacitate victims and aid the social structure within which the user exists.

The City will collaborate with partners at local and provincial level to offer initiatives that promote awareness of substance abuse and provide support for the substance abuse programme. These initiatives will include the establishment and support of community-based local drug action committees as well as community-based preventative interventions. The matrix clinics will be expanded for broader metro coverage and outreach to affected communities.

PICTURE

## Gender programme

The City seeks to create an enabling environment for the provision of services that are gender-sensitive and that ensure:

- the development of gender indicators and targets within the IDP as well as business and service delivery plans to explicitly ensure that City programmes, projects and budgets are directly addressing the practical and strategic needs of both women and men; and
- an increase in the skills, knowledge and awareness of officials and politicians within the City of Cape Town to ensure their ability to transform the culture and practices of the organisation.

The challenge is to move beyond empowerment to more concrete actions. One such action would be to engage Supply Chain Management to ring-fence funds to be spent on women-owned businesses that tender for City projects.

## Social preparation

The programme will include proactive engagement of residents in community-based projects, with the ultimate aim of nurturing cooperation based on mutual trust and respect between the City and its communities. The ultimate outcome will be seamless, sustainable service delivery.

## OBJECTIVE 3.2: Ensure increased access to innovative human settlements for those who need it

### Programme 3.2(a): Innovative housing programme

The Human Settlements Directorate has undergone strategic changes to its functional and managerial structure to enable it to successfully deliver on the objectives associated with developing sustainable integrated human settlements in line with the City's strategic focus area of being a Caring City. The City also continues to utilise the range of available national housing programmes to create innovative, integrated and sustainable human settlement development for its poorest communities, most of whom depend on the state for their housing needs.

These programmes allow the City to develop different forms of housing opportunities with different tenure options, ranging from in situ upgrades of informal settlements, to rental housing in the form of community residential units (CRUs), which also include hostels that have been converted into family units, institutional and social housing, as well as homeownership opportunities such as Breaking New Ground (BNG) for qualifying subsidy beneficiaries, and gap housing at the lower end of the private property market.

To realise the above, the City uses various grants received from National Government. The Urban Settlements Development Grant (USDG) and the Human

Settlements Development Grant are used, individually or in combination, not only to develop services and top structures within human settlements projects, but also to provide basic services, bulk infrastructure and community facilities to ensure a more robust and sustainable built environment.

## Identifying land and planning housing developments along the city's development corridors

The delivery of integrated human settlements depends on the availability and acquisition of suitable, well-located land. The City is engaging the land-holding departments of National, Province and the Housing Development Agency and other parastatals to unlock suitable large and small pockets of state-owned land in Cape Town.

Large tracts of privately owned land in Cape Town are limited, and the scarcity of such open land has had the effect of inflating land prices. The City will continue to engage private landowners where such land is suitably located, and aims to secure – through various means – a further 150 to 300 ha in the coming five years for longer-term development (15 to 20 years).

### Land planning

The Human Settlements Directorate is involved in three levels of planning: programme planning, area planning and site planning. In addition, it maintains a geo-database of all land parcels that come up for discussion as potential projects. At present, this database contains over 1 000 discrete parcels and 235 ha of land.

### Programme planning

The City has formulated several programmes, such as the informal settlements upgrade strategy, the backyard improvement strategy and, most recently, the urbanisation strategy. Each has land implications. For instance, the majority of informal settlements require a percentage of their occupants to be relocated to another piece of land, while urbanisation projections imply land-banking. The City has therefore been identifying land to match the demands generated by housing programmes.

### Area planning

Large land holdings bought in recent years will be planned, subdivided and converted into projects. The mandate is to create integrated settlements, so it is essential that area planning such as Langa and Fisantekraal includes commercial, community and industrial land uses, appropriate transport routes and infrastructure networks. In the coming years, land in Macassar and Darwin Road is to be developed in this way. Area planning of any large parcels of state land to be released for housing development will be prioritised.

## STRATEGIC FOCUS AREA 3 THE CARING CITY

### Upgrades of informal settlements

The City has embarked on a strategic plan to improve the living environment of families in its 204 informal settlements areas.

The following objectives form part of this strategy:

- Establishing local offices to serve informal settlements;
- Optimising land availability through the reblocking process;
- Improving service delivery;
- Security of tenure;
- Improving quality of dwellings;
- Establishing development partnerships;
- Participative planning;
- Partnership-driven coordination;
- Communication.

### Land for emergency housing circumstances

The City will proactively but also on an ad hoc basis identify suitably located sites where it can accommodate households in terms of the provisions of the National Housing Programme for Housing Assistance in Emergency Housing Circumstances (prescribed in the National Housing Code, 2009).

The City has conceptualised a process and product that is quicker to deliver and is premised on being permanent, albeit incremental – hence the name incremental development areas (IDAs). A number of possible IDA locations have been identified. These will be planned and developed in the coming three years, and more such sites will be identified across the city.

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

The City will use land it owns to address socio-economic issues, while City departments will collaborate in aligning asset deployment for the same purpose. An immovable property asset management framework will be developed to enable fact-based decision making on asset life-cycle management, with more effective use and deployment of assets to facilitate social development.

These initiatives provide a substantial opportunity to drive optimal use of immovable property, entrench accountability for effective asset management (value/maintenance), and promote the availability of immovable property assets to be used for social purposes and potential business sites owned by the City be disposed of, to promote economic growth.

### Providing beneficiaries with secure freehold title as prescribed in national policy

The City aims to ensure that title deeds are given to all who are eligible. To this end, once a subsidy has been extended to a beneficiary, the certificate confirming the title to a residential property will be issued.

The first initiative in this regard is to convert leasehold titles to freehold titles. The State Attorney's office has requested the opening of a township register for all former African townships, where the leasehold tenants will become title holders. This process is under way and will result in significant transfers.

Many low-income families who bought their properties before 1994 funded these using loan finance, as per government policy at the time. Since the houses then were not free, owners were required to repay the loan value in instalments. Effectively, the state served as banker and issued these 'loans', but also retained title. Approximately 2 400 such serviced-site plots are still to be finalised in Cape Town, and 4 500 houses remain registered in the name of the National Housing Board. In both instances, operational procedures are in place to effect these transfers once final payment has been received.

Post-1994 housing projects in which title deeds have not yet been issued have recently been highlighted in research conducted by the City and Province. A co-ordinated operational process with the Province is being put in place to resolve all historical title deed problems.

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

Many schools are underfunded and, thus, unable to protect and maintain their huge grounds. Unused portions are fenced off, which exposes them to illegal dumping, invasion or security issues. It is now also widely conceded that many of the vacant suburban school sites will never be developed, and existing schools will need to carry the load.

As a consequence, a review process has been started between the City and Province's Department of Education, in which all vacant educational assets are being assessed in terms of whether they should be released to other forms of development. In particular, the urgent need for housing across the city makes these sites ideally suited to delivering well-located, affordable housing for local residents. Several sites have already been identified, and will be individually assessed.

### Programme 3.2(d): Integrated human settlements programme

The City is committed to creating sustainable, integrated human settlements rather than merely providing low-cost housing. Therefore, the City is actively pursuing the transfer of the human settlements function for Cape Town

from National Government and Province. In addition, as part of the strategic changes to its functional and managerial structure, the Human Settlements Directorate has restructured its New Housing Department and created a Development and Delivery Department incorporating units that addresses community and project facilitation, implementation, land reform, technical services and implementation. This will enable the City to fast-track a range of housing projects that will deliver serviced sites, with and without top structures, social and gap housing as well as planned non-residential even for social and economic opportunities. The City will also ensure that beneficiaries for the various housing projects are selected in terms of its housing allocation policy, to ensure a fair and transparent process.

Addendum A to this IDP, entitled 'Housing projects', provides details of the various housing developments that are currently being implemented across the metro, projects in various planning stages, as well as short-term to medium-term anticipated projects, which are delivered through the use of the wide range of national programmes and instruments available. The City is also developing guidelines on how to deal with the growing number of families who, for various reasons, do not qualify for housing subsidies.

#### **Gap (affordable) housing**

The term 'gap housing' refers to houses that are provided to households earning between R3 501 and R15 000 per month, which households are not provided for by the private sector or the state. The number of people seeking homes in the R150 000 – R350 000 price range has been growing steadily in the last ten years. The Human Settlements Directorate recognises the critical importance of supplying houses within this price range for the proper functioning of the overall residential housing market. In this spirit, the City has undertaken the sale of serviced plots at reduced prices to enable buyers to build their own homes on a piecemeal basis via access to short-term loans or with employer assistance.

At the upper end of the gap spectrum, a second initiative is in place. Well-located parcels of municipal land have been made available to social housing partners and banks to build homes with bond finance. Twelve such parcels have been released for development by banks, while 90 have been released to emerging developers. Ownership will be registered with the buyers and not the developers.

#### **Programme 3.2(e): Densification programme**

Rapid and continuous low-density development is threatening the long-term sustainability of Cape Town. Densification is necessary to reverse this trend, and to support the efficient functioning and viable provision of services such as public transport, while improving the quality of the built environment and safety.

The City's densification programme includes the identification of public and private land to use for property development. An important component of this is growth management, which includes densification, utilising the urban edge, and optimal and sustainable use of land through densification in transport corridors and economic nodes. To ensure densification on well-located land, infill housing developments will also be pursued. The City of Cape Town aims to improve housing density per hectare, and will implement the following over the next five years:

#### **Supportive policy framework**

A citywide density-related policy is supported by more detailed district-based SDPs, local density plans and urban design guidelines and policies (e.g. tall buildings policy and public open space policy). To ensure a sound understanding of the policy by officials, councillors and the public, information-sharing and training sessions will be held.

#### **Proactive promotion of densification in prioritised locations**

The City will investigate the financial, design and institutional mechanisms to facilitate the development of affordable multi-storey BNG ownership and rental housing, and improve the form and quality of living environments in subsidised-housing areas. Pilot projects will be initiated to test the viability of separately metering and charging for services in backyard and second dwellings.

#### **Monitoring and evaluation**

Through its Built Environment Performance Plan, the City will implement a monitoring and evaluation system that assesses progress with regard to densification, and identifies and flags infrastructure-related issues.

#### **Development corridors**

The City will continue to identify and promote high density housing development along approved transport and development corridors in order to support densification.

#### **Programme 3.2(f): Rental stock upgrade programme**

The City will be phasing out the current funding arrangements of the upgrade its existing non-saleable rental stock, and will work with the private sector to develop and maintain affordable rental housing units. The building of new rental stock and the upgrade of existing high-density hostels into family units will cater for families who prefer rental housing and earn less than R3 500 per month.

## STRATEGIC FOCUS AREA 3 THE CARING CITY

### ✓ Progress update

The City has spent approximately R818 million of the approved budget of R1,2 billion of an initial five-year programme to undertake major refurbishment and upgrades of its rental stock. Work has been completed in Scottsville, Scottsdale, Uitsig, Woodlands, Connaught and Kewtown. Work is also continuing and near completion in Manenberg, The Range, Hanover Park, Heideveld and Ottery.

This City initiative has been widely recognised as being innovative, and has received awards from the Southern African Housing Foundation and the South African Institution of Civil Engineering, among others. Once this initiative has been completed and implemented, it is anticipated that service delivery to the City's tenants will be more efficient and staff functions streamlined. The City is investigating alternative funding measures when considering any future phases of the upgrade programme.

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

A maintenance policy will soon be finalised to guide private service providers and staff in undertaking maintenance repair tasks on City-owned rental properties. These initiatives will ensure that more people experience the improvement in the maintenance of Council rental stock. At the same time, the City has plans to sell and transfer the balance of its saleable rental units to tenants currently occupying those units.

#### Programme 3.3(a): Rental stock disposal programme

During the 1980s, government initiated the discount benefit scheme to encourage tenants and sales debtors to acquire ownership of their saleable housing units. The following property categories were identified as saleable:

- Free-standing houses – Individual rental units on defined and designated pieces of land;
- Semi-detached houses – Rental units that share common walls with their neighbouring units;
- Terraced houses (row houses) – Rental units that have at least two common walls with neighbouring units, usually on either side of the house;
- Maisonettes – Generally, rental units that have two dwelling spaces, one on top of the other, but share common walls with neighbouring units.

The enhanced, extended discount benefit scheme was established to support the sales campaign.

Approximately 16 300 of these rental units are earmarked for transfer to tenants over the next three years. The calculation of the various sale prices has been approved, and the City is also investigating ways in which tenants may be assisted with the payment of the transfer fees. The

City is running an ongoing sales campaign and Council has recently approved an Enhanced Debt Management initiative based on a Co-payment Incentive by the City for homeowners and tenants who make arrangements to pay housing arrears within the specified terms and conditions which will fast-track the disposal programme.

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

#### Programme 3.4(a): Anti-poverty programme

In order to improve living environments and as part of the Urbanisation strategy, issues of service delivery to the poor are being addressed albeit in Informal Settlements or Backyards. A major challenge in this regard is the location of some settlements relative to bulk infrastructure.

Also where existing infrastructure does exist, increase in capacity for especially Electricity supply would be required.

Also high densities and accessibility to structures pose further debilitation to increased speed of improved provision.

Further any UISP program will consider economic and social development opportunities.

Where possible, when any intervention is done, consideration is first given to doing work through EPWP means before considering mechanised means.

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

The informal settlements Development Matrix is now an integral part of the urbanisation framework and strategy, and supports programme 3.4(a) above.

The Development Matrix allows for:

- a) Knowing as much as possible about all Informal Settlements; capturing this spatially; levels of service; limitations and encumbrances.
- b) Prioritisation of Informal Settlements for the order of development after considering whether total relocation or partial de-densification is required.
- c) Linking land to each Informal Settlement (where required).

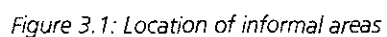
With respect to provision of basic services: (Water and Sanitation; Electricity; Refuse removal)

#### Water and Sanitation Program

In its striving to providing a water and sanitation service to all households, the Human Settlements Department will assist with identifying and causing relocation to improve the levels of service to ensure the provision of clean, safe portable water and efficient sanitation services (via the implementing line department of Utilities).

Where it is not possible to provide Water borne sewerage alternative technologies are used with an elaborate servicing program.







## STRATEGIC FOCUS AREA 3 THE CARING CITY

### Minimum service levels for informal settlements

The following recommended minimum service levels will be implemented to provide access to water and sanitation in the city's informal settlements:

Table 3.1: Recommended minimum water and sanitation service levels

Category	Land type	Bulk infrastructure	Distributed space available within settlement	Service standard
A1	Government-owned land, occupation permitted	Available within economical distance	Adequate	1
			Inadequate	2
		Not available within economical distance	Adequate	3
A2	Private land, occupation permitted	N/A (No investment on private land allowed)	Inadequate	4
			Adequate	3
B	Adverse physical conditions, temporary occupation	N/A	Inadequate	4
			Adequate	3
C	Occupation prohibited	N/A	Inadequate	4
			Adequate	3

#### No. Service standard target

1. Water-borne sanitation 1:5, taps 1:25
2. Managed, all-in-one, water-borne ablution facility with janitorial service, supplemented by portable flush toilets on demand. Incorporates taps and basins to 1:25.
3. Container or dry sanitation to technology-specific household ratio. Taps to 1:25.
4. Managed, all-in-one, conservancy tank ablution facility with janitorial service, supplemented by portable flush toilets on demand. Incorporates taps and basins to 1:25.

Note: All service points to be within 100 m walking distance of households served.

The service delivery programme is centred on the eradication of service delivery backlogs in the informal settlements. It is a five-year programme that was initiated in the 2010/11 financial year. The programme is aimed at eradicating the backlog by the 2015/16 financial year.

The following table reflects the backlog eradication programme over the period 2012/13 – 2016/17:

Table 3.2: Backlog eradication programme

SANITATION	Baseline June 13	Gap	Step	2013/14	2014/15	2015/16	2016/17	Total Cost (R/M)
% Informal settlement HH serviced*	100%	0,0%	0,0%	100%	100%	100%	100%	
Toilets needed for backlog eradication				0	0	0	0	
Additional toilets to sustain/enhance service levels				3 100	3 100	3 100	3 100	
Capital requirement (R/M)	@ R10 000 per unit average			–	R 31,00	R 31,00	R 31,00	R 93,00
Allocated budget (R/M)	Current 5 Year Plan			–	R 20,00	R 20,00	R 20,00	R 60,00
Toilet shortfall	@ Allocated Budget			–	0	0	0	
% Informal settlement HH serviced	@ Allocated Budget			100%	100%	100%	100%	
% HH Basic Service Shortfall	@ Allocated Budget				0,0%	0,0%	0,0%	

WATER	Baseline June 13	Gap	Step	2013/14	2014/15	2015/16	2016/17	Total Cost (R/M)
% Informal settlement HH serviced*	100,0%	0,0%	0,0%	100,0%	100,0%	100,0%	100,0%	
Taps to needed to eradicate backlog				0	0	0	0	
Additional taps to sustain/enhance service levels				1 020	1 040	1 070	1 100	
	@ R3 000 per unit average							
Capital requirement (R/M)	Current 5 Year Plan			–	R 3,12	R 3,21	R 3,30	R 9,63
Allocated budget (R/M)				–	R 3,00	R 3,00	R 3,00	R 9,00

\* According to National minimum basic service standards

### Refuse collection and cleaning programme

All known informal settlements in the City of Cape Town receive a weekly door-to-door domestic refuse service, with free plastic bags provided. The filled bags are collected and taken to storage containers, from where they are removed to landfill twice a week. There are also ongoing litter-picking and illegal-dumping removal services in each settlement. These services are contracted out on three-year tenders, which stipulate that only local labour from the given areas may be employed.

Currently and in the short term, the focus will be on improving the monitoring of contractors' services, so as to ensure that all the residents receive a quality and efficient service.

### Electrification programme

Electrification entails the provision of electricity to qualifying low-cost housing developments, backyarders and informal settlements within the metro. This function covers the provision of infrastructure to enable electrification of qualifying sites with funding from both municipal and national resources. The metro electricity supply area is divided between Eskom and the City, and both entities have programmes for electrification. These electrification programmes are aligned with those of the City's Human Settlements Directorate.

### Re-blocking Programme

The Re-blocking programme now also forms an important part of the Urbanisation Strategy that leads to reconfiguration of structures into a more rationalised layout, fostering a safer environment; creating better living conditions and enabling easier access for the provision and servicing of basic services and emergency vehicles. This is an initiative which is done in collaboration with the community and NGO's, contributing to more cohesive neighbourhoods. It also provides a platform for incremental upgrade to formal tenure and ownership rights.

The areas that have been identified for UISP which are in a planning stage will move into implementation stage and

similarly new areas will be identified to move onto the planning matrix, such that a pipe line of projects is created.

### Programme 3.4(c): Backyarder service programme

This programme involves the improvement of living conditions of people living in the backyards of City rental stock by providing better access to municipal services. These services will include water, sanitation, refuse removal and electricity.

Pilot programs of Factreton has been completed and Hanover Park is well underway.

Further areas have been identified for accelerated roll out, having learnt lessons from the pilots.

A policy for the program has also been initiated.

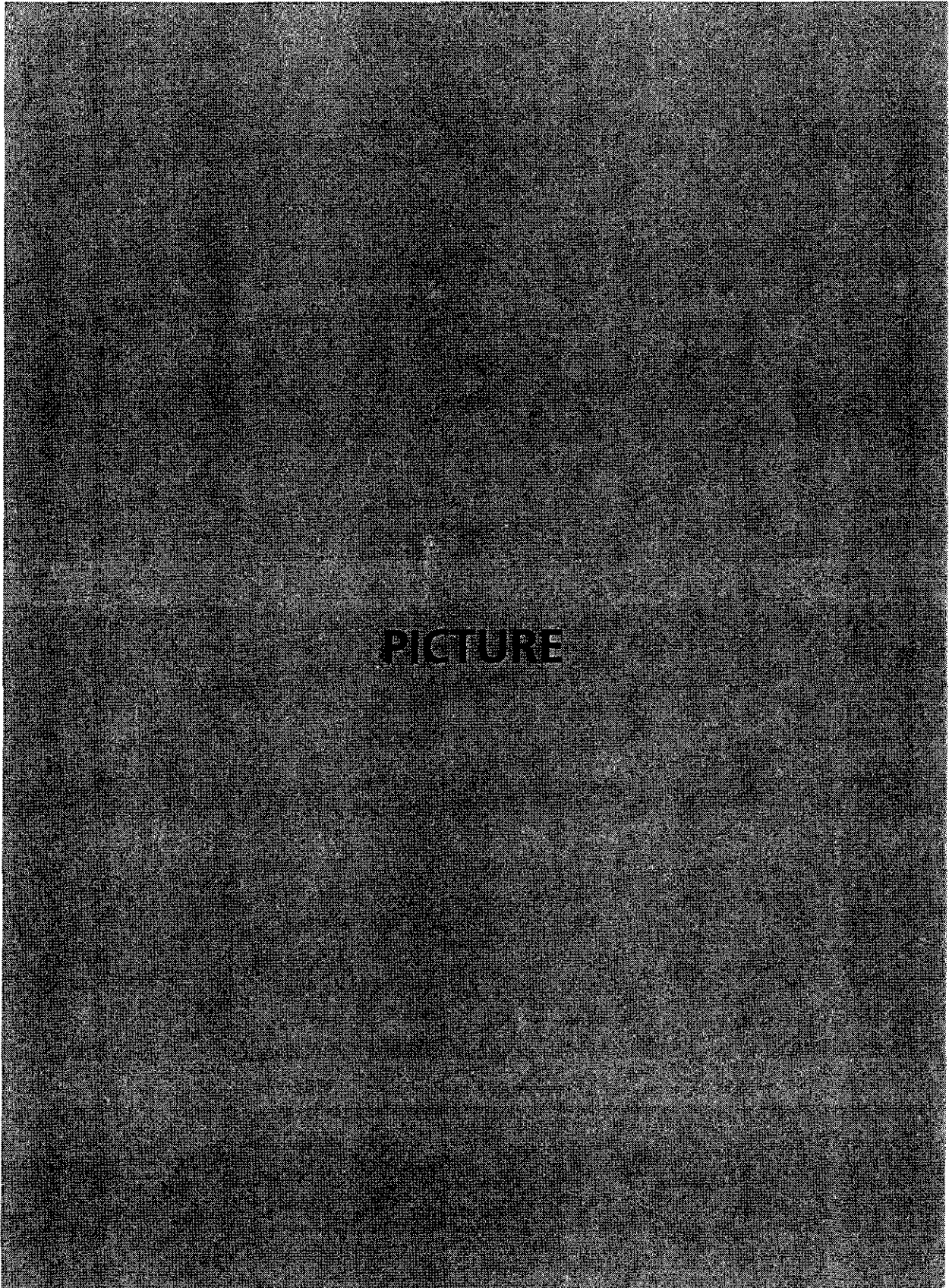
### Programme 3.4(d): Energy services programme

This programme is aimed at Reconstruction and Development Programme (RDP) houses, backyard shacks, City-owned houses and informal dwellings, where suitable. It aims to improve the provision of energy services to low-income households. Basic energy costs take up a significant percentage of these households' monthly income, so by reducing these costs, the City will be helping to improve their quality of life.

Some of the challenges in this programme include regulatory considerations around budgeting for City spend on private households, and difficulties associated with raising adequate grant funding. An estimated 40 000 RDP households are currently without ceilings (as built up to 2005), and the future of the Eskom rebate on low-pressure solar water heaters is uncertain.

In addition to helping to meet the needs of all Capetonians, this initiative holds enormous job creation potential in the manufacturing, installation and maintenance sectors. Many of these jobs can be created within the actual communities receiving the services, resulting in skills development and community upliftment.

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**STRATEGIC FOCUS AREA 3 THE CARING CITY**

**PICTURE**

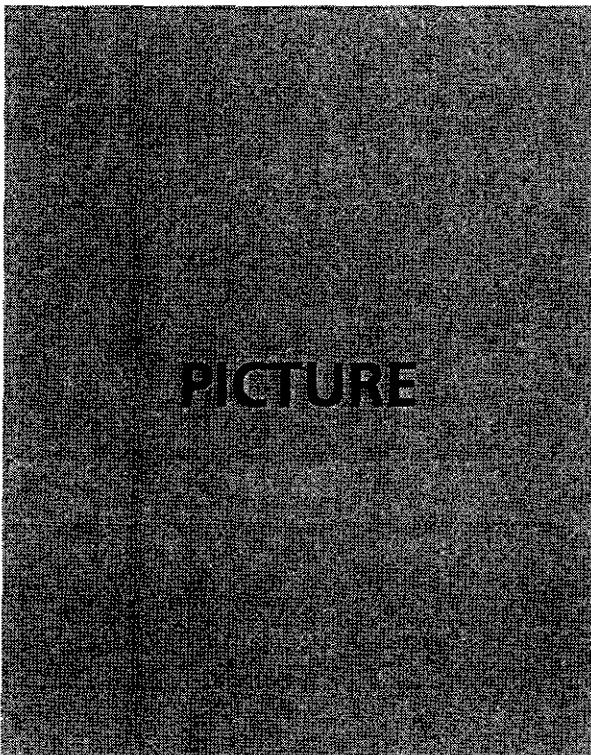
### Ceilings retrofit

RDP houses erected before 2005 were not fitted with any ceilings. In 2005, the housing subsidy was increased to allow for ceilings and other weather-proofing, as Cape Town is located within a condensation belt. This increase in the housing subsidy did however not allow for the retrofitting of households built before 2005, and, as a result, it is estimated that there are 40 000 RDP houses in Cape Town that do not have ceilings. The City aims to access funding (both internal and grant) for the purchase and installation of ceilings for these RDP houses. This will include training and employment of members of the community to install their own ceilings. It is expected that this will cost approximately R400 million, or R10 000 per ceiling.

### OBJECTIVE 3.5: Provide effective environmental health services

#### Programme 3.5(a): Environmental health-care programme

The City of Cape Town has enlisted 19 water pollution control inspectors in the Water and Sanitation Department. They have peace officer status, which gives them the authority to issue spot fines to water polluters. The team's main responsibility is the protection of the City's water reticulation systems (sewers and stormwater drainage) and receiving bodies (such as rivers and streams) from pollution that stems from industry and household waste.



The team will work to ensure that the environment is protected and not negatively affected as a result of bylaw violations. The officers are working in the field, actively monitoring and enforcing compliance with the three relevant City bylaws, namely the Wastewater and Industrial Effluent Bylaw, the Stormwater Bylaw, and the Treated Effluent Bylaw. The City aims to gain access to properties in order to conduct inspections and determine the source of pollution, and to curtail illegal activities after hours. The City will also assist the reticulation services in relieving the load of stormwater entering the sewerage system and WWTWs. It will develop partnerships to introduce an integrated approach to regulation and forums, and ensure adequate education and awareness on environmental health.

The City aims to improve the quality of all receiving water bodies, and to ensure that the natural environment is sustained. It will also pursue safer and healthier recreational facilities as well as better compliance with DWA's effluent standards at WWTWs.

The City's sewerage system is also affected by illegal discharges, which negatively affect the biological wastewater treatment processes, and reduce the quality of the final effluent discharge into streams and wetlands, placing them under constant threat. In order to combat this, industries must comply with the Wastewater and Industrial Effluent Bylaw, which enforces zero tolerance of pollutants in the stormwater system, thereby protecting inland and coastal water quality.

This, in turn, frees up capacity within the reticulation sewerage network and WWTWs during the winter season, and helps prevent flooded sewerage networks and the resultant sewage run-off into the stormwater system. The Water Pollution Control Unit will embark on a pilot project in the Strand area, which will then be rolled out across the city.

Municipal health (environmental health) services are a local government function as per schedule 4B of the Constitution. These services will be provided as defined in the National Health Act 61 of 2003, and include water quality monitoring, food control, health surveillance of premises, waste management, surveillance and prevention of communicable diseases, vector control, environmental pollution control, disposal of the dead, and chemical safety.

#### Water quality

**Potable water** – The quality of potable water supplied by the City's Water Services is monitored weekly, and any problems identified are resolved so that the public can be assured of clean, healthy drinking water.

**Rivers and vleis** – Water used for recreational purposes, such as vleis, rivers and coastal water, is also monitored. Programmes are regularly implemented to improve and/or maintain water quality, thereby ensuring public health.



## STRATEGIC FOCUS AREA 3 THE CARING CITY

### Food control

Environmental health practitioners will pay regular visits to all food premises as part of the City's optimal hygiene control programme. All food premises require a certificate of acceptability, which certifies compliance with the relevant hygiene and structural requirements. Food quality is monitored by routine testing of food products in the City's laboratory, while chemical analyses are performed at the state forensic chemistry laboratory.

### Health surveillance of premises

Environmental Health regularly visits and inspects targeted premises, including accommodation establishments, hairdressers and barbers, tattoo and body-piercing shops, child-care facilities, and restaurants and food outlets. Notices to rectify any problems or health nuisances are served on owners.

### Waste management

The Solid Waste Management Department fulfils the function of waste management by collecting waste on a weekly basis throughout the city. Environmental Health monitors the quality of this service. Clean-up campaigns and community awareness programmes, particularly in informal settlements, are developed to assist the Solid Waste Management Department in improving waste management and reducing waste. The monitoring, management and disposal of medical waste are key programmes.

### Surveillance and prevention of communicable diseases

The Health Directorate collates Cape Town's health information and statistics on births, causes of death and notifiable diseases. Communicable disease outbreaks are followed up and intervention programmes implemented to restrict the spread of disease and prevent further outbreaks. These include health and hygiene projects in informal settlements.

### Disposal of the dead

The City will ensure the safe disposal of bodies (burial or cremation), and supervision of the exhumation and reburial of bodies.

### OBJECTIVE 3.6: Provide effective air quality management and pollution (including noise) control programmes

#### Programme 3.6(a): Measuring the number of days when air pollution exceeds World Health

##### Organisation guidelines

Air pollution is a local government function as per schedule 4B of the Constitution. The City's Air Quality Management Bylaw also enables the City to set local emission standards, declare smoke control zones, regulate the installation and operation of fuel-burning equipment, regulate emissions caused by dust and open burning, and regulate emissions from diesel vehicles as well as emissions that cause a nuisance.

In 2005, the City adopted the Air Quality Management Plan (AQMP), which outlines the strategies to be followed to deal with air pollution. The vision of the AQMP, a statutory plan attached to the IDP, is to achieve and maintain clean air in the city over the next ten to 20 years. The AQMP, together with the Air Quality Management Bylaw, is in the process of being revised.

City Health also deals with all aspects of noise pollution. Increased court action will be instituted against premises without business licences in an attempt to curtail the number of noise complaints received. The City will also increase the number of legal actions in terms of the Businesses Act 71 of 1991, and a standard operating procedure between City Health and the Safety and Security Directorate will be investigated in terms of taking action against noise.

PICTURE

## OBJECTIVE 3.7: Provide effective primary health-care services

### Programme 3.7(a): Primary health care

Clinic health services are the responsibility of Province's Health Department, as stated in the National Health Act 61 of 2003. However, the Constitution makes provision for these services to be assigned to local government via mutual agreement. Therefore, City Health continues to render these services under a service-level agreement with Province's Health Department. The City, in partnership with Province, delivers personal primary health care (clinic services) via an infrastructure comprising:

- 82 clinics;
- five community health centres;
- 22 satellite clinics; and
- four mobile clinics.

Services include:

- women and child health services, including preventive, promotional and curative services, such as family planning, immunisation and treating sick children under 13;
- prevention and treatment of HIV/Aids and sexually transmitted diseases;
- TB control; and
- substance abuse prevention and treatment.

The City is faced with an increasing burden of disease, creating a greater demand for health services that require budgetary provision. Multi-sector action teams are operational in each of the eight health subdistricts. These bring together all the local stakeholders involved in HIV/Aids and TB – NGOs, community-based organisations, local business, faith-based organisations, local officials, councillors and subcouncil managers, to develop and drive a coordinated plan that addresses local needs. This plan involves the mobilisation of communities, and requires participation by key stakeholders in the development and funding of projects that address local needs.

The Global Fund community-based response programme, which funds qualifying NGOs, will continue to be administered by the City. The City's HIV/Aids and TB Coordinating Committee, chaired by the Mayco member

for Health, coordinates the multi-sector response. Every quarter, the committee brings together representatives of relevant directorates and the multi-sector action teams as well as other community representatives.

The strategy for HIV/Aids involves strengthening the prevention, treatment and care components. There is already a strong emphasis on condom distribution. According to the District Health Barometer, Cape Town has the highest coverage of all South African districts in this regard. Another key focus area is increasing HIV testing on clinic and non-medical sites, including using the advise, consent, test and support (ACTS) provider-initiated testing model, as well as during outreach interventions as part of the ongoing Get Tested campaign.

HIV testing has an important role to play as part of prevention efforts as well as being the entry point to general HIV care and, when the need exists, ARV treatment. The number of facilities providing a nurse-driven ARV service (24 as at September 2012) will continue to increase, as will the number of Cape Town residents receiving ARV treatment.

### Programme 3.7(b): Perception survey score on the provision of primary health-care services

A key concern across all subdistricts has been the long waiting times at municipal clinics. This, and the general quality of services offered by these clinics, will be addressed by:

- ensuring that all staff, especially frontline staff, are trained in customer care and diversity management;
- ensuring that all staff members are identifiable;
- monitoring of, and early intervention in, absenteeism;
- educating clients about complaint procedures;
- ensuring complaints are addressed timeously in conjunction with health committees;
- prioritising infection control and cleanliness;
- setting standards for quality;
- ensuring policy implementation;
- ensuring quarterly supervisory visits by the heads of personal primary health care and programmes; and
- unannounced visits by senior management, who will also interact with clinic visitors.

## STRATEGIC FOCUS AREA 3 THE CARING CITY

Environmental Health will act timeously when complaints are received, and will respond to these within set norms and standards. This will be achieved by entrenching the use of the C3 notification system, referring complaints to relevant departments and tracking whether complaints have been addressed.

### **OBJECTIVE 3.8: Provide substance abuse outpatient treatment and rehabilitation services**

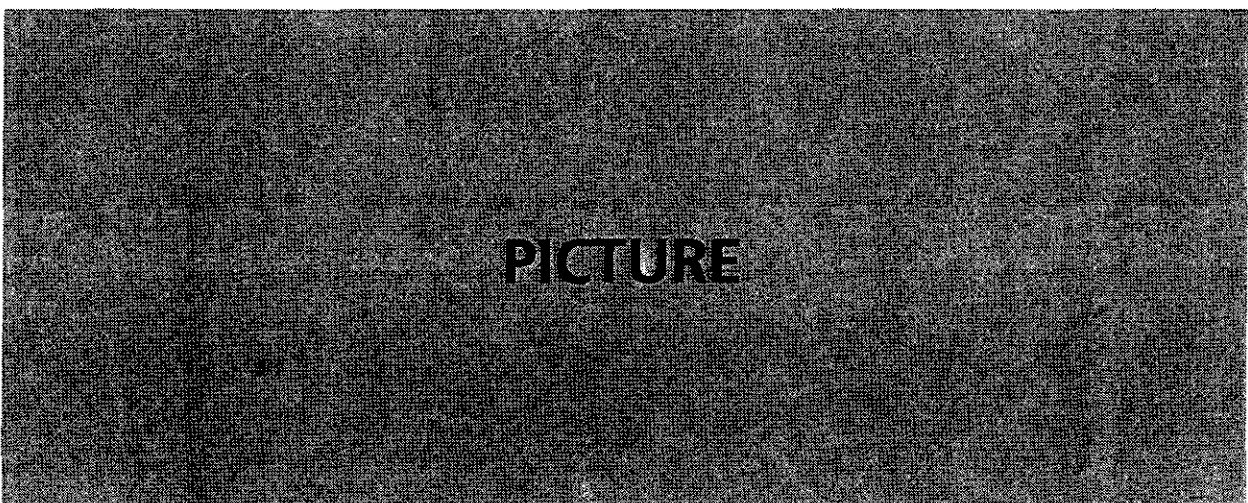
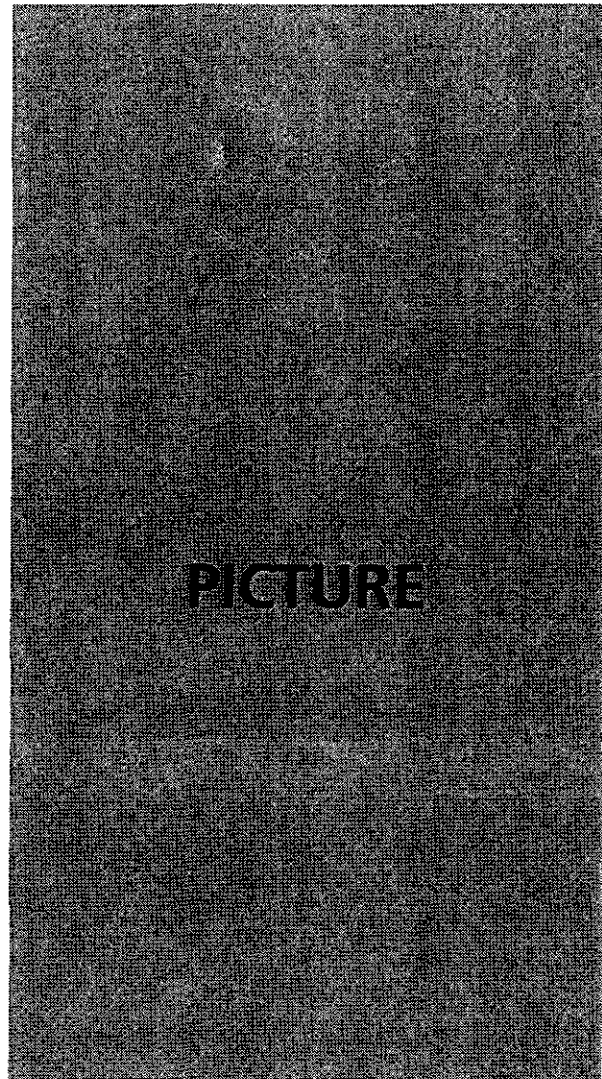
**Programme 3.8(a): Primary health-care programme: Number of substance abuse outpatients provided with alternative constructive behaviour**

The City has identified substance abuse as a major problem, and recognises that the municipality, in conjunction with other spheres of government and the community, has a role to play in addressing this.

Eight City of Cape Town Alcohol and Drug Action Committee (CTADAC) subcommittees will be formed and will meet on a monthly basis. These subcommittees will provide broad stakeholder representation as stipulated in the legislative framework. Each subcommittee will develop appropriate and culturally adaptive local-area strategies to address alcohol-and-other-drug supply and demand reduction. The CTADAC will pursue a process of engagement with other spheres of government, NGOs and the private sector.

The ambitious aims of the strategy, and its complexity in terms of the reliance on interdirectorate, interdepartmental and intergovernmental cooperation and collaboration with external stakeholders, necessitate consideration of a broad number of assumptions and clear identification of risk conditions.

Currently, there are outpatient substance abuse treatment centres at the Tafelsig, Table View, Delft South as well as Town 2 clinics.







## STRATEGIC FOCUS AREA 4: THE INCLUSIVE CITY

Objective 4.1: Ensure responsiveness by creating an environment where citizens can be communicated with and responded to **82**

Objective 4.2: Provide facilities that make citizens feel at home **85**

PICTURE



## STRATEGIC FOCUS AREA 4 THE INCLUSIVE CITY



## SFA 4

SFA 4 is aligned with Province's objectives of social cohesion to achieve a society that is coherent, united and functional, and to provide an environment in which citizens can prosper.

## PICTURE

In its efforts to ensure that the City is a highly responsive and responsible organisation, the City has sought to provide affordable and accessible mechanisms – including FreeCall lines for residents to provide feedback and submit complaints about service delivery and community facilities.

The C3 notification system also logs information from telephonic complaints about City services received by the City switchboard. All C3 data are then analysed and collated to determine residents' key issues. In addition, the C3 system forms the core of a comprehensive service management system that is being developed to facilitate the tracking and measuring of internal efficiencies. This will have a significant impact on the long-term quality and cost of service delivery by the City.

In addition to effective two-way communication, building a shared community across different cultural, social and economic groups in the city remains a key priority. This requires that all residents feel acknowledged, heard and valued, and that the varied cultural backgrounds and practices of all residents are respected and encouraged.

To this end, the City seeks to ensure that the cultural and natural spaces (including the naming of these), the partnerships it fosters, and the cultural programmes and events (including international events) it sponsors, all recognise and reflect the unique diversity of Cape Town and its people.

In order to position Cape Town as an inclusive city, the City has identified the following two key objectives:

1. **Objective 4.1:** Ensure responsiveness by creating an environment where citizens can be communicated with and responded to.
2. **Objective 4.2:** Provide facilities that make citizens feel at home.

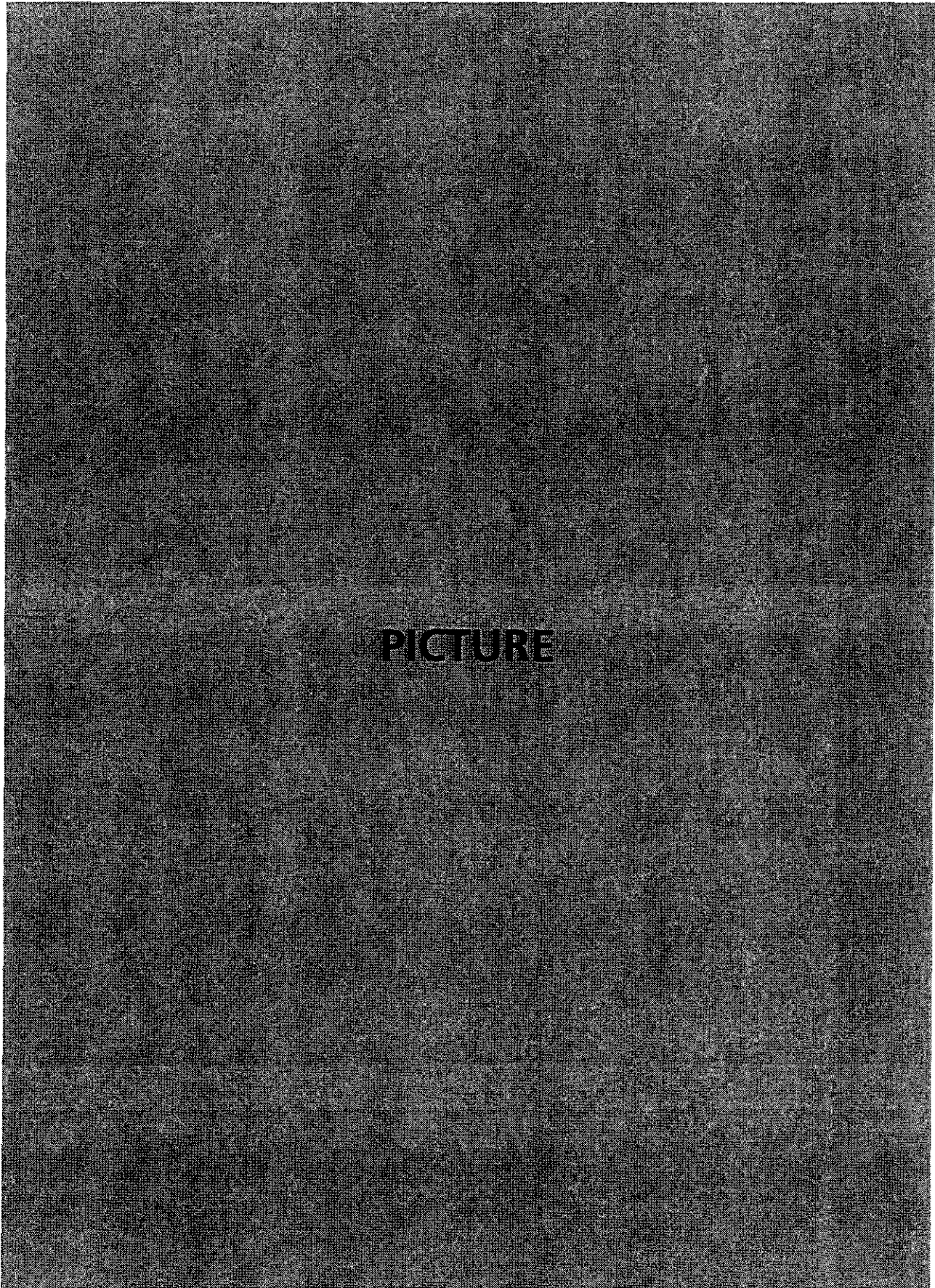
#### **OBJECTIVE 4.1: Ensure responsiveness by creating an environment where citizens can be communicated with and responded to**

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

###### **Service management programme**

Following the successful implementation of the City's C3 notification system, the development and roll-out of a service management programme was approved. The purpose of this programme is to build on and enhance the new, integrated 'way of working' that has been established in the City by means of C3, and to drive continuous improvement in service performance.

The generic business improvement performance indicator addresses the measurement of three components, namely responsiveness, cost and quality (customer/citizen satisfaction).



PICTURE

INTRODUCTION

STRATEGIC FOCUS AREA 1  
THE OPPORTUNITY CITY

STRATEGIC FOCUS AREA 2  
THE SAFE CITY

STRATEGIC FOCUS AREA 3  
THE CAREER CITY

STRATEGIC FOCUS AREA 4  
THE INCLUSIVE CITY

STRATEGIC FOCUS AREA 5  
THE WELL-BEING CITY

## Integration map

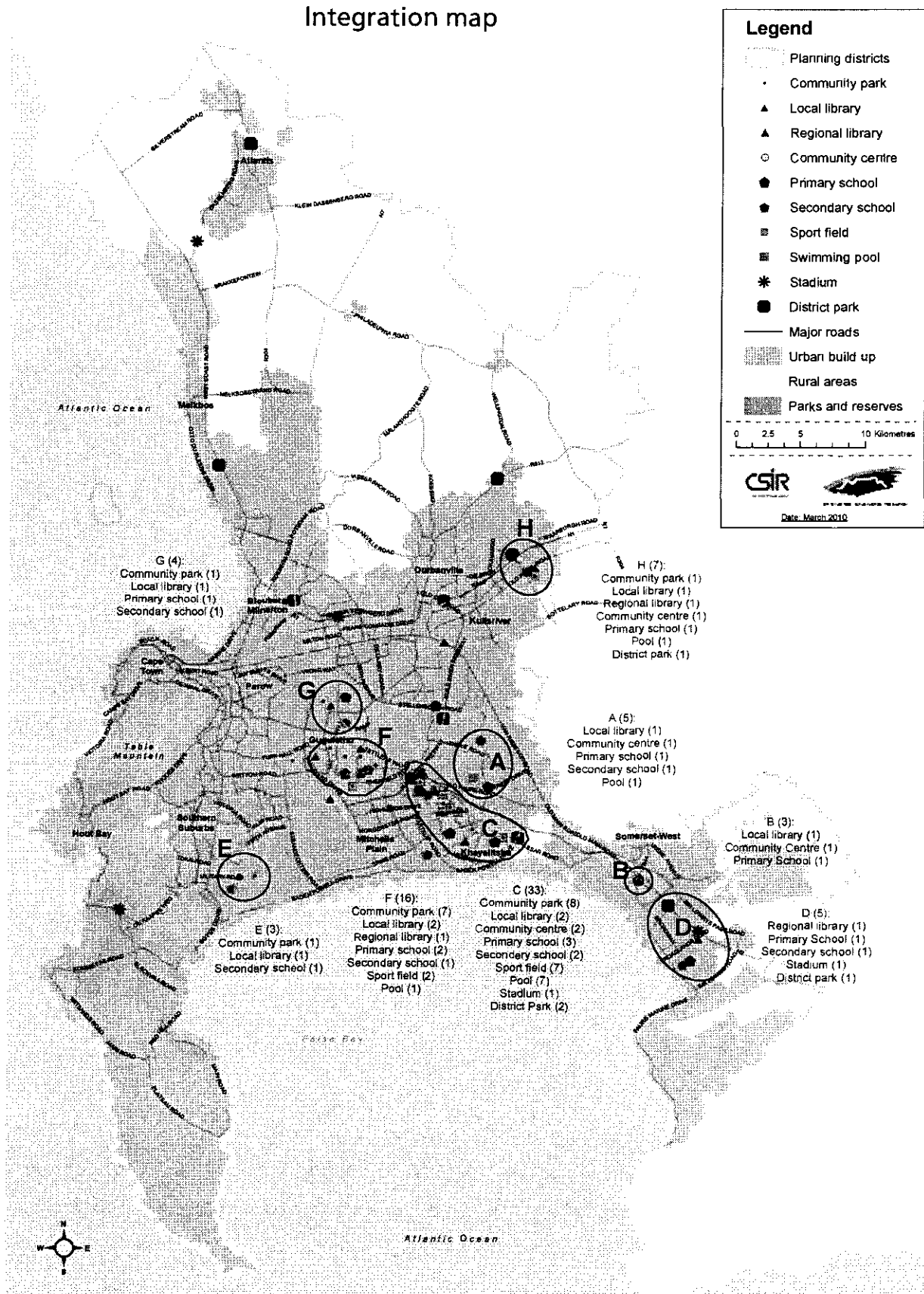


Figure 4.1: Integration map

The key deliverable of the service management programme is the further enhancement of the full functionality of the service management system, while also proceeding with the roll-out of the generic business improvement performance indicator. This is ultimately about driving performance excellence by ensuring that all City departments properly understand and consistently manage service requests.

While the C3 notification system, as a service delivery management tool, has delivered positive results, it is but one of many notification types used to manage work within the City. Service management is a process that integrates all the different types of service requests under three broad categories, namely external, maintenance and internal service requests. Appropriate service standards will also be established for these different types of service requests as part of the service management programme, which will be phased in over the next three years.

The key deliverables of the various programme phases are:

- orientation of all City line management with regards to the service management process and its importance as a core business process;
- training of key staff to ensure that they properly understand the link between service types, service requests, service standards and the related business and system processes to enable proper management of service requests;
- effective application of a mix of internal, external and maintenance notifications by all departments to promote effective and efficient service delivery and infrastructure management, and to maximise the return on investment in the SAP system;
- measurement of the cost of work delivered in response to service requests, by monitoring the recurrence of requests (such as recurring potholes in a particular street);
- enabling specific system functionality to enhance service delivery, facilitate ongoing customer feedback, and provide a capability to measure quality of services delivered;
- development of detailed management performance reports to inform relevant decision makers; and
- enabling continued service performance improvement.

### Installation of FreeCall lines in identified areas

The purpose of the FreeCall lines is to effectively bring the City closer to its customers by providing residents living in disadvantaged communities and outlying areas with easy access to the administration. The FreeCall lines provide a direct link to the City's single call centre number (0860 103 089) as a free service to customers. The telephone call is answered by the corporate call centre, the water technical operations centre or electricity technical

operations centre, depending on the option selected by the caller.

#### ✓ Progress update

*To date, 48 FreeCall lines have been installed in municipal facilities across the city, including housing offices, cash offices, libraries, community halls and resource centres. FreeCall lines are located in poorer and/or outlying areas in buildings that are extensively used by, and easily accessible to, the public. The customer receives a reference number for follow-up purposes.*

An additional 20 FreeCall lines will be installed per annum, until the target of 100 FreeCall lines have been achieved. These FreeCall lines will be installed in disadvantaged areas, rural communities or shopping malls. FreeCall lines will continue to be installed in municipal facilities across the Cape Town metropolitan area, with a focus on poorer and outlying areas. A marketing campaign will also be launched to encourage residents to use these FreeCall lines to report service issues or make service requests.

### Programme 4.1(b): Building strategic partnerships

The City is committed to working closely with the provincial and national spheres of government to put the needs of Cape Town's citizens first. To achieve this, it engages with Province on various formal and informal platforms.

Functional partnerships, such as the development of integrated human settlements and the City health programme, will be pursued at sector level, while the City will formally engage Province and other municipalities through the Premier's Coordinating Forum at a political level, as well as by means of the IDP indabas and MTECH committees at an administrative level.

### OBJECTIVE 4.2: Provide facilities that make citizens feel at home

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

##### Community facilities provision

To begin to address the inequitable distribution and standards of community facilities, the City has initiated a project with the Council for Scientific and Industrial Research (CSIR). The study took the current community facilities, standards for their provisioning and accessibility, projected population growth and the envisaged city expansion until 2016 into account, and generated an integrated facility provision map, as shown in the preceding map. This map represents the areas of greatest need or backlog in terms of the provision of facilities. The facilities shown on the preceding map are not exhaustive, but represent those that would have the most positive impact on the areas of greatest need.



## STRATEGIC FOCUS AREA 4 THE INCLUSIVE CITY

Subsequent to this study, a recreation study was undertaken, aimed at identifying resident's needs and preferences for community facilities, among others. The CSIR study, the recreation study and other qualitative and quantitative commissioned research are used to determine the need and best location for new facilities.

The Community Services Interdepartmental Facility Planning Team and the departments of Spatial Planning and Urban Design ensure that community facility planning aligns with other planning projects in the City in a proactive and integrated manner.

The City will continue to explore and maximise external funding and partnership opportunities to provide community facilities. Internal funds will be used as co-funding, and will be allocated in the most productive way possible. The City will strive to plan, implement and manage new community facilities in a joint, integrated, clustered, multifunctional manner, with internal and external partners. In this way, it will minimise capital development and operational costs, and maximise community use, ownership and pride. The development of new community facilities will be determined by the availability of operational funding to ensure that these facilities are used and effectively managed and maintained.

All community facilities will be maintained according to pre-determined minimum maintenance standards, while selected facilities would be developed and maintained at higher levels to meet national and international benchmark standards.

### Library and Information Services – library provision

Library and Information Services established a partnership with the Carnegie Corporation of New York as well as the VPUU programme. These partnerships are aimed at the development of a new library centre in Khayelitsha, which will include a regional library, a multipurpose centre and subcouncil offices. Construction on Kuyasa Library commenced in 2013, with an estimated completion date of February 2014.

Other possible partnerships to facilitate the building of additional libraries in other areas of the city are also being explored.

### City Parks – parks provision

City Parks will explore the possible development and upgrade of district parks and community parks, will identify specific sites, and will then work with communities and funding partners to design and construct community and district parks that are sustainable and meet the needs of those communities. The aim is to provide community and district parks that are custom-made for the surrounding communities, safe, of a high quality and, where possible, integrated with other community facilities.

The City will undertake three major district park upgrades (Company's Garden, Jack Muller and Khayelitsha Wetlands), three major community park upgrades (Westridge Gardens, E-Section Khayelitsha, and Mandela Peace Park in Delft), and several smaller park upgrades in Kraaifontein, Bellville, Kuils River and Mfuleni over the next four years. It is envisaged that additional external funding will be sourced to enhance park development in the next five to ten years, while also exploring the potential for PPPs.

### City Parks – cemetery provision

To address the escalating city burial demand resulting from population growth and earlier death occurrences due to infectious diseases, an approximate total of 117 ha of land (40 ha for new cemeteries and 77 ha for extensions) is required.

Over the next five years, the City will build five new cemeteries (in Wallacedene, metro south-east, Welmoed extension, Vaalfontein and Delft extension) and will undertake five major cemetery upgrades (Maitland, Gugulethu, Rusthof, Atlantis and Klip Road extension, subject to approval processes). Additional external funding will be sourced for further cemetery development in the next five to ten years. To address the escalating burial demand, the City will identify suitable land and establish new burial areas to cater for future urban development within the city's urban edge.

Strong competition for scarce metropolitan land, coupled with the poor environmental performance of certain cemeteries (given the high winter water-table characteristic of the Cape Flats), has prompted the City to pursue several other interment options to supplement or complement traditional in-ground burial, including:

- cremation and corpse reduction technologies;
- above-ground interment options (e.g. mausoleums and modular crypts); and
- lengthening the lifespan of existing cemeteries by encouraging families to consider second burials in their ancestors' graves.

While pilot programmes and projects are being put in place to introduce and facilitate the abovementioned interment options, the favouring of in-ground burial, given cultural and faith practices, necessitates strategic cemetery development interventions in the short to medium term (i.e. the next 15 years). These will include the creation of sub-regional cemeteries, ongoing development of existing regional cemeteries, and geotechnical testing of specific sites for future planning.

### Sport, Recreation and Amenities – facility provision

In the next five years, the City aims to build:

- two new sport complexes (Imizamo Yethu and Witsand);
- an integrated, clustered, multifunctional community facility in Valhalla Park; and

## PICTURE

- spray parks at Valhalla Park, Dunoon sports ground, Ocean View multipurpose centre, the Desmond Tutu sport and recreation centre and the FF Erasmus hall.

### ✓ Progress update

*The sports complex in Masiphumelele, the hall in Belhar as well as the upgrade to the Turfhall stadium have all been completed.*

These facilities will be jointly funded by the City and external funding sources. The Valhalla Park facility will be planned, implemented and managed in a new, integrated way as part of a strategic approach to providing quality, clustered, multifunctional community facilities where possible.

The intention is that the City's departments of Sport, Recreation and Amenities; Library and Information Services; City Parks; Social Development, and Urban Design; the National Education Department, other relevant national departments and the surrounding communities will join hands during the planning, implementation and management phases of these projects. The lessons learnt will then be applied to similar projects in the future.

Major resort upgrades will be undertaken at Soetwater, Blue Waters and Monwabisi coastal node. Other major planned upgrades include the Sea Wind sports complex, Masibambane hall and Lwandle sports complex. These upgrades will be jointly funded by the City and external sources.

### Library and Information Services – services and maintenance

The provision of library and information services is an unfunded mandate within the City of Cape Town, which affects the responsible department's ability to provide extensive and adequate services to the community. Limited funding has resulted in many of the City's libraries not being optimally staffed or adequately resourced.

A proactive library maintenance programme (20 libraries per annum) will be implemented during the next five years. Library and Information Services will strive to continue meeting the minimum opening hours as determined for the following three categories of libraries in the city:

- Community: 35 hours per week
- Regional: 45 hours per week
- Citywide: 63 hours per week

A target has been set for 75 of the City's 100 libraries to meet minimum opening hours. This target will be increased incrementally over the next five years, provided that the necessary funds become available to enable libraries to be optimally staffed.

### Parks and cemeteries maintenance

Backlogs in repairs and maintenance (reactive maintenance) will be addressed, and proactive maintenance programmes for ageing infrastructure (community facilities, cemeteries, park equipment and depots), small plant and machinery will be investigated and implemented to meet minimum

## STRATEGIC FOCUS AREA 4 THE INCLUSIVE CITY

maintenance standards. The City aims to maintain all 3 335 of Cape Town's community parks and 11 district parks to the standards set in the City Parks maintenance standards document, with a 94% minimum achievement target. The City will also develop maintenance programmes to respond to the effects of climate change.

### **Sport, Recreation and Amenities – maintenance**

The City's Sport, Recreation and Amenities Department will maintain community amenities such as halls, beaches and sports grounds to a defined minimum maintenance standard, and will, where possible, improve these standards. The defined minimum maintenance standards are designed to result in open, clean, safe and usable facilities. A proactive and reactive maintenance programme will be planned and implemented annually, depending on needs and the availability of resources.

The maintenance programmes will be delivered by the Sport, Recreation and Amenities Department in conjunction with Supply Chain Management, the private sector, contractors and institutional framework affiliates, the municipal facility management committee and both the local and district sport and recreation councils.

### **Programme 4.2(b): Heritage programme**

The City is committed to taking care of its heritage resources, and to applying natural and cultural heritage management laws and principles in decision-making, projects and budget allocation. To this end, the City has undertaken to augment existing, well-known resources with underrecorded heritage, such as the Mamre mission station and slave route project, and to mark struggle heritage sites, such as the United Democratic Front memorial, Gugulethu Seven, Langa Pass Office and pass march, and Trojan Horse sites. The Cape's rural cultural landscapes, such as the winelands, as well as the rural areas around Philadelphia and Pella, are also important to the unique identity of Cape Town, and it is vital that these areas are protected and maintained.

The City is also committed to the coordination and implementation of the Mayoral Memories programme. This programme includes the interpretation and preservation of key heritage sites in the city as well as the implementation of new memorials, with a particular focus on underrepresented heritage, such as the struggle history, slave history and indigenous clan history.

Ongoing projects that will continue to be developed over the next five years include the Langa heritage route, restoration of mission villages such as Mamre, water heritage commemoration and Prestwich Memorial.

The City is in the process of developing a five-year action plan to conserve City-owned heritage sites in peril. This is in line with statutory and auditing requirements. The City is responsible for statutory heritage management functions (including both natural and cultural heritage resources) relating to the integrated zoning scheme, as well as the implementation of the National Heritage Resources Act 25 of 1999. The Act, which requires the City's heritage resources inventory to be lodged with Heritage Western Cape, also provides that identified heritage areas be afforded statutory protection, for example through the heritage overlay zone in the new zoning scheme or through a heritage/environmental bylaw.

The programme of marking, interpreting and restoring heritage sites, especially those relating to the struggle history, requires strong community participation. A heritage outreach programme aimed at interpretation and visitor centres, such as that at Prestwich Memorial, actively seeks to engage with community sectors. The City is negotiating to obtain competence and delegated authority from Heritage Western Cape for certain heritage management functions. This will help to streamline development decisions and enforcement, and will allow the City to manage its heritage environment better.

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## STRATEGIC FOCUS AREA 5 THE WELL-RUN CITY



## SFA 5

This SFA is aligned with Province's objective of building the best-run regional government in the world. It is further aligned with National Government Outcome 12, namely an efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship.

## PICTURE

Through good urban governance, citizens are provided with the platform that allows them to use their talents to the fullest to improve their social and economic conditions.<sup>41</sup> The City is funded by public money, and is therefore expected to exercise the highest levels of corporate governance.

The City adopted the King Code of Governance Principles for South Africa 2009 (King III) as its primary governance principles. King III is considered one of the best codes of governance worldwide, and has broadened the scope of governance into one where the core philosophy revolves around leadership, sustainability and ethical corporate citizenship.

This type of leadership must be echoed at all levels of City government, entailing maximum transparency and efficiency. Only by knowing that elected leaders and officials work in the interest of the public at all times, we can ensure a fully democratic and accountable government.

Such accountability requires that the City makes Mayco meetings open to the public, publicly advertises all tenders and their processes, ensures a full and effective municipal committee on public accounts, and applies maximum resources to investigating bodies.

Throughout all government processes, the City must demonstrate that it is accountable for the resources it manages at all times, not just at elections. Government must be answerable and accessible to the people at all times.

The City must also maintain the highest level of efficiency. To do that, we constantly have to check the integrity of our management systems and the effectiveness of our processes. Business improvement plans are some of the best tools for ensuring that the City is making optimum use of its resources – human and otherwise – as a corporate device for maximising efficiencies. To this end, every City directorate will need to have at least one business improvement plan in operation at any given time over the next five years.



41 UN Habitat, <http://www.unhabitat.org/content.asp?typeid=193&cid=258&cid=2097#What%20is%20good%20governance>

The City has put in place a set of human resource (HR) management and development processes – including performance management, personal development plans and workplace skills planning – all of which guide staff training and development.

These also deliver effective talent management by creating a 'fit for purpose' organisation that is service delivery-oriented.

The HR Directorate also uses an annual employee survey to inform its planning processes.

In order to ensure that Cape Town is a well-run city, the City has identified the following three key objectives:

1. **Objective 5.1:** Ensure a transparent and corruption-free government
2. **Objective 5.2:** Establish an efficient and productive administration that prioritises delivery
3. **Objective 5.3:** Ensure financial prudence, with clean audits by the Auditor-General

### **OBJECTIVE 5.1: Ensure a transparent government, and work towards eradicating corruption**

#### **Programme 5.1(a): Transparent government (oversight) programme**

Section 166 of the MFMA, as amended, requires each municipality to have an audit committee. This independent advisory body advise the municipal council, the political office-bearers, the accounting officer and the municipal management staff on matters relating to:

- internal financial control;
- internal audit;
- risk management;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting and information;
- performance management;
- effective governance;
- compliance with applicable legislation; and
- any other issues referred to it by Council.

#### **Maintain an independent, effective Audit Committee**

Internal Audit is an independent department of the City of Cape Town, and is a significant contributor to governance within the City. This is a requirement of the MFMA and the King III Code on Corporate Governance, which Council formally adopted.

Internal Audit is largely directed by the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. The International Audit Department is mandated through its charter (terms of reference) to provide independent and objective assurance and consulting services geared towards adding value and improving the City's operations. Internal Audit helps the organisation accomplish its objectives by bringing about a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal Audit plans, which are aligned with the City's strategy and most pertinent risks, are supported by senior management, and approved by the independent Audit Committee delegated by Council.

Results of audits are communicated to the various levels of management, including executive directors and the City Manager, as well as to other assurance providers and the Audit Committee.

#### **An effective system to process complaints (and report corruption)**

The City already has a well-established and well-advertised toll-free 24/7 hotline for reporting fraud and corruption. Any allegations of fraud and corruption are reported to the Manager: Forensic Services in the Office of the City Manager.

#### **Acknowledge all correspondence within 24 hours**

Correspondence includes letters, faxes, e-mails and other electronic communication, such as webmail, Facebook and Twitter messages. Departments receive and respond to correspondence on a decentralised basis. Powerful reporting tools are available to report on the performance of call centres (telephony) and the resolution of service requests (service management system). Existing policies and procedures require departments to use SAP to log and track correspondence. A tracking and monitoring system will be implemented to ensure that correspondence is acknowledged within 24 hours.

## STRATEGIC FOCUS AREA 5 THE WELL-RUN CITY

### **OBJECTIVE 5.2: Establish an efficient and productive administration that prioritises delivery**

#### **Programme 5.2(a): Human resources, talent management and skills development programme (integrated talent management approach)**

The City employs over 25 500 people through whom the daily experience of citizens in their interactions with the City is channelled. Where there are skills gaps, these very quickly lead to negative experiences, through either slow or poor service.

The City's staff complement is highly diverse, but there are still numerous challenges for the effective transformation of its equity profile across all skills and managerial levels. For this reason, the City gives priority to developing its existing staff in order to accelerate the transformation of its racial profile at senior levels, coupled with the active career development of women and people with disabilities.

In recent years, talent management has been highlighted as the greatest challenge for human resource departments in all sectors of industry. Cape Town competes globally in attracting and retaining engineers, nurses, planners and a range of other related skills. The upgrade of skills and investing in staff development must be a priority if the City wishes to keep up to date with advances in technology, increased competition for skills, and adaptation to the complexity of jobs.

There are two ways to ensure the right talent: The first is to bring it in from outside, and the second is to grow it internally. While bringing in external talent is a very important component to business continuity, growing and retaining own talent is much more reliable.

Integrated talent management is a strategic initiative aimed at attracting, appointing, training, developing, retaining and managing employees. The employment equity plan and related programmes form an integral part of the City's talent management framework. To be successful, these programmes must be consciously incorporated into each component. Key programmes include the employment equity plan, approved targets for new employment, and the disability, gender and diversity programmes.

The integrated component parts of the talent management framework are as follows:

- Departmental staffing strategies and staff planning
- Skills assessments/audits
- Personal development plans
- Competency management
- Attraction and retention
- Training and development
- Leadership development
- Mentoring and coaching
- Career and succession planning
- Individual performance management
- Workplace skills plan
- Employment equity plan

Talent management is primarily a line management responsibility. The Strategic Human Resources Department will provide the strategy and policy framework, guidelines, training/coaching and advice to ensure that line departments are empowered to implement the interventions in the integrated talent management programme. Line directorates are then responsible for implementation and monitoring as well as controlling the application of the interventions, including the measurement of return on investment.

The Training and Development Department is responsible for facilitating application in line with training and development policy, and for compliance with the requirements for reporting in line with the workplace skills plan.

Some of the interventions will only succeed if the City invests in partnerships with COGTA, Province, tertiary institutions in the Cape metro and Stellenbosch, SETAs, consultants/service providers and the private sector.

The City currently budgets R58,8 million per annum for training and development. The bulk of this will be applied in career planning, personal development planning, skills assessments, mentoring and coaching, training, and leadership/first-line supervisor development and training. The training budget will also fund internal and external bursaries awarded on an annual basis.

### Programme 5.2(b): Human resources strategy

The City's single biggest budget item is its staff costs, which now top R7 billion per annum. The City's most valuable asset, if optimally utilised, motivated and developed, is its staff. However, this asset becomes its greatest liability when it is not effectively utilised. The City's human resource strategy is aimed at delivering the right people, with the right skills, at the right place, at the right time. It is about ensuring the correct alignment of people with business needs. This will provide a value-added result, as it will improve service delivery within budget parameters.

This will be done through identifying the top four areas of intervention that will have the greatest impact on staff engagement and productivity, and ensuring business continuity by providing a skills pipeline. The identified areas are:

- maximising the development opportunities for the City's 25 500 employees, and leveraging City resources to improve the skills pipeline through external training opportunities or apprenticeships (programme 1.5(a) and 5.2(a));
- individual performance management (programme 5.2(a));
- health, safety and wellness programme – occupational health and safety incident reduction and management (programme 5.3(b)), and employee wellness alcohol and drug abuse management;
- implementation of the employment equity plan;
- improving the efficiency and effectiveness of the core human resources (HR) business processes that affect human resources management;
- maximising SAP HR functionality, in particular employee self-service and manager self-service (programme 5.2(b));
- roll-out of the management accountability project (programme 5.3(b));
- increasing investment in skills development (programme 1.5(a) and 5.2(a)); and
- identifying and monitoring key measurements that will support the above outcomes (composite HR risk and staff engagement key performance indicators).

The main aims of the strategy are:

- improved availability of skilled staff, both internally and externally;
- an improved equity profile;
- an improved wellness profile;
- improvement in the employee engagement index, as measured biennially through the Siyamamela survey;
- a reduction in HR risk factors, as measured by the composite HR risk indicator; and
- improvement in staff productivity, as measured by a composite business improvement indicator.

### Directorate-level staffing strategies

Management of staff is a line management responsibility. Systems, processes, policies and professional advice are provided by Corporate Services. The funding of staff resources lies with line management, and is managed within their normal budget. Executive directors are held responsible for effectively managing the allocation and deployment of their resources. To this end, each directorate is required to prepare an annual staffing strategy and plan, which encompasses a projection of their staffing needs as well as a talent management plan.

The projection of staffing needs should be based on:

- the projection of directorates' service delivery menu and future strategy, taking into account sustainability, sources of funding, and alternative mechanisms and models to meet service delivery demands;
- the identification of critical vacancies, and the formulation of a financial and operational plan to address these;
- the identification of critical bottlenecks and underutilised resources, and a plan for the better utilisation and allocation of current resources; and
- the identification of areas that require special intervention, such as business process re-engineering and quality management.

The talent management plan should include:

- staff development plans;
- integrated employment equity plans; and
- the formulation of scarce-skills retention and attraction strategies, where required.

## STRATEGIC FOCUS AREA 5 THE WELL-RUN CITY

### Human resources budget and staff numbers

Annually, the City will consider whether to reprioritise a percentage of the staffing budget to fund growing services and shrink others. This must however be based on the City's service menu, input on IDP priorities, benchmarking of the services where possible, and departmental attrition. Directorates will base their input into this process on their staffing strategies. The following table provides a schedule of the number of approved, budgeted positions and the current percentages that are filled.

Table 5.1: Total number of approved, budgeted positions and percentages filled

Directorate	TOTAL POSTS		% of posts filled
	No. of posts	Value	
City Health	1736	R531 834 139	94,53%
Community Services	3923	R811 398 642	93,53%
Compliance and Auxiliary Services	648	R276 930 821	90,43%
Corporate Services	1841	R608 953 055	92,02%
Economic, Environmental and Spatial Planning	871	R347 926 572	93,80%
Finance	1817	R573 247 625	92,46%
Human Settlements	877	R261 075 890	90,08%
Office of the City Manager	83	R42 665 311	84,34%
Safety and Security	4177	R1 012 887 161	96,50%
Social Development and Early Childhood Development	97	R39 437 821	93,81%
Tourism, Events and Marketing	231	R83 441 669	86,15%
Transport for Cape Town	2065	R511 070 065	92,01%
	<b>18366</b>	<b>R5 100 868 770</b>	<b>93,48%</b>
Utility Services	4	R3 185 107	50,00%
Cape Town Electricity	2683	R697 504 555	86,13%
Project Monitoring Unit	4	R3 053 652	75,00%
Service Regulation and Logistics	11	R6 259 220	81,82%
Solid Waste Management	3262	R523 266 350	92,24%
Strategic Support	2	R1 468 340	100,00%
Water Services	4352	R949 989 919	87,25%
TOTAL UTILITIES	10318	R2 184 727 143	88,52%
	<b>28684</b>	<b>R7 285 595 912</b>	<b>91,69%</b>

Table 5.2: Number of approved, budgeted positions per occupational category (current establishment as at 10 April 2013)

Code name	TOTAL POSTS		% of posts filled
	No. of posts	Value	
Legislators, senior officials and managers	324	R333 341 557	91,98%
Professionals	1 683	R1 183 540 964	90,91%
Technicians and associate professionals	3 450	R1 265 499 806	91,59%
Clerks	6 699	R1 527 956 084	92,48%
Service and sales workers	3 866	R872 010 546	95,99%
Craft and related trade workers	2 740	R668 257 520	86,93%
Plant and machine operators and assemblers	3 688	R712 675 357	88,77%
Elementary occupations	6 234	R722 314 079	92,25%
	<b>28 684</b>	<b>R7 285 595 912</b>	<b>91,69%</b>

### Programme 5.2(c): Annual Community Satisfaction Survey (CSS)

The City of Cape Town undertakes an annual CSS, which provides detailed feedback and invaluable insights into the perceptions of Cape Town's residents and businesses regarding the services rendered by the City. Strict sampling rules are applied when selecting the respondents for the residents' survey, to ensure that the measures are representative of the entire population of Cape Town.

The results of the CSS are used to monitor the City's overall performance as well as that of a range of City services and departments. They also inform operational planning and service delivery improvement.

The City has conducted the survey since 2007/8, and a solid database of trends has been accumulated. The results of the survey are reported in the IDP and the annual report, as well as other City performance and organisational processes. The results of the resident survey are also used in the City's corporate scorecard and the service delivery and budget implementation plan.

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

One of the aims of the City's information and knowledge management framework is to integrate development-related data, information and knowledge to allow for efficient access to consistent sets of information that can inform service delivery, planning and decision making.

In line with this, the DIRC – an intranet site that has been developed and is currently being refined – will focus on providing one-stop access to, and reporting on, development information. The emphasis in 2012/13 was on all aspects of content for the site, as well as technological enhancements. In 2013/14, there will be further content development, and, in the longer term, this information will also be made available via the City's website.

The focus of both the information and knowledge management framework and the DIRC is on increasing the range and number of knowledge assets in various categories and themes, including City policies and strategies, Cape Town statistics, indicators and trends, and City research. There are links to the City's spatial databases and maps in line with the City's spatial information strategy.

### OBJECTIVE 5.3: Ensure financial prudence, with clean audits by the Auditor-General

#### Programme 5.3(a): Financial management programme

##### Ensuring an effective revenue stream

The City's revenue stream is modelled on a combination of recent trends, forecast economic and fiscal conditions as well as local operational circumstances. At present, the respective revenue sources are monitored and determined to ensure sustainable medium-term to long-term cash flows in accordance with the City's expenditure programme. The national funding to support the City's indigent programmes is inadequate and, therefore, the persistent funding gap may affect sustainability in the long term.

##### Manage tariffs for municipal services, so that annual tariff changes are predictable and gradual

Tariffs and charges are set within a range of typical benchmarks, such as the consumer price index. The three-year indicative tariffs are determined for major services to illustrate the financial effect of medium-term operational and investment plans. The three-year tariffs and variances are set to benchmarked levels, which are normally known in advance.

##### Implement, track and report on measurable targets for debt collection

Debt management actions and the payment ratio are the measurable targets for debt collection. Debt management actions against non-payers are taken monthly. These actions include monthly final demands, water and electricity restrictions or disconnections, and handing over of accounts to attorneys for legal debt collection processes.

As part of this process, the Water Services Department needs to repair water leaks and increase the installation of water management devices. This will improve the City's payment ratio and reduce the total debt book. Most importantly, it will assist in saving scarce water resources.

##### Ensure that citizens are billed correctly and only for services they consume

Citizens are currently only billed for services they consume, and the City's CSS results reflect positively on the accuracy and correctness of billing. However, such accuracy and correctness of billing remain dependent on the input uploaded by the utility and service departments. Internal billing controls are in place to identify material variances. Invoices are consolidated, displaying itemised and clearly indicated charges.

Citizens are billed once a month, and adequacy, accuracy and correctness of billing are established. In addition to the current practice of printing and mailing, technology is being utilised to implement an e-billing solution, using e-mail technology to make invoices more accessible and to encourage on-line transacting for citizens with internet access.



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### Programme 5.3(b): Internal management processes programme

The management accountability programme will focus on training managers in identified core administrative business processes. This will ensure that they have a thorough understanding of their accountability relating to those processes, and can properly implement, apply and manage them. This programme is aimed at improving governance in the City, which is linked to the strategic objective of a well-run city.

Individual managers are responsible for planning and managing budgets, people and resources. The organisation relies on them to get this right in order to reduce time wastage as a result of citizen complaints, cost escalations, duplications, audit queries, deviations, disciplinary actions, grievances and resignations. Unnecessary mistakes can also lead to cost increases and time losses, resulting in poor service performance.

Current managers (levels 1 – 4) will be trained in their specific areas of management accountability within the selected core corporate administrative business processes. Newly appointed managers will undergo induction training to ensure that they understand their accountability prior to assuming their management roles. The establishment of a management resources centre will afford managers access to the information they require to manage and make decisions effectively.

Deliverables of this programme include:

- a management resources centre of information on key identified core corporate administrative business processes and systems, together with related policies, procedures and delegations;
- a set of training material for the key identified core corporate administrative business processes and systems; and
- a training programme for line managers.

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**MANAGEMENT AND GOVERNANCE FRAMEWORKS**

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## MANAGEMENT AND GOVERNANCE FRAMEWORKS

PICTURE

The following sections provide an overview of the framework of the institutional management and governance structures through which the City implements its strategies, using the appropriate resources.

### THE GOVERNANCE STRUCTURE

The model below depicts the political governance arrangements that have been instituted in terms of the relevant sections of the Municipal Systems Act after the local government elections held on 18 May 2011.

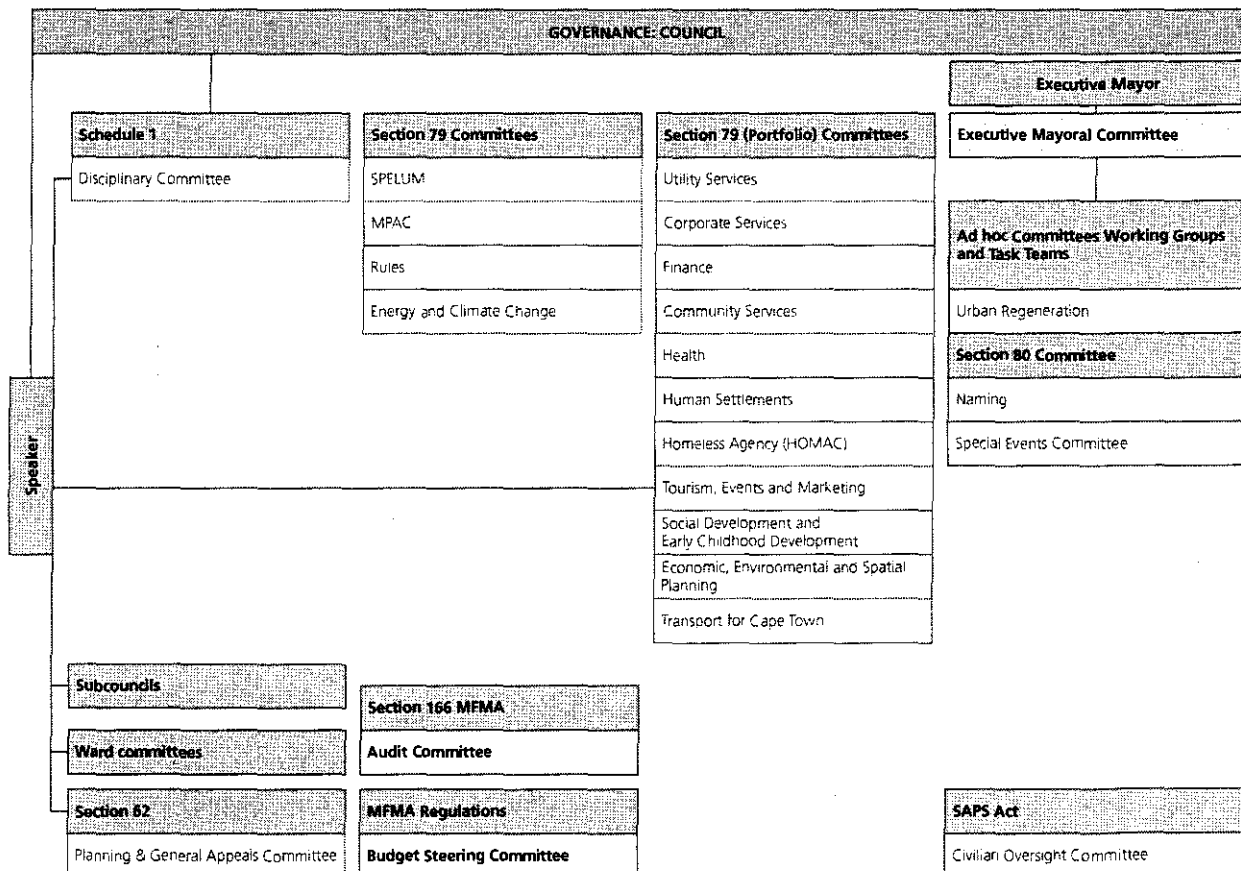


Figure 6.1: Governance structures

## COUNCIL

After the local government elections, a new 221-member Council was elected. Voters in each of Cape Town's 111 electoral wards directly elected one member of Council by a simple majority of votes. The other 110 councillors were nominated to Council by a system of proportional representation (party list) from the 'lists' of the respective parties.

At the inaugural meeting, Council elected its Executive Mayor, Executive Deputy Mayor and Speaker. Council also appointed a Chief Whip, whose primary purpose is to ensure party discipline.

## MAYORAL COMMITTEE (MAYCO)

Mayco is appointed by the Executive Mayor. It exercises the powers, functions and duties designated to it by Council. These powers, functions and duties are performed and exercised by the Executive Mayor, Alderman Patricia de Lille, together with the members of the Committee, who are as follows:

Table 6.1: City of Cape Town Mayoral Committee

<b>Ald P de Lille</b>	Executive Mayor
<b>Ald I Neilson</b>	Executive Deputy Mayor, and Finance
<b>Cllr E Sonnenberg</b>	Utility Services
<b>Cllr G Bloor</b>	Economic, Environmental and Spatial Planning
<b>Ald I Neilson (acting)</b>	Tourism, Events and Marketing
<b>Cllr S Little</b>	Social Development and Early Childhood Development
<b>Ald B Walker</b>	Community Services
<b>Cllr T Gqada</b>	Human Settlements
<b>Ald JP Smith</b>	Safety and Security
<b>Cllr B Herron</b>	Transport for Cape Town
<b>Ald D Qually</b>	Corporate Services
<b>Cllr L Gazi-James</b>	Health

## CLUSTERS AND COMMITTEES

### Section 79 portfolio committees

The terms of reference of all section 79 portfolio committees are, inter alia, the formulation of policy and the monitoring of its implementation within their specific functional areas. Portfolio committees are chaired by councillors who are appointed by full Council. Council established 11 section 79 portfolio committees arranged in the following two clusters:

Economic growth, development and infrastructure cluster

- Transport for Cape Town
- Utility Services

- Economic, Environmental and Spatial Planning
- Tourism, Events and Marketing
- Finance
- Corporate Services
- Human Settlements

### Community cluster

- Human Settlements
- Health
- Social Development and Early Childhood Development
- Community Services
- Safety and Security
- Homeless Agency (HOMAC)

### Portfolio committee chairpersons

Cllr R Moses	Tourism, Events and Marketing
Cllr T Thompson	Transport, Roads and Stormwater
Cllr D America	Corporate Services
Cllr J Slabbert	Human Settlements
Cllr C Brynard	Safety and Security
Cllr S Mamkeli	Utility Services
Cllr A van der Rheede	Community Services
Cllr C Clayton	Health
Cllr J van der Merwe	Finance
Cllr X Limberg	Economic, Environmental and Spatial Planning
Cllr R Arendse	Social Development and Early Childhood Development
Cllr T Uys	Homeless Agency

### Section 79 committees

- *Spatial Planning, Environment and Land Use Management Committee (SPELUM)*  
The terms of reference of this committee relate to spatial planning, town planning, the environment and other related matters.
- *Municipal Public Accounts Committee (MPAC)*  
This is the mechanism through which Council exercises oversight over the expenditure of public money. As far as financial management is concerned, MPAC enables Council to fulfil its constitutional obligation to scrutinise and oversee executive action. It does this by holding the accounting officer and councillors accountable for their spending of ratepayers' money and their stewardship of public assets to ensure regular, economical, efficient and effective local government spending.

## MANAGEMENT AND GOVERNANCE FRAMEWORKS

MPAC conducts its affairs in a non-party-political manner so as to maximise the effectiveness of its work. It ensures that the City's oversight report, as envisaged in section 129 of the MFMA, is prepared for adoption by Council. It also investigates and advises Council in respect of unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32(2) of the MFMA.

- *Rules Committee*  
The Rules Committee is concerned with the rules of procedure of Council and its committees.

### Section 80 committee

- *Naming Committee*  
This committee's purpose is to consider and make recommendations to Council on matters pertaining to the naming of streets, buildings, and the like.
- *Special Events Committee*  
The purpose of this committee is to assist the Executive Mayor in considering events and approve same within available budget, subject to SCM processes where applicable.

### Municipal Systems Act section 62 committee

- *Planning and General Appeals Committee*  
This committee considers appeals against decisions taken in terms of delegated or sub-delegated authority by political structures, political office bearers or councillors.

### Schedule 1 committee

- *Disciplinary Committee*  
This committee is tasked with investigating any alleged breach of the code of conduct for councillors, and making appropriate recommendations to Council. It also investigates non-attendance of meetings and imposes fines as determined by Council's rules of order.

### Municipal Finance Management Act section 166 committee

- *Audit Committee*  
Every municipality is obligated to establish an independent audit committee in terms of section 166 of the MFMA, as amended. Its purpose is to assist Council in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and control processes, and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and prescribed accounting standards.

The Audit Committee does not have executive responsibility, and acts primarily in an oversight capacity. It does not perform any management functions or assume any management responsibilities. It provides a forum for discussing business risk and control issues, in order to develop relevant recommendations for consideration by the City Manager, Mayco and Council for their approval or final decision. The membership, resources, responsibilities and authorities (composition, functions and operation) required by the Audit Committee to perform its role effectively are stipulated in the Audit Committee terms of reference. The Committee is constituted in terms of the requirements of sound corporate governance practices, and operates within that framework.

### SAPS Act committee

- *Civilian Oversight Committee (CIVOC)*  
In terms of section 64J of the South African Police Service Act 68 of 1995, Council has appointed CIVOC to ensure civilian oversight of the municipal police service.

### Speaker

#### Office of the Speaker

The Office of the Speaker's responsibilities include coordination of all processes flowing from subcouncil delegations, disciplinary investigations in terms of the code of conduct for councillors, and the code of conduct for municipal employees, rules of meetings of political structures, as well as the Planning and General Appeals Committee.

### Subcouncils

A metropolitan subcouncil has such duties and powers as the city council may delegate to it in terms of section 32 of the Municipal Structures Act 117 of 1998. It may make recommendations to the city council on any matter affecting its area of responsibility. A metropolitan subcouncil may advise the city council on the duties and powers that should be delegated to it.

Subcouncils' terms of reference are as follows:

- To make recommendations to Council on any matter affecting its area of jurisdiction;
- To exercise any power, duty or function delegated by Council; and
- To exercise any power, duty or function conferred upon it in terms of the subcouncil bylaw.

### Subcouncils and chairpersons

Subcouncil 1	Cllr H Brenner	Subcouncil 13	Cllr R Bazier
Subcouncil 2	Cllr G Twigg	Subcouncil 14	Cllr N Landingwe
Subcouncil 3	Ald J Vos	Subcouncil 15	Ald B Watkyns
Subcouncil 4	Ald C Justus	Subcouncil 16	Cllr T Amira
Subcouncil 5	Cllr R Rau	Subcouncil 17	Cllr G March
Subcouncil 6	Cllr W Jaftha	Subcouncil 18	Cllr M Oliver
Subcouncil 7	Cllr G Fourie	Subcouncil 19	Ald F Purchase
Subcouncil 8	Cllr S Pringle	Subcouncil 20	Cllr I Iversen
Subcouncil 9	Cllr J Thuynsma	Subcouncil 21	Cllr S Vuba
Subcouncil 10	Cllr P Mngxunyeni	Subcouncil 22	Cllr J Heuvel
Subcouncil 11	Cllr S Mamkeli	Subcouncil 23	Cllr N Bent
Subcouncil 12	Cllr E Andrews	Subcouncil 24	Cllr X Sotashe

### Ward committees

Ward committees consist of up to ten members of civil society in each ward, elected from ten sectors determined by the Speaker in each ward. They meet at least every six months under the chairmanship of the ward councillor, to advise, monitor and represent the interests of the ward.

### EXECUTIVE MANAGEMENT TEAM (EMT)

The EMT leads the City's drive to achieve its strategic objectives, as outlined in the IDP each year.

### Macro-organisational design: City Manager and executive directors

The following diagram represents the City's macro structure:



Figure 6.2: Senior administrative structure

Table 6.2: Members of the Executive Management Team

Achmat Ebrahim	City Manager
Adv Tshidi Mayimele-Hashatse	ED: Corporate Services
Seth Maqethuka	ED: Human Settlements
Richard Bosman	ED: Safety and Security
Dr Weziwe Mahlangu-Mathibela	ED: Health
Kevin Jacoby	Chief Financial Officer
Gisela Kaiser	ED: Utility Services
Lokiwe Mtwazi	ED: Community Services
Gerhard Ras	ED: Compliance and Auxiliary Services
Melissa Whitehead	ED: Transport for Cape Town
Anton Groenewald	ED: Tourism, Events and Marketing
Dr Ivan Bromfield	ED: Social Development and Early Childhood Development
Jacob Hugo	ED: Economic, Environmental and Spatial Planning



PICTURE

**OVERVIEW OF INTEGRATED DEVELOPMENT PLAN 2012 – 2017  
MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK  
2014/15 – 2016/17**

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## 2014/15 – 2016/17 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

### INTRODUCTION

Section 26 in chapter 5 of the Municipal Systems Act 32 of 2000 prescribes the core components of the IDP. Section 26(h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of the City over the medium term.

The Municipal Budget and Reporting Regulations (particularly part 2, "Budget-related policies of municipalities") require the accounting officer to ensure that budget-related policies are prepared and submitted to Council. One of these policies relates to the long-term financial plan, which aims to ensure that all long-term financial planning is based on a structured and consistent methodology, thereby ensuring long-term financial affordability and sustainability.

A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets, and assesses financial impacts on outer years' budgets, by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The City has a financial model (Medium-Term Revenue and Expenditure Framework, or MTREF), which aims to determine the appropriate mix of financial parameters and assumptions within which the City should operate to facilitate budgets that are affordable and sustainable at least ten years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality's operating budget.

The MTREF model is reviewed annually to determine the most affordable level at which the municipality can operate optimally, taking into account the fiscal overview, economic climate, national and provincial influences, IDP and other legislative imperatives, as well as internal governance and community consultation.

### Financial strategic approach

The 2014/15 MTREF period represents the 3rd year of the City's 5-year IDP period.

Changes to recent years' structures, protocols and processes envisage three separate budget committees with different focus of attention and responsibilities. This was implemented to ensure further improved strategic alignment of the budget to the IDP. In addition to the Budget Steering Committee (BSC) established in terms of the Municipal Budgeting and Reporting Regulations (MBRR), the two additional budget committees namely, the Budget Strategy Committee (BSM) and the Budget Oversight Committee (BOC) were established for the 2014/15 budget process. The purpose of the BSM is to ensure that the budget is aligned to the City's strategies whereas the BOC has an oversight role ensuring that the overall strategic alignment is being met.

The 2014/15 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook and consultation with various role players.

The process encompassed the following:

- BSM provided the framework for and strategic direction of the budget
- MTREF model forecasted taking above direction into account
- Continuous MTREF presentations to EMT, BSC and the BSM
- IDP community consultations
- Presentations by directorates at budget hearings on their business improvement measurements, funding the IDP and capital investment plans for 3-year MTREF period
- Presentations by the Trading services with regard to their proposed budgets and tariff increases

**PICTURE**

## Economic outlook and external factors

According to Bureau of Economic Research (BER) growth performance is expected to revert back to the long term average. This forecast is due to the international financial markets recovering from the European Sovereign Debt crisis and the assumption that positive politics and improved economic policies will be experienced domestically. As a result, according to BER, GDP is expected to recover in 2015 to 3% and increasing steadily to 3.6% in 2017.

Oil prices are still currently volatile due to the negative fluctuations of the R/\$ exchange rate and uncertainties around potential supply disruptions stemming from political tension in the Middle East. Oil prices are projected to remain at the high rate of between \$100 to \$110 per barrel for 2015. BER further forecasts the Rand to end 2014 at an average of R10.89/\$ and is expected to end 2015 at R10.30/\$.

## Consumer price index forecasts

CPI is expected to remain within the SARB inflation target range of between 3% and 6%. CPI forecasts for the next 3 years are expected to remain at the upper end of the range due to food, petrol and energy costs. The graph below depicts the CPI for the past years and projections for the next 5 years as per BER.

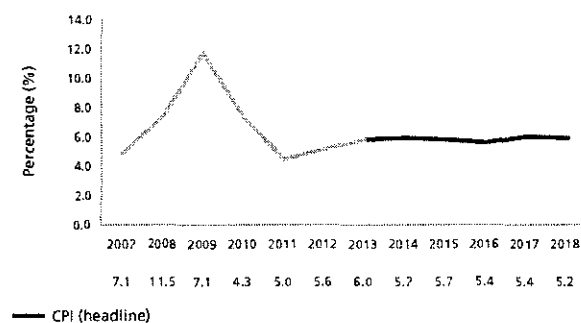


Figure 1: Consumer price index trends – actual and forecast

BER has forecasted CPI as 5.9%, 5.7% and 5.4% for the calendar years 2014 to 2016 respectively. The City's forecasted CPI in municipal financial years is 5.8% for 2014/15, 5.6% for 2015/16 and 5.4% for 2016/17. Years 1 and 2 is higher than the inflation forecasts set out in NT Circular 70 which estimated 5.6% and 5.4% respectively for 2014/15 and 2015/16.

## NATIONAL AND PROVINCIAL GOVERNMENT INFLUENCES

In drafting the 2014/15 MTREF special attention was given to National and Provincial influences which included:

### a) Medium Term Budget Policy Statement (MTBPS)

The MTBPS outlined strategies and interventions required by local government in achieving economic

stability and higher levels of growth, it include, among others:

- Expanding public sector investment in infrastructure through ensuring the budgets and MTREF's acknowledge that capital programmes needs a balanced funding structure addressing not only backlogs in services but also investment in new infrastructure as well as renewing current infrastructure.
- Sustainable job creation – municipalities to ensure that in drafting their 2014/15 budgets and MTREFs, they continue to explore opportunities to promote labour intensive approaches to delivering services, and fully participate in the Expanded Public Works Programme.
- Municipalities to act as catalysts for economic growth through creating an enabling environment for investment and other activities that foster job creation.
- Implementing the National Development Plan through expanding electricity, transport, communications capacity and promoting industrial competitiveness.

The MTBPS further highlighted the current financial position of the country and informed amongst other, municipalities to minimise costs and abuse. The following six focus areas were highlighted for the period ahead:

- Consultant services: Improved contract management, stricter control of consultancy fees and each government entity to develop a consultancy reduction plan over the course of this financial year.
- No credit cards.
- Travel and related costs: Restricting the type of cars hired and the number of officials travelling
- Advertising: Guidelines to limit non-essential costs and for better use of GCIS facilities will be developed.
- Catering and event costs: Guidelines to be developed for reducing event costs, including better use of government facilities rather than outside venues for meetings. No public funds to be used for purchase of alcohol. The entertainment allowance will be limited to R2 000.
- Steps are under way to reduce long term office accommodation and government housing costs and make further savings from electricity demand management measures in government buildings.

## 2014/15 – 2016/17 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

With regard to the issues raised above, the City have further expanded their EPWP for the 2014/15 financial year, have already in the 2013/14 implemented cost cutting initiatives where provisions for National and International travel was reduced and stricter approving mechanisms applied; catering, and entertainments budgets reduced. In addition, the City continuously assesses efficiencies in the utilisation of office accommodation.

### b) MFMA circular 70

Cognisance was also taken of MFMA Circular No 70 – Municipal Budget Circular for the 2014/15 MTREF, which amongst other included:

- Municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts.
- Municipalities should carefully consider affordability of tariff increases;
- Municipalities should also pay particular attention to managing revenue effectively and carefully evaluate all spending decisions.
- Municipalities must implement cost containing measures as approved by Cabinet to eliminate non-priority spending.
- Strengthening procurement to obtain value for money and fighting against corruption
- Local government budget and financial management reforms, including the regulation of SCOA, the financial implication of SCOA and Management accounting and its impact on tariff setting
- Guidelines for the 2014/15 MTREF Electricity, Water, Sanitation and Solid Waste tariffs.
- Municipalities are urged to sign service level agreements and recover costs where unfunded/ underfunded mandates are performed on behalf of other spheres of government. Unfunded/unfunded mandates pose an institutional and financial risk to the municipality as substantial amounts of own funding is allocated to non-core functions at the expense of service delivery.

### Financial modelling and Key Planning drivers

The alignment of the strategy of the City and the budget included alignment to:

- The Integrated Development Plan
- Resource prioritisation within the IDP objectives according to the City's Economic Growth Strategy (EGS) and the Social Development Strategy (SDS)
- The City's transversal goals as set out by the Economic and Social Clusters

- Core economic, financial and technical data obtained at local and national level
- Other issues deemed important at Mayco

The outcome of the MTREF modelling performed incorporated the above and the ensuing paragraphs outline the assumptions on which the MTREF was compiled.

The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher than inflation Repairs and Maintenance provisions to attain nationally benchmarked levels to ensure and enhance preservation of the City's infrastructure;
- Higher increases to selected cost elements subjected to higher than average inflationary pressure, e.g. staff costs;
- A 100% capital expenditure implementation rate assumed;
- Credible collection rates based on collection achievements to date and incorporating improved success anticipated in selected revenue items;
- Reprioritisation of the operating budget to give effect to the MTBPS and National Treasury circular 79 and to ensure strategic alignment of the budget.
- National and Provincial allocations as per the 2013 DORA and 2013 Western Cape Provincial gazette.

### EXPENDITURE ANALYSIS – A THREE-YEAR PREVIEW

#### General inflation outlook and its impact on municipal activities

CPI projected for the City is 5.8% for 2014/15, 5.6% and 5.4% for 2015/16 and 2016/17 respectively. These levels are within the South African Reserve Bank (SARB) inflation targeting range of between 3% to 6% range and is depicted in the graph below.

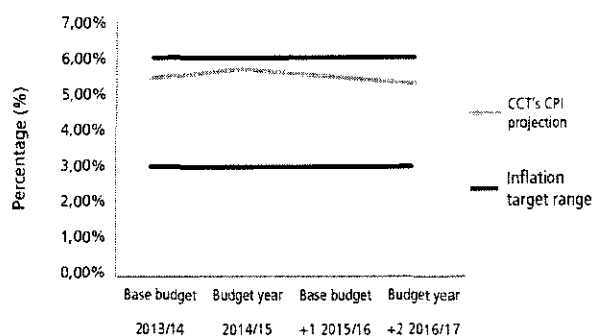


Figure 7.2: Consumer price index projections and Reserve Bank inflation target range

### Collection rates for revenue services

In accordance with relevant legislation and national directives, the City's projected revenue recovery rates are based on realistic and sustainable trends. In calculating the working capital reserve, the following collection ratios were applied:

Table 1: Service revenue collection ratios

Services	Base budget 2013/14	2014/15	2015/16	2016/17
Rates	96.00%	96.00%	96.00%	96.00%
Electricity	98.00%	98.00%	98.00%	98.00%
Water	92.50%	90.60%	89.50%	89.00%
Sanitation	92.50%	90.60%	90.00%	90.50%
Refuse	93.00%	95.00%	95.00%	95.00%
Housing	47.00%	50.40%	52.00%	54.60%

Property Rates and Electricity's collection ratios are expected to remain constant over the 2014/15 MTREF period. Refuse collection rate is expected to increase from 93% to 95% from 2013/14 to 2014/15, in line with recent years' trends. The yr. on yr. phased downward alignment of the Water and Sanitation collection ratio is as a result of lower than anticipated actual outcomes. Current debt management initiatives being implemented is intended to raise the collection ratio to targeted levels.

Housing collection ratio is also expected to increase over the 2014/15 MTREF, which is due to initiatives that includes amongst other, expanded housing debt management and the Payers Incentive Scheme.

A R951 million was provided for debt impairment in the 2014/15 budget and is based on an average collection ratio of 94% (excludes Housing). The graph below shows the debt impairment for the period 2012/13 to 2016/17.

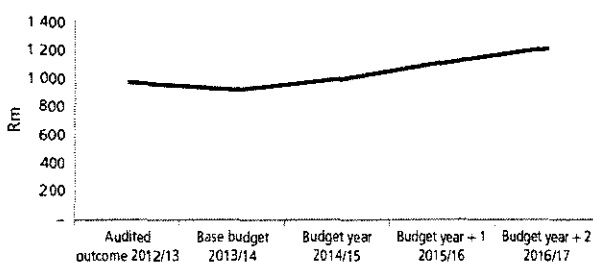


Figure 3: Provision of bad debts – 2012/13 to 2016/17

### Salary increases – salaries, wages and related staff costs

A 3 year Salary and Wage collective agreement was entered into in 2012. The term of the agreement covers the 2012/13 to 2014/15 period; in the absence of an agreement for the two outer years of this MTREF period the provisions provided for 2014/15 were also assumed for the two outer years.

In terms of the agreement, the salary and wage increases were annually calculated for all three years using the average CPI for the period 1 February of the previous year to 31 January of the current year.

The agreement further stipulates that if, in any of these years the average CPI percentage, as per the calculation above, is less than 5%, the average CPI will be deemed to be 5% and in the event that the average CPI is above 10% the average CPI will be deemed to be 10%.

The actual CPI for the period 1 February 2013 to 30 November 2013 (ex STATSSA) is 5.84%; the salary provision made for the 2014/15 MTREF is therefore 6.84% (5.84%+1%).

In addition, provision was made for an incremental allowance of 2% to cater for performance – and other notch increases.

The graph below shows the consistent above-CPI salary increases for the last three years and for the projected MTREF period.

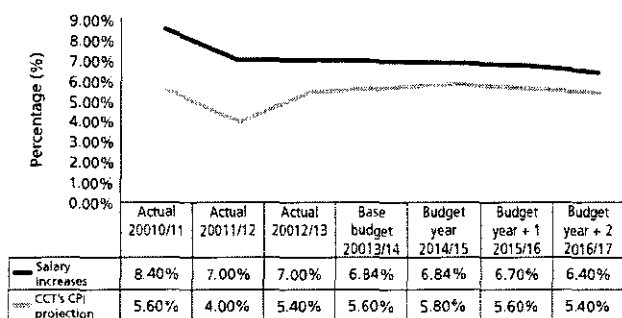


Figure 4: Above-CPI salary increases

### Ensuring maintenance of existing assets: Repairs and maintenance

NT Circular 70 reminded municipalities to consider the budget management issues which were discussed in previous circulars. NT circulars 54, 55 and 58 stressed the importance of securing the health of a municipality's asset base by increased spending on repairs and maintenance. NT circular 55 further stated that "allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the benchmarks". NT Circular 55 and 70 set the percentage norm of operational repairs and maintenance to asset value (write down value) of the municipality's Property Plant and Equipment (PPE) at 8% this ratio outcome for the City averages 8.8% annually over the 2014/15 MTREF.

To give effect to the above directives repairs and maintenance was budgeted at 3% above CPI over the 2014/15 MTREF.

## 2014/15 – 2016/17 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

The graph below shows the increasing expenditure trend on repairs and maintenance from 2012/13 and projected to 2016/17.

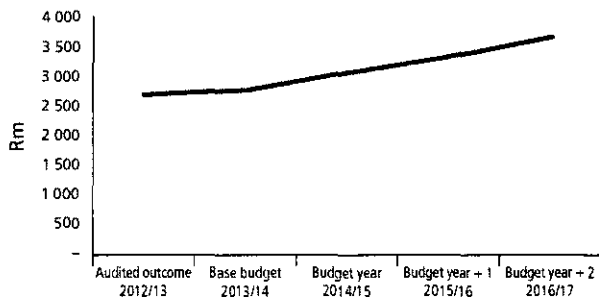


Figure 5: Repairs and Maintenance expenditure trends

### Interest rates for borrowing and investment of funds

Borrowing interest rates is factored at a prime rate stabilising at 11% over the 2014/15 MTREF. The investment interest rate has improved from the previous financial period by 0.5%. An average of 5.50% was forecasted over the 2014/15 MTREF.

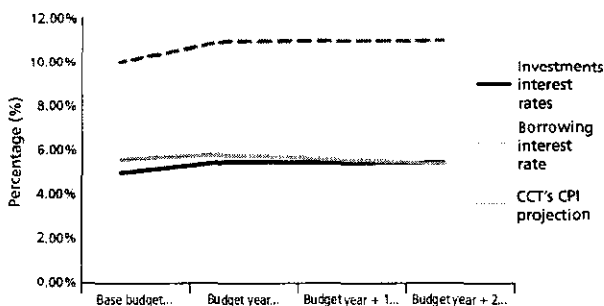


Figure 6: Investment and borrowing interest rates

### Operating financing of capital

Calculation of depreciation on new capital expenditure is based on variables such as asset class life span, ranging between 9 and 50 years, depending on the nature of the asset. An annual capital expenditure implementation rate of 100% was assumed. Depreciation of existing assets is based on simulated SAP data which reflects actual values per annum. Assets under Construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.

### REVENUE ANALYSIS – A THREE-YEAR PREVIEW

#### Growth or decline in tax base and services of the municipality: Service growth

The current unstable economic climate has restricted material service growth projections. The respective projected growth for the City's services is as follows:

#### Rates

Service growth applied for Rates has reduced from 1% in 2013/14 to 0.5% over the 2014/15 MTREF.

#### Water and Sanitation

A service growth of 1% was applied to Water and Sanitation over the 2014/15 MTREF. This is based on the average growth over the past years, on the revenue generating portion of water volumes.

#### Electricity

Electricity has projected negative service growth over the 2014/15 MTREF, due to the impact of energy saving plans and increasing tariffs which is reducing consumption. Negative service growth levels of 1.75% (2014/15) and 1% (2015/16 and 2016/17) are projected over the MTREF period.

#### Refuse

A 2% service growth was applied over the 2014/15 MTREF for Refuse. This is as a result of the growth in the requirement for refuse services

### Major tariffs and charges: Rates and trading services

The adverse impact of the current economic climate, coupled with the demand for new and upgraded infrastructure, made tariff increases higher than CPI levels inevitable.

NT circular 70 of December 2013 "National Treasury also continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6.0 per cent upper boundary of the South African Reserve Bank's inflation target in the budget narratives". Nevertheless, it further indicates that tariffs should be cost reflective. In this regard the following represents the revenue increases included over the 2014/15 MTREF.

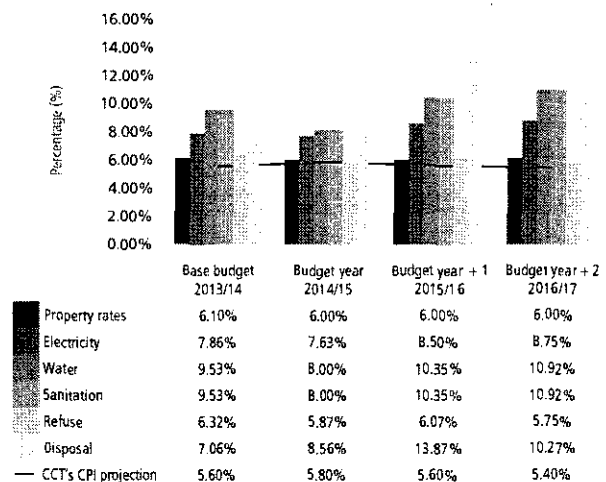


Figure 7: Average service revenue increases

### Property Rates

The Rates revenue increase is at 6% over the 2014/15 MTREF, i.e. within the inflation target range. This increase will afford the City to provide for the recurrent operating costs, new budget realities and for the investments in new infrastructure of Rate funded services.

### Electricity

The NERSA approved electricity bulk purchases increase for 2014/15 is 8.06%. Based on this, the City's average revenue increase requirement is 7.63% for the 2014/15 financial year and 8.50% and 8.75% for the two outer years respectively. The higher than CPI increase is attributed to various factors which would include the higher than CPI Eskom increase and salary increases. It furthermore caters for the increased costs of finance charges to the previous financial year, due to increased investments in new infrastructure to ensure continued optimal service delivery and an increase in the number of revenue collection teams to further improve the collection ratio.

### Water and Sanitation

According to NT circular 70 municipalities were previously advised that *"If the water and sanitation tariffs are not fully cost reflective, the municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time"*. It was further advised that *"as per the guidance in previous Budget Circulars, municipalities are expected to have cost reflective tariffs for the 2014/15 MTREF for both water and sanitation. Should this not be case, municipalities will be required to clearly articulate the reasons within the budget document including remedial actions in rectifying this position"*.

The average Water and Sanitation revenue increase for 2014/15 is at 8.00% and averages 10.64% over the two outer years. The higher than CPI tariff increase requirement is as a result of the additional cost required to service informal settlement, to keep pace with the demand for maintenance of the current infrastructure, to cater for increased water demand, to ensure compliance to the Waste Water Treatment Works legislation issued by the Department of Water Affairs, the investment in new infrastructure as well as to absorb the cost impact of the lower collection ratio projected for the 2014/15 MTREF,

### Solid Waste

According to Circular 70, *"municipalities are once again reminded that in many instances waste tariffs do not cover the cost of providing the different components of the service. Where this is the case, municipalities should aim to have appropriately structured, cost-reflective solid waste tariffs in place by 2015"*.

The Disposal average increase for 2014/15 is at 8.56%. This increase, amongst other, is required for the rehabilitation of landfill sites and for the operating costs relating to the new transfer station. The 5.87% average increase for Refuse in 2014/15 is to maintain and improve the standard of refuse removal service.

### Housing rental stock

The monthly rental charge for the City's housing rental properties is based on a rate per square meter applied to the size of the unit being rented coupled with a set of premiums/ deductions based on the location, maintenance level, facilities et al of the property for which the rent is charged.

The rates for 2014/15 are as follows:

- Rental (per square meter): R8.20
- Rental (per square meter including water charge where applicable): R11.58
- Plus the applicable premiums and deductions associated with the unit

### Impact of national, provincial and local policies on operating revenue

#### Fuel levy

The general fuel levy is legislated by the Taxation Laws Amendment Act (2009) that makes provision that each metro's share be announced through a Government Gazette. The fuel levy sharing amounts for each metro is therefore published annually through a Notice in the Government gazette.

The Fuel levy allocation is based on the latest available fuel sales figures within the jurisdiction of the City as a metro. The following indicative amounts were allocated to the City as per the 2013/14 allocation letter received from NT:

2014/15 – R2.015bn

2015/16 – R2.108bn

2016/17 – R2.222bn (projected on average yr. on yr. increase)



## 2014/15 – 2016/17 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

### Equitable share

The reviewed Equitable Share formula provide a subsidy for the provision of free basic water, electricity, sanitation and refuse removal services for every poor household. It also provides funds for the institutional costs of municipalities, a community services component which provides funding towards the provision of core municipal services not included under basic services. To ensure that the funds for institutional costs and non-trading services are targeted at poorer municipalities, the formula applies a revenue-adjustment factor reflecting municipalities' ability to generate their own revenue. The revised formula used data from the 2011 Census which are to be updated annually to reflect estimates of population growth and projected increases in the cost of services such as water and electricity.

Table 7.2: Equitable Share formula

#### Structure of the local government equitable share formula

$$LGES = BS + (I + CS) \times RA \pm C$$

where

**LGES** is the local government equitable share

**BS** is the basic services component – basic services subsidy x number of poor households

**I** is the institutional component – base allocation + [allocation per councillor \* number of council seats]

**CS** is the community services component – [municipal health and related services allocation x number of households]  
+ [other services allocation x number of households]

**RA** is the revenue adjustment factor

**C** is the correction and stabilisation factor

Equitable share provisions included in the budget are based on the 2013 Division of Revenue Act. Based on the calculation as set out above the City had a revenue adjustment factor of zero which meant that it did not receive any allocation from the institutional and non-trading services components on which the factor was applied. The following indicative equitable share amounts were allocated to the City as per the 2013 DORA.

2014/15 – R1.502bn

2015/16 – R1.815bn

2016/17 – R2.193bn (projected on average yr. on yr. increase)

### Capital funding sources

The total capital budget included for the 3-year MTREF period is as follows:

Table 3: Capital funding sources

Funding source	2014/15 R'000	2015/16 R'000	2016/17 R'000
Capital Grants and Donations	2 886 199	2 995 459	2 942 306
Capital Replacement Reserve	722 927	681 040	607 349
Revenue	2 346 301	2 510 679	2 386 273
External Financing Fund	2 149 497	2 048 074	2 442 586
<b>TOTAL</b>	<b>6 080 696</b>	<b>6 204 645</b>	<b>5 951 461</b>

Grants received from National and Provincial Government remains a significant funding source over the 2014/15 MTREF. External Financing Fund (EFF) over the 3 years averages R2.41 billion.

## Borrowing and credit rating

The City's borrowing is done in terms chapter 6 of the MFMA and the City's borrowing policy and is influenced by the capital investment / EFF requirement for the 2014/15 MTREF. The City requires a credit rating to demonstrate its ability to meet its financial obligations. Potential lenders also use this rating to assess the City's credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework.

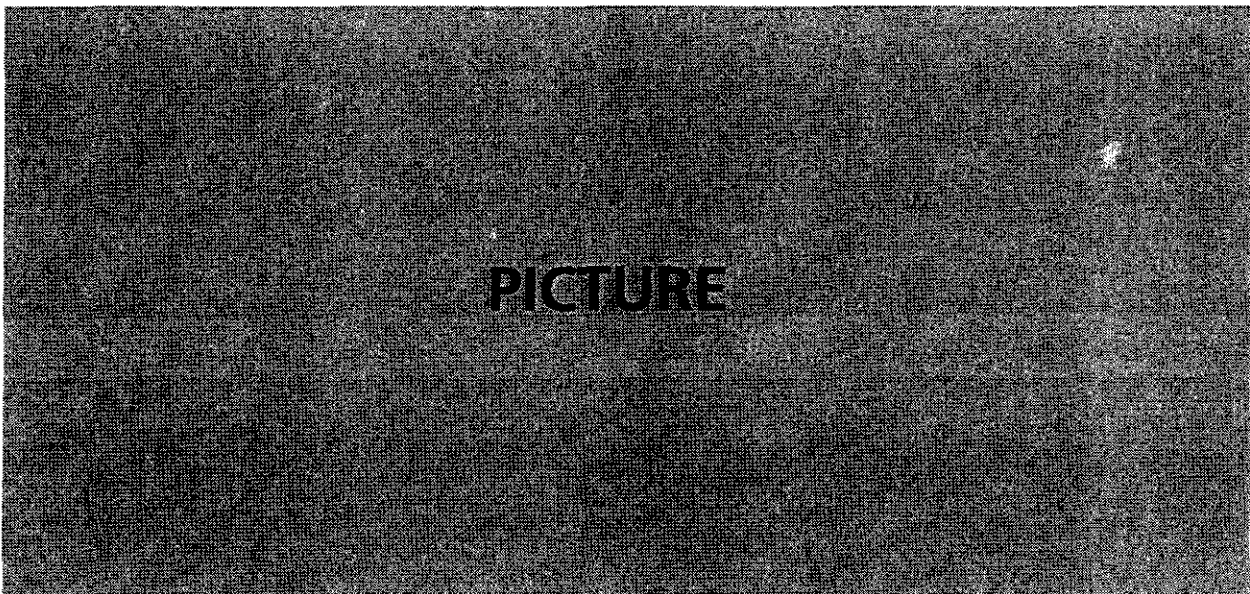
Moody's Investors Service has rated the City's credit rating as Aa3.za in 2013, which reflects the City's strong budgetary performance and its good liquidity position. The City is rated at the high end of the range of South African municipalities rated by Moody and it is expected that the City will maintain this relatively strong financial position in the medium term. The negative outlook on the City's rating mirrors the negative outlook on South Africa's sovereign rating. This position can only be improved by the stabilisation or upgrade of the sovereign rating.

Table 4: Credit rating for the City of Cape Town

Category	Currency	Rating 02 April 2013	Previous rating 14 December 2012
Outlook	-	Negative	Negative
NSR Issuer Rating – Dom Curr	Rand	Aa3.za	Aa3.za
NSR ST Issuer Rating – Dom Curr	Rand	P-1.za	P-1.za
NSR Senior Unsecured – Dom Curr	Rand	Aa3.za	Aa3.za

The definitions of the rating categories are:

- Negative Outlook – reflects that a credit rating assigned to an issuer which may be lowered.
- NSR Issuer Rating – Aa3.za – Issuers or issues rated A.za present above average credit worthiness relative to other domestic issuers.
- NSR Issuer Rating – Aa2.za – Issuers or issues rated Aa.za demonstrate very strong creditworthiness relative to other domestic issuers.
- NSR ST Issuer Rating – P-1.za – Issuers (or supporting institutions) rated Prime-1 has a superior ability to repay short-term debt obligations.
- NSR Senior Unsecured – Issuers demonstrate very strong creditworthiness relative to other domestic issuers.



## 2014/15 – 2016/17 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

## Major parameters to the operating budget

Table 7.5: Operating budget parameters

	2014/15	2015/16	2016/17
	%	%	%
CPI	5.80	5.60	5.40
COLLECTION RATES			
Rates	96.00	96.00	96.00
Electricity	98.00	98.00	98.00
Water	90.60	89.50	89.00
Sanitation	90.60	90.00	90.50
Refuse	95.00	95.00	95.00
Housing	50.40	52.00	54.60
<b>REVENUE PARAMETERS (excluding organic growth):</b>			
Rates	6.00	6.00	6.00
Electricity	7.63	8.50	8.75
Water	8.00	10.35	10.92
Sanitation	8.00	10.35	10.92
Refuse	5.87	6.07	5.75
Disposal	8.56	13.87	10.27
<b>REVENUE PARAMETERS (including organic growth):</b>			
Rates	6.50	6.50	6.50
Electricity	5.88	7.50	7.75
Water	9.00	11.35	11.92
Sanitation	9.00	11.35	11.92
Refuse	7.87	8.07	7.75
<b>EXPENDITURE PARAMETERS:</b>			
Salary increase			
Salary increase (SALGA Agreement)	6.84	6.70	6.40
Increment provision	2.00	2.00	2.00
General Expenses	5.80	5.60	5.40
Repairs & Maintenance	8.80	8.60	8.40
Interest Rates			
Interest paid	11.00	11.00	11.00
Interest on investment	5.50	5.50	5.50
<b>OTHER:</b>			
Capital (EFF component) Expenditure	R2.346bn	R2.511bn	R2.386bn
Equitable Share Allocation	R1.502bn	R1.815bn	R2.193bn
Fuel Levy	R2.015bn	R2.108bn	R2.222bn



## **FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2013/14 YEAR) INCLUDING PROPOSED ADJUSTMENTS**

Reviewed Five-year corporate scorecard 2012/13 – 2016/17	<b>114</b>
Five-year corporate scorecard 2012/13 – 2016/17 indicator definitions	<b>118</b>

# PICTURE



# **FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17** (2014/15 YEAR)

REVIEWED FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 Year REVIEW)								
SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline <sup>1</sup> 2012/13	Proposed targets			
				2012/13	2013/14	2014/15	2015/16	2016/17
SFA 1 – THE OPPORTUNITY CITY	1.1 Create an enabling environment to attract investment that generates economic growth and job creation	1.A Percentage of building plans approved within statutory timeframes (30 – 60 days)	69,32%	80,7%	82%	85%	87%	90%
	1.2 Provide and maintain economic and social infrastructure to ensure infrastructure-led economic growth and development	1.B Percentage spend of capital budget	92,8% R4 233 bn	92,91%	91%	92%	93%	94%
		1.C Rand value of capital invested in engineering infrastructure	R1,309 bn	R 2,1 bn	R 1,8 bn	R 1,8 bn	–	–
		1.D Percentage spend on repairs and maintenance	100%	104%	100%	95%	95%	95%
		1.E Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service	0,43%	< 0,65%	< 1%	< 0,9%	< 0,8%	< 0,7%
		1.F Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service	0,09%	< 0,57%	< 1%	< 0,9%	< 0,8%	< 0,7%
		1.G Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service	0,16%	< 0,13%	< 1%	< 0,9%	< 0,8%	< 0,7%
		1.H Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service	0,01%	< 0,00%	< 1%	< 0,9%	< 0,8%	< 0,7%
		1.I Number of Expanded Public Works programmes (EPWP) opportunities created	26 403	35 556	37 500	40 000	42 500	45 000
	1.3 Promote a sustainable environment through the efficient utilisation of resources	1.J Percentage of treated potable water not billed	New <sup>(2)</sup>	New <sup>(2)</sup>	20,20%	19,70%	19,20%	18,70%
	1.4 Ensure mobility through the implementation of an effective public transport system	1.K Number of passenger journeys on the MyCiti public transport system	New	3113 329	5,3 m	8 m	15 m	19 m
	1.5 Leverage the City's assets to drive economic growth and sustainable development	1.L Percentage development of an immovable property asset management framework	New <sup>(2)</sup>	New <sup>(2)</sup>	48,66%	70%	85%	95%
	1.6 Maximise the use of available funding and programmes for training and skills development	1M (a) Number of external trainee and bursary opportunities (excluding apprentices)	954	625	700	750	800	850
		1.M (b) Number of apprentices	314	230	250	270	300	320

REVIEWED FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 Year REVIEW)								
SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline <sup>1</sup>	Proposed targets			
				2012/13	2013/14	2014/15	2015/16	2016/17
SFA 2 – THE SAFE CITY	2.1 Expanding staff and capital resources in policing departments and emergency services to provide improved services to all, especially the most vulnerable communities	2.A Community satisfaction survey (Score 1 – 5) – safety and security	2.7	2.5	2.8	2.8	2.8	2.9
		2.B Reduce number of accidents at five highest frequency intersections	New	321	367	362	358	353
		2.C Percentage response times for fire incidents within 14 minutes from call receipt up to arrival	82%	84%	80%	80%	80%	80%
	2.2 Resource departments in pursuit of optimum operational functionality	2.D Number of operational specialised units maintained	New <sup>(2)</sup>	New <sup>(2)</sup>	14	14	14	14
	2.3 Enhance information-driven policing with improved information gathering capacity and functional specialisation	2.E Percentage budget spent on integrated information management system	New <sup>(2)</sup>	New <sup>(2)</sup>	15%	40%	65%	90%
	2.4 Improve efficiency of policing and emergency staff through effective training	2.F Percentage staff successfully completing legislative training interventions	New <sup>(2)</sup>	New <sup>(2)</sup>	70%	70%	70%	70%
	2.5 Improve safety and security through partnerships	2.G Percentage of neighbourhood watch satisfaction survey	New <sup>(2)</sup>	New <sup>(2)</sup>	60%	65%	70%	75%



# FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 YEAR)

REVIEWED FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 Year REVIEW)								
SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline 2012/13	2013/14	Proposed targets		
						2014/15	2015/16	2016/17
SFA 3 – THE CARING CITY	3.1 Provide access to social services for those who need it	3.A Number of social development programmes implemented	New	7	7	7	7	7
		3.B Number of recreation hubs where activities are held on a minimum of five days a week	New	28	40	40	55	55
	3.2 Ensure increased access to innovative human settlements for to those who need it	3.C Number of human settlements opportunities provided per year	7 141	12 416				
		Serviced sites		6 391	4 400	5 142	4 000	4 000
		Top structures		4 300	4 242	5 614	3 200	3 000
		Other (CRU upgrades and shared services provision to Reblocked Informal Settlements and backyarders)		1 725	4 641	3 605	2 000	2 000
	3.3 Assess the possible sale or transfer of rental stock to identified beneficiaries, using established criteria	3.D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units	New <sup>(2)</sup>	New <sup>(2)</sup>	2 500	2500	tbd	tbd
	3.4 Provide for the needs of informal settlements and backyard residences through improved services	3.E Improve basic services						
		3.E (a) Number of water services points (taps) provided	277	1 000	1 020	1 040	1 070	1 100
		3.E (b) Number of sanitation service points (toilets) provided	3 354	3 000	3100	3 100	3 100	3 100
		3.E (c) Percentage of informal settlements receiving door-to-door refuse collection service	223	204	99%	99%	99%	99%
		3.F Number of electricity subsidised connections installed	1 050	918	1 500	1 500	1 500	1 500
	3.5 Provide effective environmental health services	3.G Percentage compliance with drinking water quality standards	98,60%	99,3%	98%	98%	98%	98%
	3.6 Provide effective air quality management and pollution (including noise) control programmes	3.H Number of days when air pollution exceeds RSA Ambient Air Quality Standards	New	4	< 25	< 25	< 25	< 25
	3.7 Provide effective primary health-care services	3.I New Smear Positive TB Cure Rate	New	84,2%	83% (2012/13)	83% (2013/14)	84% (2014/15)	85% (2015/16)
	3.8 Provide substance abuse outpatient treatment and rehabilitation services	3.J Number of new clients screened at the Substance Abuse Outpatient Treatment Centres	New <sup>(2)</sup>	New <sup>(2)</sup>	1 520	1 572	1 628	1 687

REVIEWED FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 Year REVIEW)								
SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline <sup>1</sup> 2012/13	2013/14	Proposed targets		
				2012/13	2013/14	2014/15	2015/16	2016/17
SFA 4 – THE INCLUSIVE CITY	4.1 Ensure responsiveness by creating an environment where citizens can communicate with and be responded to	4.A Percentage adherence to citywide service standard based on all external notifications	New	96,98%	100%	100%	100%	100%
	4.2 Provide facilities that make citizens feel at home	4.B Customer satisfaction survey (Score 1 – 5 Likert scale) – community facilities	3	3,1	3,1	3,1	3,1	3,1
SFA 5 – THE WELL-RUN CITY	5.1 Ensure a transparent and work towards eradicating corruption.	5.A Number of municipal meetings open to the public	New <sup>(2)</sup>	New <sup>(2)</sup>	174	174	174	174
	5.2 Establish an efficient and productive administration that prioritises delivery	5.B Employee Engagement index as measured in a biennial Staff Engagement Survey	35%	Survey will be completed in the 2013/14 financial year	39%	Survey will be completed in the 2015/16 financial year	3,6	Survey will be completed in the 2017/18 financial year
		5.C Community satisfaction survey (Score 1 – 5) – citywide	2,7	2,9	2,8	2,9	2,9	3
		5.D Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan	65,70%	65,85%	78%	80%	82%	85%
		5.E Percentage budget spent on implementation of WSP for the City	103,89%	102,04%	95%	95%	95%	95%
	5.3 Ensure financial prudence, with clean audits by the Auditor-General	5.F Opinion of the Auditor-General	Unqualified Audit	Unqualified Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit
		5.G Opinion of independent rating agency	High investment rating of P-1.za Aa2.za	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)	High investment rating (subject to sovereign rating)
		5.H Ratio of cost coverage maintained	New	2.67:1	2:1	2:1	2:1	2:1
		5.I Net debtors to annual income (ratio of outstanding service debtors to revenue actually received for services)	New	20,31%	20,5%	21,5%	21,5%	21,5%
		5.J Debt coverage by own billed revenue	New	3.24:1	2,5:1	2:1	2:1	2:1

(1) The baseline figures currently reflects the audited actual achievements as at 30 June 2013. These figures will be available at [www.capetown.gov.za/idp](http://www.capetown.gov.za/idp) after September 2014.

(2) The indicator will be reported on in 2013/14.

OVERVIEW OF BUDGET  
ASSUMPTIONS APPLIED TO THE  
2012 – 2017 MRP

FIVE-YEAR CORPORATE  
SCORECARD 2012/13 – 2016/17

ACCORDUM

LIST OF STATUTORY STRATEGIC  
AND OPERATIONAL PLANS

2013 CHARGES AND  
UPDATES TO THE IDP

LIST OF ABBREVIATIONS,  
TABLES AND FIGURES

## FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 YEAR)

Indicator	IDP	Indicator definition
<b>1.A</b> Percentage of building plans approved within statutory timeframes (30 – 60 days)	1.1 (e)	<p>Percentage of applications approved within statutory timeframes (30 – 60 days). The objective is to improve approval time of the applications. This improvement is in the trend over the course of the five-year term of the Integrated Development Plan, but targeted annually as the weighted average percentage achieved for the specific year. The approval of building plans is measured within the statutory timeframes of &lt; 500 m<sup>2</sup> (30 days) and &gt; 500 m<sup>2</sup> (60 days). Refer section A7 of the National Building Regulations Act (Act 103 of 1977).</p> <p>Date and time stamped data: A cut-off date of three days of the next month is allowed for the capturing of the previous month's production (i.e. 30th or 31st day of the month). Statistical data will be extracted on the fourth day with a date and time stamp, and reported accordingly as a weighted average percentage for the two categories of building plans.</p>
<b>1.B</b> Percentage spend of capital budget	1.2 (b)	<p>Percentage reflecting year-to-date spend/total budget, less any contingent liabilities relating to the capital budget.</p> <p>The total budget is the Council-approved adjusted budget at the time of the measurement.</p> <p>Contingent liabilities are only identified at the year-end.</p>
<b>1.C</b> Rand value of capital invested in engineering infrastructure	1.2 (b)	<p>Investment into engineering infrastructure relates to growth, refurbishment and replacement of water, sanitation, electricity, solid waste (removal and disposal), roads, stormwater, transport and broadband infrastructure.</p>
<b>1.D</b> Percentage spend on repairs and maintenance	1.2 (b)	<p>Percentage reflecting year-to-date spend (including secondary cost)/total repairs and maintenance budget.</p> <p>Note that the in-year reporting during the financial year will be indicated as a trend (year-to-date spend).</p> <p>Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned maintenance includes asset inspection and measures to prevent known failure modes, and can be time or condition based.</p> <p>Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure.</p> <p>Primary repairs and maintenance cost refers to Repairs and Maintenance expenditure incurred for labour and materials paid to outside suppliers.</p> <p>Secondary repairs and maintenance cost refers to Repairs and Maintenance expenditure incurred for labour provided In-house / internally.</p>
<b>1.E</b> Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service	1.2 (b)	<p>This indicator reflects the number of outstanding valid applications expressed as a percentage of total number of active billings for the service (where down payment has been received), for water services (where valid applications translate into an active account) for domestic customers, as extracted from the City of Cape Town's SAP database.</p> <p>Proxy measure for NKPI.</p>
<b>1.F</b> Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service	1.2 (c)	<p>This indicator reflects the number of outstanding valid applications (where down payment has been received) for sewerage services (where valid applications translate into an active account), expressed as a percentage of total number of active billings for the service. Billing equates to active contract accounts (sewerage services) for domestic customers, as extracted from the City of Cape Town's SAP database.</p> <p>Proxy measure for NKPI.</p>

Indicator	IDP	Indicator definition
<b>1.G</b> Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service	1.2 (c)	This indicator reflects the number of outstanding valid applications (where down payment has been received) for electricity services (meter and prepaid) (where valid applications translate into an active account), expressed as a percentage of total number of active billings for the service.  Proxy measure for NKPI.
<b>1.H</b> Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service	1.2 (c)	This indicator reflects the number outstanding valid applications (C3 notifications) for a new refuse collection services at the end of a reporting period, expressed as a percentage of total number of active billings for formal residential refuse collection services as at the end of the same reporting period. Billing equates to active contract accounts (formal kerbside refuse collection service) for domestic customers as extracted from the City of Cape Town's SAP database.  Proxy measure for NKPI.
<b>1.I</b> Number of Expanded Public Works Programme (EPWP) opportunities created	1.2 (d)	This indicator measures the number of work opportunities created through the Expanded Public Works Programme (EPWP).  An EPWP work opportunity is paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for Special Public Works Programmes.
<b>1.J</b> Percentage of treated potable water not billed	1.3 (b)	The percentage of treated potable water not billed pertains to non-revenue water. This is the volume of potable water that is treated but is either lost or not billed for, expressed as a percentage of total potable water treated.  It is calculated on a 12-month rolling basis in order to smooth out short-term fluctuations.  The aim is to reduce the percentage of treated potable water not billed over the planned period and is reflected in the targets.
<b>1.K</b> Number of passenger journeys on the MyCiti public transport system	1.4 (c)	The take-up of the MyCiti transport will be determined by the demand.  Definition of a passenger journey is calculated from the first boarding of a bus at a feeder stop or trunk station to the last exit from a bus at a feeder stop or trunk station and includes any transfers between buses (single journey).
<b>1.L</b> Percentage development of an immovable property asset management framework	1.5 (a)	This indicator measures the percentage of the weighted average of the components below:  1. Development of a comprehensive immovable property asset register 2. Development of an immovable property asset management compliance framework 3. Development of a centralised custodial role for immovable property asset management (communication) 4. Identification of all strategic immovable property assets 5. Development of a medium-term (five to ten year) strategy for the release of immovable property 6. The strategic acquisition and holding (land banking) of new immovable property assets
<b>1.M</b> Number of external trainee and bursary opportunities created	1.6 (a)	This measures the number of learning opportunities created for unemployed youth as a contribution to the job creation initiative and provision of real world-of-work exposure to graduates. This includes external bursaries awarded, in-service student training opportunities, graduate internships, learnerships and apprenticeships.  There are two measures under this indicator.  Measure (a) includes external bursars, in-service student trainees, graduate interns and learners (learnership beneficiary).  Measure (b) includes apprentices.

## FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 YEAR)

Indicator	IDP	Indicator definition
<b>2.A</b> Community Satisfaction Survey (Score 1 – 5) – safety and security	2.4 (a)	<p>This indicator measures community perception in respect of the prevailing levels of general disorder in the city. 'Anti-social behaviour and disorder' are concepts frequently used in the law enforcement environment to describe the prevailing sense of lawlessness in a particular area and refers to minor crimes, bylaw offences, nuisances and traffic offences that impact directly on the quality of life of residents. The City's Community Satisfaction Survey measures public perception around a number of these issues, i.e.:</p> <ul style="list-style-type: none"> <li>• Visible presence of traffic enforcement;</li> <li>• Action taken against illegal land invasions;</li> <li>• Action taken against illegal dumping;</li> <li>• Acting on complaints relating to noise and other disturbances; and</li> <li>• Bylaws being enforced.</li> </ul> <p>Total score in respect of the section in the survey that relates to anti-social behaviour and general disorder. Questionnaires completed by residents as part of the City's Community Satisfaction Survey, which inter alia measures public perception around the following:</p> <ul style="list-style-type: none"> <li>• Traffic enforcement;</li> <li>• Illegal land invasion;</li> <li>• Illegal dumping;</li> <li>• Noise and disturbances; and</li> <li>• General enforcement of the City's bylaws</li> </ul>
<b>2.B</b> Reduce number of accidents at five highest-frequency intersections	2.1 (a)	<p>This indicator measures the decrease in vehicle accidents in the five identified highest-frequency accident locations. These locations are:</p> <ul style="list-style-type: none"> <li>• M7 x Voortrekker Rd</li> <li>• N7 x Bosmansdam Rd</li> <li>• Section St x Koeberg Rd</li> <li>• Cannon Rd x Voortrekker Rd x Koeberg Rd (Maitland)</li> <li>• Victoria Rd x N2-West (Somerset West)</li> </ul>
<b>2.C</b> Percentage response times for fire incidents within 14 minutes from call receipt up to arrival	2.1 (a)	Percentage response times for fire incidents within 14 minutes from call receipt up to arrival
<b>2.D</b> Number of operational specialised units maintained	2.2 (a)	This indicator will measure the number of specialised units in the three policing departments, i.e. Metro Police, Traffic and Law Enforcement that the Safety and Security Directorate manage to maintain as operationally active and fully capable of delivering on their specialised mandates.
<b>2.E</b> Percentage budget spent on integrated information management system	2.3 (a)	The indicator measures the percentage budget spent on the integrated information management system.
<b>2.F</b> Percentage staff successfully completing legislative occupational specific training interventions	2.4 (a)	This indicator measures the percentage of members of the Metro Police, Traffic and Law Enforcement Departments that have undergone any legislative training intervention that is directly relevant to the performance of their operational duties i.e. occupational specific training interventions.
<b>2.G</b> Percentage of neighbourhood watch satisfaction survey	2.5 (a)	This indicator will measure the percentage satisfaction with the City's assistance to Neighbourhood Watches.

Indicator	IDP	Indicator definition
<b>3.A</b> Number of social development programmes implemented	3.1 (a)	<p>The indicator refers to the number of social developmental programmes implemented. Seven programmes have been identified, and each programme will consist of a number of projects and interventions. The programmes are listed below:</p> <ul style="list-style-type: none"> <li>• Youth development</li> <li>• ECD training</li> <li>• Social entrepreneurship</li> <li>• Vulnerable groups (senior citizens, gender and disability)</li> <li>• Street people</li> <li>• Substance abuse</li> <li>• Poverty alleviation and reduction</li> </ul>
<b>3.B</b> Number of recreation hubs where activities are held on a minimum of 5 days a week	3.1 (a)	<p>A recreation hub is a community facility that focuses on implementing a variety of sport and recreation activities for at least five days a week, at least 3 hours per day. Activities will target all sectors of the community, namely children, youth and adults. Activities will be implemented by staff, volunteers, NGOs, clubs and federations.</p>
<b>3.C</b> Number of housing opportunities provided per year	3.2 (d)	<p>A human settlements opportunity is defined under the following three categories i.e.</p> <p>(a). Sites are any property providing a municipal service on an individual basis to a household including the provision to households in multi storey units, on high density residential sites, as well as other non-residential sites related to integrated human settlements development, where the main source of funding is the Urban Settlements Development Grant (USDG) in terms of Division of Revenue Act (DORA) for such purpose.</p> <p>(b). Top Structures are any build structure providing shelter to a household in a human settlements development by means of any National Housing Programme, where the main source of funding is the Human Settlements Development Grant (HSDG) in terms of DORA for such purpose.</p> <p>(c). Other is the number of Existing rental stock units undergoing major upgrading and any number of households provided with shared services and other services in the Backyarder; Re-blocking and Informal Settlement Upgrade programmes.</p> <p>Definition of a human settlements opportunity: A human settlements opportunity is incremental access to* and or delivery of one of the following Housing products: (A) Subsidy Housing (BNG), which provides a minimum 40m<sup>2</sup> house; a fully serviced residential site and may also include high density residential sites related to integrated human settlements development as well as other non-residential sites related to integrated human settlements development (B) Incremental Housing, which provides a serviced site with or without tenure; (C) Rental Housing, which is new Community Residential Units, upgrading and re-development of existing rental units and Hostels; (D) People's Housing Process is beneficiaries who maximise their housing subsidy by building or organising the building of their homes themselves; (E) Land Restitution includes land approved by Council or Court decisions to valid claimants; (F) Social Housing is new rental units, delivered by the City's Social Housing partners; (G) GAP Housing is a Serviced plot, a completed Unit for sale or Affordable units for sale; (H) Re-blocking of Informal Settlements is the reconfiguration of the lay-out of the settlements and to allow improved access and levels of services.</p> <p>*Access to: is as contemplated in Section 26 (1) of the Constitution of the Republic of South-Africa 1996 i.e. "Everyone has the right to have access to adequate housing"</p> <p>Note: An opportunity is specifically defined above and is only counted at a point when specific evidence is available for auditing purposes. The delivery targets reflected on the Corporate Scorecard and the SDBIP's only reflects delivery by the City. In some instances delivery of a serviced site and a top structure may be on the same property but is viewed as two opportunities (serviced site and top structure) to align with reporting requirements on expenditure for Grant Funding as two separate milestones.</p> <p>A separate report (not for auditing purposes) for information to Council will reflect total delivery in the City which includes delivery by PGWC (N2, PHP, GAP, other projects) and, Social Housing and Restitution Cases which the City facilitates.</p>



## FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 YEAR)

Indicator	IDP	Indicator definition
		approved by Council or Court decisions to valid claimants, (F) Social Housing is new rental units, delivered by the City's Social Housing partners, (G) GAP Housing is a Serviced plot, a completed Unit for sale, (H) Reblocking of Informal Settlements is the reconfiguration of the lay-out of the settlements and to allow improved access and levels of services.
		*Access to: is as contemplated in section 26 (1) of the Constitution of the Republic of South-Africa 1996 i.e. 'Everyone has the right to have access to adequate housing'.
		Note: An opportunity is specifically defined above and is only counted at a point when specific evidence is available for auditing purposes. The delivery targets reflected on the Corporate Scorecard and the SDBIP's only reflects delivery by the City. In some instances delivery of a serviced site and a top structure may be on the same property but is viewed as two opportunities (serviced site and top structure) to align with reporting requirements on expenditure for Grant Funding as two separate milestones. A separate report (not for auditing purpose) for Information to Council will reflect total delivery in the City which includes delivery by PGWC (N2, PHP, GAP, other projects) and, Social Housing and Restitution Cases which the City facilitates.
<b>3.D</b> Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units	3.3 (b)	This indicator refers to the registration of transferrable rental stock to qualifying tenants. The evidence for this indicator will be Signed Sales Agreements.
<b>3.E</b> Improve basic services		
3.E (a) Number of water services points (taps) provided	3.4 (b)	This indicator reflects the number of taps provided in informal settlements and for backyarders in City rental stock (pilot) during the period under review. Certain taps may however have been vandalised or removed after provision.  – Backyarder provision based on one tap per backyard property, which could be serving several households.
3.E (b) Number of sanitation service points (toilets) provided	3.4 (b)	This indicator reflects the number of toilets provided in informal settlements and for backyarders in City rental stock (pilot) during the period under review. Certain toilets may however have been vandalised or removed after provision.  – Backyarder provision based on one toilet per backyard property, which could be serving several households.
3.E (c) Percentage of informal settlements receiving door-to-door refuse collection service	3.4 (b)	This indicator reflects the percentage of informal settlements receiving a weekly door-to-door refuse removal collection service for the period under review.  The collection of domestic refuse in informal settlements is done through contract services, employing local labour. Three-year contracts are awarded to a legitimate main contractor through the procurement tender process.
<b>3.F</b> Number of electricity subsidised connections installed	3.4 (b)	This indicator reflects the number of subsidised connections installed per annum in informal settlements, rental stock backyarders (pilot) and low-cost housing.
<b>3.G</b> Percentage compliance with drinking water quality standards	3.5 (a)	Measure of potable water sample pass rate according to the SANS 241 standard.
<b>3.H</b> Number of days when air pollution exceeds RSA Ambient Air Quality Standards	3.6 (a)	Description of indicator: Any day when any one of the criteria pollutants at any one of up to a maximum of 13* air quality monitoring stations in the City exceeds RSA Ambient Air Quality Standards. Layman Description: The number of days where one of the identified air pollution particles is above the levels set by the RSA Ambient Air Quality Standards.

Indicator	IDP	Indicator definition
<b>3.I</b> New Smear Positive TB Cure Rate	3.7 (a)	<p>The indicator measures the number of new smear positive pulmonary TB cases started on treatment on whom there is bacteriological confirmation that the patient has responded to treatment and can be considered cured:</p> <p>Numerator: Number of new smear positive pulmonary TB cases started on treatment on whom there is bacteriological confirmation that the patient has responded to treatment and can be considered cured</p> <p>Denominator: Number of new smear positive pulmonary TB cases</p> <p>The percentage indicates the previous financial years figures e.g.: for 2012/13 it will be financial year 2011/12, etc.</p>
<b>3.J</b> Number of new clients screened at the Substance Abuse Outpatient Treatment Centres	3.8 (a)	<p>The number of new clients, seeking help for substance abuse, being screened in a first interview at the City's outpatient treatment sites.</p>
<b>4.A</b> Percentage adherence to Citywide service standard based on all external notifications	4.1 (a)	<p>Measure the percentage adherence to Citywide service standard based on all external notifications.</p>
<b>4.B</b> Customer satisfaction survey (Score 1 – 5 Likert scale) – community facilities	4.2 (a)	<p>A statistically valid, scientifically defensible score from the annual survey of residents' perceptions of the overall performance of the services provided by services at community facilities, measured by calculating the average of the responses to a number of survey questions related to community facilities.</p> <p>The measure is given against the non-symmetrical Likert scale ranging from: 1 being Poor; 2 being Fair; 3 being Good; 4 being Very Good and 5 Excellent.</p> <p>The objective is to improve the current customer satisfaction level measured through a community satisfaction survey (Score 1 – 5) from the 3.1 baseline set for 2010/11, to a 3.2 target in 2012/13. The annual improvement is calculated by determining the difference between the average customer satisfaction scores of the different financial years.</p>
<b>5.A</b> Number of municipal meetings open to the public	5.1 (a)	<p>The indicator measures the number of municipal meetings open to the public to maintain transparency in the day-to-day governance of the municipality.</p>
<b>5.B</b> Employee Engagement index as measured in a biennial Staff Empowerment Survey	5.2 (b)	<p>Employee engagement index (EEI) as measured in the biennial staff engagement survey. EEI determined by formula which is proprietary copyright of the independent service provider IPSOS. EEI converted into 5 point Likert scale measure by Service Provider.</p>
<b>5.C</b> Community satisfaction survey (Score 1 – 5) – city wide	5.2 (c)	<p>A statistically valid, scientifically defensible score from the annual survey of residents of perceptions of the overall performance of the services provided by the City.</p> <p>The measure is given against the non-symmetrical Likert scale ranging from: 1 being Poor; 2 being Fair; 3 being Good; 4 being Very Good and 5 Excellent.</p> <p>The objective is to improve the current customer satisfaction level measured through a community satisfaction survey (Score 1 – 5) from the 2,4 baseline set for 2007/8, to a 2,8 in 2012/13. The improvement is calculated by taking the difference between the different financial years.</p>

## FIVE-YEAR CORPORATE SCORECARD 2012/13 – 2016/17 (2014/15 YEAR)

Indicator	IDP	Indicator definition
<b>5.D</b> Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan	5.2 (d)	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the City's approved employment equity plan. Each Directorate contributes to the corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting.
<b>5.E</b> Percentage budget spent on implementation of WSP for the City	5.2 (e)	<p>A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate budget for appropriate training interventions, which will address the needs arising out of Local Government's Skills Sector Plan, the City's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDPs. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan.</p> <p>Formula: Measured against training budget.</p>
<b>5.F</b> Opinion of the Auditor General	5.3 (a)	<p>This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit, has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as 'clean opinion'.</p> <p>Alternatively, in relation to a qualified audit opinion, the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with General Recognised Accounting Practices or could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives.</p>
<b>5.G</b> Opinion of independent rating agency	5.3 (a)	<p>A report that reflects credit worthiness of an institution to repay long-term and short-term liabilities. Credit rating is an analysis of the City's key financial data performed by an independent agency to assess its ability to meet short and long-term financial obligations.</p> <p>Indicator standard/norm/benchmark The highest rating possible for local government which is also subject to the Country's sovereign rating.</p>
<b>5.H</b> Ratio of cost coverage maintained	5.3 (a)	Total cash and investments (short-term) less restricted cash to monthly operating expenditure.
<b>5.I</b> Net debtors to annual income (Ratio of outstanding service debtors to revenue actually received for services)	5.3 (a)	This is a calculation where we take the net current debtors divided by the total operating revenue.
<b>5.J</b> Debt coverage by own billed revenue	5.3 (a)	This is a calculation where we take the total debt divided by the total annual operating income.

**ADDENDUM – HUMAN SETTLEMENTS PROJECT SCHEDULE**

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**PICTURE**

## ADDENDUM – HUMAN SETTLEMENTS PROJECT SCHEDULE

### HUMAN SETTLEMENTS POTENTIAL PROJECTS

No.	Potential projects 5+ years	Area	Sub-council	Ward	Potential units
1	Atlantis South	Atlantis	1	29	8 220
2	Bothasig Social Housing Phase 2	Bothasig	3	5	100
3	Brackenfell – Everite Land	Brackenfell	2	6	652
4	Capri Road	Strandfontein	19	43	132
5	Carol Raod	Grassy Park	18	66	320
6	Conradie Hospital	Thornton	15	53	885
7	Culemborg	Foreshore	16	77	1 344
8	Dennegeur Road	Strandfontein	19	43	2 680
9	Depot BNG	Zonnebloem	13	36	152
10	District Six Social Housing	Cape Town	15	57	750
11	Garden Close	Strandfontein	19	43	124
12	Goodwood Station Social Housing	Goodwood	4	26	180
13	Grassy Park Buffer Strip	Grassy Park	18	66	168
14	Hagley	Wallacedene	2	111	36
15	Joe Slovo Park – Freedom Way	Milnerton	1	4	30
16	Kensington Infill	Kensington	15	56	60
17	Kewtown Infill CRU	Kewtown	11	49	164
18	Langa Station CRU	Langa	15	51	64
19	Leonsdale GAP – Jan van Riebeeck Drive	Elsies River	4	26	672
20	Maitland	Maitland	15	56	72
21	Manenberg Schools BNG	Manenberg	17	46	210
22	Mew Way (Good Hope)	Khayelitsha	24	95	1 392
23	Montclair Phase 1 and 2 Social Housing	Mitchells Plain	23	76	650
24	Monwood	Philippi	13	34	48
26	Ottery CRU	Ottery	18	63	70
27	Ottery Infill	Ottery	18	63	1 556
28	Protea Park – CRU	Atlantis	1	32	140
29	Recife Road	Strandfontein	19	43	92
30	Salt River	Salt River	15	57	256
31	Sarepta GAP	Kuils River	21	11	72
32	Schaapkraal	Philippi	18	80	340
33	Sir Lowrys Pass Village	Sir Lowrys Pass	8	10	950
34	Somerset West Station	Somerset West	22	15	15
35	Swartklip/Denel land	Khayelitsha	10	99	6 000
36	The Heights	Seawinds	19	67	268
37	Third Street	Manenberg	15	53	40
38	Walmer Estate	Walmer Estate	15	57	32
39	Wingfield	Wingfield	15	56	6 080
40	Woodstock Hospital	Woodstock	15	57	16
41	Youngsfield	Ottery	18	63	1 800
42	Zeekoevlei	Zeekoevlei	19	67	496

These projects are subject to review and change, and new land may be added during the year.

## HUMAN SETTLEMENTS POTENTIAL PROJECTS (continued)

No.	Potential projects 1-5 years	Area	Sub-council	Ward	Potential units
1	Atlantis Kanonkop (Ext.12) Phase 2 & 3	Atlantis	1	29	1 500
2	Belhar Vacant School Sites	Belhar	6	12, 22	570
3	Bellville CBD – Taxi Rank/Station	Bellville	6	10	232
4	Beacon Valley (additional)	Mitchell's Plain	12	79	132
5	Erf 31915 Beacon Valley	Mitchell's Plain	12	79	100
6	Beverly Hills	Strand	8	86	30
7	Bloekombos and Surrounding properties	Kraaifontein	7	101	2 000
8	Blueberry Hills	Blue Downs	21	17	2 400
9	Brooklyn Regeneration Social Housing	Milnerton	15	55	250
10	Deep Freeze	Macassar	22	109	440
11	Delft Symphony Precinct Corridor	Delft	5	106	2 400
12	Delft Symphony Precinct 7 (P)	Delft	5	106	600
13	Eerste River Erf 4238	Eerste River	22	16	172
14	Gaylee GAP	Blue Downs	21	14	304
15	Gustrow	Strand	8	100	104
16	Hanover Park BNG	Hanover Park	17	46 & 47	348
17	Heideveld CRU	Heideveld	11	44	250
18	Hindle Road	Silversands	21	19	173
19	Ilita Park Infill	Khayelitsha	10	92	182
20	Kensington GAP	Kensington	15	56	136
21	Khayelitsha Erven 400 and 401	Khayelitsha	10	92	154
22	Khayelitsha Erven 18332 and 18370	Khayelitsha	24	95	224
23	Khayelitsha Erf 618	Khayelitsha	10	92	108
24	Makhaza Infill (4 – 1)	Khayelitsha	24	96	251
25	Mandela Park Infill Housing Development	Khayelitsha	10	94	284
26	Mupine Social Housing	Woodstock	15	57	150
27	Mitchell's Plain Social Housing	Mitchell's Plain	23	76	200
28	Mitchell's Plain (Rocklands and Westridge)	Mitchell's Plain	12	78	536
29	Mitchell's Plain (Spine Road)	Mitchell's Plain	19	43	389
30	Mitchell's Plain (Lentegeur and Woodlands) (6)	Mitchell's Plain	23	75	778
31	Mitchell's Plain Erf 21778	Mitchell's Plain	12	81	166
32	Mitchell's Plain (Colorado Park)	Mitchell's Plain	23	75	144
33	Ottery Enslin Road Social Housing	Ottery	18	63	200
34	Ottery Phase 1 and 2 Social Housing	Ottery	18	63	350
35	Pelican Park Phase 2 (BNG)	Pelican Park	19	67	2 000
36	Pickwick Site Social Housing	Woodstock	15	57	200
37	Rondebosch East	Rondebosch	17	60	236
38	Royal Maitland Phase 4 Social Housing	Maitland	15	56	100
39	Nooiensfontein (Rotterdam)	Blue Downs	21	19	2 172
40	Salt River Market Social Housing	Salt River	15	55	300
41	Scottsdene Phase 2 Social Housing	Scottsdene	2	6 & 7	500
42	Scottsville GAP/Social	Kraaifontein	2	111	750

These projects are subject to review and change, and new land may be added during the year.



## ADDENDUM – HUMAN SETTLEMENTS PROJECT SCHEDULE

### HUMAN SETTLEMENTS POTENTIAL PROJECTS (continued)

No.	Potential projects 1–5 years	Area	Sub-council	Ward	Potential units
43	Southfield CRU	Southfield	20	72	224
44	Strandfontein (S 140 and S 141)	Strandfontein	19	43	1 144
45	Van Riebeeck Road	Eerste River	22	16	51
46	Woodstock Social Housing	Woodstock	15	57	500
47	Wetton Phase 1, 2 and 3 Social Housing	Wetton	18	63	400
48	Zonnebloem Social Housing	Zonnebloem	15	57	200

These projects are subject to review and change, and new land may be added during the year.

No.	Planning stage	Area	Sub-council	Ward	Potential units
1	Beacon Valley Infill	Mitchell's Plain	10	99	813
2	Belhar Pentech Infill	Belhar	6	12	340
3	Belhar Social Housing	Belhar	6	12	629
4	Bloekombos and Surrounding properties	Kraaifontein	7	101	2 000
5	Bonteheuvel Infill	Bonteheuvel	5	50, 31	407
6	Darwin Road	Kraaifontein	7	105	4 000
7	Delft Infill Housing Project	Delft	5	13	389
8	Dido Valley	Simonstown	19	61	600
9	Dillon Lane Social Housing	Woodstock	15	57	64
10	District 6 Phase 3	District 6	15	57	115
11	Driftsands	Driftsands	21	19	2 500
12	Edward Street: Ottery Sustainable Development	Ottery	18	66	104
13	Elsiesriver Housing Development	Elsies River	4, 5	25, 26, 28	1200
14	Forest Village	Blue Downs	21	14	5 268
15	Green Point Phase 3	Khayelitsha	10	93	388
16	Heideveld Station Social Housing	Heideveld	11	44	175
17	Hostels Redevelopment – Nyanga CRU	Nyanga	14	37, 39, 40	400
18	Hostels Redevelopment –Gugulethu CRU	Gugulethu	11	42,44	400
19	Imizamo Yethu – Phase 3	Hout Bay	16	74	850
20	Lansdowne Social Housing	Rondebosch East	17	60	130
21	Kapteinsklop	Mitchell's Plain	12	82	272
22	Macassar	Macassar	22	109	2 500
23	Masiphumelele – Phase 4	Kommetjie	19	69	327
24	Maitland Social Housing	Maitland	15	56	306
25	Morkel's Cottage	Rusthof, Strand	8	86	562
26	Morningstar	Durbanville	7	103	160
27	Nyanda Infill Housing Development	Khayelitsha	24	96	400
28	Ocean View Infill	Ocean View	19	61	397
29	Penhill	Eerste River	21	14	8 452
30	Pine Road Social Housing	Woodstock	15	57	180
31	Retreat Station Social Housing	Retreat	20	71	102

## HUMAN SETTLEMENTS POTENTIAL PROJECTS (continued)

No.	Planning stage	Area	Sub-council	Ward	Potential units
32	Salt River Social Housing	Salt River	15	57	200
33	Thembelihle Domestic Workers Housing Project (P)	Pelican Park	19	67	219
34	Valhalla Park Infill	Valhalla Park	4	30	777
35	Vlakteplaas	Strand	8	100	2 892
36	Wolwerivier	Vissershok	1	32	6 800

These projects are subject to review and change, and projects from the potential lists may be added during the year.

No.	Under Construction (on site)	Area	Sub-council	Ward	Potential units
1	Atlantis Kanonkop (Ext.12) Phase 1	Atlantis	1	29	455
2	Bardale Phase 4 and Upgrading Phase 1	Mfuleni	21	108	741
3	Delft Symphony Precinct 3 and 5 (P)	Delft	5	13	1 951
4	Delft The Hague	Delft	5	13	2 407
5	Garden Cities Housing Project	Durbanville	7	105	4 000
6	Gugulethu Infill (Erf 8448/MauMau)	Gugulethu/Nyanga	14	37,38	1071
7	Hangberg CRU	Hout Bay	16	74	141
	Hanover Park ( CRU Upgrade)	Hanover Park	17	47	354
8	Harmony Village	Mitchell's Plain	23	75	850
9	Hazendal Infill (Bokmakierie)	Athlone	11	49	153
	Heideveld (CRU Upgrade)	Heideveld	11	44	264
10	Heideveld Duinefontein Road	Heideveld	11	44	738
11	Kleinvelei Erf 901	Kleinvelei	21	17	65
12	Langa CRU (Hostel redevelopment)	Langa	15	51, 52, 53	462
	Manenberg (CRU Upgrade)	Manenberg	11, 17	42, 45, 46	591
13	Mannenberg Infill: The Downs	Manenberg	11, 17	42, 46	587
	Marble Flats (Ottery CRU Upgrade)	Ottery	18	66	132
	Marble Flats (Ottery CRU Upgrade) brick skin	Ottery	18	66	132
14	Nyanga Upgrading	Nyanga	14	36,37,39	2 070
15	Pelican Park Phase 1 (BNG)	Pelican Park	19	67	2 024
16	Pelican Park Phase 1 (Bonded)	Pelican Park	19	67	761
17	PHP City Wide	Various	Various	Various	2 369
18	Scottsdene BNG	Scottsdene	2	6,7	464
19	Scottsdene CRU	Scottsdene	2	6,7	345
20	Scottsdene Gap/Bonded	Scottsdene	2	6,7	1 100
21	Scottsdene Social Housing Phase 1	Scottsdene	2	6&7	500
22	Steenberg Station Phase 3	Steenberg	18	68	100
23	Somerset West 10 ha site	Somerset West	22	15	151

## ADDENDUM – HUMAN SETTLEMENTS PROJECT SCHEDULE

### URBANISATION PROJECTS (UP)

#### 1 (UP) Emergency housing programme

No.	Under Construction	Area	Sub-council	Ward
3	Busasa	Mfuleni	22	16
1	Sir Lowry's Pass	Gordons Bay	8	100
2	Wolverivier (Vissershok)	Blaauwberg	1	104

Any new project that may be required in cases of emergency.

#### 2 (UP) Other temporary relocation areas

No.	Project (Construction)	Area	Sub-council	Ward
1	8st Laan	Valhalla Park	5	31
2	BM Section	Khayelitsha	10	89

No.	Project (Planning)	Area	Sub-council	Ward
7	Barney Molokwana section (BM)	Khayelitsha	10	89
10	Burundi	Mfuleni	21	108
5	Doornbach (Du Noon)	Milnerton	1	104
1	Enkanini	Khayelitsha	22	109
6	Hangberg	Houtbay	16	74
4	Kalkfontein (Kirby's Farm)	Kuilsrivier Smallholdings	21	11
12	Lotus Park	Gugulethu	11	42
11	Monwabisi Park	Khayelitsha	10	95
9	Monwood	Philippi	18	80
14	Philippi Station (PRASA relocation)	Philippi		
3	Phola Park	Gugulethu	11	38
8	Sweethomes	Philippi	18	80
2	Tambo Square	Gugulethu	14	41
13	The Heights	Lavender Hill	19	64

These projects are subject to review and change, and new land may be added.

No.	Project (Pipeline)	Area	Sub-council	Ward
1	7de Laan	Strandfontein	19	43
2	Burundi (PRASA relocation)	Mfuleni	21	108
7	Dontse Yakhe (Imizamo Yethu)	Houtbay	16	74
8	RR Section (PRASA relocation)	Khayelitsha	9	89
4	Shukushukuma	Mfuleni	21	108
3	Shukushukuma (PRASA relocation)	Mfuleni	21	108
5	TR Section	Mfuleni	9	90
6	Walacedene (4 in 1 plus)	Kraaifontein	2	6 & 111

These projects are subject to review and change, and new areas may become upgraded.

## URBANISATION PROJECTS (UP) (continued)

## 3 (UP) Re-Blocking

No.	Project	Area	Sub-council	Ward
3	BBT section (Mlambo)	Khayelitsha	9	87
4	Kalbaskraal	Grassy Park	18	65
1	Masilunge	Mashlungi	11	45
2	Vygekraal	Athlone	17	48

## 4 (UP) Backyarder Projects

No.	Under construction	Sub-council	Ward
14	Atlantis	1	29,32
12	Bonteheuwel	5, 15	31, 50, 52
8	Grassy Park	18, 19	65, 110, 67
11	Gugulethu	11, 14	42, 38, 41, 45, 40, 44
1	Hanover Park	17	47
9	Heideveld	11	44
6	Lavender Hill	18	68, 110
7	Lotus River	18, 19	65, 66, 67
10	Manenberg	11, 17	45, 46, 42
2	Mitchell's Plain	12, 13, 23	36, 35, 34, 33, 88, 76, 75, 78, 79, 81, 82, 99
5	Ocean View	19	61, 69
4	Parkwood	18	66, 110
3	Scottsdene	2	6, 7
15	Uitsig	6, 4	22, 25
13	Valhalla Park	4, 5	30, 24, 31

These projects are subject to review and change.

## 5 Incremental Development Areas (IDA's)

No.	Construction	Area	Sub-council	Ward
2	Freedom Park	Ottery	18	63
4	Mfuleni Ext 2	Mfuleni	22	16
1	Sweet Lips	Ravensmead	4	25
3	Sweethomes (portion)	Philippi	18	80

No.	Planning	Area	Sub-council	Ward
3	AT & BT Section Khayelitsha (BRT)	Khayelitsha	9	18 and 87
1	Braafs Land	Philippi	13	35
2	Mfuleni Ext 1	Mfuleni	21	108
4	Sophakama (Driftsands (30 m servitude water))	Mfuleni	21	19
5	The Island (BRT)	Khayelitsha	9	90

These projects are subject to review and change.

## ADDENDUM – HUMAN SETTLEMENTS PROJECT SCHEDULE

### URBANISATION PROJECTS (UP) (continued)

#### 5 Incremental Development Areas (IDA's)

No.	Pipeline	Area	Sub-council	Ward
2	Borchards Quarry (TCT)	Philippi	14 and 13	39 and 36
1	Wag 'n Bietjie (EL-Overhead)	Strand	8	86

#### 6 (UP) Other

No.	Construction	Area	Sub-council	Ward
1	Hazeldene: Services in Formal Areas	Philippi	18	80
2	Deep Freeze: Services in Formal Areas	Macassar	22	109

No.	Pipeline	Area	Sub-council	Ward
1	Victoria Mxenge	Philippi	18	80

### COMMUNITY RESIDENTIAL UNIT UPGRADES

No.	Potential future projects (pipeline)	Sub-council	Ward
	Balance of City-owned, non-saleable rental stock to be prioritised for Phase 2 (to be considered in future).	As applicable	As applicable

No.	Under construction	Number. of units	Sub-council	Ward
1	Manenberg	591	11, 17	42, 45, 46
2	Hanover Park	354	17	47
3	Heideveld	264	11	44
4	Marble Flats (Ottery)	132	18	66
5	Marble Flats (Ottery) brick skins	132	18	66

### INCREMENTAL DEVELOPMENT AREAS

No.	Planning stage	Area	Sub-council	Ward
1	Bloekompos Ext 3	Kraaifontein	7	101
2	Strandfontein East	Strandfontein	19	43
3	Pelican Park South	Pelican Park	19	67
4	Parklands 3 <sup>rd</sup> Development Framework	Parklands		
5	Atlantis South	Atlantis	1	29
6	Macassar	Macassar	22	109
7	Mfuleni Ext 2	Blue Downs	22	16
8	Viakteplaas	Strand	8	100
	Blocked	x3 Khayelitsha projects		
	Blocked	x1 Faure project		

**BANKS PARTNERSHIP PROJECTS**

No.	Planning stage	Number of units	Sub-council	Ward
1	Thornton	128	15	53
2	Maitland	148	15	56
3	Factreton	34	15	56
4	Wallacedene	749	2	111
5	Wetton	623	18	63
6	Ottery	264	18	63
7	Rugby	115	15	55
8	Silvertown	8	11	49

These projects are subject to review and change.

Provincial planning and pipeline projects should be added if assignment is granted to the City in June/July 2013. Current projects being implemented by the Western Cape Government will be concluded by them.

**WESTERN CAPE DEPARTMENT OF HUMAN SETTLEMENTS****HOUSING DELIVERY: CURRENT AND PLANNED PROJECTS**

Current projects		2013/14		2014/15		2015/16	
		Sites planned	Houses planned	Sites planned	Houses planned	Sites planned	Houses planned
Joe Slovo UISP	2 886	300	300	600	600	1 278	1 398
New Rest Contractor NHBRC	700						
New Rest PHP	455						
Delft Symphony precinct 3 and 5	2 150	750	750	319	1 300		
Delft TRA 5							
Delft TRA 5.1							
Delft TRA 6							
Boy's Town (1 367)	1 367	300	300	209	171	269	393
Boy's Town triangle (157)	157			157	157		
Boy's Town extension (234)	234						
Pelican Park (Mamas)	129						
Nuwe Begin (1 791 services/1 200 BNG)	1 791						
Thembelihle (200)		0	0	100	100	100	100
Our Pride Phase 2 (?) (CTCHC)							
Philippi new TRA units							
Philippi TRA maintenance							

New projects		2013/14		2014/15		2015/16	
		Sites planned	Houses planned	Sites planned	Houses planned	Sites planned	Houses planned
Delft Silversands (600)	600			100	0	100	0
Forest Village (2 500)	2 500			200	0	200	0
Blueberry Hill IRDP (3 500)							
Belhar CBD IRDP (2 300)							
Highbury RDP (552)							
Delft infill							



## LIST OF STATUTORY, STRATEGIC AND OPERATIONAL PLANS

List of statutory, strategic and operational plans annexed to the 2014/15 IDP review

STATUTORY PLANS		COMMENT
2013/14 IDP and Budget Time-schedule		Annexure A
Cape Town Spatial Development Framework		Annexure B
CTSDf technical amendments		Annexure Bi
Municipal Disaster Risk management Plan: Revision 6		Annexure C
Air Quality Management Plan (AQMP) : 2005		Annexure D
Integrated Human Settlements 2012 – 2017 Plan		Annexure E
Integrated Transport Plan : 2006 - 2011		Annexure F
Integrated Waste Management Plan		Annexure G
STRATEGIC AND OPERATIONAL PLANS		
Alcohol and other Drug Harm Minimization and Mitigation Strategy 2011 – 2014		Annexure H
Annual Police Plan		Annexure I
City of Cape Town Energy and Climate Change Action Plan: May 2010		Annexure J
Electricity Services Plan		Annexure K
HIV/AIDS and TB Plan 2013/14		Annexure L
Organizational Development and Transformation Plan		Annexure M
Social Development Strategy		Annexure N
Economic Development Strategy		Annexure O
Water Services Development Plan (WSDP) for City of Cape Town 2013/14 – 2016/17		Annexure P
ANNUAL REPORTS AND PERFORMANCE FRAMEWORK		
2012/13 Annual Report ; Executive Summary and Oversight Report		
2012/13 Municipal Entities Annual Reports		Annexure Q
• Cape Town International Convention Centre (CTICC)		

## 2013 CHANGES AND UPDATES TO THE IDP

### 2013 Changes and updates to the IDP

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### LIST OF ABBREVIATIONS USED

AOD	alcohol and other drugs
AQMP	Air Quality Management Plan
ARV	antiretroviral
BMT	bus and minibus-taxi
BNG	Breaking New Ground (housing programme)
BPesa	Business Process Enabling South Africa
BRT	bus rapid transit
BSC	Budget Steering Committee
BWAS	bulk water augmentation scheme
CAPA	Climate Adaptation Plan of Action
CBO	community-based organisation
CCTV	closed-circuit television
CDIRC	City Development Information Resource Centre
CDM	Clean Development Mechanism
CHC	community health centre
CHEC	Cape Higher Education Consortium
CIP	comprehensive infrastructure plan
CIVOC	Civilian Oversight Committee
CO <sub>2</sub>	carbon dioxide
CPI	consumer price index
CPTED	crime prevention through environmental design
CPZ	coastal protection zone
CRU	community residential unit
CSI	corporate social investment
CSIR	Council for Scientific and Industrial Research
CSS	Community Satisfaction Survey
CTA	Cape Town Activa
CTADAC	City of Cape Town Alcohol and Drug Action Committee
CTCHC	Cape Town Community Housing Company
CTICC	Cape Town International Convention Centre
CTSDF	Cape Town Spatial Development Framework
DORA	Division of Revenue Act
DPW	Department of Public Works (national)
DWA	Department of Water Affairs (national)
ECD	early childhood development
EDP	Economic Development Partnership

EIA	environmental impact assessment
EMF	environmental management framework
EPWP	Expanded Public Works Programme
FBO	faith-based organisation
FMS	freeway management system
GDP	gross domestic product
GVA	gross value added
HDA	Housing Development Agency
HR	human resource
IAMP	integrated asset management plan
IDA	incremental development area
IDP	Integrated Development Plan
IMEP	Integrated Metropolitan Environmental Policy
IMR	infant mortality rate
IPTN	integrated public transport network
IRPTN	integrated rapid public transport network
IRT	integrated rapid transit
ISERMS	integrated spatially enabled response management system
ITP	Integrated Transport Plan
KfW	German Development Bank
King III	King Code of Governance Principles for South Africa, 2009
Mayco	Mayoral Committee
MFMA	Municipal Finance Management Act
MOA	memorandum of agreement
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act
MSE	metro south-east
MTBPS	Medium-Term Budget Policy Statement
MTREF	Medium-Term Revenue and Expenditure Framework
MV	medium voltage
NGO	non-governmental organisation
NHRA	National Heritage Resources Act
NLTA	National Land Transport Act
NMT	non-motorised transport
NSO	neighbourhood safety officer
PHDB	Provincial Housing Development Board
PMS	pavement management system
PPP	public private partnership

## LIST OF ABBREVIATIONS, TABLES AND FIGURES

PRASA	Passenger Rail Agency of South Africa
Province	Western Cape Provincial Government
RDP	Reconstruction and Development Programme
SANRAL	South African Roads Agency Limited
SAPS	South African Police Service
SARCC	South African Rail Commuter Corporation
SCOPA	Standing Committee on Public Accounts
SDP	Spatial Development Plan (district-based)
SETA	sectoral education and training authority
SFA	strategic focus area
SMAM	strategic municipal asset management
SME	small and medium enterprise
SMME	small, medium and micro-sized enterprise
SMP	service management programme
SOE	state-owned enterprise
TB	tuberculosis
TDM	travel demand management
TIC	Transport Information Centre
TMC	Transport Management Centre
TRA	temporary relocation area
TSiBA	Tertiary School in Business Administration
USDG	urban settlements development grant
VMS	variable messaging sign
VPUU	Violence Prevention through Urban Upgrading programme
WCWDM	Water conservation and water demand management
WDM	water demand management
WMD	water management device
WWTW	wastewater treatment works
YES	Youth Environmental School

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