

Chapter 2:

Performance Highlights

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Performance Highlights

In 2003 the Mayor embarked on a Listening Campaign to gain the inputs of citizens on their needs and concerns. Citizens highlighted a number of priority issues, these were then prioritised and addressed through the strategies set out in the 2004/05 IDP. This chapter highlights how the City has responded to these and has addressed service backlogs in respect of electricity, water, roads, refuse and housing.



PRIORITY 1: CRIME PREVENTION

The efforts of the City Police Directorate resulted in greater visibility and presence in the last year. Visible policing in the form of patrolling totalled 26 623 hours - significantly above the targeted figure of 17 200 hours for the year. A total of 1 588 joint operations with the South African Police Service and other stakeholders were undertaken, 197 cameras were installed in crime 'hot spot' areas in the City, and 308 arrests associated with narcotics dealing were made. In addition, a number of preventive measures were undertaken. 145 schools vulnerable to gangsterism, drug abuse and violence were part of preventive programmes.

Educational programmes such as the 'Silent Witness programme' (focusing on targeting youth who deal with violence on a daily basis – and encouraging them to make positive choices) and the 'It's up to you' programme (aimed at reducing and dealing with gangsterism in Mitchells Plain) were implemented.

The Electricity Directorate also contributed to creating safer environments through the erection of 180 new street lights and the maintenance of existing street lights at above 80% operational condition.



PRIORITY 2: JOB CREATION

Direct job creation

An estimated 23% of the City's population is unemployed. To help address this innovative initiatives have been put in place to stimulate both direct and indirect job creation.

The Economic and Human Development Directorate contributed to the creation of 10 959 direct jobs and 18 509 indirect jobs, through initiatives linked to its 2004/05 programme and project funding. The Transport, Roads and Stormwater Department of the City created 800 jobs for previously unemployed individuals through the initiation of Phase 1 of the Klipfontein Corridor. This is part of the City's Mobility Strategy which aims to improve access and mobility.

At least 240 jobs were created for unemployed individuals through the City's Expanded Public Works programme. In addition to training in road construction and maintenance participants also received life skills training. The Community Maintenance programme also provided 93 jobs (including the employment of 47 women and two people with disabilities) to previously unemployed citizens, living in close proximity to a community. Urban renewal projects were also undertaken by City Parks creating 126 jobs for employed youth. The full allocation of R154 million MIG funding for the 2004/05 performance year was spent on a variety of projects across the City. Many of which were labour-intensive.

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(Priority 2: Job creation continued)



Indirect job creation

Studies conducted by SA Tourism and the Department of Environmental Affairs show that tourism is the only one of seven key industries that has shown both employment growth and an increased contribution to the Gross Domestic Product (GDP). To ensure that the City of Cape Town accesses the clear benefits of the tourism industry, the Tourism Department initiated events and ran programmes to attract foreign visitors to the City. These included the education of 1 200 travel agents on Cape Town as a 'Destination City' and another was the promotion of the SAA Frankfurt/Cape Town direct flight - with an estimated 3,4 million consumers being reached over a four-week period. The Community-Based Tourism Development Fund resulted in the creation of 15 jobs for 'Streetwires', a company producing wire-art for the tourism industry.

The promotion of small, medium and micro enterprises (SMMEs), broad-based black economic empowerment, employment equity, and local economic development has across directorates been contributing to direct and indirect job creation. The Economic and Human Development Directorate provided support at both a financial and substantive level. Financially, the Directorate allocated and packaged R50 million of Council procurement spend as a direct opportunity for SMMEs and supported SMMEs through a variety of interventions that have included:

- advice to 1 200 SMMEs on tenders and the tendering process;
- training 200 entrepreneurs in franchise awareness issues;
- identifying 5 000 tender opportunities for small businesses; and
- hosting the Small Business Week - which attracted 3 600 people, exposing them to business opportunities valued at approximately R260 million.

The Tourism Department contributed to local economic development through two initiatives in particular. The first has been the utilisation of the Community-Based Tourism Development Fund to finance and develop a range of tangible tourism products, whilst the second has been the provision of access to travel trade shows (and therefore marketing channels) for 150 SMMEs.

These SMMEs have additionally benefited from the travel shows as a result of the inclusion of their products in promotional programmes (such as 'Escape to the Cape'), of which more than 10 000 packages were sold.

Municipal Infrastructure Grant funding resulted in expenditure on a number of programmes and initiatives across the City that utilised the services of local SMMEs and black economic empowerment service providers, and thereby facilitated local economic development and transformation within the City.



PRIORITY 3: PROVISION OF HOUSING AND LAND FOR HOUSING OPPORTUNITIES

The current housing backlog is estimated at between 240 000 and 260 000 houses, with demand currently outstripping supply. Due to influx 16 000 houses are required each year while the current delivery rate has been 11 000 units per year. In response the Human Settlement Directorate was able to provide 3 500 new housing units in Lwandle, Strand, Browns Farm, and Khayelitsha in 2004/05. An additional 700 medium-density units were constructed as part of the N2 Gateway Project, together with the provision of 1 400 temporary houses in the Delft Transitional area. Multi-year funding for the major maintenance of rental units (at an average of R25 million per annum) was secured, and 110 hectares of land was identified for the provision of emergency housing for 5 000 residents.

The implementation of the tenure options programme has promoted the transfer of saleable housing units to families, whilst the spatial planning branch has successfully updated databases that track vacant land, that is underutilised or underdeveloped, providing a valuable record of land available for housing development and the erection of other public service infrastructure. Finally the Property Department, through the redrafted policy on the Management of Council's Immovable Property, is able to give full effect to black economic empowerment objectives via property transactions. The policy effectively provides previously disadvantaged people with access to the benefits of wealth accumulation and generation associated with property rights and property management.

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PRIORITY 4: SERVICE DELIVERY

Addressing Service Backlogs

The tables below provide a summary of the backlogs in the City and information associated with service levels.

	30 June 2005 (04/05)			30 June 2006 (05/06)		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Water Backlogs (KL per month)						
Backlogs to be eliminated (No. of households receiving minimum standard of service)	29,500	± 15,000	12,500	35,000	21,375	
Backlogs to be eliminated						
1. Spending on new infrastructure to eliminate backlogs (Rand 000)	15,399	7,830	± 6,872	10,412	6,359	
2. Spending on renewal of existing infrastructure to eliminate backlogs (Rand 000)						
3. Total spending to eliminate backlogs (Rand 000)	15,399	7,830	6,872	10,412	6,359	
4. Spending on maintenance to ensure no new backlogs created (Rand 000)	± 1,500	± 1,500	164	± 3,000	1,883	
Sanitation Backlogs						
Backlogs to be eliminated (No. of households receiving minimum standard of service)	62,100	7,000	5,000	65,600	10,360	
Backlogs to be eliminated						
1. Spending on new infrastructure to eliminate backlogs (Rand 000)	177,429	20,000	15,156	121,632	19,209	
2. Spending on renewal of existing infrastructure to eliminate backlogs (Rand 000)						
3. Total spending to eliminate backlogs (Rand 000)	177,429	20,000	15,156	121,632	19,209	
4. Spending on maintenance to ensure no new backlogs created (Rand 000)	± 10,000	± 9,000	13,245	± 15,000	10,191	

	30 June 2005 (04/05)			30 June 2006 (05/06)		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlogs to be eliminated						
1. Integrated cleaning and refuse collection (weekly) for informal settlements (No.. of households)	53400	20000	20200	35000	20000	
2. Construction of Waste Drop Off facilities	8	3	3	5	1	
3. Rehabilitation of closed land fill sites	6	Planning only		6	Planning	
Spending on new infrastructure to eliminate backlogs (Rand 000)						
1. Construction of Waste Drop Off facilities	18,000	6,300	6,800	11,300	3,650	
Spending on existing infrastructure to eliminate backlogs (Rand 000)						
1. Rehabilitation of Waste Disposal Sites	100,000	3,150	150			
2. Rehabilitation of closed land fill sites	100,000	150	150	100,000	3,000	
Spending on operations to eliminate backlogs (Rand 000)						
1. Integrated cleaning and refuse collection (weekly) for informal settlements (No.. of households)	1,335	500	505	875	500	
2. Operation of Waste Drop Off facilities	20,000	7,500	7,500	12,500	2,500	
Electricity backlogs						
Backlogs to be eliminated (No. of households receiving minimum standard of service)	<ul style="list-style-type: none"> • Backlogs are defined as households that can be electrified but are not electrified (connected to the electricity network). • No. backlogs in formal areas. Houses connected on request. • Households may not be connected if they are on encumbered land (under overhead lines, in retention ponds, health risk, private land) • 30,700 households are not electrified 					
Backlogs to be eliminated						
1. Spending on new infrastructure to eliminate backlogs (Rand 000)						
2. Spending on renewal of existing infrastructure to eliminate backlogs (Rand 000)						
3. Total spending to eliminate backlogs (Rand 000)						
4. Spending on maintenance to ensure no new backlogs created (Rand 000)						
Roads Backlogs						
Backlogs to be eliminated (No. of households receiving minimum standard of service)						
Backlogs to be eliminated						
1. Spending on new infrastructure to eliminate backlogs (Rand 000)	710m	0	0	1030m	0	
2. Spending on renewal of existing infrastructure to eliminate backlogs (Rand 000)	1000m	126m	0	1150m	135m	
3. Total spending to eliminate backlogs (Rand 000)	1710m		0	2180m		
4. Spending on maintenance to ensure no new backlogs created (Rand 000)	480m	124m	94m	500m	279m	
TOTALS	3,900,770,005.00	250,100,263.00	94,103,401.00	4,860,524,374.00	414,124,596.00	

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Highlights	Service Standard	Backlog
Electricity		
<ul style="list-style-type: none"> • Free basic electricity is provided to 369,000 households by the municipality, and to 142,000 households by Eskom. • 9,100 non-subsidised connections were made in the past year. • Response time to power outages within the NER standard of 2,2 hours. • 72% of households earning less than R1, 100 per month are supplied with free electricity. • 96% of households in the City have access to basic electricity. • 1,634 backlogs in respect of households not receiving a minimum standard of service were addressed in 2004/05. • R53, 823,000 was spent in 2004/05 on maintenance to ensure that no new backlogs were created. • R30, 224,000 was spent in 2004/05 to eliminate backlogs. • R124, 635,000 is budgeted for in the 2005/06 period to eliminate backlogs. • R4, 800,000 spent on providing streetlights to previously disadvantaged areas. • R73, 111,220 spent on maintaining and providing 209,374 streetlights. 	<ul style="list-style-type: none"> • 230 volts at a frequency of 50 hertz is the delivery standard, as determined by the National Electricity Regulator. • National government has set the regulation in respect of the provision of free basic electricity to alleviate indigent people as being 50 free units per month available to those people who use 150 or less units per month. The City, however, provides 50 free units to citizens who use 450 units or less a month. • The minimum standard of the service is that the infrastructure must be in place so that people are able to access electricity to provide basic lighting. 	<ul style="list-style-type: none"> • There is a backlog of 30,700 households (3,8% of dwelling units in the City) that are not receiving a minimum standard of service of 50kWh free per month for the 2005/06 period. • Backlogs are defined as households that can be electrified but are not electrified (connected to the electricity network). • No. backlogs in formal areas. Houses connected on request. • Households may not be connected if they are on encumbered land (under overhead lines, in retention ponds, health risk, private land).

Highlights	Service Standard	Backlog
Water Services		
<ul style="list-style-type: none"> • A backlog of 12,500 households not receiving the minimum standard of service and quantity in respect of water was addressed in 2004/05. • R6, 872,000 was spent in 2004/05 to address backlogs pertaining to water service delivery. • 10,000 new connections at a cost of R13, 000,000 were provided in 2004/05. • 834,000 households are able to access water services and are therefore able to access the free 6 kilolitres per month per household. All metered residential accounts have this amount deducted from their monthly account. • Similarly 834,000 are able to access sewerage services and therefore the 4,2 kilolitres per month per household. • A backlog of 5,000 households without access to any toilet provision was addressed in the 2004/05 year. • R13, 245,000 was spent by the City in 2004/05 on maintenance to ensure that no further backlogs in respect of sewerage service provision would be created. • The City has spent 67% of its R244, 517,717 water services capital expenditure budget on projects concerned with the maintenance, development, and upkeep of water services infrastructure. • 87% of indigent households (including informal areas on Council land) have access to basic water services. • 76% of indigent households (including informal areas on Council land) have access to basic sanitation. • 96% of households have access to basic water services and 92% of households have access to basic sanitation (according to the defined service standards). 	<ul style="list-style-type: none"> • The minimum standard of service is 25 households per one piped tap on a communal stand at a distance of 200 metres or less from the households. • The quantity standard of free water households are entitled to, is 6 kilolitres per household per month. • The minimum standard of service in respect of sanitation is five households to one toilet that is clean and ventilated. • The quantity standard of free sanitation is 4,2 kilolitres per household per month. 	<ul style="list-style-type: none"> • There is a backlog of 35,000 households that do not have access to piped water on a community stand less than 200 metres from the dwelling. • R958,000 budgeted to address water service delivery backlogs in 2004/05 was not spent. • R10,412,000 is required to address backlogs pertaining to the provision of water in 2005/06. • There is a backlog of 65,000 households without access to any toilet provision. In 2004/05 there was a shortfall of 2,000 against the 7,000 backlogs that were to be addressed. • R177,429,000 is required to address backlogs in respect of the provision of sewerage services. In 2004/05, R20 million was budgeted to address these backlogs and R15,156,000 was actually spent resulting in a shortfall against budget of R4,844,000. • The City lags by 3% in respect of the number of indigent households with access to basic water and sanitation services. • The City has focus groups prioritising backlogs to ensure that services are provided. The focus is to gather information about where needs are and then implement appropriate interventions accordingly. • It is the City's assessment that for the most, the 834,000 households with access to water and sanitation received a consistent, regular service.

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Highlights	Service Standard	Backlog
Roads		
<ul style="list-style-type: none"> • R120, 000,000 spent on development in respect of the Mitchells Plain Transport Interchange. • R8, 000,000 spent on development in respect of the Guguletu Public Transport Interchange. • R7 million spent on development of the Hanover Park Interchange. • R60 million spent on development in respect of the Klipfontein Corridor Public Space Enhancement Projects along Athlone, Gatesville, Heidvelde, Guguletu and Nyanga. • A citywide non-motorised transport strategy was developed to address the access and mobility needs of pedestrians and cyclists. 	<ul style="list-style-type: none"> • There are no national key performance indicators defined in respect of road and transport maintenance and development. • The City defines a minimum acceptable service standard as the provision of gravel roads for informal settlements. The provision of tarred dual carriageways is dependent on need and availability of funds. 	<ul style="list-style-type: none"> • R710 million is required for new infrastructure to address backlogs in respect of road and transport maintenance and development. • R1 billion is required to be spent on the renewal of existing infrastructure to eliminate backlogs. • R480 million is required to be spent on maintenance to ensure that no new backlogs are created. The City spent R94 million of the budgeted R124 million in 2004/05 resulting in a shortfall against budget of R30 million.

Highlights	Service Standard	Backlog
Refuse		
<ul style="list-style-type: none"> • 99% of the Department's capital expenditure budget was spent in 2004/05, against a baseline measure of 90%. • There was a 0% average real increase in tariffs for domestic customers in comparison to the CPIX for the 2004/05 period. • Free refuse removal services are provided to approximately 130 000 households in the City in 195 informal settlements. • 67% of informal settlements received integrated refuse collection and area cleaning services against a baseline of 50% for the 2004/05 period. • 90% of formal houses received a 240 litre containerised refuse collection service against a baseline of 80% for the 2004/05 period. • 100% of all households in the City received at a minimum, emergency refuse collection services • The overall cleanliness of the City on the Photometric Index was logged at 65% for the 2004/05 period. 	<ul style="list-style-type: none"> • National imperative standards include: <ul style="list-style-type: none"> - Equitable, affordable, and sustainable delivery - Development of an integrated waste management plan in compliance with the National Waste Management Compliance Strategy - Job creation - Empowerment of SMMEs • Agreed guidelines for waste management removal say that by 2022 there should be no waste being landfilled. • As per schedule 5b of the Constitution and the Municipal Systems Act, a basic service in respect of waste management is the provision and availability of a waste collection, cleaning and disposal service for all the City's residents once a week. • The minimum service standard for formal housing is kerb-side collection once a week in a standardised 240 litre container (The Directorate is attempting to extend the use of containers more widely). • The minimum service standard for informal housing is once a week door-to-door collection of refuse in black bags that are collected and centrally disposed of. • The indigent policy of the City determines that residential properties valued at R50 000 or less are entitled to receive a free refuse removal service. 	<ul style="list-style-type: none"> • Capital spending for the rehabilitation of old landfill sites in the metro has been calculated at R180 million. • 43,000 informal households are not receiving door-to-door refuse collections. In this regard the City addressed a backlog of 20,200 households in the 2004/05 period. • 45,000 backyard households are not receiving door-to-door refuse collection.

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Highlights	Service Standard	Backlog
Housing		
<ul style="list-style-type: none"> • 3,500 new houses were delivered against a baseline target of 3,000 for the 2004/05 period at a cost of R122,500,000. • The Mayoral Committee adopted the proposed Human Settlement Plan to address housing backlogs in June 2005. • A land audit of strategically located land has been compiled to develop integrated, sustainable housing. • The Department's target for improving existing settlements through the maintenance of 4 000 units was achieved. • Funding for the maintenance of the City's rental units for multiple years was secured. • 700 medium density units and 1,400 temporary houses were provided in the 2004/05 year as part of the N2 Gateway project. • Of the 55,000 housing units built since 1997, the City is responsible for building approximately 55 to 60% of these. 	<ul style="list-style-type: none"> • R3,3 billion is allocated to housing development nationally. The Fiscal and Financial Commission divide this up with the Western Cape allocated approximately 10% (R330 million). The City of Cape Town accesses this through the submission of project requests relating to the provision of housing. • The standard for qualifying for free state housing in the form of a R35, 000 subsidy that covers the land, the services that go into the property, and the house is South African citizenship, a first-time homeowner, married with dependants, and earning less than R3, 500 per month. • In respect of standards, the City of Cape Town complies with the National Home Builders Registration Council which maintains standards and insures structures. The NHBRC checks the standard of construction at the beginning, middle and end of the process. 	<ul style="list-style-type: none"> • The target percentage collection of cost recovery on public housing rentals as defined by the City was not achieved because of an inability to rigorously apply debt management policies. Less than 50% of expected rent revenue was received. • In addition to the existing backlogs there is an influx of approximately 18,000 to 20,000 people to the City on an annual basis. • If the full amount of R330 million were to be accessed this would provide housing for between 10,000 and 11,000 households and would not be sufficient to address the growing backlog.

BUILDING APPLICATIONS BACKLOGS

2004/05 saw the City achieve greater efficiency in the processing of building development and land use management planning. At the beginning of the performance year, backlogs in respect of building development plans stood at 15 719. By the end of the performance year, this figure was 2 374. The backlog in land use management plans stood at 7 501 at the beginning of the performance year and was reduced to 3 243 by the end of the year.

Applications outstanding 01 July 2004	Category	Number of new applications received 2004/05	Total value of applications received Rand	Applications outstanding 30 June 2005
2921	Residential new	9359	R 3 161 753 401	1253
6562	Residential additions	20318	R 3 251 382 233	4002
5025	Other Residential	14553	R 4 299 721 012	2722
223	Commercial	118	R 860 290 917	161
154	Industrial	294	R 1 294 606 337	91
14885	TOTAL	44642	R12, 867,753,900	8229

INFORMAL SETTLEMENTS

It is estimated that 540 000 people in Cape Town live in informal settlements. The City aims to reduce the number of people living in informal settlements, to improve quality of life and strengthen the communities affected. 2004/05 saw the Solid Waste Department exceed its target of 67% of informal settlements receiving integrated refuse collection and area cleaning services. City Emergency Services also improved safety with 176 public safety and awareness sessions conducted in areas exposed to fire and flood risk over the past year. Prior to providing services to informal settlements, the City must locate and assess the nature of upgrading interventions required. To assist the Innovation, Information and Knowledge Management Department administered a socio-economic needs assessment survey in relation to informal settlements in need of upgrading in Nonqabelo K, Sweet Home and Joe Slovo.

Findings were presented to the Informal Settlement Upgrade Team, and the project leaders of the N2 Gateway Project, to inform progress. The Innovation, Information and Knowledge Management Department also photographed 60% of all metropolitan areas using aerial photography. Information from this was then used to conduct an audit of all informal settlements for the Housing Department to inform further upgrading of informal settlements.

Statistics on the number of new households electrified and provided with water are reported on under Chapter 5 (Water and Sanitation and Electricity Services).

Chapter 3:

Human Resource and other Organisational Management

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Chapter 3 Human Resource and other Organisational Management

CITY OF CAPE TOWN - ISIXEKO SASEKAPA - STAD KAAPSTAD

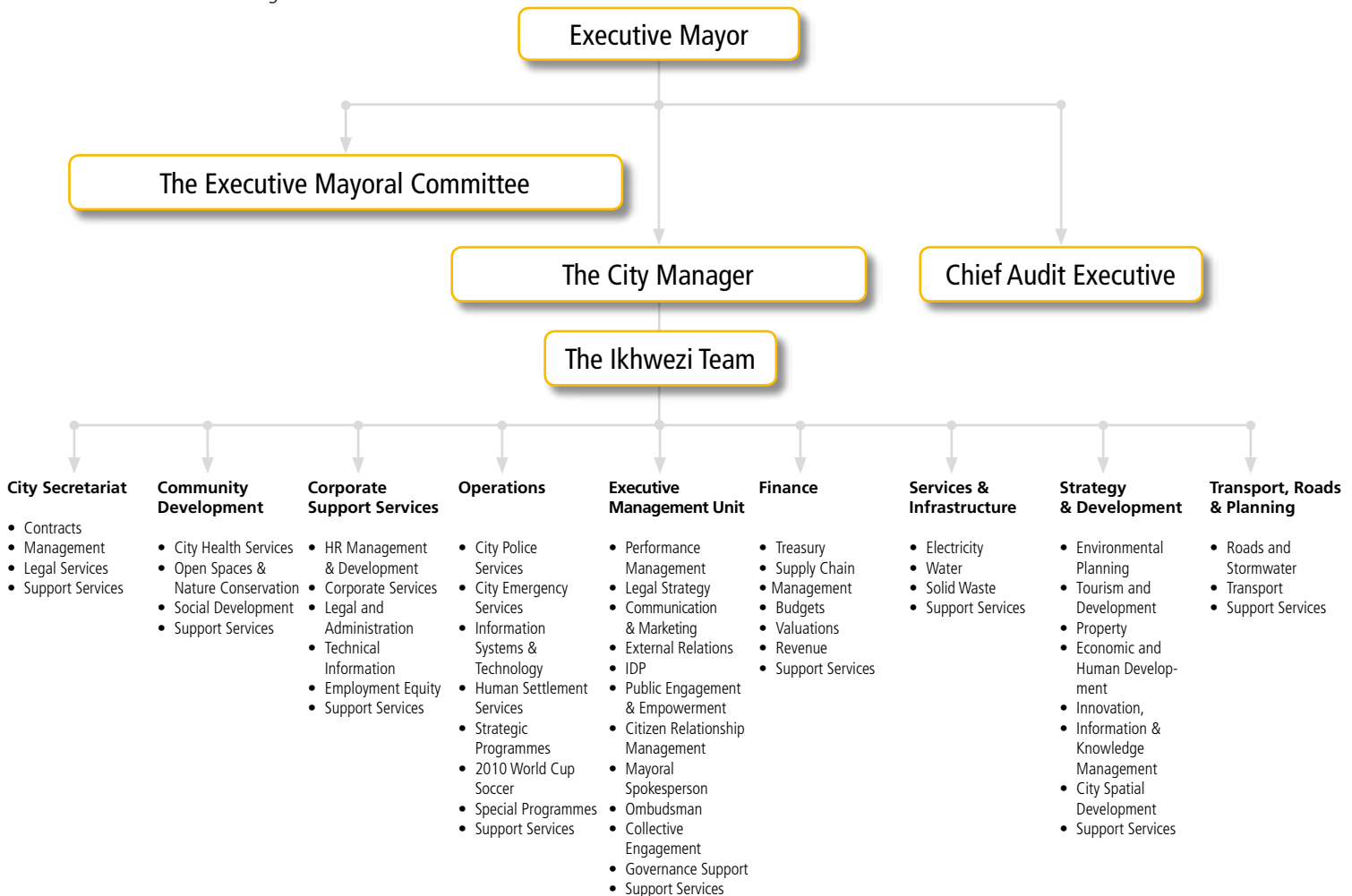
Organisational Structure

The City of Cape Town's organisational structure facilitates the implementation of the Integrated Development Plan (IDP). The diagram below sets out the City's strategic objectives as contained in the City's vision for Cape Town in the year 2020 and the IDP. The six strategies that form the base of the diagram comprise the core strategic priorities for the City in terms of the five-year IDP.



Strategic objective for the City of Cape Town as contained in the IDP

The macro organisational design illustrated below aims to empower the City to drive the strategic objectives set out in the diagram above.



The restructuring and transformation of the City of Cape Town

The City of Cape Town embarked on an organisational restructuring programme in the performance year 2004/2005 to enhance and improve service delivery to the metropolitan area. The restructuring was intended to facilitate the achievement of the City's 2010 goals of being an inclusive, productive, sustainable well-governed City. The Validation and Review Committee was constituted in September 2004 to manage the project and ensure that the restructuring process was swift and effectual. To guarantee that change and transformation followed the restructuring, all of the City's policies and procedures were reviewed. The City now has a set of best practice policies and procedures suitable to the local government environment. Another achievement was the development of a uniform set of conditions of employment for all employees. Different terms and conditions of services had existed within the municipality due to the amalgamation of the previous municipalities into a single unicity. Parity and uniformity can now be assured through the realigned conditions.

The review of the organisational structure resulted in delineation of the following service areas:

- Executive Management Unit
- Internal Audit
- Chief Operations Officer
- Strategy and Development
- Services and Infrastructure
- Transport, Roads and Planning
- Community Development
- Corporate Support Services

To populate these identified service areas, an intense recruitment and selection campaign was undertaken. Both internal and external advertising campaigns ensured that the new management core of the City was balanced with adequate institutional knowledge and fresh ideas. Interview panels were established to ensure timeous interviews and placement of appropriate candidates. To date 90% of this structure has been populated. In order to ensure a fair and transparent process employees were given the opportunity to object to their placement within the new organisational structure. To date, seven objections have been received by the Validation and Review Committee, an indication of the success of the restructuring project. No time limit has been provided for employees to raise objections. Although the organisational restructuring process is largely complete, there is a commitment to manage all labour relations issues including the resolution of disputes and objections emerging from placement.

The implementation of a best practice performance management system was the final stage of the restructuring. This will direct the performance of individuals and to support the achievement of the City's strategic objectives.

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Employment Equity

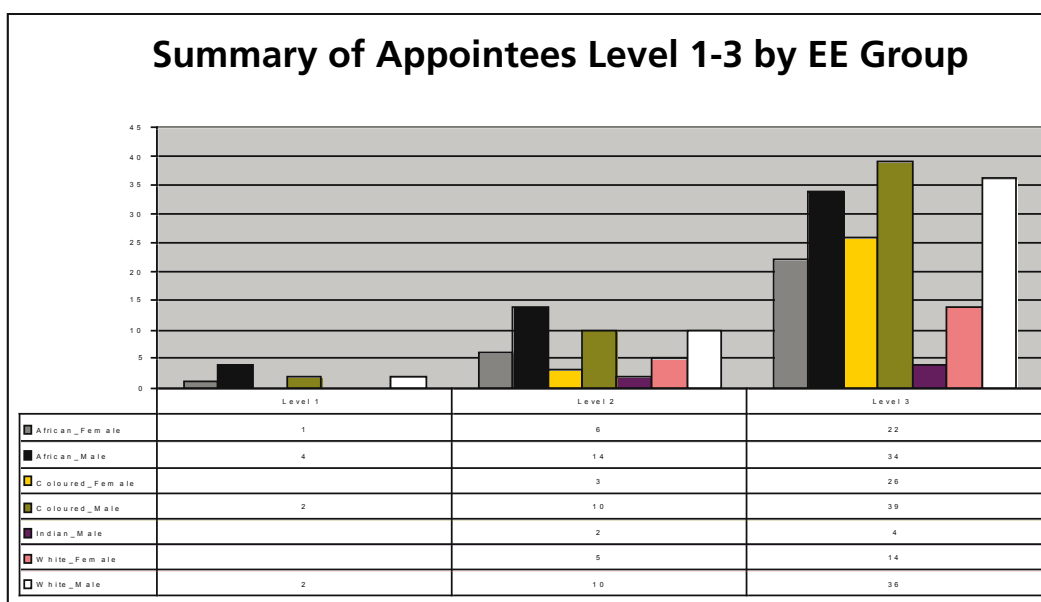
The City's Employment Equity Plan (2004 – 2008) was adopted by the Mayoral Committee in November 2004.

The Employment Equity implementation strategy was adopted by the Mayoral Committee in March 2005.

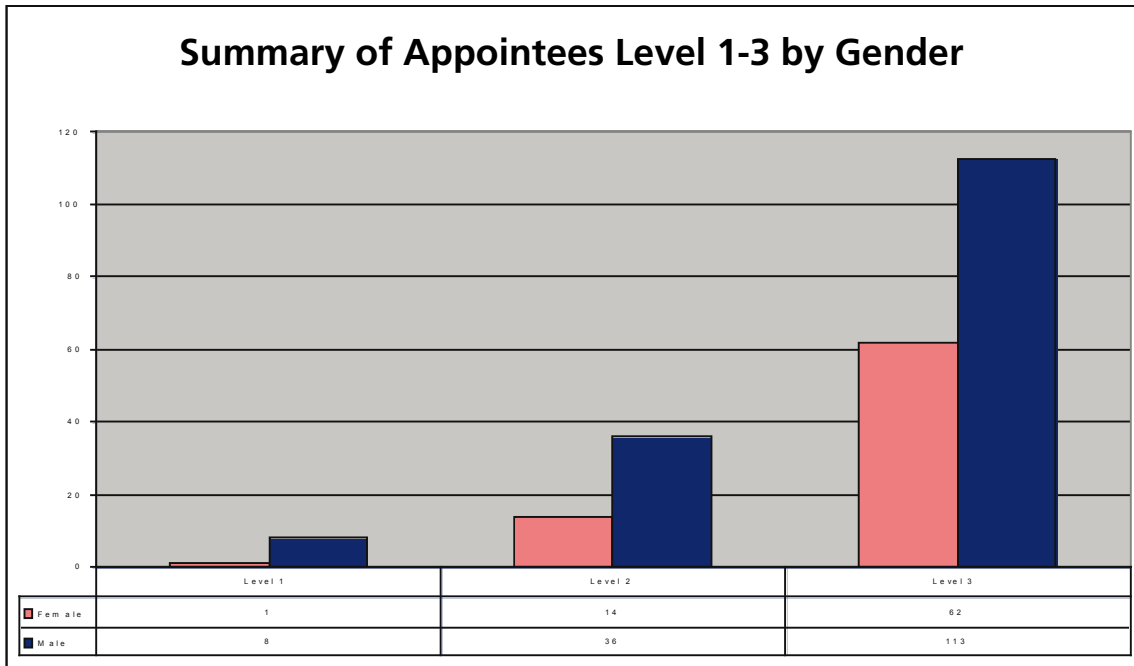
The annual Employment Equity progress report for 2003/04 was timeously submitted to the Department of Labour by 1 October 2004.

The number of employment equity groups employed in the three highest levels of management, in compliance with the City's approved Employment Equity plan, are reflected in the diagrams below.

Directorate	African	Coloured	Indian	White	Total	Female	Male
Chief Operations Officer	16	16	2	12	46	12	34
City Secretariat	3	5		2	10	6	4
Community Services	11	12		10	33	17	16
Corporate Support Services	7	5	1	4	17	5	12
Executive Management Unit	14	3		8	25	8	17
Finance	7	7	1	8	23	4	19
Internal Audit	1	4		3	8	2	6
Services & Infrastructure	9	3	1	5	18	4	14
Strategy and Development	10	14		10	34	15	19
Transport, Roads and Planning	3	11	1	5	20	4	16
TOTAL	81	80	6	67	234	77	157



**New Appointment Profile:
Levels 1 to 3 Employment Equity Summary**



New Appointment Profile: Levels 1 to 3 Employment Equity Summary by gender

The City of Cape Town aims to achieve representivity as set out in the City’s employment equity plan, with special attention paid to the achievement of gender equality.

Diversity Management

25 workshops attended by 393 staff members were conducted. These aimed to explore the impact of worldviews, values, cultural and religious practises on relationships and performance in the workplace. They aimed to create an ethos of give and take to accommodate diversity.

Disability

The City of Cape Town aims to eliminate all forms of discrimination against people with disabilities and to sensitise management and staff in order to ensure that those with disabilities are accommodated. The City aims to ensure universal accessibility for all people with disabilities in the workplace, and members of the public making use of Council facilities.

In the year under review eleven municipal buildings were audited for accessibility and a number of modifications made as a result. These included the installation of:

- **wheelchair ramps in the Omni building, Kuils River;**
- **delay time in the closing of lifts in the Civic Centre;**
- **Braille writing in Civic Centre;**
- **voice over indicating floors in Civic Centre lifts; and**
- **Braille payslips for blind staff.**

Gender Equity

A gender focus group including two staff members from the Employment Equity Department was operational citywide. Workshops focussing on women were held and 16 women employees were identified and taken through the Municipal Management Development programme by ODS consultants.

The financial year 2005/2006 will deepen the emphasis on gender equity and aims to enhance the development of women staff in order to take up senior positions in the organisation.

Chapter 3 Human Resource and other Organisational Management

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Skills Development

Work Place Skills Plan 5 was approved by all relevant parties in December 2004.

Priority areas for training in 2004/05 are set out in the table below. This includes scholastic and academic training.

Skills Priority Number	Skills Priority Area
1	Finance
2	Management / Supervisory / Leadership
3	Policy and Legislation
4	Community Development and Partnership
5	Safety and Security
6	Information Technology
7	Organisational Change, Transformation and Project Management
8	Administrative
9	Quality Management
10	Job/function specific
11	Human Relations
12	Formal Education

Training focusing on Previously Disadvantaged Individuals

Although no dedicated effort was made for the training of Previously Disadvantaged Individuals in the 2004/05 financial year, the development of Previously Disadvantaged Individuals as per the City's Workplace Skills Plan 6 and Equity Plan will be given priority in 2005/06.

Skills audit and skills gaps

A comprehensive skills audit aligned to Workplace Skills Plan 5 has been undertaken. This audit will be complete once the qualifications verification process aligned to the Western Cape Education Department's National Qualifications Database has been finalised.

Skills profile as per occupational category/levels

Skills training was achieved in the following occupational levels and categories.

Report on training provided to beneficiaries.																	
This table must be completed in order to record the beneficiaries having received training.																	
Beneficiaries																	
Occupation	Skills priorities	Number of beneficiaries per population group															
		African			Coloureds			Indians			Whites			TOTAL			
		M	F	D	M	F	D	M	F	D	M	F	D	M	F	D	
Leadership & governance	1,10,11	26	31	0	22	12	0	1	0	0	19	15	0	68	58	0	
Senior officials/ managers	4, 6,11,10	6	3	0	25	6	0	5	0	0	111	11	0	147	20	0	
Professionals	2,4,5,6,7,10	28	15	0	133	60	0	1	1	0	399	110	0	561	186	0	
Technicians/ associated professionals	4, 5,6,9, 10, 11	124	188	0	594	416	0	7	8	0	599	195	0	1324	807	0	
Skilled agric & fishery workers	2, 6, 7	0	0	0	6	1	0	0	0	0	10	0	0	16	1	0	
Clerks	1, 2, 3, 4, 5, 6, 7,8, 9,10,11,12	212	331	0	1025	1060	0	2	8	0	235	619	0	1474	2018	0	
Service Workers	2,3,4,5,6,8,10,11,	267	82	0	1248	253	0	6	0	0	306	42	0	1827	377	0	
Craft & related workers	2,3,4,6,9,10,12	87	2	0	405	7	0	4	0	0	148	4	0	644	13	0	
Plant, machine operators	4,6,7,10	87	2	0	514	4	0	4	0	0	38	3	0	643	9	0	
Elementary occupations	2,4,6,10,12	506	95	0	1219	159	0	2	0	0	15	4	0	1742	258	0	
Apprentices	10	4	2	0	5	0	0	0	0	0	2	0	0	11	2	0	
Students	10	51	158	0	29	76	0	0	0	0	21	24	0	101	258	0	
Unknown	4,5,6,7,10,12	67	176	0	44	91	0	1	0	0	29	26	0	141	293	0	
TOTAL		1410	925	0	5235	2069	0	33	17	0	1909	1029	0	8587	4040	0	

Human Resource Governance

A number of significant policies and practices regulating human resources governance were adopted, as set out below.

Recruitment and selection

The objectives are to:

- Introduce fair and objective principles and procedures;
- Provide guidelines for the appointment of candidates;
- Establish principles and procedures ensuring compliance with legislation in respect of employment equity and affirmative action;
- Set out procedural steps for the recruitment cycle
- Ensure that designated groups have equal opportunities and equal representation in all occupational categories.

Employment Equity

The objectives are to:

- Promote equal opportunity and fair treatment in the City through the elimination of unfair discrimination, fostering diversity and transforming and maintaining Council as a non-racial and non-sexist institution; and
- Implement affirmative action measures to redress the disadvantages experienced by designated groups and to ensure equitable representation in all categories and levels.

The City's commitment to employment equity is based on the following key principles:

- The recognition that disparities inherited from the apartheid past have created major inequalities for the nation and these disparities require urgent redress;
- The need to expand the skill pool of all functioning directorates in the City; and
- The full utilisation of the knowledge and skills of all employees through development opportunities to ensure effective service delivery and performance excellence.

Collective Bargaining Strategy

The objectives are to:

- Have a clear strategy and process for engagement with organised labour;
- Construct a collective bargaining framework and environment;
- Understand the collective bargaining environment and the legislative framework;
- Create an effective collective bargaining structure; and
- Separate roles and responsibilities between councillors and officials.

Remuneration Policy

On 15 December 2000, Council adopted Total Cost of Employment (TCOE) and performance-based remuneration as its basic remuneration philosophy and approved in addition basic remuneration conditions relative to this philosophy. This is in line with the South African Local Government Association (SALGA) remuneration policy, which aims to introduce this concept to all municipalities over a five-year period.

The goals of the policy are to ensure a reward system that:

- Recognises individual contributions towards the achievement of the City of Cape Town's objectives and motivates high levels of performance;
- Communicates and supports organisational values and strategy;
- Allows the City of Cape Town to compete effectively in the labour market and to recruit and retain high calibre staff; and
- Achieves fairness and equity.

To ensure transparency and consistency a Remuneration Committee has been established to govern the implementation and monitoring of the policy.

Transfer and Relocation

The main objective is to assist employees who physically relocate from outside the City.

Performance Management

Performance management is regarded as a tool that helps managers provide a motivating climate to assist employees develop and achieve high standards of performance. The performance management system is designed to facilitate the achievement of the objectives as set out in the Integrated Development Plan.

The objectives of the City's Performance Management System are to:

- Achieve sustainable improvements in service delivery to the community;
- Develop constructive and open relationships between managers or supervisors and employees;
- Encourage and reward good performance;
- Manage and improve on poor performance;
- Link the Integrated Development Plan to team and individual performance;
- Enable individuals to develop their abilities, increase their job satisfaction and achieve their full potential so that both the employee and the City of Cape Town benefit; and
- Fulfil the requirements of the Municipal Systems Act.

Organisational Performance Management

In accordance with the provisions of Chapter 6 of the Municipal Systems Act, and the Local Government: Municipal Planning and Performance Management Regulations (2001), it was necessary for the City of Cape Town to develop an Organisational Performance Management System (OPMS) to measure how effectively and efficiently the City implements its Integrated Development Plan (IDP).

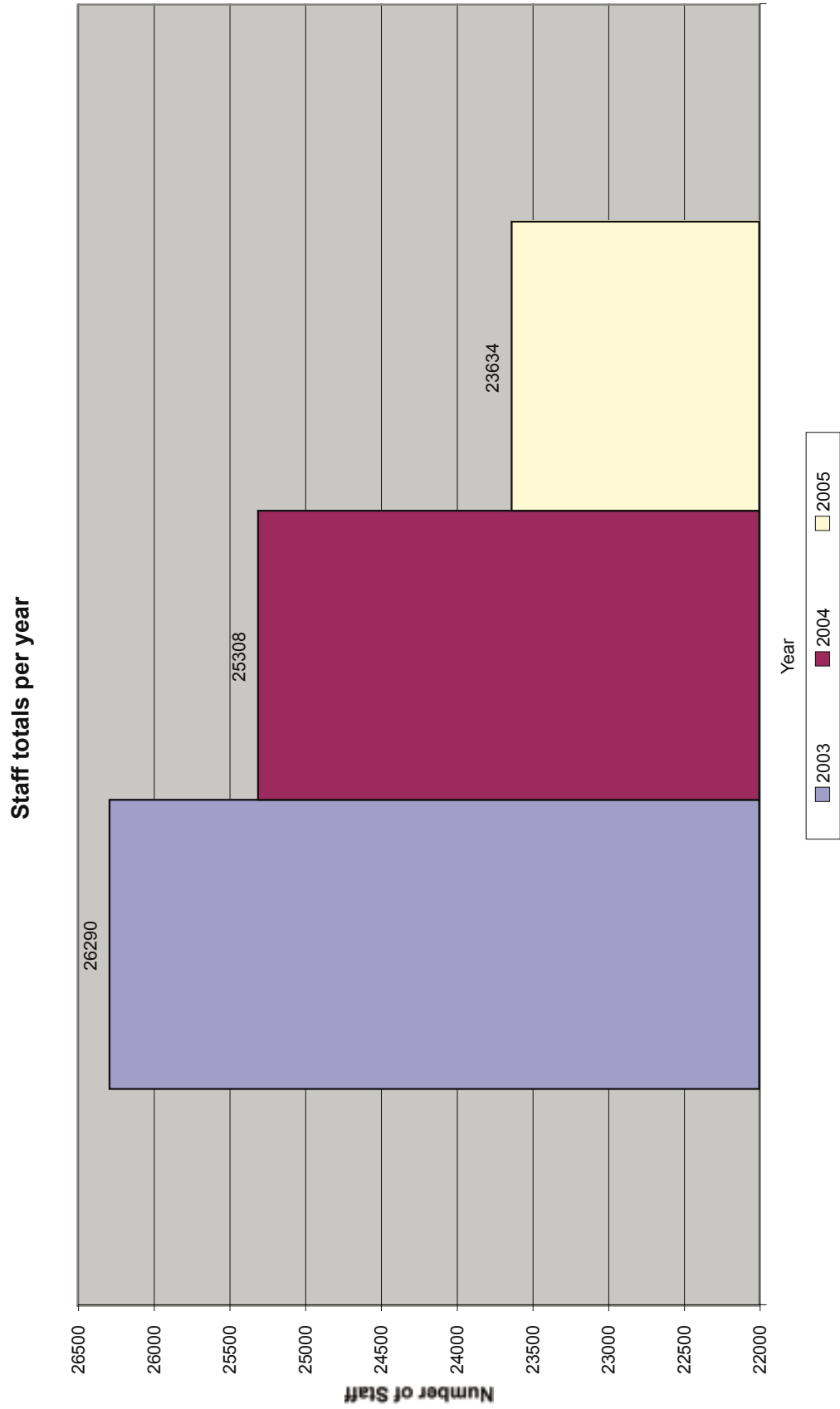
The OPMS has been aligned to the business plans, budgets and individual performance scorecards for all directorates and departments and is reviewed on an ongoing basis. Plan-Do-Review sessions conducted on a monthly basis are an integral component of the OPMS, and are in the process of being implemented throughout the City.

Staffing Information

Staffing per functional area

Staffing Information per Directorate

DIRECTORATE	Staff Numbers at June 2003			Staff Numbers at June 2004			Staff Numbers at June 2005		
	Permanent	Temp	Total Jun '03	Permanent	Temp	Total Jun'04	Permanent	Temp	Total Jun'05
Chief Operations Officer	4403	545	4948	4241	586	4827	3930	641	4571
City Manager	2		2	7	16	23	6	4	10
City Secretariat	0	0	0	0	0	0	1	0	1
Community Development	5667	757	6424	5321	720	6041	4929	804	5733
Corporate Services	1234	170	1404	1161	137	1298	1156	137	1293
Executive Management Unit	237	27	264	207	30	237	201	51	252
Executive Mayor	12	1	13	14	5	19	7	8	15
Finance Service	1377	330	1707	1386	372	1758	1272	436	1708
Internal Audit	56	8	64	53	11	64	51	16	67
Services and Infrastructure	7719	413	8132	7259	322	7581	6815	306	7121
Strategy and Development	300	77	377	308	47	355	283	83	366
Transport Roads and Planning	2620	148	2768	2401	141	2542	2260	172	2432
Not Allocated To Specific Directorate	11	176	187	20	543	563	35	30	65
TOTALS	23638	2652	26290	22378	2930	25308	20946	2688	23634



Trends in personnel expenditure over the last 3-5 years

The information provided excludes the Pre-GAMAP years as this would not give a true reflection with regard to the personnel expenditure trends. The staff figures also exclude councillor's remuneration expenditure.

	Total Expenditure Budget	Total Staff Budget
	(R'000)	(R'000)
2003/2004 (Audited)	8,601,070	2,869,496
2004/2005 (Audited)	8,920,799	2,674,246

The ratio of staff cost to total expenditure in 2003/04 was 33% and the ratio for 2004/05 is 30%, marking a decrease in respect of staff costs.

Pension funds

Staff at the City of Cape Town are members of the following pension funds:

- Cape Joint Retirement Fund;
- Cape Municipal Pension Fund;
- SAMWU Provident Fund;
- National Municipal Workers Fund; and
- South African Local Authority Fund.

Medical Aid Schemes

Staff at the City of Cape Town make use of the following medical funds:

- SAMWUmed
- Global Health
- LA Health
- Munimed
- Bonitas
- Hosmed

Assessment of future risks or liabilities

'In terms of current conditions of service, certain employees are eligible to receive a subsidy towards their medical aid costs during retirement. Historically, the costs to Council of these subsidies were met from current revenues, but a change to the accounting statements required that a provision be made each year. As at 30 June 2005, the accrued liability was deemed to be R1631,4 million with an accumulated provision of R1161,0 million. The shortfall in provision of R470,4 million is to be recovered over the next three years in terms of the accounting statements.'

Disclosures concerning Councillors, Directors and Senior Officials for 2004/2005

Description	Mayor		Executive Councillors				Municipal Manager								Chief Financial Officer		Other Senior Managers		TOTAL		
	R		R	R	R	R	R	R	R	R	R	R	R	R	R	R	R				
Salaries and Wages	339,449	-	305,504	305,504	271,559	271,559	271,559	271,559	271,559	271,559	271,559	271,559	271,559	271,559	271,559	271,559	865,000	893,183	929,000	3,653,479	
Total Remuneration *																				3,666,047	
Normal																				0	
Overtime																					
Contributions	50,917		45,826	45,826	40,734	40,734	40,734	40,734	40,734	40,734	40,734	40,734	40,734	40,734	40,734	40,734				549,909	
Pensions	11,154		12,168	12,168	9,780	9,780	12,168	12,168	10,140	10,140	9,126	9,126	9,126	9,126	9,126	9,126				76,704	
Medical Aid	4,656		3,947	3,935	3,531	3,531	7,714	7,714	4,845	4,845	3,531	3,531	3,531	3,531	3,531	3,531				57,354	
Other																					
Allowances	109,280		-	76,376	67,890	67,890	67,890	67,890	33,944	67,890	67,890	67,890	67,890	67,890	67,890	67,890				830,610	
Travel and Motor Car																				0	
Accommodation																				12168	
Subsistence	1,558		-	848	1,346	7,544	-	-	-	234	176	176	176	176	176	286					
Housing Benefits and Allowances	48,225		36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167	36,167				482,229	
Loans and Advances																					
Other Benefits and Allowances	24,000		12,000	12,000	12,000	12,000	12,000	12,000	12,036	12,000	12,000	12,000	12,000	12,000	12,000	12,000				167,999	
Cell Phone allowance	49,451		44,505	44,505	39,560	39,560	39,560	39,560	39,560	39,560	39,560	39,560	39,560	39,560	39,560	39,560				534,452	
Holder of Public Office																					
																					10,030,951

* The above remuneration reflects the Total Cost of Employment (TCOE) inclusive of all benefits.