



## REPORT TO ECONOMIC OPPURTUNITIES AND ASSET MANAGEMENT PORTFOLIO COMMITTEE

15 MAY 2019

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1 ITEM NUMBER: **SPEAMPC 04/05/19**

2 SUBJECT / *ONDERWERP* / ISIHLOKO

**CONFIRMATION OF THE MINUTES OF THE MEETINGS HELD ON 3 & 26  
APRIL 2019**

*BEVESTIGING VAN DIE NOTULE VAN DIE VERGADERINGS GEHOU 3 & 26  
APRIL 2019*

**UKUQINISEKISWA KWEMIZUZU YENTLANGANISO EYAYICHOTSHELWE  
NGOWE- IKOMITI yeMICIMBI yeSEBE LEZEMPILO : 3 & 26 EPRELI 2019**

3 PURPOSE

The minutes are submitted for confirmation

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# 8 MINUTES

OF THE MEETING OF THE ECONOMIC OPPURTUNITIES AND ASSET MANAGEMENT PORTFOLIO COMMITTEE OF THE CITY OF CAPE TOWN, HELD IN MEETING ROOM A , 5 TH FLOOR, PODIUM BLOCK, CIVIC CENTRE, CAPE TOWN ON WEDNESDAY, 3 APRIL 2019 AT 11:00.

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## **PRESENT**

### **COMMITTEE MEMBERS**

#### **DEMOCRATIC ALLIANCE**

Cllr A Ntsodo (Chairperson)  
Cllr A Crous (Deputy Chairperson)  
Ald G Cavanagh  
Ald M Oliver  
Cllr W Akim  
Cllr W Doman  
Cllr R Moses  
Cllr X Nofemele  
Cllr S Oerson  
Cllr G Timm

#### **AFRICAN NATIONAL CONGRESS**

Cllr S Duka  
Cllr T Pimpi (left at 12:30)  
Cllr R Simons

#### **ABSENT WITH APOLOGY**

Cllr A Abrahams  
Cllr D Dudley  
Cllr N Hlangisa  
Cllr M Xego

#### **ABSENT WITHOUT APOLOGY**

Cllr M Bafo  
Cllr R Saralina  
Cllr L Zondani

#### **OTHER COUNCILLORS**

Ald J Vos  
Cllr S Taliep

#### **OFFICIALS**

K Le Keur (Executive Director)  
L Greyling  
R Gelderbloem  
B Nzimande  
B van Schoor  
C Benjamin

R Henning  
 D Joubert  
 F Votersen  
 P Williams  
 T Vivian  
 F Kolala  
 T Vivian  
 T Siganda  
 E Walters

## **OTHER OFFICIALS**

E Duminy Cape Town Tourism  
 L Hosking  
 A Dalvie  
 L Dawber

## **EXECUTIVE SUPPORT**

R Riffel

### **EAM 01/04/19 OPENING AND PRAYER /MOMENT OF SILENCE**

The Chairperson, Cllr A Ntsodo welcomed everybody present and requested that a moment's silence be observed in memory of the late Ald Taki Amira.

### **EAM 02/04/19 APPLICATIONS FOR LEAVE OF ABSENCE**

**RESOLVED** that leave of absence for this meeting be granted to:

Cllr A Abrahams  
 Cllr M Bafo  
 Cllr D Dudley  
 Cllr N Hlangisa  
 Cllr R Saralina  
 Cllr L Zondani  
 Cllr M Xego

**ACTION: T ALBERTYN**

### **EAM 03/04/19 CHAIRPERSONS REPORT OR ADDRESS**

Greetings to all welcome to our EOAM Portfolio Committee meeting and hopefully you are all well.

Congratulations to:

- Cllr Zondani who completed his degree in Public Administration;
- Alderman James Vos for his 100<sup>th</sup> day as Mayoral Committee member of OEAM, thank you and well done for creating an enabling environment for investment enterprising.

Let me again stress the fact that we have a joint responsibility of making sure that this portfolio committee performs optimally with all relevant officials delivering quality presentations and reports.

We are all obliged to be responsive, transparent, and accountable to deliver services to all. I would like to remind officials and councilors that we have big responsibility and duty to our residents and that they are expecting excellent service from all of us all the time. All Councilors of EOAM PC must strive to be the best, show unity in action and shine all the time.

My office is open to all of you and I would like to receive motions and policy proposals in order to advance governance in the City of Cape Town. Nothing relevant to our PC oversight duties may go wrong under our watch. We are here for oversight and to formulate recommendations where necessary. Each and every agenda item must be thoroughly discussed and this must transpire in a dignified manner and within the allocated time frame.

Recently, I took time to understand the challenges and successes of EOAM functional areas and wish to thank all the directors who did not waste time and who have shown that they are executing their duties diligently and who delivered beyond my expectations. They have my support as EAOM Chairperson whenever there is need and I will make sure that we give them the necessary support, the EOAM PC Committee members will be informed accordingly.

The City of Cape Town's Draft Tourism Development Plan Framework (TDF) opened for public comments from 02 April 2019. All interested and affected parties have until 24 April 2019 to submit their comments and recommendations. The draft framework proposes the following programs and activities for the next five years.

- Ensure Visitor comfort
- Improving and diversifying products and experiences
- Stimulating demand
- General community involvement, benefits and support
- Planning and organizing for growth.

The draft Tourism Development Framework provides a tourism development strategy and implementation for the period between 2019 and 2023.

On 25 March 2019 the City of Cape Town hosted government and business leaders from Miami- Dade County and Florida in the USA. Cape Town is a forward looking globally competitive city that offers great opportunities for investors with lower operational costs with untapped markets.

Mayoral Committee member, Ald J Vos facilitated the welcoming and engagements with the visiting delegation as part of his drive to make Cape Town the Go-to-City in Africa and Globally for investment and new business prospects. The delegation's visit was on the back of a recent successful mission to the USA that saw the City's representatives holding 33 business meetings over 12 days in Miami and New York.

This morning Invest Cape Town hosted our First Sector Breakfast.

Again Thank you to Alderman James Vos, Ms K le Keur and officials who hosted and formulated a strong working relation with the Boat Building industry.

**Noted**

**EAM 04/04/19 MINUTES OF THE MEETING HELD ON: 6 MARCH 2019**

**RESOLVED** that the minutes of the meeting held on 6 March 2019 be confirmed.

**EAM 05/04/19 MATTERS ARISING FROM THE MINUTES**

Councillors requested that the following matters be included on the outstanding matters list

**DIRECTORATE OVERVIEW**

Cllr R Moses requested that interventions be created in order for members to familiarise themselves with the operations and functions of the departments and that Councillors be informed of their oversight functions.

Cllr A Crous enquired whether it is possible to receive reports from all sections within the Property management department on their operations, income and expenditure as well as the submission of the Facility management strategy.

Mr B van Schoor responded to the question by Cllr D Dudley with regards to the current fleet vehicle situation in Subcouncil 3

Mr van Schoor submitted a detail feedback on the current status of Fleet vehicles he said that a significant increase should be noticed when the new fleet arrives at the beginning of July 2019.

Mr van Schoor confirmed that he will further consult with Cllr Dudley on this matter.

**ACTION: R RIFFEL**

**EAM 06/04/19 MATTERS RECEIVING ATTENTION**

See outstanding matters list

**EAM 07/04/19 CAPE TOWN TOURISM**

Mr E Duminy, CEO Cape Town Tourism presented this matter, copies of the presentation was circulated to all members and attached to the official minutes as Annexure A.

Mr Duminy elaborated on the following:

- CEO's Summary

- Financial Performance
- Marketing Programs Summary
- Tourism Services Programs Summary
- Thanks

The Chairperson, Cllr Ntsodo and members thanked Mr Duminy and Cape Town Tourism for its efforts in promoting Cape Town.

It was agreed that future interventions for example site visits to small businesses and Subcouncils be undertaken to ascertain operations and address safety concerns with regards to Tourism industry.

**RESOLVED** that the contents of the presentation as well as the verbal submissions be noted

**EAM 08/04/19 CITY WIDE OUTCOMES BASED WORKFORCE DEVELOPMENT PROJECT PROGRESS REPORT**

Ms L Walters presented this matter, she highlighted the following.

- Purpose of the project
- Partners
- Service provider
- Project Deliverables
- Outcomes based methodology
- Processes
- Marketing campaign
- Current Job centres
- Activations

Ms Walters responded to the following comments and questions for clarity as submitted by the members.

- Placement of persons with disabilities
- Screening of applicants for drug use and crime records
- Timeframe for payment of invoices to the service providers after placement of applicants;
- Clarity on Sweep South
- Clarity on the appointment of the service provider
- The difference in statistics in terms of registered, assessment, work readiness and placement
- Challenges and communication with Subcouncils
- Call centre placement
- The location of Lulaway Holdings in Blue downs
- Process to request activations

**RESOLVED** that the contents of the presentation as well as the verbal submissions be noted

**EAM 09/04/19 ECONOMIC OPPORTUNITIES AND ASSET MANAGEMENT (EAM): FINANCIAL DASHBOARD REPORT**

Mr F Votersen elaborated on the following.

- Capital expenditure of R99,8 million was recorded against the budget of R283.8 for an expenditure rate of 35.2%;
- Ward Allocations capital expenditure of R0 was recorded against the budget of R87 136 for an expenditure rate of 0%;
- Operating expenditure amounted to R677,7 million against the full annual budget of R1 235,3 million for an expenditure rate of 54,9%;
- Repairs and Maintenance expenditure of R159 million was recorded against the full annual budget of R 389, 9 million for an expenditure rate of 40, 8 %.

**RESOLVED** that the contents of the EOAM Directorate Financial Dashboard be noted.

**EAM 10/04/19 DRAFT DIRECTORATE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2019/20**

**RESOLVED** that this matter be discussed at the workshop arranged for 26 April 2019.

**ACTION: R RIFFEL**

**EAM 11/04/19 DRAFT DEPARTMENTAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2019/20**

**RESOLVED** that this matter be discussed at the workshop arranged for 26 April 2019.

**ACTION: R RIFFEL**

**EAM 12/04/19 SERVICE LEVEL AGREEMENTS FOR SPECIAL PURPOSE VEHICLES (SPVS) AND WESGRO TOGETHER WITH FINANCIAL IMPLICATIONS AS REQUESTED BY THE PORTFOLIO COMMITTEE**

Members thanked the officials for the submission of the report, which will improve the oversight function of the Portfolio Committee.

Mr Kolala was requested to arrange that SPV'S present status reports to the EAM Portfolio Committee with effect from June 2019.

**RESOLVED** that:

- (a) the contents of the report be noted;
- (b) Mr Kolala arranges that SPV'S present status reports to the EAM Portfolio Committee with effect from June 2019.

**ACTION: F KOLALA, N LAATOE**

**EAM 12/04/19** **14**  
**AGREEMENT BETWEEN CAPE TOWN TOURISM AND THE CITY OF CAPE TOWN IN RESPECT OF IN-DESTINATION AND VISITOR SERVICES, TOURISM MARKETING, AND SPECIAL CITY PROJECTS, 2019 - 2022**

**RECOMMENDED that**

- (a) the City of Cape Town concludes an agreement with Cape Town Tourism to deliver In-destination and Visitor Services, Tourism Marketing and Special City Projects;
- (b) the appointment of Cape Town Tourism commence from 1 July 2019 till 30 June 2022;
- (c) funds in the amount of R47,600,000.00 (15% VAT where applicable) in the 2019/2020 financial year; R50,160,880.00 (15% VAT where applicable) in the 2020/2021 financial year and R52,919,728.00 (15% VAT where applicable) in the 2021/2022 financial year be disbursed from the Enterprise and Investment Department to Cape Town Tourism in respect of In-destination and Visitor Services, Tourism Marketing and Special City projects;
- (d) the funds be disbursed and managed in terms of section 67 of the Local Government: Municipal Finance Management Act: Act 56 of 2003;
  - i. payments to be made quarterly in advance and quarterly performance reports be submitted to the Executive Director: Economic Opportunities and Asset Management, in respect of In-destination and Visitor Services, Tourism Marketing and Special City projects;
- (e) the Executive Director responsible for Enterprise and Investment be authorized to finalise the agreement with Cape Town Tourism in consultation with the City's Legal Services Department for a period of three financial years (2019/20, 2020/21 and 2021/2022);
- (f) the Director: Enterprise and Investment initiate negotiations/consultations for future agreements with Cape Town Tourism by July 2021.

**ACTION: R RIFFEL , T VIVIAN, L GREYLING**

**EAM 14/04/19**  
**ECONOMIC OPPORTUNITIES AND ASSET MANAGEMENT (EOAM) DRAFT CAPITAL AND OPERATING BUDGET PROGRAMME 2019/20 TO 2021/22**

**RESOLVED** that this matter be discussed at the workshop arranged for 26 April 2019.

**ACTION: R RIFFEL**



The meeting terminated at 13:05.

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Cllr A Ntsodo  
Chairperson

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Date

# 16 MINUTES

OF THE SPECIAL MEETING OF THE ECONOMIC OPPURTUNITIES AND ASSET MANAGEMENT PORTFOLIO COMMITTEE OF THE CITY OF CAPE TOWN, HELD IN MEETING ROOM A , 5 TH FLOOR, PODIUM BLOCK, CIVIC CENTRE, CAPE TOWN ON FRIDAY, 26 APRIL 2019 AT 13:00.

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## **PRESENT**

### **COMMITTEE MEMBERS**

#### **DEMOCRATIC ALLIANCE**

Cllr A Ntsodo (Chairperson)  
Cllr A Crous (Deputy Chairperson)  
Ald G Cavanagh  
Ald M Oliver  
Cllr W Doman  
Cllr R Moses  
Cllr X Nofemele  
Cllr S Oerson  
Cllr R Saralina

#### **AFRICAN NATIONAL CONGRESS**

Cllr S Duka  
Cllr R Simons  
Cllr L Zondani

#### **UNITED DEMOCRATIC MOVEMENT**

Cllr N Hlangisa

#### **ABSENT WITH APOLOGY**

Cllr A Abrahams  
Cllr M Bafo  
Cllr D Dudley  
Cllr M Xego  
Cllr T Pimpi  
Cllr G Timm

#### **OFFICIALS**

K Le Keur (Executive Director)  
L Greyling  
R Gelderbloem  
B Nzimande  
B van Schoor  
C Benjamin  
F Votersen  
P Williams  
N Adams  
V Rossouw  
A Attwood

**EXECUTIVE SUPPORT**

R Riffel  
T Norman

**SPEAM 01/04/19 OPENING**

The Chairperson, Cllr A Ntsodo welcomed everybody present.

**SPEAM 02/04/19 APPLICATIONS FOR LEAVE OF ABSENCE**

**RESOLVED** that leave of absence be granted to the following members.

Cllr A Abrahams  
Cllr M Bafo  
Cllr D Dudley  
Cllr M Xego  
Cllr T Pimpi  
Cllr G Timm

**ACTION: R RIFFEL, T ALBERTYN**

**SPEAM 03/04/19 DRAFT DIRECTORATE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2019/20**

**RECOMMENDED** that Draft Directorate Service Delivery and Implementation Plan (SDBIP) for 2019/20 to the Executive Mayor together with the Mayoral Committee to Council subject to the amendments as provided during a workshop held on 26 April 2019 for inclusion in the Final Directorate SDBIP for 2019/20

**ACTION: R RIFFEL, P WILLIAMS , K LE KEUR**

**SPEAM 04/04/19 DRAFT DEPARTMENTAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2019/20**

**RECOMMENDED** that the Draft Departmental Service Delivery and Implementation Plans (SDBIPs) for 2019/20 to the Executive Mayor together with the Mayoral Committee to Council subject to the amendments as provided during a workshop held on 26 April 2019 for inclusion in the Final Departmental SDBIPs for 2019/20

**ACTION: R RIFFEL, P WILLIAMS , K LE KEUR**

18

**SPEAM 05/04/19 ECONOMIC OPPORTUNITIES AND ASSET MANAGEMENT  
(EOAM) DRAFT CAPITAL AND OPERATING BUDGET  
PROGRAMME 2019/20 TO 2021/22**

**RECOMMENDED** that the following be supported:

- (a) Changes to the Draft Capital Budget for Enterprise & Investment as per detailed schedule attached to ensure compliance with mSCOA requirements
- (b) R100 million additional capex requested in year two FY 2020/21 for cpx.0016074-f1 Corporate accommodation Portfolio growth;
- (c) That the draft EOAM Capital and Operating budgets for the 2019/20 to 2021/22 financial years be considered and be recommended for approval by Council.

**ACTION : R RIFFEL, F VOTERSEN**

The meeting terminated at 13:05.

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Cllr A Ntsodo  
Chairperson

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Date

Enterprise & Investment: Draft Capital Budget Changes

Initiative	Initiative Description	Item	WBS Element	WBS Element Description	Proposed Budget 2019/20 Submitted	New Proposed Budget 2019/20	Amendments 2019/20	Proposed Budget 2020/21 Submitted	New Proposed Budget 2020/21	Amendments 2020/21	Proposed Budget 2021/22 Submitted	New Proposed Budget 2021/22	Amendments 2021/22	Major Fund
CPX/0000261	Furniture & Equipment: Additional	CPX.0007649	CPX.0007649-F2	Furniture & Equipment: Additional FY21	0	0	0	100 000	200 000	100 000	0	0	0	EFF
CPX/0007623	IT Equipment: Additional	CPX.0012985	CPX.0012985-F1	IT Equipment: Additional FY22	0	0	0	0	0	0	200 000	0	-200 000	EFF
CPX/0012196	Furniture & Equipment: Replacement	CPX.0012198	CPX.0012198-F1	Furniture & Equipment: Replacement FY20	100 000	40 000	-60 000	0	0	0	0	0	0	EFF
CPX/0012196	Furniture & Equipment: Replacement	CPX.0014856	CPX.0014856-F2	Furniture & Equipment: Replacement FY21	0	0	0	200 000	50 000	-150 000	0	0	0	EFF
CPX/0011009	IT Equipment: Replacement	CPX.0016061	CPX.0016061-F1	IT Equipment: Replacement FY20	0	60 000	60 000	0	0	0	0	0	0	EFF
		CPX.0016062	CPX.0016062-F1	IT Equipment: Additional FY21	0	0	0	0	50 000	50 000	0	0	0	EFF
CPX/0011009	IT Equipment: Replacement	CPX.0016063	CPX.0016063-F1	IT Equipment: Replacement FY22	0	0	0	0	0	0	0	200 000	200 000	EFF
					100 000	100 000	0	300 000	300 000	0	200 000	200 000	0	

Facilities Management: Draft Capital Budget Changes

Initiative	Initiative Description	Item	WBS Element	WBS Element Description	Proposed Budget 2019/20 Submitted	New Proposed Budget 2019/20	Amendments 2019/20	Proposed Budget 2020/21 Submitted	New Proposed Budget 2020/21	Amendments 2020/21	Proposed Budget 2021/22 Submitted	New Proposed Budget 2021/22	Amendments 2021/22	Major Fund
CPX/0016073	Corporate Accommodation	CPX.0016074	CPX.0016074-F1	Corporate Accommodation Portfolio Growth	0	0	0	0	100 000 000	100 000 000	0	0	0	EFF
					0	0	0	0	100 000 000	100 000 000	0	0	0	