

ANNUAL REVIEW (2015/16 REVIEW) AND PROPOSED AMENDMENTS OF THE INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2012 TO 2017

Public comment period:

4 November 2014 to 3 December 2014

MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

The following motivation is submitted for your consideration.

An overview of the refined Integrated Human Settlement Framework and the proposed strategic implications towards a high level housing strategy for the City towards 2032

Significant progress has been made since the establishment of the Human Settlements Co-ordination Project (HSCP) which was briefly mentioned in the Reviewed 2014/15 IDP.

The revision specifically gives an overview of the refined Integrated Human Settlement Framework and the proposed strategic implications towards a high level housing strategy for the City towards 2032 as approved by Council in February 2014.

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

To bring the content of the IDP in line with the current status the following insert to the start of SFA 3, Objective 3.2, Programme 3.2(a) of the IDP are recommended:

The mandate of the Human Settlement Co-ordination Project (HSCP) was to develop an Integrated Human Settlement Framework (IHSF) for Cape Town which outlines short and long term housing options for the City of Cape Town.

The draft IHSF was adopted by Council in February 2014 and the HSCP thereafter appointed a service provider, Shisaka (Pty) Ltd in May 2014 to undertake an in-depth study of the IHSF with the following objectives in mind:

- To identify, test and refine the strategic options as developed in the draft IHSF;
- To investigate the feasibility of incremental top structure options with a view to determining what a strategy based on "greater width" and a balance between quantity and quality should entail; and
- To draft a sustainable, medium to long-term Integrated Human Settlement Strategy for Cape Town that aligns with national legislation and policy as contained in the Housing Act, Breaking New Ground, the Housing Code and Outcome 8.

The process undertaken by Shisaka comprised a range of actions, including:

- a contextual assessment of current housing policy and legislation,
- a demographic analysis of the housing circumstance of households in Cape Town,
- an analysis of land, state funding and City delivery management capacity,
- the cost of bulk infrastructure, land, internal services and top structure development,
- Scoping and modelling of a range of housing scenarios.

The final outcome of the refined IHSF is awaited which may have a substantial impact on the future budget allocation for the different Housing Programme.

For 2014/15 and 2015/16 the funds have been predominantly committed. From 2016/17 onwards, uncommitted funding becomes available and can be applied in terms of refined IHSF.

It is recommended that:

That the above texts be inserted at the start of SFA 3, Objective 3.2, Programme 3.2(a) of the IDP.

Corporate Indicator 3.D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units

MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

Motivation for the proposed amendments to the IDP in respect of Corporate Indicator 3.D i.e. Updated Definition and submission of proposed Targets for 2015/16 and 2016/17:

Updated Definition:

The Measurement Sheet for 2014/15 reflects an updated definition for Indicator 3.D Number of Deeds of Sale Agreements signed with identified beneficiaries on transferrable rental units. The updated definition clarifies the actual measurement of the Indicator and also the terminology used in the wording of the Indicator. The Directorate feels that the updated definition will make it easier for the organisation at large and the general public to understand the aims of the Indicator.

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

Below follows an example of the existing definition as reflected in the 2014/15 IDP as well as the proposed amendment to the Indicator definition as updated:

FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17 (2015/16 Year REVIEW - proposed changes)			
Indicator	IDP	Indicator Definition	
3. D 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 The indicator refers to the number of Deeds of sale agreements signed with identified beneficiaries based on identified qualifying criteria.	
		Deeds of Sale Agreement :	Legal document stating the terms and conditions regarding the sale of rental unit to beneficiary.
		Identified beneficiary:	Lawful tenant with an existing lease agreement with the City of Cape Town.
		Qualifying criteria:	Current lawful tenant with a lease agreement and with no other property ownership.

Targets for 2015/16 and 2016/17:

The Directorate could not submit Targets for the outer years i.e. 2015/16 and 2016/17 previously due to the fact that the Corporate Indicator 3.D was relatively new and a due process for target-setting, based on previous performance, needed to be established first. ~~As such the following factors influenced were taken into account with the submission of the setting of the proposed targets for 2015/16 and 2016/17:~~

- The actual Number of Deeds of Sale Agreements signed in the past financial year i.e. 2013/14. (Actual =1044)
- The ~~allocation availability~~ of Enhanced Extended Discount Benefit Scheme (EEDBS) funding from the Human Settlements Development Grant (HSDG) ~~from the Division of Revenue Allocation (DORA) to the Enhanced Extended Discount Benefit Scheme (EEDBS)~~ to cover the average costs related to sales.
- The ~~historic Capital Budget~~ value of the property, existing arrears and transfer fees, which averages a total cost of R45 000.00 per unit.
- Tenants wanting repairs and maintenance done before they take transfer
- Tenants wanting ~~similar a complete~~ renovation as was done for the non-saleable flats
- Tenants stating that they have no money to pay the ~~rest balance~~ of the transfer fees, insurance and admin costs as well as in some instances balances of ~~arrears not covered by the EEDBS on sales prices~~
- Tenants are not willing to take responsibility for insurance/maintenance and other responsibilities that go with homeownership.

Below follows the proposed targets for the 2015/16 and 2016/17 financial years:

FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17 (2015/16 Year REVIEW - proposed changes)								
SFA	Objective	Key Performance indicator	Actual	Baseline	Proposed Targets			
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
SFA 3 – The Caring City	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	New	2 500	2 500	1 000	1 000

Recommendation:

- (a) Updated Definition: Delete the wording "This indicator refers to the registration of transferrable rental stock to qualifying tenants. The evidence for this indicator will be Signed Sales Agreements" and replace with the wording "The indicator refers to the number of Deeds of sale agreements signed with identified beneficiaries based on identified qualifying criteria. "

Deeds of Sale Agreement :	Legal document stating the terms and conditions regarding the sale of rental unit to beneficiary.
Identified beneficiary:	Lawful tenant with an existing lease agreement with the City of Cape Town.
Qualifying criteria:	Current lawful tenant with a lease agreement and with no other property ownership.

(b) Proposed Targets for 2015/16 and 2016/17: *Accept the proposed Targets for the financial years 2015/16 and 2016/17 (Target = 1 000 for each year respectively) based on the reasons as listed above.*

Provide revised Human Settlements Project Lists as annexures to the 2015/16 IDP Review

MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

Motivation for the proposed amendments to the 2015/16 IDP in respect of the Human Settlements Projects Lists

Some of the projects listed on 2014/15 IDP annexures have been completed, others have moved from planning stage to under-construction, whilst others have moved from pipeline to planning and new pipeline projects have been identified.

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

Recommendation:

That the Annexures for the 2014/15 be updated by a revised list in the 2015/16 IDP

MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

This memorandum motivates the amendment of certain sections within the five year IDP on the following considerations:

- Amendments required in terms of achievement of the current performance indicators;
- Amendments required due to a changed work programme and/or budget allocation;
- Amendments required in terms of progress updates.

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

The amendments are in reference to pages 19, 36, 37, 40, 79, 116 and 122 of the current approved Integrated Development Plan 2012 – 2017: 2014/15 Review.

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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.

The increasing number of indigent households will place a challenge on the City in the provision of free basic services. There is also an added challenge of maintaining the high level of water services at the current tariff.

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 wheelie 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 *informal settlement* 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.~~²¹

Pages 36 & 37

Sewerage reticulation network

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;
- *Construction of Cape Flats 3 bulk sewer from Lansdowne Rd to Bridgetown Pump station* ~~Rehabilitate two main Bulk Sewers to the Cape Flats Wastewater Treatment Works~~
- *Rehabilitation of the Philippi collector sewer.*
- ~~Replacement of, and upgrades to, the of sewage sewer network citywide~~
- ~~network citywide; and~~
- ~~Informal settlements water installations~~

Page 40

Bulk wastewater infrastructure

There are 24 Wastewater Treatment Works (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 at a level higher than what is suitable~~. A considerable number of other works, such as Athlone, Bellville, Gordon's Bay, Potsdam and Zandvliet, are fast approaching their design capacity. *Bellville WWTW upgrading is completed and the commissioning process will be completed by 2015.*

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Programme 3.4(c): Backyarder service programme

This programme *is the responsibility of Human Settlement Services* 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.

~~Pilot programs of Factreton has been completed and Hanover Park is well underway. The pilot projects in Factreton and Hanover Park for the provision of water, sanitation, electricity installations and refuse collection bins have been completed.~~

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

A policy for the program has also been initiated.

Pages 116 and 122

FIVE YEAR CORPORATE SCORECARD 2012/13 TO 2016/17 (2015/16 Year REVIEW - proposed changes)								
SFA	Objective	Key Performance Indicator	Actual 2011/12	Baseline	Targets			
				2012/13	2013/14	2014/15	2015/16	2016/17
SFA 3 - THE CARING CITY	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	Existing: 1 040 1 Proposed: 600	Existing: 1 070 Proposed: 600	Existing: 1 100 Proposed: 600
		3.E (b) Number of sanitation service points (toilets) provided	3 354	5 043	3 100	Existing: 3 100 1 Proposed: 2 800	Existing: 3 100 Proposed: 2 800	Existing: 3 100 Proposed: 2 800

¹ – Current year proposals are for noting and will be submitted for consideration in the 2014/15 midyear review process.

Key Performance Indicator	Current definition	Proposed definition
3.E (a) Number of water services points (taps) provided	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.	This indicator reflects the number of taps provided in informal settlements 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	<p>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.</p> <p>– Backyarder provision based on one toilet per backyard property, which could be serving several households</p>	This indicator reflects the number of toilets provided in informal settlements during the period under review. Certain toilets may however have been vandalised or removed after provision.

Key Performance Indicator	Motivation for proposed target/KPI definition amendments
3.E (a) Number of water services points (taps) provided	<p>The Backyarder pilot phase projects for water & sanitation provision have been completed and transferred back to Human Settlements who are the owners of Council Rental Units (CRUs). In 2014/15, the entire budget is provided for in Human Settlement Services and therefore Utility Services target setting will no longer include tap and toilet installations in backyards.</p> <p>In both the 2012/13 and 2013/14 financial years the toilet target for informal settlements was achieved close to double in the actuals. At the End of 2013/14 the City was close to achieving its own "improved level of services". The department will continue to increase and enhance sanitation provision to informal settlements in the 2015/16 and 2016/17 financial years, primarily through the installation of full flush toilets and portable flush toilets, with less emphasis on the other currently used alternative sanitation such as container toilets. The reason for the decrease in target for toilets is due to the fact that toilets provided as part of the Backyard programme are now placed on the Human Settlements directorates targets.</p> <p>In regard to taps, the water and sanitation department achieved double its target in 2013/14. At the End of 2013/14 the department had achieved its own "improved level of services" set targets. The department will continue to increase and enhance its water provision where it can. As grey water continues to be a challenge access to bulk infrastructure continues to be limited to some areas and constraints in terms of land continue to be faced in informal settlement areas. Consequently, it will become more challenging to provide taps, contributing to the decrease</p>
3.E (b) Number of sanitation service points (toilets) provided	

	<p>in target.</p> <p>It is therefore proposed that the targets and definition under key performance indicators 3.E (a) & (b) be aligned accordingly.</p>
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	2014/15	2015/16	2016/17	Explanation
Taps (Target shift)	300	300	300	Reduced by 300 units which will now form part of KPI 3C <i>Number of human settlement opportunities provided per year</i> - includes CRU upgrades
	140	170	200	Remaining reduction based on additional considerations (met service levels and grey water) in the rollout of taps in informal settlement
Toilets (Target shift)	300	300	300	Reduced by 300 units which will now form part of KPI 3C <i>Number of human settlement opportunities provided per year</i> - includes CRU upgrades

MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

This memorandum motivates for the revision of the narrative for programme 1.2(d) within the reviewed 2014/15 IDP in order to align same with the most recent developments in the field of the EPWP. The current narrative has a few anomalies which have to be rectified.

The recommended revision specifically aims to rectify the current narrative and dispel any confusion that may arise from the existing text.

The current narrative of the IDP states that Phase 2 of the EPWP is being implemented from the period 2009-2014. This period has been surpassed and Phase 3 of the programme has commenced. Furthermore the current narrative states that the Corporate EPWP Department is housed in the former Office of the Deputy City Manager Directorate, however as a result of the 20 August 2014 Council Resolution, item C 32/08/14 B, the function of the EPWP Unit was re-aligned to the Social Development & Early Childhood Development Directorate. The current narrative also makes reference to City's former motto, "The City Works for You", which has subsequently been replaced with, "Making Progress Possible. Together".

Lastly, the current narrative refers to the development of an EPWP policy, which has subsequently been developed and approved by Council on 29 May 2013, (Item C24/05/13).

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

Based on the above motivation to bring the content of the IDP in line with other official communiqué, the following amendments to SFA 1, Objective 1.2; Programme 1.2(d) of the IDP are recommended:

Text/ Table	Page 14/15 IDP
<p><u>Current narrative</u></p> <p>Programme 1.2(d): Expanded Public Works Programme (EPWP)</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>This grant will be used to enhance the City's ability to create temporary EPWP work opportunities.</p> <p>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'.</p>	Page 44

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.

Recommendation:

Delete the above content and replace with the following revised text

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

EPWP is a national government programme that aims to provide social protection through the creation of jobs. The programme's mandate is "to contribute to development by providing work opportunities to poor and unemployed people in the labour intensive delivery of public and community assets and services".

The City of Cape Town has committed itself to the outcomes of the EPWP and seeks to go beyond these outcomes to give effect to the strategic focus areas of turning Cape Town into an opportunity and caring city. This is achieved through leveraging programmes and projects in all line directorates with a view to mainstream EPWP within the planning and budget processes of Council. The City has confirmed its commitment to EPWP by:

- Adopting job creation targets aiming to create 200 000 EPWP work opportunities by 2017
- Focus on increasing the number of Full Time Equivalent (a factor of job creation and the period of employment) work opportunities
- Signing the EPWP protocol agreement with the National Department of Public Works (DPW)
- Signing the annual integrated conditional grant agreement with DPW in accordance with the Division of Revenue Act (DoRA)
- Developing the relevant policy and institutional frameworks for the implementation of EPWP in the City's line directorates

The implementation of EPWP is guided by a Council approved policy which regulates:

- The institutionalisation of EPWP and its alignment with the Social Development and Economic Growth Strategies of the City
- The obligation of each line directorate to participate in the implementation of EPWP
- Compliance monitoring in line with DPW and the Auditor General (AG)

<p>requirements</p> <ul style="list-style-type: none"> •The focus on targeting designated groups such as youth, women and people living with disabilities •The establishment of a Corporate EPWP Office <p>The Corporate EPWP Office is responsible for planning, coordinating, monitoring and driving the implementation of EPWP. EPWP programmes and projects are funded through the existing capital and operating budgets of line departments. Additional funding, sourced through the City's Special Job Creation Programme budget and the National EPWP Integrated Grant, is used as a catalytic allocation to enhance line directorates' ability to implement EPWP.</p> <p>Over the period the City will work closely with other stakeholders in the development environment in order to generate innovative solutions for the benefit of citizens.</p>	
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PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

This memorandum motivates the addition of measurements within specific sections of the Reviewed 2014/15 IDP.

That the following measurements be included:

STRATEGIC FOCUS AREA 1: THE OPPORTUNITY CITY

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

- that a standard be set for the finance department for the waiting period (seven days) for the issuing of tax clearance certificates as part of the objective: economic growth .

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

- that a measurable objective be set for the properties department to make the City's assets available for economic and social infrastructure measured in terms of the number of rental or release agreements concluded. The measurement must be done against the total number of assets that is available.
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MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

Mobile Clinics

This memorandum serves to motivate an update in the current IDP (2014/15).

The current fleet of 4 Mobile Clinics is totally inadequate and the service that it should be rendering to communities that are too far away from formal Clinic facilities is non-existent.

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

OBJECTIVE 3.7: Provide effective primary health-care services [page 82/83]

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~~ 10 mobile clinics.

MOTIVATION TO UPDATE THE INTEGRATED DEVELOPMENT (IDP) 2015/16

The approved TCT Constitution Bylaw, No 7208 of 2013, inter alia, requires that TCT publish a report for inclusion as a separate chapter in the Council's annual report on its performance during that Financial Year. In order for TCT to adhere to this requirement the current IDP need to be updated to reflect the new mandate and functions of TCT as detailed in the sections below.

AMENDMENTS REQUIRED IN TERMS OF ACHIEVEMENT OF THE CURRENT PERFORMANCE INDICATORS

The City of Cape Town's Comprehensive Integrated Transport Plan (CITP) 2013 – 2018 was approved in December 2013 along with an addendum in June 2014. Further, as also required by the National Land Transport Act, No. 5 of 2009, the City's Integrated Public Transport Plan (IPTN) 2032 was approved in June 2014. The IPTN deals with both the road and rail network within the City as well as across the functional area.

The CITP and IPTN are statutory required documents and have both set the mandate for TCT over the next five years. The key brief for the establishment of Transport for Cape Town was to create a transport authority within the City of Cape Town that operates on long term, enduring, performance and investment driven principles. The TCT Constitution Bylaw, No 7208 of 2013, which is local government's legislative tool, creates a long lasting innovative transport solution that withstands policy change and facilitates long term investment into transport and the related infrastructure network. The TCT Bylaw sets out the parameters as to what TCT does and how it operates as well as determines the functions such as administration, planning, communication, contracting, regulating, monitoring, evaluating, managing and operating transport infrastructure and services within sound and strategic

financial management principles. These, under the TCT By-law, have been divided into nine functional areas.

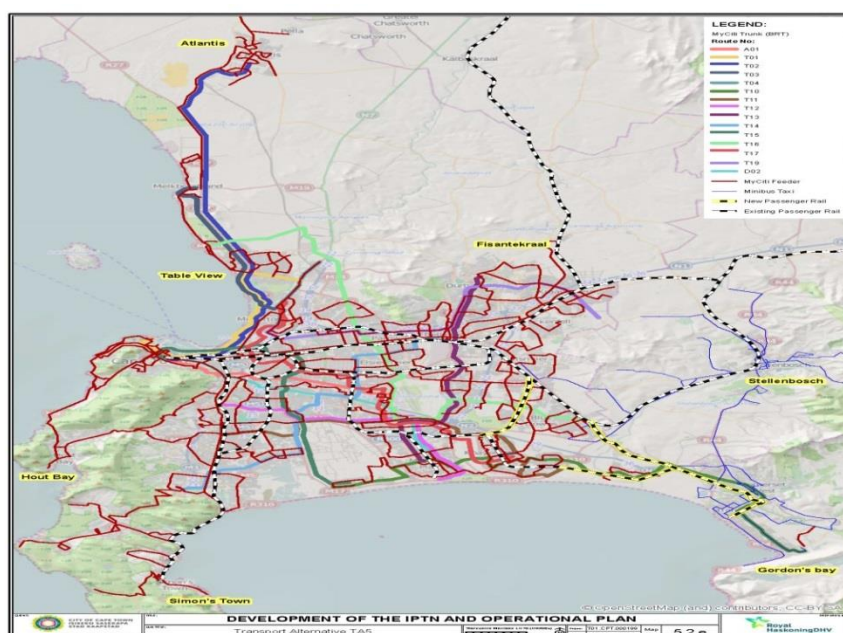
The establishment of TCT followed an evolutionary and institutional transport authority design model that enabled the governance of transport services to be commuter orientated by regulating operators through a common authority that ensures long term and investment orientated management. The key to the rollout of a fully integrated public transport system in Cape Town is to have a strong governance structure, and in this case Transport for Cape Town (TCT), that will be able to manage and have control over all of the different facets.

PROPOSED AMENDMENTS TO THE 2012-2017 (2015/16 REVIEW) IDP

Under the Objective 1.2 the contents for Programme 1.2 (b) Maintenance of infrastructure for the heading "Transport infrastructure and assets" on pages 37-38 and Programme 1.2(c): Investment in infrastructure on pages 42-43 with regard to "Road and street infrastructure" and "Stormwater infrastructure" in the current IDP should be deleted in total.

On pages 48-49 the contents under the headings Objective 1.4 Ensure mobility through the implementation of an effective public transport system and Integrated Transport Plan remains the same. The word "Comprehensive" should be added to the heading to read Comprehensive Integrated Transport Plan.

In addition to this the following text should be added after the paragraph on page 49 "The 2013-2018 CIP was completed in December 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".



The City established TCT in order to achieve its vision for transport and to deliver integrated, intermodal and interoperable transport and its related infrastructure network for Cape Town. The City's vision for transport is the "Transport Vision of 1". The Transport Vision of 1 is:

TRANSPORT FOR CAPE TOWN'S VISION OF 1	1	Plan	1 Plan refers to the CIP 2013-2018, which includes the 9 long-term objectives and will include the mini review to get the CIP in line with the budgetary cycle and to allow for the performance-based, target-driven implementation plans for each of TCT's 8 Departments.
	1	Network	An integrated road and rail network, which relates to the infrastructure, facilities, street furniture, systems, etc. that is well maintained and facilitates safe, reliable, efficient and effective access for a multiplicity of users.
	1	Management System	Over the next five years and beyond TCT will establish a unified information management system and a functional management system for all of its departments, which focus on focused, performance-driven service delivery. The management system will further develop unified and sustainable standards for all of its functions so as to drive down the cost of the User Access Priorities.
	1	Contracting Authority	The Contract Authority relates to section 41 and 46 contracts. The assignment for the management of the section 46 contract is eminent. TCT will set up and manage all vehicle operator contracts in a performance-driven, unified manner.
	1	Ticket and Timetable	Critical to driving down the User Access Priorities that relate to social, economic and environmental costs, is the establishment of an integrated timetable and an electronic EMV ticket across all modes. The aim is to have both in place within the next 5 years.
	1	Unified Enforcement System	1 Unified Enforcement System relates to the establishment of the Municipal Regulatory Entity (MRE), strengthening the public transport law enforcement capacity in the City and rolling out an integrated CCTV system across Cape Town, all managed at the TMC.
	1	Unified Structure	TCT, the City of Cape Town's transport authority has been established. It now operates within the bounds of the TCT Constitution Bylaws, 2013 and the newly established Implementation Plan. The foundations of the unified structure have been established, which enables its further growth over the next 5 years and beyond.
	1	Brand	TCT has a Masterbrand which has also been aligned to the City of Cape Town's Brand. The aim is to roll the TCT Brand out over the next 5 years and beyond so as to enable transportation direction, information management, regulation and control.

In order to achieve the Transport Vision of 1, TCT has established nine (9) key Objectives. Similar to the City's Five Pillars already mentioned, these Objectives are long term and are expected to remain constant for many years.

These Objectives are as follows:

1. An efficient and viable relationship between land use, supporting infrastructure and transport for the sustainable development of the City region;
2. Integrated, intermodal, interoperable, responsive and car competitive public transport for the benefit of the community;
3. An economically viable transport system by balancing service provision with demand and through transparent regulation;
4. Services delivered in an accountable, investment orientated and performance driven manner, ensuring quality and unified standards;
5. A costed, viable and financially accountable transport management system and network through exploiting all potential sources of funding;
6. Consolidated and improved public transport law enforcement functions in the City so as to facilitate safety and security on the public transport network and related facilities for the benefit of all;
7. Comprehensive communication and stakeholder management under the banner of TCT so as to ensure responsible service delivery in partnership with all industry role players;
8. A fully integrated, responsive and well maintained infrastructure network along with related facilities that are appropriately managed as the largest asset of the City;
9. Fully functional and user friendly systems on the intermodal network

Following on from the objectives and the related action plans is the TCT Long Term Strategy. It is considered critical, now that TCT is operating under its Constitution Bylaw that the long term strategy is built into service delivery from the onset. Essentially the TCT Long Term Strategy methodology is to have four key milestones that are broken down into 3, 5, 10 and 15 year time horizons, with the start date being July 2013. Each of the projects and programmes in the TCT Action Plan Matrix and accordingly in the SDBIP's, will contribute to the achievement of one of the four milestones, as detailed below.

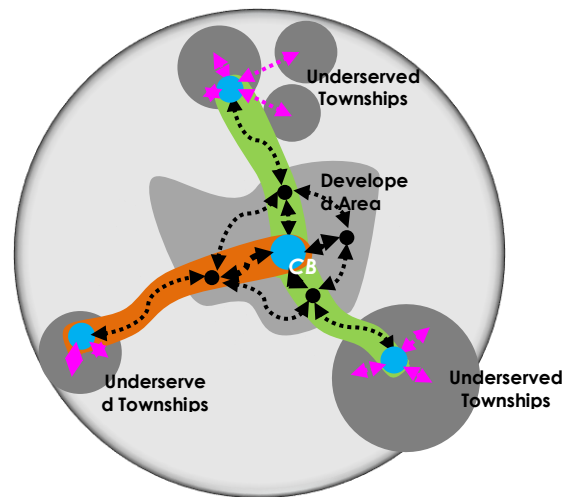
AMENDMENTS TO ACCOMMODATE THE IMPACT OF THE BEPP PROCESS

TCT has been intricately involved in the now new process related to the compilation of the Built Environment Performance Plan.

The Built Environment Performance Plan (BEPP) is a compulsory plan submitted to National Treasury annually indicating how cities intend to align and expend national grants related to infrastructure to address specific national and local policy objectives. In the past, BEPPs were managed by the National Department of Human Settlements and primarily associated with the Urban Settlements Development Grant (USDG). From 2014/15, BEPPs will be managed by the National Treasury (although reviewed by an interdepartmental committee) and be the primary planning and grant submission associated with most conditional grants, including the:



- Urban Settlements Development Grant (USDG)
- Integrated City Development Grant (ICDG)
- Public Transport Infrastructure Grant (PTIG)
- Neighbourhood Development Partnership Grant (NDPG)
- Integrated National Electrification Programme Grant (INEPG)



The core national policy objective to be pursued through BEPPs in future is to enable more compact cities that are integrated, productive, inclusive, liveable and sustainable. It should be noted that when it comes to the City of Cape Town, it has focused on the Growth and Development Strategy as well as attempting to be a metropolitan municipality that implements the principles of the National Development Plan, in that the focus is on infrastructure led economic growth.

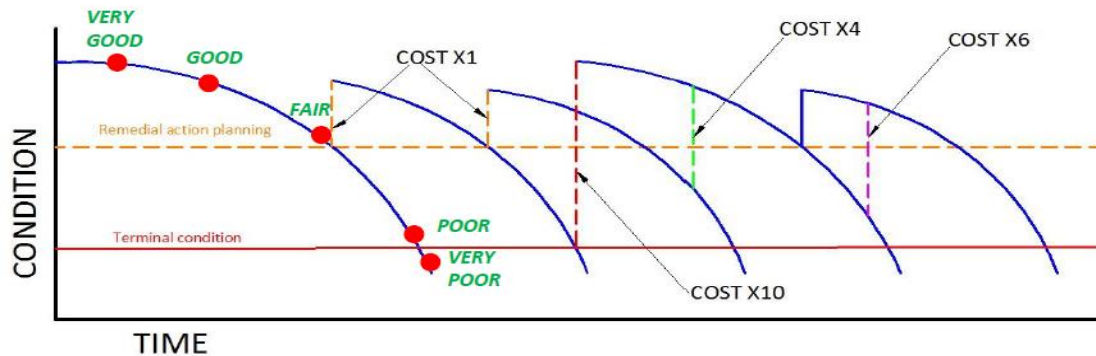
When it comes to the maintenance and management of the roads, bridges and stormwater network it was clearly highlighted in the BEPP 2014/15 that, as determined in a study that was undertaken in 2012, that is in the process of being extended to include the higher order economic roads, there is currently a need for R12 billion over 15 years required just to rehabilitate the very poor and poor class 4 and 5 roads (residential roads) in Cape Town as well as maintain them at a state so that they will not collapse. This does not at this stage include the need for the upgrading of unmade roads, which is estimated at over R800m, as well as the congestion alleviation requirements which is quantified at over R884 million.

Transport and the related infrastructure, although not classified as an essential service, are critical to the economics of any city. This economics relates to the individual's economics or accessibility as well as the economic sustainability, growth or decline of the city concerned. When reviewing the built environment as it relates to transportation, there are essentially two main components, which will be discussed, namely:

- The road, pavement and stormwater, public transport facilities and interchanges and network systems (traffic signals, CCTV, information management) infrastructure itself. Rail has not been included as the City at this stage does not own the rail infrastructure.
- What happens on the infrastructure including public transport (road and where applicable rail, public transport law enforcement, maintenance, etc.

Some of the transport and infrastructure related inefficiencies in Cape Town that have significant negative impacts on the economy, society and the environment include the issues detailed below. It is considered critical that focus be given in the IDP under Objective 1.2 coupled with programmes 1.2 (b) and 1.2 (c) on implementing initiatives that provide and maintain economic and social infrastructure to ensure infrastructure-led economic growth and development. These include addressing:

1. Increasing backlogs in maintenance of transport infrastructure hamper economic activity. Deteriorating road conditions versus maintenance mechanisms to prolong the life and efficiencies of the system. The current budget shortfall and the lack of prioritisation have meant that the management and maintenance of the road network is on a continuous deterioration curve.



TCT's

focus

has been to determine the value of its largest asset – 10 000km of roads - have an estimated value of R78.9 billion. The project research has quantified the need just for the categories 4 and 5 roads at R12b over 15 years. TCT will be doing the same for other roads. Category 4 and 5 roads are residential roads which due to the lack of planned and regular maintenance over a number of years as alluded to in the cyclical diagram above have reached critical stages of disrepair, many of which have either collapsed, have major potholes or are showing signs of extreme fatigue. It is essential that the City addresses this major problem related to its largest asset.

2. Congestion, particularly through increasing private car usage in Cape Town, causes a loss of millions of Rand to the city economy. Congestion contributes over 50% of the atmospheric emissions in cities – the highest source of pollution. Congestion also has an impact on the economy through time delays, increased use of fuels etc.

TCT is responsible for the planning, design, costing, construction, maintenance, replacement, extension and upgrading of the City's road network, the public transport network and public transport infrastructure, the storm water network and storm water infrastructure, and related facilities. Project research in relation to three of the main congested hotspots in Cape Town has quantified the required infrastructure interventions to be in the region of R900 million.

3. High accident rates involving pedestrians and high numbers of fatalities increase the burden on hospitals and on medical and social services and decrease economic productivity. TCT along with Safety and Security has developed a Road Safety Strategy. There is also a need for a public transport law enforcement unit that needs resourcing.
4. The high cost of transport disempowers marginalised communities (both urban and rural) due to travelling distances and the lack of an adequate and integrated transport system. The traditional lack of formalised institutional arrangements to assist in coordination and delivery on an integrated transport mandate includes a fragmentation of functions relating to transport safety. The aim through the transport authority is to have all scheduled services under a unified management, regulation and ticketing system under one brand.

5. Limited access for persons with special needs to transport and the associated infrastructure further isolates already vulnerable individuals in communities.
6. Stormwater management and upgrading is also critical to the sustainability of both formal and informal human settlements across Cape Town. It is critical that the City invests in Stormwater infrastructure projects and programmes in terms of rehabilitation as well as for low lying areas that are continually flooded. The TCT interventions which primarily relate to informal settlements need to focus on the incremental regrading and reshaping of the earth.

Across the City of Cape Town there are approximately 352 public transport interchanges, many in disrepair and only 60 of which are being managed by TCT. There are also over 3500 bus shelters of varying standards, many of which are totally socially unacceptable. There is overcrowding on public transport and the access facilities are in many cases inferior and substandard. The scale of the problem is enormous and the financial burden on the City, to be able to address these issues, is considered by many insurmountable, reaching into the billions.

In terms of the TOD parameters and related integral network of the approved IPTN 2032 the following issues needs to be considered, namely-

- The poorest households live on the outskirts of the city, located furthest away from potential employment and income-earning opportunities. They are the least able to afford the costs of urban sprawl, but have to commute longer distances and at times use public transport modes that are currently not optimally integrated. Public Transport commuters commonly travel between 30 minutes to an hour to get from their homes to places of employment. In contrast those who travel by private car are most likely to travel for less than 15 minutes up to a maximum of 30 minutes.

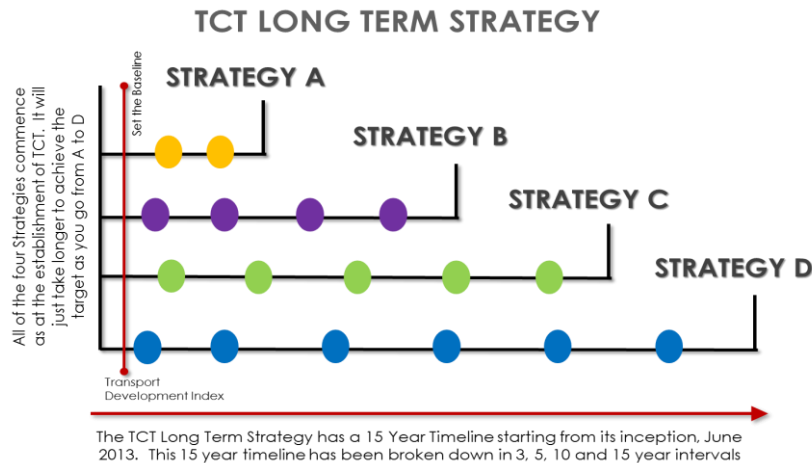
2011 figures suggest that slightly more people are walking and (motor) cycling, fewer are taking the bus and taxi, while there is a slight increase in the number of people who use the train to commute to work.

- The Passenger Rail Agency of South Africa (PRASA) is helping the City deliver on its transport goals and plans to create a multimodal Cape Town city region, and will help provide the public transport linkages between urban nodes. The Blue Downs line has emerged as the next priority rail link in the Cape Town metropolitan region, and forms a critical link between the metro south-east and Bellville. This new passenger rail line will assist in developing a more compact Cape Town by providing easier access to new potential employment opportunities (in Bellville), reduced travel times, as well as better access to health, education and recreational facilities for the communities along the new line and from Khayelitsha and Mitchells Plain.

It is expected that this alternative link to Bellville will have a direct positive and substantial impact on the quality of rail services to more than 50 000 current commuters.

Under the Objective 1.4 the contents from Programmes 1.4 (a) to (f) should be deleted and replaced by the text which follows hereunder.

The heading of Programme 1.4 to be renamed from Public transport programme to TCT Long Term Strategy with the following contents.



STRATEGY A:	3 Year Timeline	Consolidation of the TCT transport authority model with the focus on performance-orientated service delivery
STRATEGY B:	5 Year Timeline	Consolidation of the TCT transport authority financial management strategy and investment logic under the MLTF
STRATEGY C:	10 Year Timeline	Rollout of the integrated road and rail methodology with the focus on one brand, one ticket and one integrated timetable
STRATEGY D:	15 Year Timeline	Ensure that costs of the User Access Priority are halved for the benefit of the citizens of and visitors to Cape Town

These long term strategies are expanded upon in more detail below. It should be noted that one of the most critical steps that will be actioned in the 2014/15 financial year is the establishment of the TCT Transport Development Index which will then be used as the baseline and barometer against which performance will be monitored.

STRATEGY A: CONSOLIDATE TCT AS THE CITY'S TRANSPORT AUTHORITY WITH THE FOCUS ON PERFORMANCE-ORIENTATED SERVICE DELIVERY (3 YEARS)

TCT is the first transport authority to be established in the 21st century. The first step for Cape Town is to consolidate the reason for its existence in that it will draw from the TA community and its methodology of performance and investment.

If TCT did not go down this road, it would not only drain the resources of the City but at the same time service delivery would continually fall short of the need and the City would fall into the same trap as many other cities across SA where the infrastructure will fail.

Project/Programme - Examples of this strategy are the following:

- IS&T System for TCT is to be designed and rolled out within the next 18 months to 2 years
- TCT App and Website operational
- Asset Management Register and RIFSA Register for the road, bridge and stormwater network
- Municipal Regulatory Entity and Contracting Authority established and fully functional
- Establishment and full functioning of the TCT Training Academy

- That the City commit to a dedicated and focused resealing and rehabilitation programme network and Stormwater network, to be implemented by TCT.
- That added focus be given to the implementation of the Road Safety Strategy, including undertaking a costing exercise on the impacts of road safety and service delivery on the economy and the quality of life.
- That a funding strategy for the TCT priorities as detailed in the body of the memorandum and rollout of the MLTF be considered a major priority.

STRATEGY B: CONSOLIDATE THE TCT TRANSPORT AUTHORITY FINANCIAL MANAGEMENT STRATEGY AND INVESTMENT LOGIC UNDER THE MLTF (5 YEARS)

The overarching principle that TCT has adopted in terms of service delivery is an investment and performance driven approach that is accountable, equitable and costed.

- Further funding sources are explored so as to address the ever increasing needs
- Consolidating funding sources and utilising them as strategic leverage tools
- Commitment by NDOT and National Treasury on the financial integrated transport model and long term strategy so as to leverage additional funding
- Revenue generation is reviewed and
- Over 60% of all TCT projects and programmes now have an economic and investment outcome
- Alignment and prioritisation in relation to the National Treasury processes

Examples for this strategy include the following:

- Release abandoned road schemes.
- All projects, programmes and policies costed so as to ensure sustainability, viability and investment.
- Municipal Land Transport Fund (MLTF) operational along with the transport-related expenditure criteria.
- TCT Investment Plan & Funding packages developed.

STRATEGY C: INTEGRATED ROAD AND RAIL TRANSPORT SYSTEM FOR CAPE TOWN WITH THE FOCUS ON ONE BRAND, ONE TICKET AND ONE INTEGRATED TIMETABLE (10 YEARS)

One of responsibilities for TCT is to achieve integrated, intermodal and interoperable transport across the City of Cape Town in a unified manner and at the same standard. The achievement of this goal within the next ten years is the target. This is for both road and rail, scheduled and on-demand.

- Extension of public transport in terms of the IPTN in terms of growth areas.
- Expedite the rollout of the trunk network (Rail and BRT), in accordance with the IPTN 2032.
- Rollout the Wayfinding across the City of Cape Town.
- Begin the recapitalisation of the entire bus fleet into one brand and a unified standard, once the assignment of the Contracting Authority has been effected.
- Regulated transport industry that is demand responsive and viable.
- Initiation of the development of Blue Downs rail along with four new stations.
- Completion of the rollout of Phase 1A, 1B and N2 Express.
- Detailed planning, design and costing of Phase 2A, which is the Lansdowne Wetton Corridor (LWC) and commence construction;
- Detailed planning, design and costing of the first distributor route, being the Klipfontein Corridor, and commence construction.

- Commence the planning and business case for the rollout of a single integrated ticket on all modes of transport (road and rail) and extension to all related services (events, parking, bikeshare, etc).
- Alignment of road and rail costed commitments and achieving of an implementation-oriented SLA between TCT and PRASA.

STRATEGY D: ENSURE THAT THE COSTS OF THE USER ACCESS PRIORITY ARE HALVED (15 YEARS)

All in Cape Town – be they a citizen, business or visitor – must be able to move from A to B for their own purposes. Behind that simple statement, however, lies a matrix of interlocking factors that vary from one type of user to another. For each type of user, there are four key questions:

- *who is the user?*
- *what does access mean to those users?*
- *what are the access priorities for those users?*
- *what is the social, economic and environmental cost of those access priorities to those users?*

Examples that encompass this strategy include the following:

- Comprehensive Transit Orientated Development that ensures infill and that densification is in support with the correct public transport typology. The focus over the next two years is to develop the TOD Strategy and begin to compile a package of plans and projects.
- Assets are used as investment leverage tools and the City is moved beyond its current inefficiencies.

CHANGES TO THE CORPORATE INDICATOR: 1.C – RAND VALUE OF CAPITAL INVESTED IN ENGINEERING INFRASTRUCTURE

The IDP Department communicated via email on 23 September 2014 that any changes to the 2015/2016 annual review of the IDP (including the 5 year Corporate Scorecard) in terms of Section 34 and Regulation 3 of the Municipal Systems Act must be submitted to the portfolio committees. The definition change of Indicator 1.C has been identified during the 2014-2015 Performance Indicator Measurement Sheet review. All relevant Directorates must ensure that the definition change is included in the memorandum to be tabled at their respective portfolio committees. In addition, targets for the 2015/2016 year and the 2016/2017 years must also be submitted.

The proposed definition change for TCT is as follows:

"Investment into engineering infrastructure relates to growth, refurbishment and replacement of the road network, stormwater network, integrated public transport, water, sanitation, electricity, solid waste (removal and disposal), and broadband infrastructure".

The proposed targets pertaining to TCT's contribution for the respective years are as follows:

2014/15: R1, 358,468,389 (as per August 2014 Adjustment Budget)

2015/16: R1, 334,007,381

2016/17: R1, 364,864,092