CAPE TOWN CITY FACT SHEET

The following facts are drawn from the DA document: The Cape Town Story

The state of the city in 2006

- From 2002 to 2006, only 7kms of old water pipe was replaced out of a minimum requirement of 160kms.¹
- In 2005/06, Cape Town spent less than 60% of its operating and capital budgets, by far the worst of all six metros.²
- By 2006, Cape Town’s debtors owed the city R4 billion in unpaid rates and service charges.³
- In 2006, the Fire Service possessed only 45% of the resources required to operate.⁴
- In 2006, the oldest fire truck was 45-years old and had almost 1 million kms on the clock.⁵
- In 2006, the Fire Service department had a staff complement of only 450 against the minimum requirement of 800.⁶
- The collapse in administrative effectiveness was accompanied by a R250m increase in the salary bill at senior levels.⁷

The DA administration

- In its first 100 days, the DA allocated R56.8 million to fund critical posts in the city, particularly for nurses, fire-fighters and police services;⁸
- In 2008/09, the City was able to spend 95% of its staff training budget. The previous regime averaged 80% in its last 2 years;⁹
- In its 2010 report on Cape Town, international ratings agency Moody’s stated: ÊThe City of Cape Town is rated at the high end of the five metropolitan municipalities rated by Moody’s in South Africa.¹⁰
- In its 2010 report on Cape Town, international ratings agency Moody’s stated: Êthe city adheres to prudent strategies in financial, debt and liquidity management … A well-established and focused management team provides stability to the city’s strategic planning and operations. Budget execution and cash flows are regularly monitored and the administration is committed to reinforce internal controls.¹¹

CAPITAL EXPENDITURE: 2002-2010

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<tbody>
<tr>
<td>Budget</td>
<td>1,970</td>
<td>1,36</td>
<td>1,506</td>
<td>2,130</td>
<td>2,545</td>
<td>4.0</td>
<td>4.0</td>
<td>6.2</td>
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<tr>
<td>Proportion Spent</td>
<td>67.8%</td>
<td>66.5%</td>
<td>63.2%</td>
<td>71.4%</td>
<td>77.38%</td>
<td>78%</td>
<td>96.5%</td>
<td>83%</td>
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All figures = R ’000
SOURCE: City of Cape Town Annual Reports 2006/07–2010/11

- From 2006, the DA increased the percentage of Cape Town’s capital budget spent, from an average of 65% under the ANC, to well over 80% and as high as 97% in 2008/09.
- Within a year of taking over the City, the DA cut debt by nearly R1bn.¹²
- That R1bn reduction allowed it to extend the capital available for service delivery by 15%.¹³
- Within a year, the DA wrote off debt for the very poor to the value of R1.5 billion.¹⁴
• Investment in infrastructure that benefits the public and supports the economy rose from R950m in 2004/05 to R3,1 billion in 2008\textsuperscript{xv} and 3,5bn in 2010/11\textsuperscript{xvi}, an increase of over 300%.

• Under the ANC, Cape Town had spent R5bn on infrastructure over 5 years. In a similar time period, the DA government spent R19bn;\textsuperscript{xvii} The DA tripled spending on repairs and maintenance from R800m/year to R1,6bn/year;\textsuperscript{xviii} By 2010 the DA had increased its collection rate to 96\%\textsuperscript{xx}; The DA\textquotesingle s greater collection rate benefitted the poor: By the end of 2007, 16\% of the poorest households in Cape Town experienced an actual reduction to their municipal account;\textsuperscript{xxi}

• The DA introduced transparency. All Council meetings and Mayoral Committee meetings were opened to the public. So too were all meetings of the Bid Adjudication Tender Award Committee which decides all contracts between the City and outsider suppliers;

• Between 2005 and 2010, the number of small businesses on the City\textquotesingle s supplier database increased from 10 000, many of which were inactive, to 16, 677;\textsuperscript{xxi} This included a considerable increase in the number of small black-owned firms doing business with the City;\textsuperscript{xxi} In 2009/10, the City\textquotesingle s call centre answered 926 253 calls, all in the language of the customers\textquotesingle choice;\textsuperscript{xxiii}

• Savings and efficiencies allowed the DA to more than double its spending on free water, subsidised housing and electricity from R385m in 2006/07 to R776m in 2009/10;\textsuperscript{xxiv} In October 2009 BEE ratings agency Empowerdex found that \textit{\textquoteleft\textquoteleft Cape Town is clearly the best city in the country for service delivery\textquoteright}\textsuperscript{xxv} (The Index, which considers housing, water, sanitation, electricity and waste removal, combines figures for the current status of household access to services with an improvement index over 6 years);

• The Universal Household Access to Basic Services Index (UHABS), produced by a project co-funded by the Department of Cooperative Government and Traditional Affairs (CoGTA), found that of the 24\% of Cape Town households that live below its defined poverty line, an effective 100\% (i.e. over 99.5\%, rounded to the nearest whole number) had basic access to water and 91\% higher access\textsuperscript{\textsuperscript{xxv}}. In sanitation, 94\% had basic access and 93\% higher access\textsuperscript{\textsuperscript{xxv}}. In refuse collection the figures were 98\% basic and 94\% higher; in electricity both figures are 95\%;

• By 2010, the City of Cape Town had achieved an effective 100\% coverage in both water provision and refuse collection\textsuperscript{xxviii} The UHABS report rated Cape Town the very top of the ranking of District and Metropolitan municipalities in South Africa;\textsuperscript{xxix}

• Cape Town has spent R451m laying out, providing services and constructing public buildings in Khayelitsha\textquotesingle s new Central Business District.\textsuperscript{xxx}

• The Cape Town Partnership, has seen violent crime in the CBD declined by 90\% in five years;\textsuperscript{xxi} There were 955 arrests for drug-related crimes in 2009/10, a dramatic increase from the 180 or so for 2005;\textsuperscript{xxii}

• Cape Town has the largest CCTV network in Africa\textsuperscript{xxiii} and continues to expand this, investing R10m/year;\textsuperscript{xxiv}

• Cape Town\textquotesingle s Infant Mortality Rate improved from 25.2 in 2003 to 20.8 in 2009\textsuperscript{xxv}, in a context where the national rate has declined (to about 50);

• The Tuberculosis Smear and cure rate has shown a steady improvement from 70\% in 2005 to 78\% in 2008. The most recent figures (January 2011) show an 80\% cure rate, the best of any metropolitan area in South Africa;
• In 2007, Cape Town was awarded the Department of Environmental Affairs and Tourism's annual Cleanest Metro award. At 98%, the City had the best Blue Drop (water purity) rating of all metropolitan governments in South Africa in 2010;

• Cape Town is the first and, at the time of writing, only South African city to enact an Air Quality Management by-Law (in March 2010). The benchmark is provided by the World Health Organisation’s (WHO) guidelines;

• The City has commissioned annual community satisfaction surveys for the past 3 years. Conducted by impartial external consultants, and intended for management information, the surveys have found a steady upward trend in perceptions of City government performance since 2007. In 2009/10, 57% of Cape Town residents said that overall the City’s performance was good, very good or excellent, up from 54% in 2008/09 and 50% in 2007/08. 57% were equally positive in rating the City’s role as a public service provider, up from 54% in 2008/09 and a miserable 46% in 2007/08. 66% of interviewees rated their trust in the City as fairly strong, very strong or extremely strong in 2009/10, up from 61% in 2008/09 and 50% in 2007/08.

ENDNOTES

i Interview: Ald. Clive Justus
iii City of Cape Town Annual Report 2006/07
iv Interview Ald. JP Smith
v Interview Ald. JP Smith
vi Compared to R45m in 2010
vii Interviews Ald Belinda Walker, Ald. Felicity Purchase
viii Helen Zille, Budget Speech 2007/07
ix Helen Zille, Budget Speech 2007/08
xii Helen Zille Budget Speech, 2008
xiii Helen Zille Budget Speech, 2008
xiv Helen Zille Budget Speech, 2008
xv Helen Zille Budget Speech, 2008
xvi City of Cape Town Annual Report 2010
xvii Helen Zille Budget Speech 2007/08
xviii Ian Nielsen, Open Opportunity Society for All: Procurement, presentation, 2010
xix Ian Nielsen, Open Opportunity Society for All: Procurement, presentation, 2010
xx Interview Ian Nielsen
xxi Interview Ian Nielsen
xxii Interview Ian Nielsen
xxiii Helen Zille Budget Speech 2007/08
xxiv Ian Nielsen, Open Opportunity Society for All: Procurement, presentation, 2010
xxv Interview Ian Nielsen
xxvi City of Cape Town Annual Report 2009/10 p.60
xxvii City of Cape Town Budget 2010/11 2012/13
xxviii Empowerdex (2009) Service Delivery Index
xxix The RDP minimum is access to a standpipe within 200m of the household
xxx Basic means at least a flush toilet with a septic tank or a pit latrine with a ventilator
xxxi City of Cape Town Annual Report 2010
xxxiv Helen Zille Bella Bella speech
xxxv Cape Town annual Report 2009/10 p. 44
xxxvi Ald JP Smith Interview
xxxvii City of Cape Town Annual Report 2009/10
xxxviii James Vos, Chair Health Portfolio Committee, speech 4 Jan 2011