

Annual Report Highlights 2011/12



**The 2011/12 Annual Report demonstrates a commitment
to making this great city even GREATER**

Some general achievements during 2011/12



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- 7 141 Housing opportunities provided
- 26 403 EPWP job opportunities created
- Capital spend 92,8% (R4, 233 billion) of the City's capital during 2011/12
- City maintains excellent credit rating
- Community satisfaction survey showed that residents and business think that the City's service delivery is improving
- 5, 1% decrease in unaccounted-for water losses
- 277 taps were installed, exceeding target of 250
- 3 354 toilet installations – exceeded target of 2000
- 12, 13 % (243 818 tons) of waste successfully diverted from landfill sites
- Ninth consecutive unqualified audit opinion from the Auditor-General of South Africa

Annual Report reflects on the following strategic focus areas (SFA's):



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- Shared economic growth and development
- Sustainable urban infrastructure and services
- Energy efficiency for a sustainable future
- Public transport systems
- Integrated human settlements
- Safety and security
- Health, social and community development
- Good governance and regulatory reform

Shared economic growth and development

Key objectives

- Create an enabling environment for the economy to grow and become globally competitive

Main achievements in 2011/12

- Approved the Cape Town Activa initiative, an entrepreneurial ecosystem development project to coordinate the enterprise and employment support environment
- Created 26 403 job opportunities through the Expanded Public Works Programme (EPWP)
- Finalised 83% of land use management applications within statutory timeframes
- Finalised 69,32% of building plans within statutory timeframes
- Cape Town Spatial Development Framework (CTSDF) approved by Council on 28 May 2012
- City of Cape Town Draft Economic Development Strategy completed
- Conceptualised and completed the first draft of the Atlantis Revitalisation Framework
- Spent 92,8% (R4,233 billion) of the City's budgeted capital
- Expansion of the Cape Town International Convention Centre (CTICC), which is an entity of the City, approved with an associated City budget allocation of R700 million

Sustainable urban infrastructure and services

Key objectives

- Provide access to basic services
- Conserve natural resources
- Effectively manage the City's infrastructure and resources

Main achievements in 2011/12

- 3 354 toilets installed for informal settlement residents
- 1 050 additional subsidised electricity connections installed
- Reduced the percentage of unaccounted-for water losses from 22,2% to 17,1%
- Installed 277 taps in informal settlements
- Diverted 12,13% of solid waste from City landfills through City waste management initiatives
- Achieved 98,6% compliance with SANS 241 drinking water requirements
- Spent R1,883 billion on infrastructure repairs and maintenance
- Door-to-door refuse collection and area-cleaning services for informal settlements
- Achieved a Blue Drop score of 97,61% for drinking water quality
- Achieved a Green Drop score of 85% for the City's wastewater treatment plants
- Opened a new waste drop-off facility in Mitchells Plain
- Achieved a repairs and maintenance budget allocation more than 10% of total operating expenditure – well above the 8% National Treasury benchmark

Energy efficiency for a sustainable future

Key objectives

- Develop, adopt and implement a comprehensive response to Cape Town's energy and climate change challenges

Main achievements in 2011/12

- Maintained citywide electricity consumption at 2007 levels



Public transport systems

Key objectives

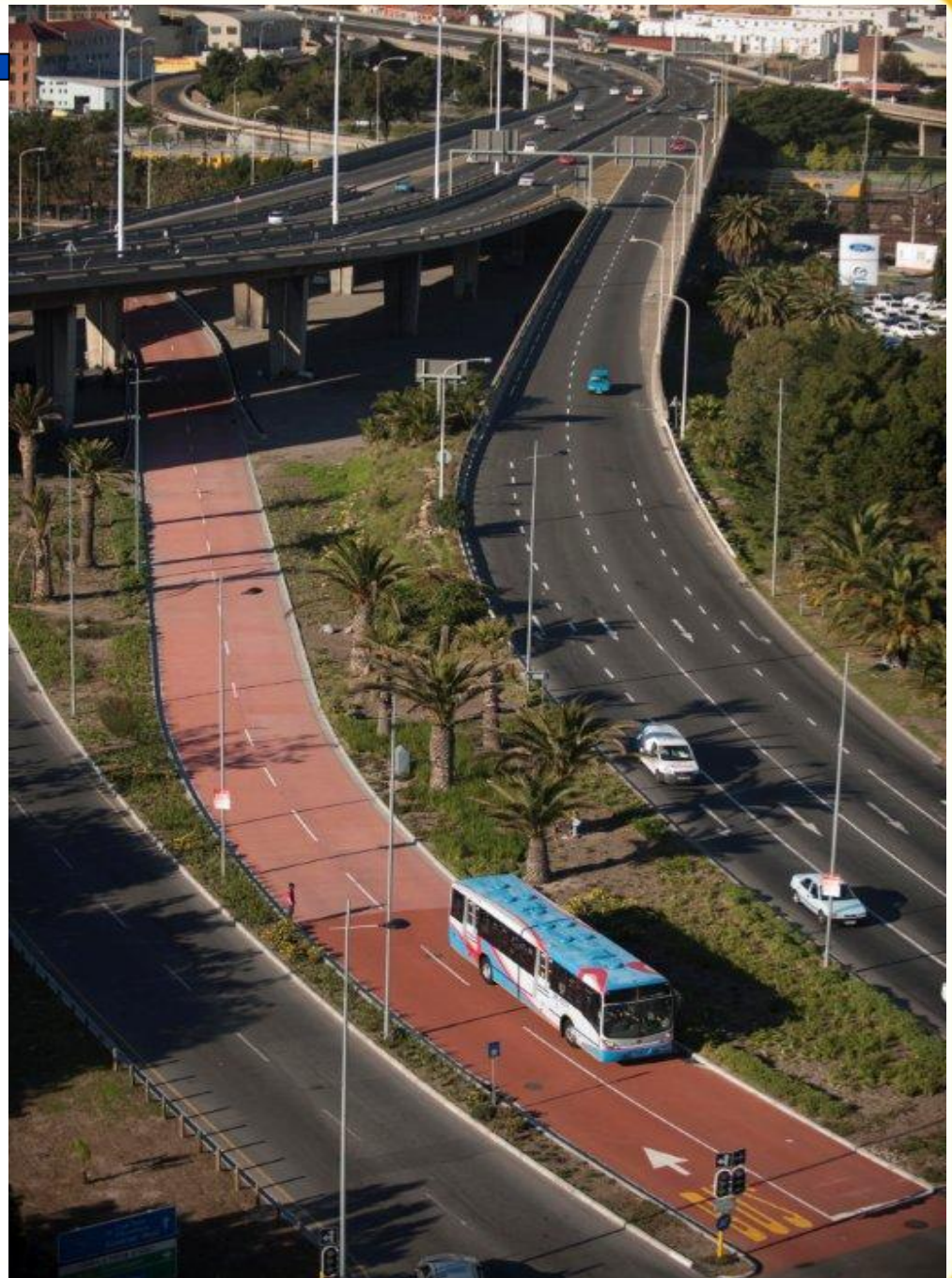
- Improve Cape Town's public transport systems and services to accommodate potential growth and employment
- Effectively manage the road network, reduce congestion and mitigate negative impacts on the environment
- Address the issues of access in relation to urbanisation and social exclusion

Main achievements in 2011/12

- MyCiTi rolled out to the west and airport
- MyCiTi leads the way for special-needs passengers and universal access
- Launch of Travel SMART programme to encourage sustainable transport options
- Safety at public transport interchanges increased
- Dedicated public transport lanes reintroduced
- Non-motorised transport (NMT) network extending across Cape Town
- Pilot project launched to improve quality of stormwater
- Four NMT projects completed in Khayelitsha, using local labour

Towards sustainable transport

The City of Cape Town received an honourable mention at the 2012 Sustainable Transport Awards. Recognition for the City's initiatives in implementing sustainable transport practices, including the steps taken to implement an NMT network that provides safe transport links for pedestrians and cyclists, as well as its new MyCiTi initiative.





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



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

Integrated human settlements

Key objectives

- Deliver housing opportunities in accordance with the five-year housing plan
- Provide equitable community facilities and services across the city

Main achievements in 2011/12

- Provided 7 141 housing opportunities, including housing opportunities through the informal settlements upgrade programme
- Maintained 3 132 community parks to agreed standards
- Ensured complete grass cover for 472 fenced formal sports fields
- Ensured that 68 libraries operated according to minimum set operating hours
- Maintained 160 community centres to agreed standards



Safety and security

Key objectives

- Foster a safe and secure environment for all in Cape Town

Main achievements in 2011/12

- 22% increase in arrests for drug-related crimes
- 82% of fire incidents responded to within 14 minutes, from call to arrival
- Launched action plan to tackle drug and alcohol abuse



Health, social and community development

Key objectives

- Facilitate the development of a healthy and socially inclusive society

Main achievements in 2011/12

- Limited the number of days when air pollution exceeded World Health Organisation (WHO) guidelines to 125
- Reduced the prevalence of antenatal HIV (excluding known positives) to 9,9%
- Slowed the rate of increase in tuberculosis to 742 per 100 000
- Implemented 25 targeted development programmes
- Opened eight new community recreation hubs
- Installed 57 FreeCall lines in outlying areas and disadvantaged communities in Cape Town

City residents get to flex their muscles ... outdoors

The City received a donation of gym equipment as part of its project to create outdoor gyms in public open spaces in partnership with Outdoor Gyms and the Biokinetics Association of South Africa.

Many residents do not have the financial resources to join a formal gym, so the roll-out of these outdoor gyms will enable them to enjoy and benefit from free, accessible health and lifestyle facilities.



Good governance and regulatory reform

Key objectives

- Ensure enhanced service delivery with efficient institutional arrangements
- Manage key financial and governance areas, such as income control, cash flow, indigent support, alternative income opportunities, and asset and risk management
- Establish effective community engagement channels

Main achievements in 2011/12

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



City staff at work.



ISIS a world first for City of Cape Town



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The City of Cape Town achieved a world first by going live with its exclusively developed Integrated Spatial Information System (ISIS). This system allows the City to better manage all transactions relating to the various properties or land parcels located within the municipal area.



The City's integrated property data system is a world first in allowing better management of all transactions relating to properties

City's broadband optic fibre network



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The City continued to drive its strategy of consolidating all systems and data within its data centres. The first phase of the City's broadband optic fibre network was commissioned during the year. This network of 270 km of underground cable provides high-speed broadband connectivity to more than 70 municipal facilities. A minimum capacity of 1 Gbps is now being provided between these sites and the City data centres.

Smart Cape computer facilities are changing lives

Smart Cape is an initiative of the City of Cape Town aimed at ensuring that all residents have free access to basic information and communication technologies. The City has developed a model for public access that compares to international local government best practice.

Overview of entity financial results



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- Over the past year consolidated revenues increased by 12,12% to R21,63 billion.
- Service charges grew by 15,43% and were the most significant contributor to revenues.
- Consolidated operating expenses increased by 13,52% to R20,78 billion.
- Repairs and maintenance for the Entity were R1,89 billion for the year (2011: R1,71 billion) and constituted the major portion of contracted services.
- Reported a net operating surplus of R877,42 million (2011: R986,13 million) against a budgeted surplus of R361,07 million.

Operating revenue

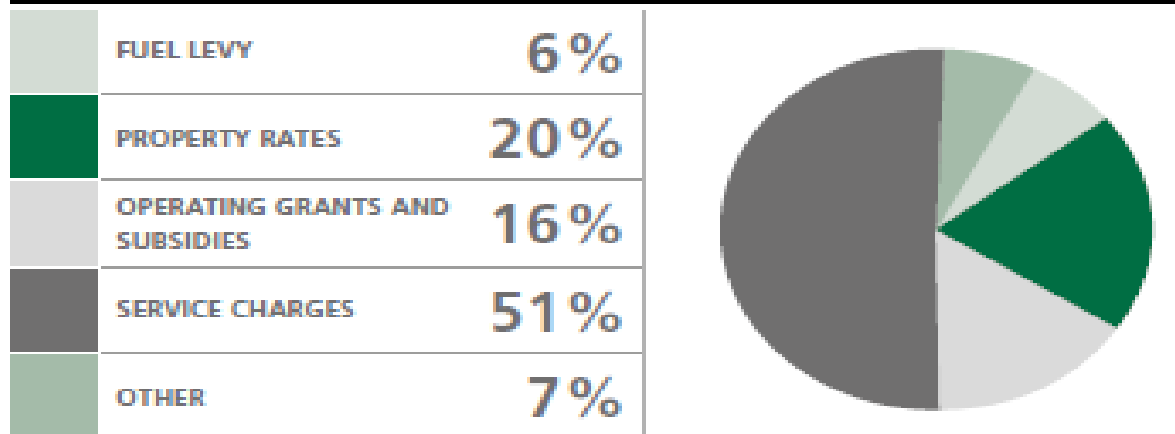


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The major revenue streams that supported the Entity's programmes and activities were:

Operating revenue



Operating expenditure

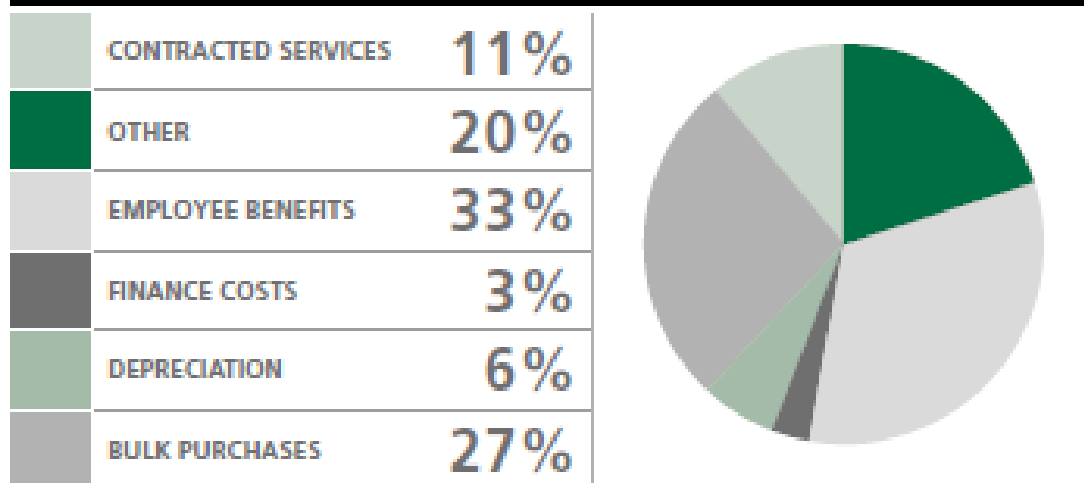


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The following graph indicates the main categories of expenditure for the year under review. The proactive management control and containment of cost increases remain a key priority for the Entity.

Operating expenditure



Capital expenditure



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The Entity's investment in property, plant and equipment amounted to R4,25 billion, compared to R2,89 billion for the previous financial period. This represents a 92,48% (2011: 77,03%) capital spend. Capital commitments amounted to R2,03 billion (2011: R1,38 billion).

The aforementioned fixed assets were financed from the following sources:

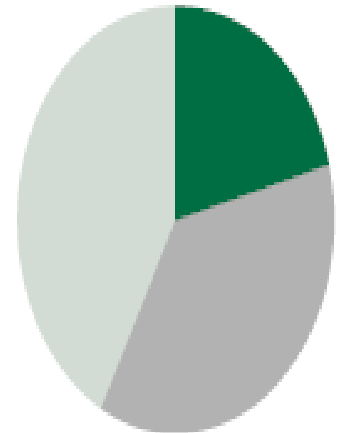
Property, plant and equipment

WATER SERVICE	6%
WASTE MANAGEMENT	15%
RATES AND GENERAL	19%
ROADS AND STORMWATER	25%
HOUSING	11%
ELECTRICITY	24%



Source of finance

GRANTS AND DONATIONS	42%
CAPITAL REPLACEMENT RESERVE	21%
REVENUE	37%



Subcouncil and ward based information included in 2011/12 annual report – extract from Annual Report



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ANNEXURE G: CAPITAL BUDGET SUMMARY PER SUBCOUNCIL AND WARD

Subcouncil and ward	Audited outcome 2011/12 R'000	Budget 2012/13 R'000	Budget 2013/14 R'000	Budget 2014/15 R'000
Subcouncil 1	108 725	127 842	125 060	80 000
Ward 4	7 265	1 940	95 500	65 000
Ward 23	6 465	5 397	–	300
Ward 29	2 330	2 231	3 500	4 750
Ward 32	26 098	69 400	5 400	4 800
Ward 104	64 981	48 575	20 660	5 150
Ward 107	1 586	300	–	–
Subcouncil 2	117 839	149 453	94 425	4 200
Ward 6	111 427	110 697	77 125	4 000
Ward 7	3 899	37 105	17 000	200
Ward 8	1 126	652	300	–
Ward 111	1 387	1 000	–	–
Subcouncil 3	60 092	150 016	14 430	–
Ward 1	1 098	100	316	–
Ward 3	56 398	148 814	14 114	–
Ward 5	298	302	–	–
Ward 70	2 298	800	–	–

Cape Town International Convention Centre (CTICC) – Citys' entity



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The CTICC enjoyed an excellent year, exceeding most of the financial and non-financial targets set for it by the City. Achieved a net profit before tax of R11 million, and added R2,25 billion to national gross domestic product and R902 million to the Western Cape gross geographic product through its activities.



Some statistics

Water supply infrastructure



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Infrastructure	Number
Dams	11
Water supply treatment plants	12
Bulk & distribution reservoirs	174
Bulk water conveyance pipes	605 km
Water pump stations	108
Reticulation water pipes	10 400 km

Circular 63 and new templates



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- **The Annual Report now directs the strategy of the municipality?**
- **Un-auditable information to be included into the Annual Report**
- **Increased audit cost?**
- **SDBIP following Budget?**
- **The sum of 4 quarterly reports = the Annual Report?**
- **Time frames?**

The City's annual report available on
www.capetown.gov.za/reports



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Thank You