

State of Cape Town 2006

Development issues in Cape Town



CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU



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THIS CITY WORKS FOR YOU



“The advances made in the first decade far superseded the weaknesses. Yet if all indicators were to continue along the same trajectory, especially in respect of the dynamic of economic inclusion and exclusion, we could soon reach a point where the negatives start to overwhelm the positives. This could precipitate a vicious cycle of decline in all spheres.”

The Presidency; Ten-Year Review 2004

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1

Introduction from the City Manager

The first decade of democracy delivered a significant improvement to the quality of life for millions of South Africans. Despite this there remain a number of challenges associated with urbanisation. In Cape Town in particular these include unemployment, poverty, a housing backlog, HIV/Aids, tuberculosis, crime, an overburdened infrastructure, inefficient resource use and increasing pollution levels.

In response, the City of Cape Town has identified a set of five themes in its Integrated Development Plan (IDP) (2006/7). The plan is designed to respond to the majority of the community needs and development trends highlighted. These are:

- Economic development and job creation
- Meeting our integrated access and mobility challenge
- Building integrated human settlements
- Building strong communities
- Equitable and effective service delivery

The challenges facing the city are numerous and interrelated. They require an integrated and strategic approach to implementation, and resolve the issues facing Cape Town. The city must find innovative ways to approach these challenges, in a sustainable and integrated way, which involves all major stakeholders in the city. In order to achieve this, 'city' leadership by all major stakeholders in the city is required, rather than leadership only by the City of Cape Town as a local authority. Discussions on how the challenges facing the city should be addressed are an important first step and require continuous



dialogue between a wide range of stakeholders in the city.

The State of Cape Town Report 2006 is underscored by this concept of 'city' leadership. This leadership involves key stakeholders in the city, and incorporates their views of the state of Cape Town, and ways in which the city's performance can be improved. We also need to monitor and evaluate the city's progress, and the way we address critical challenges. In this way, we will be able to highlight the successes and failures in addressing these challenges, and in so doing, identify ways for the way forward for Cape Town.

The timing for this report is relevant given the recent release of the United Nation's *State of the World's Cities* (June 2006) and the South African Cities Network's *State of the Cities* report (September 2006). This is the first time in South Africa that such a report has been published at a city level.

Achmat Ebrahim
City Manager



Executive summary

The challenges facing Cape Town are enormous and broad-ranging - given the scale of demands and the limited resources available, it is inevitable that choices need to be made in terms of prioritising and targeting investments and resources. This report provides an overview of the key issues and challenges facing the city. It is intended to serve as a base to inform discussions on the choices that the city needs to make in relation to urban management issues.

Cape Town has increased 40% in area since 1985 and this has been mostly without coordinated direction, management or alignment with infrastructure provision. The result is that natural resources have been compromised and signs of environmental stress - air pollution, flooding and fires - are widespread and increasing. This growth has also lacked an integrated approach to transport and land use resulting in inefficient and costly transport systems and negative social and economic impacts.

Economic growth is not alleviating poverty, and economic development strategies are not linked to appropriate spatial and infrastructure development to contribute to shared economic growth. Spatially, the poor have become more marginalised and removed from economic opportunity.

Most of the urban growth in the past 20 years has also been ad hoc, forcing reactive and uncoordinated public investment in infrastructure resulting in ineffective and unsustainable urban development. Fragmentation between communities has increased, with associated social and economic dysfunction.

The challenges in the city must be addressed in a more integrated way, by expanding the broader leadership of the city to include a greater role for civil society and the private sector. The City of Cape Town cannot resolve the problems on its own and there is a need for the expertise and participation by business, other spheres of government and civil society. Intergovernmental and public-private relations are therefore important in addressing these challenges as cities are inter-governmental entities and many difficult issues can only be resolved beyond any one sphere of government. The basis for the way forward in addressing the city's challenges lies in integrated leadership of the city driven through partnerships between the major stakeholders in the city.

The formulation of this report draws on academic and strategic literature relating to international, national and local issues; an analysis of public attitudes about the state of the city relating to the key challenges facing it, and interviews with a limited number of key stakeholders in the city.



The key objective of the report is to provide an up-to-date snapshot of the most pertinent issues influencing the state of Cape Town. It highlights some of the opportunities and challenges the City faces, contextualised within an international, national and local context. The report attempts to provide practical suggestions that need to be considered to address the challenges.

The State of Cape Town Report 2006 is intended to be slightly provocative in order to encourage stakeholders to embrace, discuss and debate a new development agenda for Cape Town.

Up-to-date, credible and valid information is essential for planning priorities, developing implementation programmes and monitoring and evaluating progress (or the lack thereof)

towards achieving a set of strategic objectives. In this respect, the City of Cape Town's IDP needs to be founded on a credible set of information giving direction to development priorities. In addition to serving as an input to the IDP, the report provides the situational analysis to inform future strategies of the City of Cape Town.

The report covers a range of developmental issues that need to be addressed in order for the city to grow in a balanced and equitable manner. This is done in relation to the broad themes of the work of the Provincial and City of Cape Town intergovernmental task teams, which include the Environment, Spatial and Regional Planning, Human Development, Economy, Integrated Human Settlements, Transport, Crime and Governance.

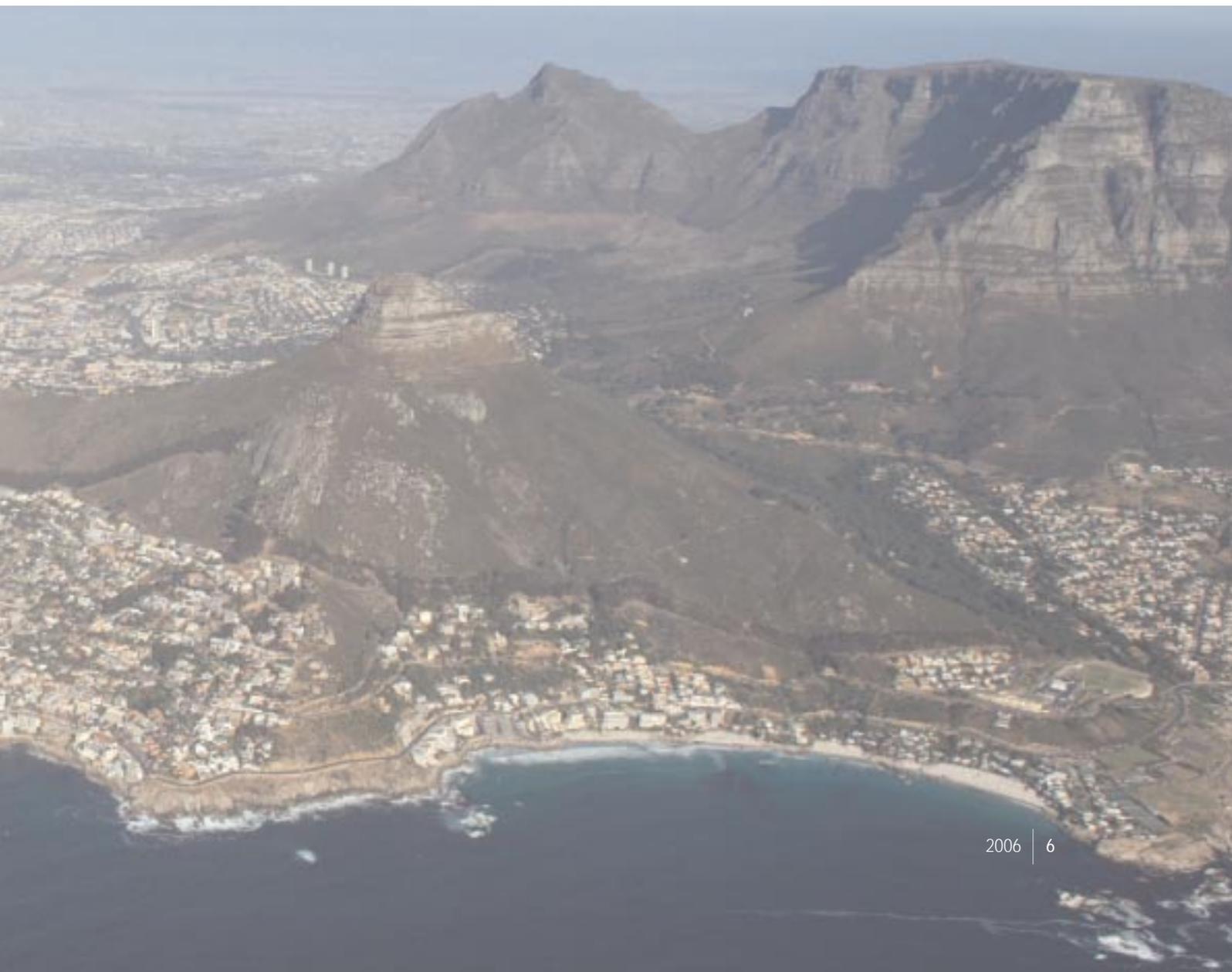


Despite significant economic growth over the past decade, development trends in Cape Town indicate a situation that has not delivered equitable and shared growth to the city and its residents. By all indications a change is needed in the developmental agenda continuing down the same path is likely to lead to the worsening of the current negative trends in the city.

The report is not intended to be a comprehensive analysis of all the issues affecting Cape Town, or a performance scorecard for

the city, or a statistically valid public opinion survey and certainly it is not intended to be the final argument on development issues in Cape Town.

The report attempts to provide a rational basis for engagement by highlighting the most pertinent developmental issues in Cape Town. It is aimed at policy makers, senior managers and other stakeholders, as well as researchers and Capetonians involved in and concerned about the diverse set of developmental issues facing the city.



Isishwankathelo

Iimiceli-mngeni elijongene nayo iKapa mikhulu yaye ichaphazela izinto ezininzi nezahlukeyo ingakumbi xakujongwe iimfuno kunye nezibonelelo ezingeninzi kuyaphi yaye ayikwazi kuphepheka into yokuba kunyanzelekile ukuba kubekho izinto ekuqalwa ngazo yaye kufuneka luqwalaselwe utyalomali kunye nezibonelelo. Le ngxelo ibonelela ngobume nesishwankathelo semiba ephambili kwakunye nemiceli-mngeni isixeko esijongene nayo. Injongo yayo kukunika isiseko seengxoxo malunga nezinto isixeko ekufuneka sizenzile malunga nemicimbi yolawulo lweendawo ezisezidolophini.

Ummandla waseKapa ukhule kangangeepesenti ezingama-40 (40%) ukususela ngo-1985 yaye oku kwenzeka kungakhange kwabakho sikhokelo, lulawulo okanye lulungelelaniso olucetyiweyo nolulandelwayo yaye kungekho nazibonelelo ezilungiselelwe oku. Isiphumo ibe kukuba izibonelelo zendalo ziye zatshtyalaliswa yaye indalo nokusingqongileyo kufumana uxinzelelo olwenziwa zizinto ezifana - nongcoliseko-moya, izikhukhula nemililo - ezizalise yonke indawo nezikhulayo. Ukanti nezothutho kunye nosetyenziso-mhlaba zange zibe nasicwangciso sibonelela oku kukhula kommandla weKapa yaye oko kuneziphumo zokuba inkqubo yezothutho ibe ixabisa kakhulu, kananjalo oku kukwanefuthe elibi kwezentlalo nakwezoqoqosho.

Ukukhula kwezoqoqosho akuyinciphisi intlupheko yaye akukho qhagamshelwano phakathi kwezicwangciso zophuhliso loqoqosho nophuhliso olululo lwezemihlaba nolwezi-bonelelo ukuze kubekho igalelo elililo ekukhuleni kwezoqoqosho okuzalanayo. Ngokwemihlaba, abantu abahluphekayo babekelwe bucala yaye abanikwa mathuba kwezoqoqosho.

Ubuninzi bokukhula kwesixeko sethu kwiminyaka engama-20 edlulileyo bekungacetywanga ngandlela ithile, bekuzenzekela nje, ukanti notyalo kuluntu nakwizibonelelo belungahlangananga, nto leyo ekhokelele kuphuhliso lwesixeko neelokishi olungazinzanga nolungesosigxina. Ubuhlaka-hlaka nokucek-

isana ekuhlaleni kukhulile yaye oko kuchaphazela ukungasebenzi kakuhle kweenkqubo zezentlalo nezoqoqosho.

Kufuneka kujongwane nemicelimngeni yesixeko ngendlela ekwazi ukuhlanganisa iinkqubo ngeenkqubo ngokuthi kukhuliswe ubunkokheli besixeko ukuze bubandakanye indima enkulu emayidlalwe ngabahlali kunye nabezoshishino. ISixeko saseKapa asinakukwazi ukusombulula iingxaki sisodwa yaye kukho imfuneko yobungcali kunye nentatho-nxaxheba yamashishini, amanye amanqanaba karhulumente kunye neyabasebenzi bakarhulumente. Kufuneka kubekho ubudlelane phakathi kwamacandelo karhulumente naphakathi korhulumente namashishini ukuze kujongwane nemicelimngeni nanjengoko izixeko ziyinxalenye yoorhulumente yaye imiba emininzi kufuneka isonjulululwe ngamanqanaba ahlukeneyo karhulumente. Isiseko senkqubela-phambili ekusombululeni imiceli-mngeni esijongene nayo isixeko sikubunkokheli obuhlanganeyo nobusebenzisano ngokuthi kwenziwe ubuhlakani phakathi kweSixeko saseKapa namanye amanqanaba karhulumente, amashishini karhulumente, abasebenzi bakarhulumente kunye namashishini abucala.

Ekuqulunqeni le ngxelo kusetyenziswe ulwazi oluphandiweyo nolubhaliweyo ziingcali olumalunga nemiba echaphazela ihlabathi, isizwe neengingqi zethu; uhlalutyo lwendlela uluntu olumbona ngayo urhulumente nesixeko kwakunye nemiceli-mngeni isixeko esijongene nayo, kwenziwe nodliwanondlebe kunye nabantu abambalwa abasebenzisana nesixeko.

Injongo ephambili yale ngxelo kukubonelela ngezinto ezenzekayo ngoku ezichaphazela imeko yesixeko saseKapa. Ikwabonisa amathuba kwakunye nemicelimngeni isixeko esijongene nayo ethe yadityaniswa nemeko yokuqhubekayo kwihlabathi, kwisizwe nakwimimandla esingqongileyo. Izama ukubonelela ngeengcebiso ezinokusetyenziswa emaziqwalaselwe ukuze kujongwane nale miceli-mngeni.

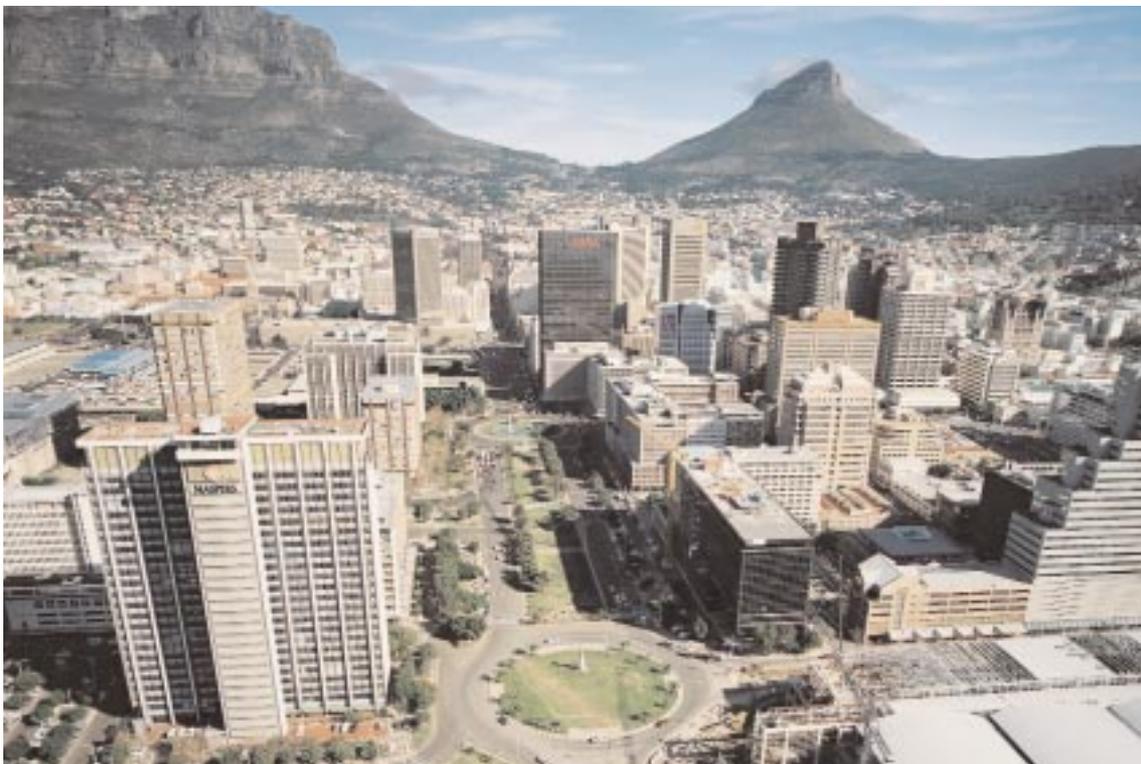
Ingxelo yoBume beKapa ka-2006 yenzelwe ukuxhokona uluntu kancinci ukwenzela ukuba abachaphazekayo bamkele yaye baxoxe nzulu ngeajenda entsha yophuhliso eyenzelwe iKapa.

Ukuza kutsho ngoku, kubalulekile ukuba sifumane ulwazi olululo ukuze sazi ukuba siqale ngantoni xa sisenza izicwangciso, nakuphuhliso lweenkqubo eziza kumiselwa kunye nokuhlolwa kwenkqubela (okanye ukungabikho kwayo) emalunga nokuphunyezwa kweenjongo ezicwangcisiweyo. Kulo mcimbi, iSicwangciso soPhuhliso esiHlanganisiweyo seSixeko saseKapa kufuneka sisekwe kulwazi oluphandiweyo olunika isikhokelo kwizinto emakuqalwe ngazo kuphuhliso. Le ngxelo ikwane-galelo kwi-IDP yaye ibonelela ngohlaluty lwemeko oluya kunceda ukubonelela ngolwazi kwizicwangciso zexesha elizayo zeSixeko saseKapa.

Le ngxelo ibandakanya imiba ngemiba yophuhliso ekufuneka kujongwe nayo ukuze isixeko sikhule ngendlela elungeleleneyo nenobulungisa nehambisana nemixholo yemisebenzi yamaqela ajongene neenkqubo zamanqanaba karhulumente kwiPhondo nakwiSixeko saseKapa. Ezo nkqubo zibandakanya ezokusiNgqongileyo, ezeMihlaba noCwangciso lweMimandla, uPhuhliso loLuntu, iNkqubo eHlanganisiweyo yokuHlaliswa kwaBantu, ezoThutho, ulwaPhulo-mthetho kunye noLawulo.

Noxa uqoqosho lukhule ngokumandla kule minyaka ilishumi idlulileyo, uphuhliso eKapa lubonisa imeko engakhange ibe nalukhulo lunobulungisa nengakhange ibe nalwabelwano kwisixeko nakubantu abahlala kuso. Zonke izikhokelo zibonisa ukuba kufuneka kubekho utshintsho olukhoyo kwijanda yophuhliso. Ukuba ngaba kuyaqhutyekwa nale ndlela kuqhutywa ngayo ngoku kunye nezi nkqubo zenziwayo ngoku, imeko iya kuya iba mandundu kwisixeko. Oku xwebhu luzama ukubonelela ngesixeko esinika izizathu zokuba kuthethwe ngezi zinto ngokuthi lichaphazele imiba emalunga nophuhliso lweKapa.

Le ngxelo ilungiselwe abenzi bemigaqo-nkqubo, abaphathi nabanye abantu abachaphazelekayo kwakunye nabaphandi nabahlali baseKapa ababandakanyeka nabajongene nemiba eyahlukeneyo yophuhliso echaphazela isixeko. Le ngxelo ayivelelenga yonke imiba echaphazela iKapa, yaye asiloxwebhu oluchaza ngendlela isixeko esisebenze ngayo yaye asilulo novavanyo-zimvo zoluntu olwenziwe ngokusemthethweni yaye asinjongo yalo ukuba libe yingxoxo yokugqibela malunga nemicimbi yophuhliso eKapa.



Opsomming

Kaapstad moet enorme en verreikende uitdagings the hoof bied. Met inagneming van die omvang van die probleme in die stad en beperkte beskikbare hulpbronne, is dit onvermydelik dat sekere keuses gemaak moet word met betrekking tot die prioritisering en teikening van beleggings en hulpbronne. Hierdie verslag bied 'n oorsig oor die kernsake en –uitdagings vir die stad, en dien as grondslag en rigtingwyser vir gepreke oor die kuses wat oor stedelike bestuurskwessies gemaak moet word.

Die Kaapstad gebied het sedert 1985 met 40% toegeneem – 'n toename wat grootliks sonder enige gekoördineerde rigting, bestuur of versoening met infrastruktuurvoorsiening plaasgevind het. As gevolg hiervan is natuurlike hulpbronne gekompromitteer en kom tekens van omgewingstres – lugbesoedeling, oorstromings en brande – toenemend en algemeen voor. Tydens hierdie groei is daar ook weiring oorweging geskenk aan 'n geïntegreerde benadering tot vervoer en grondgebruik, wat tot ondoeltreffende en duur vervoerstelsels asook negatiewe maatskaplike en ekonomiese gevolge aanleiding gegee het.

Ekonomiese groei verlig nie armoede nie, en ekonomiese ontwikkelingsstrategieë is nie gekoppel aan toepaslike ruimtelike en infrastruktuurontwikkeling wat tot gemeenskaplike ekonomiese groei kan bydra nie. In a ruimtelike sin is die armes selfs verder gemarginaliseer en van ekonomiese geleentheid verwyder.

Die meeste van die stedelike groei oor die afgelope twintig jaar het ook ad hoc plaasgevind. Reaktiewe en ongekoördineerde openbare belegging in infrastruktuur het tot ondoeltreffende en nie-volhoubare stedelike ontwikkeling gelei. Gemeenskappe is toenemend gefragmenteer en toon al die gepaardgaande tekens van maatskaplike en ekonomiese wanfunksionering.

Deur die uitbreiding van die beginsel van breër stadsleierskap moet die uitdagings van die stad op 'n meer geïntegreerde wyse die hoof gebied word – met 'n groter rol deur die burgerlike gemeenskap en die privaatsektor. Geïsoleerd kan die Stad Kaapstad nie die probleme oplos nie – daar is 'n behoefte aan die kundigheid en deelname van die sakesektor, ander regeringsfere en die burgerlike gemeenskap. Interregerings- en openbare-privaatsektor verhoudinge is daarom 'n belangrike element in die oplossing van hierdie uitdagings. Stede is interregeringsentiteite met komplekse probleme wat slegs deur samewerking tussen verskillende regeringsfere opgelos kan word. Die grondslag waarop die stad voortaan uitdagings sal moet hanteer is deur geïntegreerde stadsleierskap deur vennootskappe tussen die Stad Kaapstad, ander regeringsfere, parastatale, die burgerlike samelewing en die sakesektor.

In die formulering van hierdie verslag is akademiese en strategiese literatuur oor internasionale, nasionale en plaaslike kwessies; 'n ontleding van openbare houdinge jeens die Stad met betrekking tot sleuteluitdagings; en onderhoude met 'n beperkte aantal sleutelbelanghebbendes in die stad, in ag geneem.

Die hoofdoel van die verlag is om die nuutste inligting van die mees terskaaklike kwessies in die stad weer te gee. Binne 'n internasionale, nasionale en plaaslike verband beklemtoon die verslag sommige van die stad se geleentheid en uitdagings, met praktiese voorstelle vir die hantering van hierdie uitdagings.

Die Toestand van Kaapstad-verlag van 2006 is met opset effens uitdagend ten einde belangbelanghebbendes aan te moedig om 'n nuwe ontwikkelingsagenda vir Kaapstad te aanvaar, bespreek en te debatteer.

Die nuutste, geloofwaardige en geldige inligting is van kernbelang vir beplanningsbesluite, die implementering van ontwikkeling, en die monitering en evaluering van die vordering (of gebrek daaraan) van die stad om 'n stel strategiese doelwitte te bereik. In hierdie opsig moet die Stad Kaapstad se Geïntegreerde Ontwikkelingsplan (GOP) op 'n geloofwaardige

inligtingstel gegrond wees ten einde ontwikkelingsprioriteite t
erig. Die verslag dien ook as bydrae tot die GOP en bied 'n
ontleding van die toestand van die stad op grond waarvan
toekomstige strategieë vir die Stad Kaapstad ontwerp kan
word.





City profile

This section provides an overview of the broader context of Cape Town. It includes the global and national perspectives in which Cape Town functions, the city's developmental context - outlining the key socio-economic issues in the city, a summary of Capetonians' needs and their perception of the state of the city.

Global and national perspective

Urbanisation and globalisation

There are two major forces impacting on the city. The first is globalisation - which has, and will, result in a shift from the formal economy to the growth of the informal economy in the city. The second is urbanisation - which has, and will, result in growth of the urban poor in the city, resulting in growing demand for infrastructure and services.

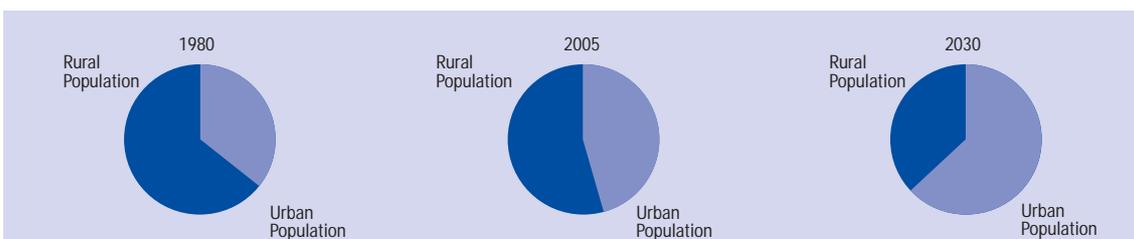
The planet is becoming increasingly urban (see Figure 1). There are nearly 400 cities around the world with populations greater than one million, and at least 20 of these have over 10

million inhabitants. Metropolitan cities are seen as centres of command and control for business and government, a place of interchange and processing of information, goods and services, and as a deeply segmented social space marked by extremes of poverty and wealth (United Nations, 2006).

Rapid urbanisation is stimulated by economic development, poverty and inequality, and has led to sharp divisions in growth not only between cities but also between social groups. This is reflected in the already increased urbanisation of poverty, with one billion poor urban residents living in slums. For many local authorities internationally, it has not been possible to meet the challenges of generating sufficient employment, providing adequate housing and meeting the basic needs of citizens. The problem is not urbanisation *per se*, but the fact that urbanisation in many developing regions has not resulted in greater prosperity or a more equitable distribution of resources (United Nations, 2006).

Apart from urbanisation, one of the key forces impacting on the world's urban areas is globalisation. Globalisation has shifted the focus away from the traditional nation state. The removal of trade barriers, cross-global investment flows by multi-national companies, and opening up of domestic markets have led to nation states being weakened as global economic actors. Although countries remain important, cities are increasingly seen as 'enablers' of economic growth, the locus of economic productivity - which leads to the shifting away from national policies and programmes to sub-national level. In other words, cities are becoming more important than nations (South African Cities Network, 2006).

Figure 1: Urban Populations 1980, 2005 and 2030



Source: United Nations, World Urbanization Prospects, 2003

Globalisation has also resulted in an increased focus on the relationship between metropolitan cities and their hinterlands within the context of the international space economy. These so-called 'city-regions', with their regional economies can prove to be powerful units, and can consist of single or multiple metropolitan areas functionally linked to their surrounding hinterlands. Some analysts consider that such systems are more economically efficient, sustainable and equitable than either single urban systems or smaller dispersed settlements (South African Cities Network, 2006).

It is important to assess the state of Cape Town within this global context, as most challenges facing the city and the solutions to these are not unique to Cape Town, but are in fact also reflected internationally - particularly in major cities in other developing countries. Globalisation makes viewing the city within its global context even more important.

Global policy perspectives on urban development

Given the scale of the urbanising world, it is unsurprising that global policy perspectives on city development have emerged over the past 30 years. The United Nation's policy focus on urban areas included, inter alia:

- The interdependency of rural and urban areas, and the fact that urban areas are engines of growth contributing to the development of both rural and urban human settlements
- The goal of providing adequate shelter for all in sustainable human settlements
- The vital role of urban areas in economic growth with the potential to maximise the benefits and to offset negative consequences of globalisation
- The importance of well-managed towns and cities in adopting participatory and rights-based approaches to development (South African Cities Network, 2006)

The United Nation's Millennium Development Goals, adopted in 2000, amplify these ambitions, and set objectives to make urban areas more productive and sustainable by 2015. In par-

ticular, they highlight the plight of the urban poor and slum dwellers on the global scale. These set specific objectives to make cities more productive, address basic needs and include the urban poor in improving economic growth (South African Cities Network, 2006).

South Africa's Millennium Development Goals Country Report (August 2005), indicates that South Africa is well on course to meet many of the Millennium Development Goals. In fact, a recent assessment of South Africa's performance suggests that the country had already met some of the Millennium Development Goals. This may be related to the fact that when the new democratic government came into being in 1994, it set itself many targets similar to those articulated in the Millennium Declaration (City of Cape Town, 2006a).

National and provincial strategies on development

Two key strategies impact on the broader Cape Town context, namely, the National Accelerated and Shared Growth Initiative for South Africa (ASGISA), and the Western Cape Provincial Growth and Development Strategy (PGDS). ASGISA is a national framework to support a range of key policy thrusts, including macro-economic policy refinement, strategic infrastructure provision, sector investment strategy, labour market skills, small business and governance. Provincially, the PGDS is a strategy for the Province to achieve shared growth and integrated development. It is the core alignment mechanism for the Province and a coordination and implementation strategy driven by the Provincial Government Western Cape. The objectives of the PGDS are:

- Identify appropriate levers to shift developmental path
- Identify location of regional development motors of shared growth
- Commit the Provincial Government to strengthen its contribution to shared growth and development
- Design institutional architecture and reforms necessary for achieving shared growth and development
- Focus, align and harmonise the Provincial Government planning, budgeting and implementation

- Provide a framework for improved collaboration and coordination of all stakeholders in the Province around a shared growth and the development agenda.

Strategies at a metropolitan level should take cognisance of and be aligned to these higher level strategies, whilst focusing on the particular local challenges (City of Cape Town, 2006b).

Cape Town's developmental context

The development of the city over the last decade has seen real progress in a number of sectors, however, the phenomenon of poverty and its related problems have persisted in the midst of economic affluence. This section outlines two areas that reflect and impact on the City's developmental context, namely population growth and the city's socio-economic conditions (other factors are discussed under the relevant themes in Chapter 4).

Population growth

According to the United Nations (2006), the 21st century will witness massive and rapid urbanisation. Two billion new residents will be in cities of the developing world in the next 25 years, absorbing 95% of the world's urban population growth.

Between 1996 and 2006 Cape Town's population has grown fairly rapidly with an increase in population of 700 000 people, with an annual average growth rate of 3% in 1996. By 2006, this had decreased to 1,61%. The city's population growth is expected to slow dramatically over the next 15 years (see Figure 2), with an expected growth of 300 000 people between 2006 and 2021 and a growing proportion of the aged and youth relative to total population. This is mainly due to reduced fertility, the impact of HIV/Aids and reduced migration to the city (City of Cape Town, 2006j).

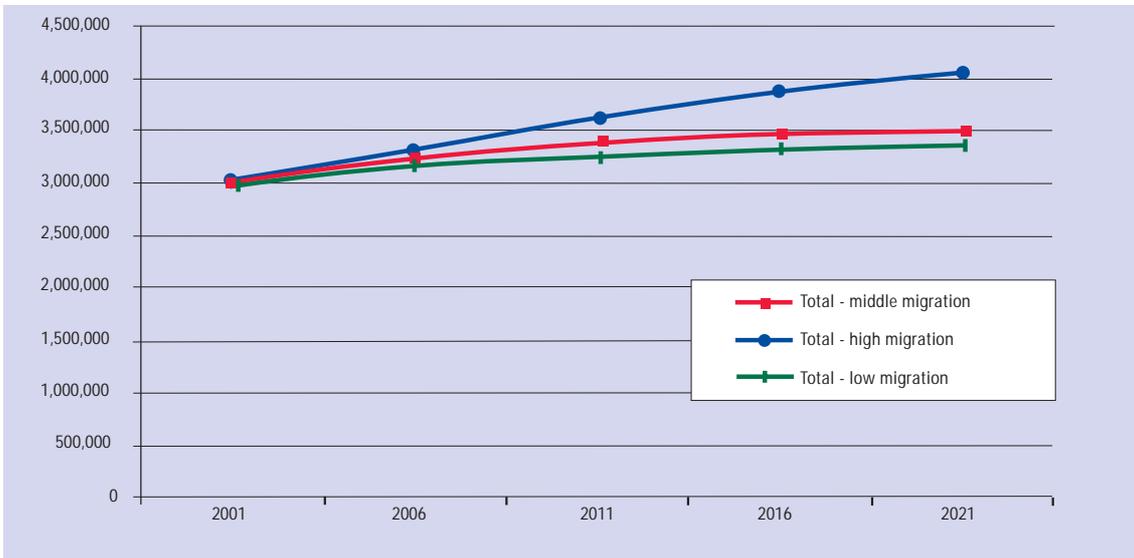
Lower population growth will impact on the amount and type of infrastructure and services which will have to be provided in the city. An increasingly ageing population will need appropriate social and healthcare facilities, while mechanisms will also have to be found to effectively engage the large proportion of youth through sport, recreation and employment.

Socio-economic conditions

Approximately 30% of households (almost one million people) in Cape Town live in inadequate housing and depressed physical environments, including informal settlements. These areas are characterised by severe social and economic conditions, which manifest in high levels of poverty, unemployment, illiteracy, alcoholism, low health status and deviant behaviour such as crime and delinquency. The low health status of residents of informal settlements, for example, is due to poor living conditions and a lack of health facilities. In short, there is clearly a need for the upgrading of the living conditions of these residents.



Figure 2: Population projection for Cape Town



Source: City of Cape Town, 2006j

Although economic growth rates have been increasing, which could have a more beneficial impact on employment levels, key indicators show that fundamental changes to the development path of the city are being constrained by a number of trends which are reinforcing social and spatial segregation and inequalities in the city. This pattern has persisted for the past decade or more:

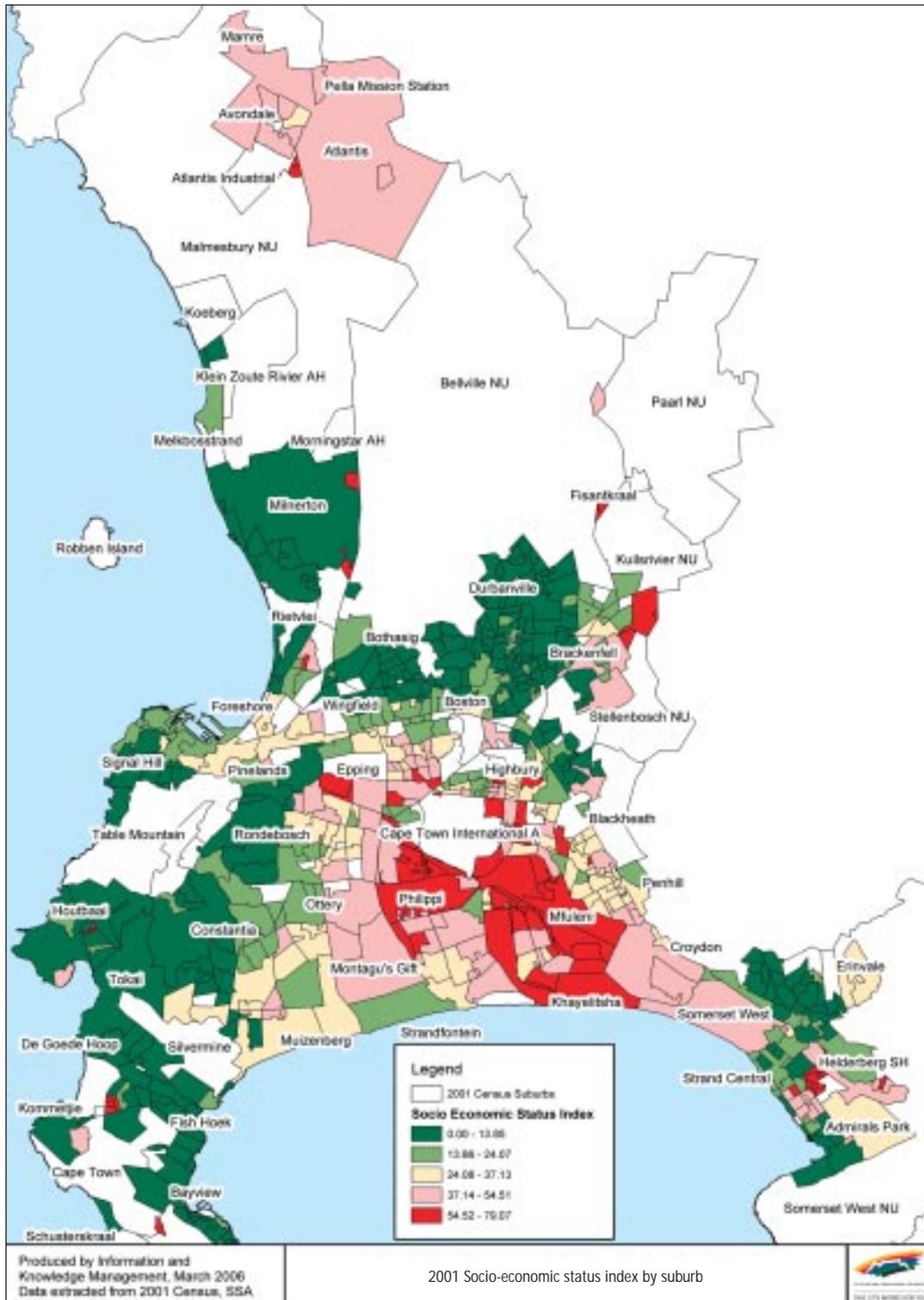
- Growth in the number of people living in informal settlements (23 000 families in 1993 to approximately 115 000 families in 2005)
- Increasing housing backlog (150 000 in 1998 to 265 000 in 2005). Some recent estimates, using alternative methodology / definitions, put the current backlog at 300 000
- Rising unemployment (13% in 1997 to 21% of the labour force by 2005)
- Rising poverty (from 25% in 1996 to 38% of households living below or marginally above the household poverty line in 2005)
- Increasing HIV prevalence among women visiting public health clinics (from 1,2% in 1994 to 15% in 2005, based on provincial antenatal statistics and following the same trajectory as the national trend)

- Increasing tuberculosis cases (from 13 870 in 1997 to 26 754 in 2005).

Overall, the trends and indicators suggest that continuing along the current development path will lead to a city characterised by increasing inequalities.

Residential suburbs in the city are characterised by major differences in housing quality, income, educational levels, access to services and work status. Figure 3, based on the above key socio-economic variables, illustrates the spatial variations in levels of living. A high score indicates that a relatively large proportion of households are experiencing absolute poverty and have a large number of unemployed workers and employees with low educational qualifications earning low salaries in unskilled occupations (City of Cape Town 2006e).

Figure 3: Socio-economic status index by suburb



Source: City of Cape Town, 2006e

Summary of City of Cape Town public consultation processes (2003-2006)

Determining the key priorities for Cape Town requires a bottom-up (community suggested priorities) and top-down (local government suggested priorities) process. Public consultation processes are thus an extremely important informant to the prioritisation process. Although the City of Cape Town has not had a structured, representative and statistically valid engagement process to accurately elicit community needs, a number of recent public engagement processes (City of Cape Town 2003a; 2005a; 2005b; 2006) serve as proxy with respect to community needs. These are:

- Mayoral Listening Campaign (March / April 2003)
- Public Assessment Survey (June / July 2005)
- Ward Committee Consultations (September / October 2005)
- Public Consultation Survey (June 2006).

To inform the Integrated Development Plan (2004/5) review process, the Mayoral Listening Campaign (2003) invited comments from residents and other stakeholders on issues facing the city. The priority issues were housing, jobs and crime with close to one in every three comments relating to these concerns. Support to community-based projects and sports and recreation facilities were the next priority need.

During June 2005, residents in the city were surveyed in order to gain a better understanding of the public's perception of public participation in general, their knowledge of City of Cape Town matters and where possible, to evaluate the impact of the Mayor's Listening Campaign (2003).

In addition to these two public consultation processes, Ward Committee consultations were also held across the city as part of stakeholder consultation for the Integrated Development Plan (2005/6). They were asked to vote and prioritise a list of local issues (City of Cape Town 2005b).

Table 1 provides a summary of the priorities identified by the public through the Mayoral Listening Campaign, Public Assessment Survey and Ward Consultation processes. It also relates these priorities to the themes of this report - each priority is discussed in more detail under the 'Public opinion' sections of each theme. In addition, some opinions are expressed by development practitioners (*contributions in yellow boxes*) and ordinary people (*green boxes*).

In addition to the public consultation processes outlined above, a public consultation survey was undertaken in June 2006 to assess the current perceptions of the City of Cape Town's public participation processes, as well as to gauge level of satisfaction with respect to service delivery. In this study it was found that:

- Citizens of Cape Town see themselves as having a role to play in the public participation process
- Each target group has different perceptions of their roles and different preferences for participation
- Councillors are not seen to provide information or feedback to communities.

The lack of success of public participation processes are, according to the study, a consequence of a lack of feedback and follow-up based on previous participation - resulting in distrust of public consultation processes in general (City of Cape Town, 2006k).

Table 1: Public opinion rating of priorities

Priority	Mayoral Listening Campaign (2003)	Ward Consultation Process (2005)	Public Assessment Survey (2005)	
			Informal, Public & Low Income	Low & High middle income housing area
1	Crime	Amenities	Job Creation	Job Creation
2	Job Creation	Transport	Provision of clinics	Provision of clinics
3	Housing	Economic Development	Housing	Housing
4	Social Welfare	Roads	Access to water	Health
5	Cleansing	Housing & Land	Maintenance of sewerage / drainage systems	Street Lighting
6	Education	Social Development	Sport / Recreational	Maintenance of sewerage / drainage systems
7	Sport / Recreational	Natural Environment	Maintenance of roads / streets	Maintenance of roads / streets
8	Rates	Street Lighting	Health	Access to water
9	Youth Development	Crime / Law enforcement	Street lighting	Provide / Maintenance of play park
10	Community-based Projects		Provide / Maintenance of play park	Sport / Recreational
11	Access to water			
12	Health			

KEY			
Environment	Human & Social Development	Integrated Human Settlements	Crime
	Transport	Economy	Governance





Development issues

Although the challenges facing Cape Town are interrelated, this report highlights the key issues under particular themes which have been derived from IDP and intergovernmental processes. The themes that will be discussed are:

- Environment
- Spatial and regional planning
- Human and social development
- Economy
- Integrated human settlements
- Transport
- Crime
- Governance

4.1 Environment

Cape Town is one of the most beautiful and biodiverse cities in the world. The city is located in a highly sensitive and vulnerable ecosystem, is recognised as a global biodiversity hotspot and is fortunate to have a national park within its boundary. The environment is one of the strongest assets driving tourism and attracting skilled staff for the city's economy. Finding the balance for sustainable development and improving quality of life remains the challenge. Growing consumption, pollution (air, water, waste) and the protection of the city's biodiversity are key issues that must be addressed.



Biodiversity hotspot or damaged landscapes?

Cape Town is located within the Cape Floral Region, which is geographically the smallest of the world's six floral kingdoms, but supports the highest density of plant species. Over 9 000 different plant species occur in the Cape Floral Region, 70% of which are endemic (i.e. are confined to this region).

Cape Town supports 2 600 plant species, thus within the Cape Floral Region it is considered an area of particularly high floral diversity (or a local "hotspot" within a global "hotspot"). This floral diversity relates to the steep environmental gradients, including altitudinal, geological and rainfall gradients; that have combined to create a large number of different habitats. Six national vegetation types are found only within the City of Cape Town's borders, and of these, five are classified as "Endangered" or "Critically Endangered". These vegetation types support species that are unique to Cape Town and many of these are under threat from extinction, owing mainly to habitat destruction and invasion by alien plants.

Cape Town and its region face particularly acute pressures on other key environmental resources. There is already severe pressure on water resources and a crisis is emerging around high levels of waste as well as around securing a suitable regional waste disposal site. Cape Town recently experienced shortages in terms of energy supply flowing from inadequate generation capacity serving the region. There are also significant pollution impacts on major watercourses, quality of sea water as well as the impact of settlements on the survival and quality of our unique biodiversity which requires proactive management. These factors are all exacerbated by the uncertain impact of climate change on the region. There is some evidence to suggest that climate change could have a disproportionate impact on the ecology of the Western Cape with the potential to undermine agriculture and the tourism economy as well as exacerbating urban risks associated with fire, flooding and drought (City of Cape Town 2006h).

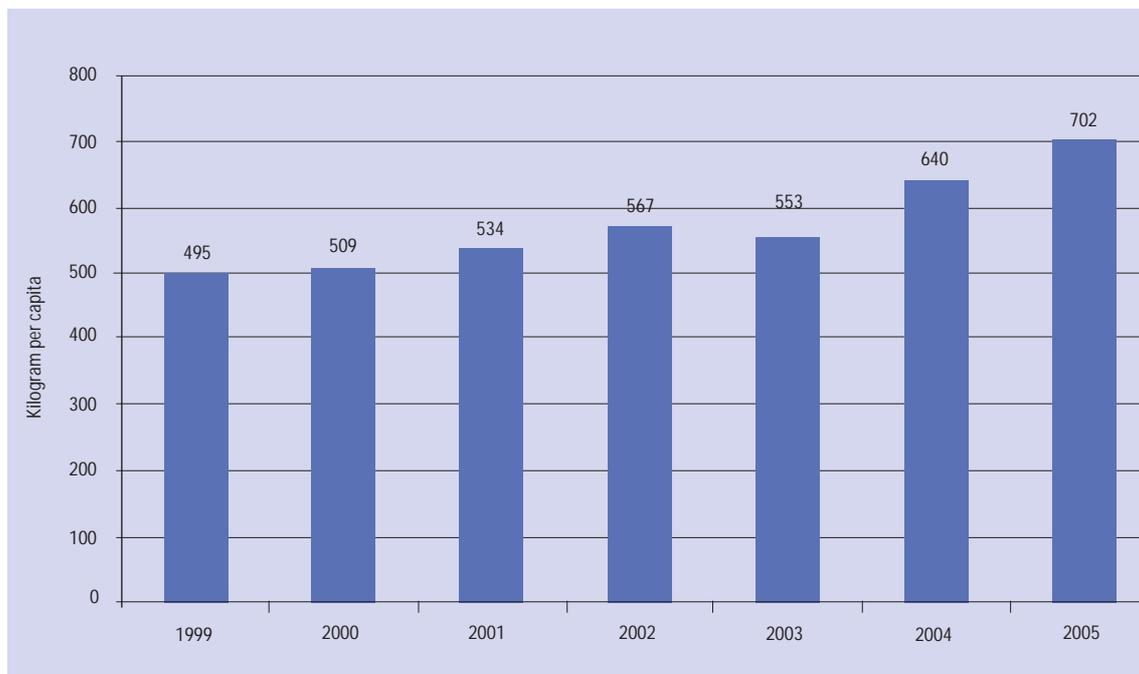
Some of the sustainability indicators illustrate declining trends

Water use: Water use per capita decreased sharply in 2001 when water restrictions were put in place. This is a positive step as Cape Town is a water scarce area, although daily per capita consumption of approximately 200 litres remains high.

Coastal water quality: Water quality samples across the city reflected a significant decline between 2003 where 16% of sample points experienced an exceedance of the 80th percentile water quality guideline, and 2004/2005 where 24% of sites exceeded the guideline (City of Cape Town, 2005c).

Waste disposed: The amount of waste disposed per capita is increasing at an alarming rate, showing a 60% increase since 1999. In 2005 each person in the City disposed of, on average, 208 kg (Figure 4) more than in 1999 (City of Cape Town, 2006i). This may be indicative of excessively high consumptive patterns as well as the impact of increased tourism and increased waste loads from outside the City boundary.

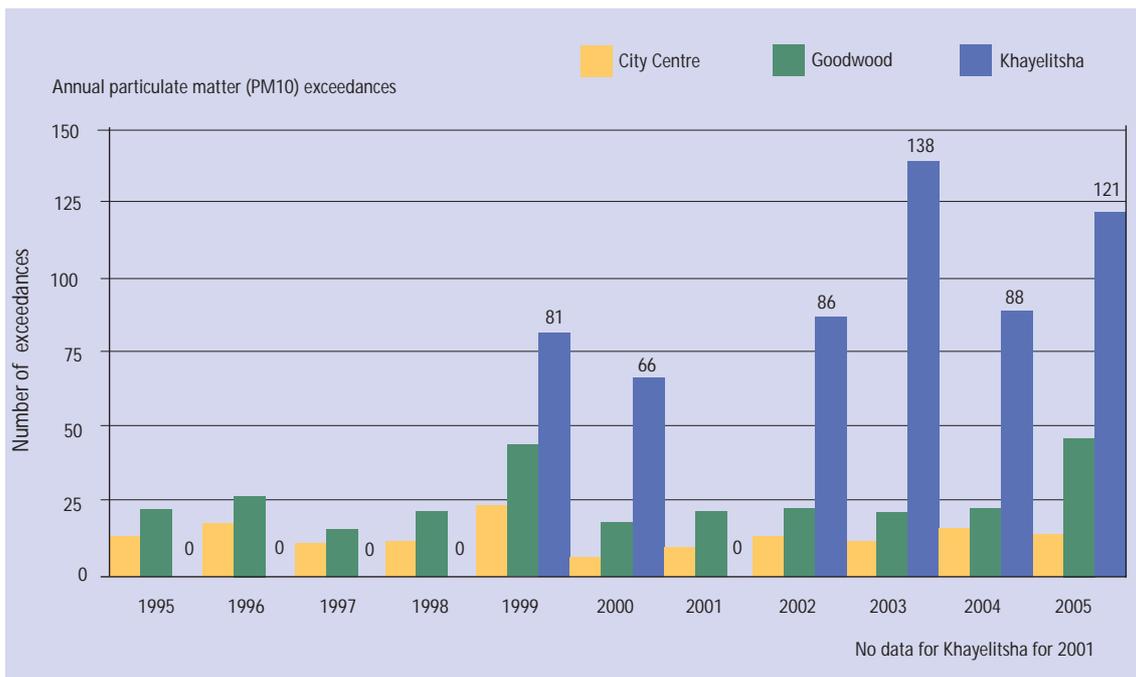
Figure 4: Annual waste disposed per capita in Cape Town



Source: Coetzee, 2006

Air Quality: The central city area evidenced no change, while Goodwood and Khayelitsha (Figure 5) showed an increase in the number of guideline transgressions, associated with deterioration in air quality during the past four years. Air pollution “hotspots” in the Milnerton / Killarney and Bellville South areas near industrial emissions, continue to show significant air quality guideline transgressions (City of Cape Town, 2005d).

Figure 5: Particulate matter (air quality) exceedances in Cape Town



Source: City of Cape Town, 2005d

Views on the environment

Public opinion

From the City of Cape Town’s public engagement processes (2003-2006), Cape Town residents have identified the need to improve the physical appearance of areas through the greening of neighbourhoods and the maintenance of open spaces as key concerns. A significant number of comments also focused on the need for cleaner and safer beaches and the need for greater safety in and around canals and dams, through the fencing of these areas.

Contributors

“A shared understanding is needed of what a sustainable city is” - Prof. Mark Swilling

Division Head: Sustainability Institute, University of Stellenbosch

“The idea of sustainability is not properly understood by people on the ground and is therefore not broadly supported. The first step in changing this is for all key stakeholders in Cape Town to agree on a vision of a sustainable Cape Town, which should include the notion of a city consisting of sustainable neighbourhoods, and which will have financial and environmental benefits to households, to the economy and to the city as a whole.

Unsustainable resource use in Cape Town is increasing and is exacerbated by the city's lack of a proper public transport system as well as the city's decreasing sewerage capacity. A shared understanding of sustainability may lead to a sustainable public transport system for the city as well as the upgrading of the city's sanitation system and incorporate the reuse of sewage for sustainable energy production. Incorporating sustainability into practical ways in transport and waste disposal would have far-reaching benefits for the environment and would lead to the acceptance and support of the concept among people on the ground.

One of the key elements of the shared vision of a sustainable Cape Town should be the creation of ‘sustainable neighbourhoods’ as opposed to the continuation of the creation of the current ‘consumption neighbourhoods’ which are environmentally unsustainable. The key elements of a sustainable neighbourhood include:

- Transition to renewable energy alternatives and energy efficiency
- Zero waste via reuse of all waste outputs as productive inputs
- Sustainable transport, with a major focus on public transport
- Sustainable water use and reuse of treated sewerage
- Enhancing biodiversity and the preservation of natural habitats.” - Prof. Mark Swilling

“I live in the northern suburbs, which are fairly clean. **I think that the environmental service in townships should be the same standard as the northern suburbs.** Most weekends I stay in townships and encounter that the environment is being neglected there. You'll find lots of rubbish in the streets because there is not enough manpower responsible for collecting rubbish and cleaning the streets. In addition, polluted smoke is also a problem in the townships since people without electricity have to use alternative energy sources like the burning of wood, paraffin and tyres.” - Tebogo, age 27, student from Goodwood

Mainstreaming sustainability

A loss of biodiversity is likely to lead to reduced tourism potential (ultimately jobs) and to impact indigenous plant use (primary health care supplement for many of the city's poor). Loss of agricultural potential land will result in increased costs and increased pollution, especially with increased reliance on transport as the urban footprint expands. Air and water pollution impact on tourism potential and have negative environmental health impacts on residents. Climate change is likely to lead to a reducing water resource and increasing storm and flood damage.

A set of bold and far-reaching measures are needed to mitigate the impact of environmental resource scarcity and to position the economy and society on a more sustainable footing.

Measures should include:

- The preparation of a comprehensive energy plan for the city and region
- The introduction of integrated waste management

systems across the urban area

- Protection of the natural environment (constraining growth in some areas) including protection of the cultural landscape and agricultural areas
- Fast-track the introduction of sustainable technologies (e.g. solar water heaters, low-flow showers, waterless toilets, indigenous gardens, biodiesel, biodigestors, reuse of treated sewerage, waste recycling, waste minimisation etc.)
- Introduce financial incentives (e.g. rebates for introducing sustainable technologies for households and business) and disincentives (e.g. step tariffs for electricity, by-laws for sustainable practise etc.) to support more sustainable consumptive patterns
- Support the green economy through responsible tourism and developing industry for sustainable technology (e.g. solar water heater factory, biodiesel refinery etc.)

The introduction of these measures will create economic opportunities for local businesses and will help to position Cape Town as an innovator in sustainable city-building, a global growth sector which could considerably enhance its global competitiveness (City of Cape Town, 2005d).



“One of the key elements of the shared vision of a sustainable Cape Town should be the creation of ‘sustainable neighbourhoods’ “ - Prof. Mark Swilling, University of Stellenbosch

4.2 Spatial and regional planning

Cape Town's current urban form is unsustainable, economically unproductive and prevents spatial, racial and economic integration.

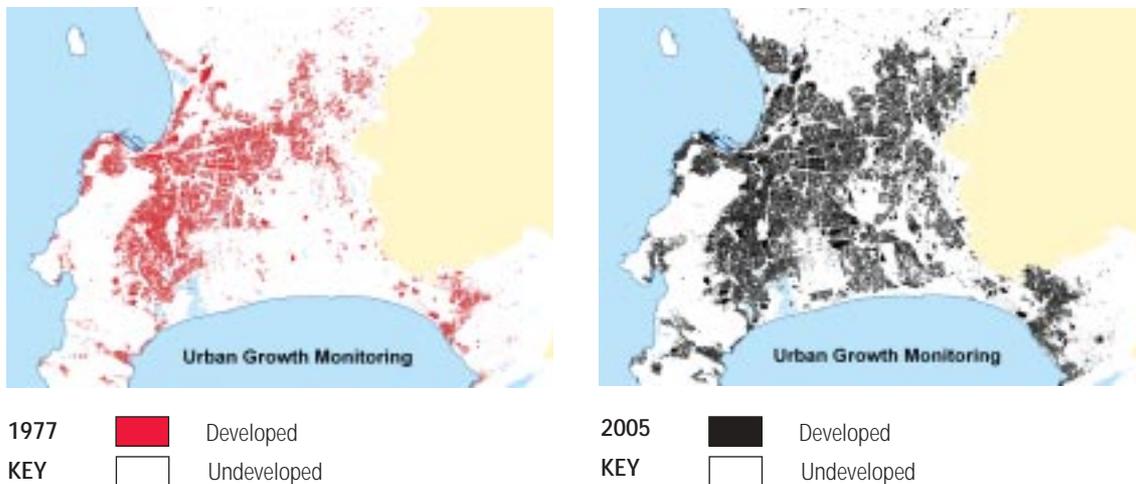
Sprawling or compact city?

Urban growth

According to a recent World Bank report, *The Dynamics of Global Urban Expansion (2005)*, cities in developing countries should be making realistic (yet minimal) plans for urban expansion, designating adequate areas for accommodating the projected expansion, investing wisely in basic trunk infrastructure to serve this expansion and protecting sensitive land from incursion by new urban development (The World Bank, 2005).

Cape Town grew by 40% in developed land area in the period 1985-2005. Compared to the period 1977 to 1988, when the city developed by an average of 701 hectares per year, the city is now developing at an average rate of 1 232 hectares per year (almost double previous averages) - reflecting the tremendous development boom the city is currently experiencing (Figure 6).

Figure 6: Cape Town's urban footprint: 1977 versus 2005



Source: City of Cape Town, 2005

Although much of the recent growth has contributed to sprawl with relatively low-density suburban residential development driving this process, higher density, higher income residential development in the Central Business District (CBD) has accelerated in the past few years. Sprawl contributes to increasing commuting times as well as the loss of valuable agricultural land and areas with high biodiversity conservation potential (City of Cape Town, 2006d). More dense development as opposed to sprawl benefits the city by greatly reducing the unit cost of piped water, sewers, drains and roads. The use of environmentally friendly energy sources and transport can reduce these costs even further.

Population density

Cape Town is a sprawling city, characterised by a relatively low urban population density (see figure 7) with approximately 2 644 people per square kilometre in 2001. Mumbai's population density, for instance, is approximately 11 times more than Cape Town (see Table 2), while Rio de Janeiro's density is 1,8 times more than Cape Town's. Although the density of cities like Cairo and Mumbai are obviously not ideal, the higher density range of other world cities indicates that Cape Town's density is low by comparison with some scope to increase density in the city.

The highest densities in Cape Town, as indicated by Figure 7, are in the metro south-east, which represents many of the lowest income areas in the city. These areas are often characterised by overcrowding and poor ventilation, leading to increased tuberculosis and, especially, HIV-related tuberculosis. On the other extreme, 20% of housing value in the city takes up 40% of developed land, which reflects the current unsustainability of the city's neighbourhoods.

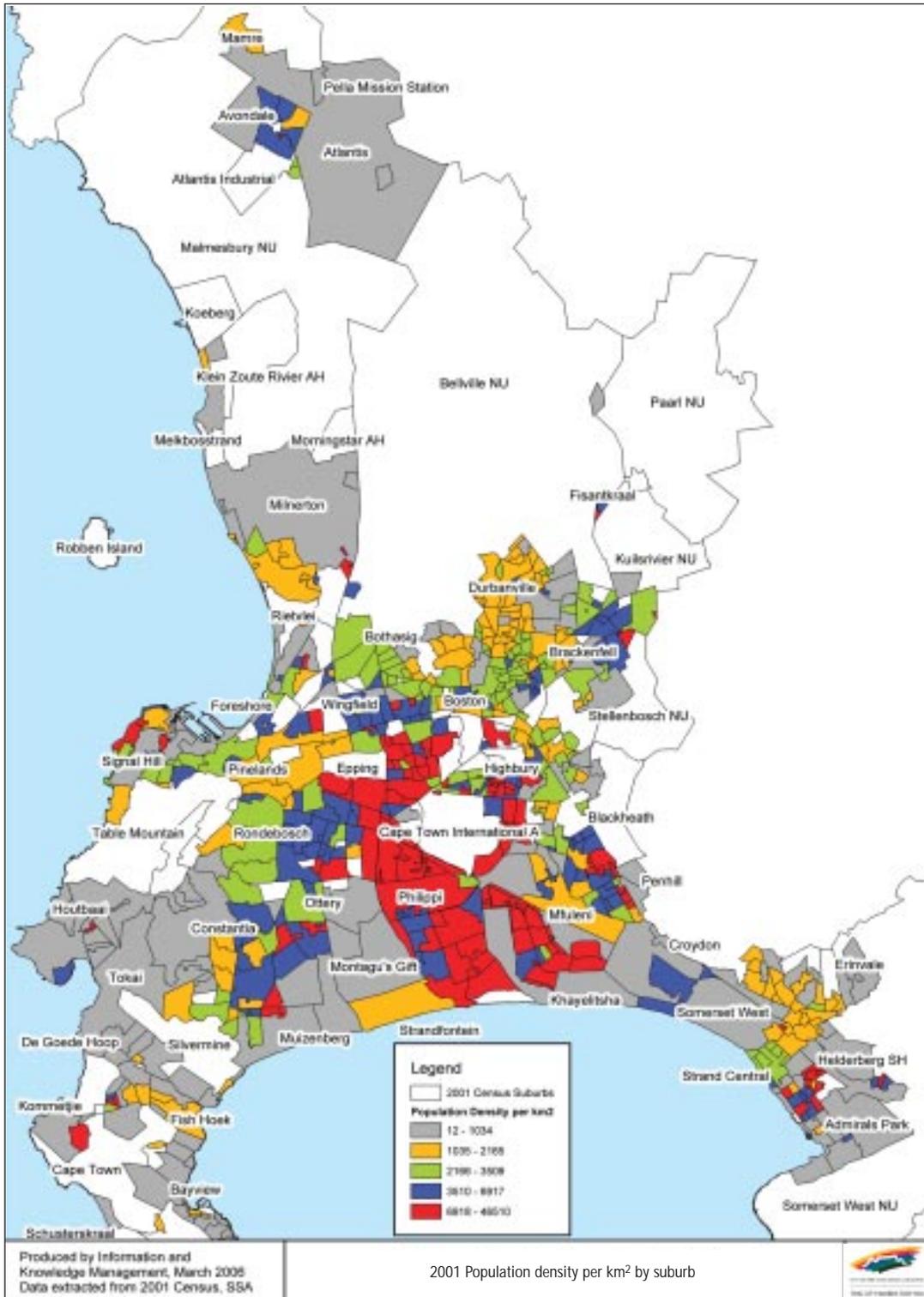
Table 2: Population density of selected world cities

City	Population density per square kilometre (urban areas, 2005)
Cairo, Egypt	36 618
Mumbai, India	29 434
Barcelona, Spain	15 764
Sao Paulo, Brazil	7 175
Mexico City, Mexico	5 799
Rio de Janeiro, Brazil	4 896
London, UK	4 699
Bangkok, Thailand	4 051
Cape Town, South Africa (2001)	2 644

Source: www.answers.com, 2005



Figure 7: Population density of Cape Town



Source: Information & Knowledge Management Department, using Census 2001 data

Views on regional and spatial planning

Public opinion

According to the City of Cape Town's public consultation processes (2003 - 2006), there were a number of responses which referred to the need for greater land use controls within local areas in relation to activities that were incompatible with residential living. There was also a strong desire expressed for more conveniently located shopping facilities. A significant number of comments also related to specific concerns about land restitution and the land claims process.

Contributors

“Spatial planning on its own does not lead the future development of the city - there is a need for closer congruence between public policy and economic forces” - Andrew Boraine, Chief Executive Officer, Cape Town Partnership

“The Cape Town Partnership is working on creating a more inclusive residential community in the Central Business District (CBD). Hopefully this will result in a more diverse central city and an increase in the residential population. Currently only about 50 000 people live in the central city, while about 400 000 people commute into the central city on a daily basis. This imbalance is not sustainable and the number of residents must at least be doubled. This means we have to seriously address the issue of well-located affordable housing. A starting point for establishing social housing in the city is for government to make land and buildings available. Employers in CBD could also begin to sponsor their staff so that they can live in the central city. This could result in expanding opening times and to establish a 24 hours economy in the central city.” - Andrew Boraine

“Housing is an important land user in urban areas particularly with the predominance or pre-occupation with the single family detached dwelling housing prototype under ownership tenure. While this conceptualisation is increasingly becoming untenable and unsustainable by promoting low density urban sprawl, it is critical that housing development should be seen as an important lever for urban spatial restructuring.”

- Nigel Tapela, Operations Manager, Development Action Group

“While we have a broad urban development policy agenda in place for promoting spatial restructuring and inclusive cities, it is not sufficient to influence or change the behaviour of land and property markets to work for the poor, nor changing the current form of urban development practice that continues to reinforce the spatial ‘imperfections’ of the apartheid city that located the poor on the urban fringe. The Development Action Group argues that in the same way as a strong apartheid state intervened to create the apartheid city over a protracted period, in order to restructure and transform this urban form, it will equally call for a similarly strong but transformative ‘developmental’ state that has the political will and buy-in, resources, regulatory frameworks and instruments to change current development practice in order to transform this current inefficient urban form and influence land and property markets to include the poor.” - Nigel Tapela

"There is a need for better land use planning that engages with reality and the level of investment, if it is to become relevant knowledge for transport planning." - Prof. Roger Behrens, Department of Civil Engineering, University of Cape Town

"Analyse in which corridors development is taking place naturally and make these stronger rather than creating ones that are not economically viable." - Prof. Wolfgang Thomas, Business School, University of Stellenbosch

"On the one hand spatial planning in Cape Town is positive because it does not generally have (heavy) industrial sites impacting on local surroundings / residential areas. On the other hand, I don't like the impacts of the plans on the unique natural environment, e.g. wetlands being drained to make way for housing. **I suggest that more environmental considerations should be taken into account by spatial planners.**" - Avanti, age 24, Tamboerskloof

Spatial planning for the future

Planning the future begins with an understanding of place and people in the present and the social and economic forces underlying the trends that are shaping the future. Change and growth are inevitable, pressure for development a given, but Cape Town can, with foresight and insight, shape change and direct development to ensure the best possible outcome for the city and its people.

When dealing with spatial planning, it is important to understand the economic forces and trends in the city. Spatial plans can not significantly redirect these economic forces, but should take the underlying economic forces into account and can, at most, 'bend the trend' of the economical forces. The former spatial planning framework for the city from 1994, the Metropolitan Spatial Development Framework (MSDF), failed because it assumed that it could redirect economic trends. The MSDF attempted to redirect formal economic investment to the metropolitan South-East, even though it was never likely that the formal economy would contribute to the achievement of this vision.

The future spatial planning for Cape Town should include and promote the following principles:

- Spatial plans should take account of economic forces and trends in the city and should direct or 'bend' these forces (and not go against them)
- Spatial planning visions and plans should be linked to shorter-term implementation plans and be implemented through projects by means of the IDP
- It should recognise the functional linkages between Cape Town and its hinterland and the regional nature of the Cape economy and be driven by a partnership approach between the spheres of government, civil society and other towns in the region
- It should manage / curb urban sprawl, promote densification and locate housing near jobs and transport
- Metropolitan plans and local area planning should be aligned and the land use management system should support and implement spatial planning principles
- Spatial planning should be based on the principles of racial, spatial and economic integration
- Transport and land use integration should be promoted and should be based on a multi-modal transport system which focuses on current and future areas of development

Planning for Future Cape Town - An argument for spatial planning for the future

The City of Cape Town has begun a process for dialogue about the future of the city through its *Future Cape Town* process. *Future Cape Town* will develop into the City's spatial framework for integrated human settlement in the city and will provide the basis for integrating activities of different departments within the City of Cape Town as well as the investment of all three spheres of government and other agencies.

The draft *Planning for Future Cape Town* proposes an argument for the long-term development path and the planning logic that should underpin the spatial form and structure of a future Cape Town. It includes a broad spatial concept that is not time bound and that may take 40–100 years to realise, with five strategic areas of action:

- Protecting our natural assets and develop a quality open space system
- Redefining and developing a new economic backbone of the city
- Developing an equitable pattern of access
- Developing an integrated city development path
- Developing a new pattern of special places

Ultimately, a Spatial Development Framework will inform and be informed by the cross-sectoral City Development Strategy (CDS) and, through the 5-year Integrated Development Plan, direct and coordinate public investment and guide private investment.

Cape Town's settlement growth options

Business as usual:

- Accommodate existing development trends - expansion on periphery
- Significant new infrastructure required

Contained City:

- To contain development within the urban footprint of Cape Town
- Densification in existing areas - accommodating 110 000

units over the next 20 years

- Development of vacant land within the city's urban footprint
- Upgrading of infrastructure capacity in older areas

Directed growth:

- To shift growth away from the high potential agricultural land
- Invest in integrated growth nodes with integrated transport and land use
- Promote areas that generate opportunities and assist in restructuring
- Support public transport
- Facilitate sewerage capacity at Potsdam

Cape Town's possible future economic focus:

- Investments and linkages between Cape Town and Saldanha Port
- Creation of mixed use activity areas in Atlantis, Philippi, Mitchells Plan and Khayelitsha
- Unlocking strategic areas such as Wingfield, Ysterplaat and Culemborg as key levers to creating a functional economic backbone for the city
- Ensuring a higher quality, integrated multi-nodal public and commercial public transport system serving both business and communities

In order to achieve the spatial planning objectives for the city, the following shifts are needed:

- Governance agenda - from reactive responsiveness to special interests and proactive creation of a city that works for ordinary people
- Development impact - from fragmented small-scale action to integrated large-scale action
- Urban form - from reactive local infrastructure driven to proactive transport and economic infrastructure led planning
- Employment base - support the informal and formal economies
- Social and human capital - from multiplicity of weak social initiatives to focused coordinated high-impact

investment in people and communities

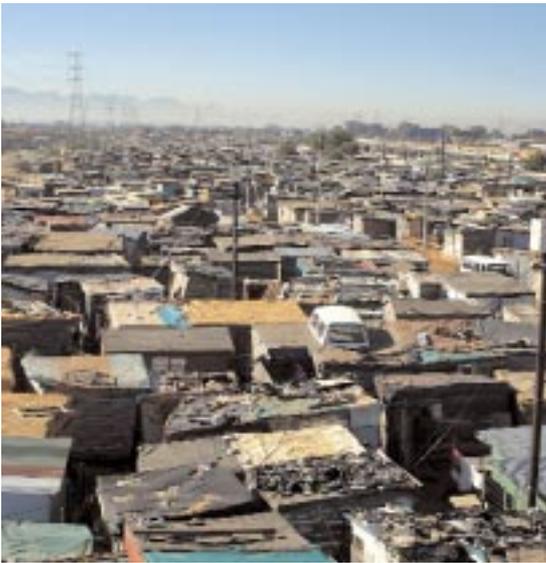
- Urban technology - from big engineering solutions to localised exportable sustainable solutions
- Positioning - from narrow City of Cape Town focus to understanding as city in region, nation and world

Effective and realistic spatial planning for Cape Town will only be achieved if effective partnerships between the three

spheres of government and the private sector are developed.

This is important due to the following reasons:

- A fundamental shift from metropolitan planning towards “regionalism” has taken place
- Intergovernmental action on a scale not seen before is needed to achieve the required results
- Significant funding beyond the municipal budget is needed in order to implement the spatial vision for the city



“The government has failed to integrate the citizens of Cape Town, which has resulted in a polarization between the poor people living in the Cape Flats and the rich in the city centre” - Tony Ehrenreich, Provincial Secretary, COSATU Western Cape

4.3 Human and social development

Cape Town is faced with immense human and social development challenges over the long term. This is due to decades of distorted development in the city manifested in highly-skewed distribution of income and wealth. This in turn is reflected in growing levels of absolute poverty, inadequate housing, poor health status (especially the impact of HIV/Aids and TB becoming more evident) and the exclusion of certain segments of the population from full participation in the development of the city.

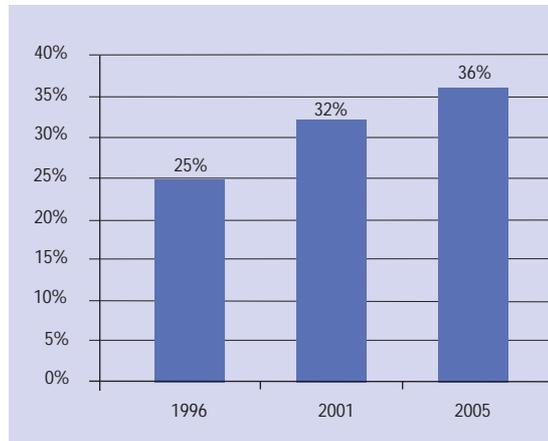
Human development or sick communities?

Despite the enormous potential of cities to reduce poverty, recent international evidence shows that the wealth generated by cities does not automatically lead to poverty reduction. On the contrary, intra-city inequalities are on the rise, particularly in cities of Africa and Latin America (UN-Habitat, 2006).

Poverty

One measure of poverty is the household subsistence level, below which households are unable to meet their basic needs for clothing, food, cleansing and transport. In Cape Town, the rise in poverty is clearly evident from Figure 8, with 36% of households (approximately 1,2 million people) living in poverty in 2005. Intra-city inequalities are even more stark with the 20% worst off areas in the city having an unemployment rate

Figure 8: Households earning below household subsistence level



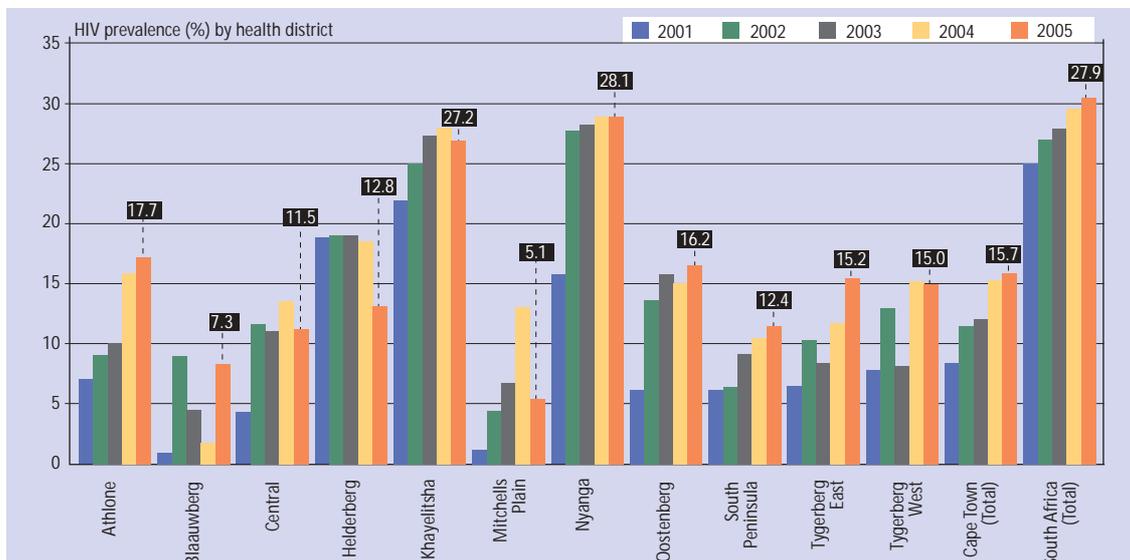
Source: Statistics South Africa, 1996, 2001, and 2005

of between 40%-58%, comprising 40% of the City's population and 68% of the City's unemployed (City of Cape Town, 2005d). In a recent study conducted in three informal settlements in the city, unemployment levels of 39,5% were recorded. The shocking reality of these statistics is borne out by the fact that 14,3% of households responded that they often went hungry and a further 39,4% of households sometimes went hungry (De La Harpe, 2005).

HIV/Aids

The number of people infected with HIV/Aids worldwide has increased exponentially from just a handful of cases in the early 1980's to about 40 million by the end of 2003. More than 20 million people have already died of Aids. The *State of the World's Cities* report (2006/7) found that HIV prevalence is significantly higher in slums than in non-slum urban areas, with women in slums particularly at risk. Catastrophically, the extent of its impact turned out to be far worse than ever predicted. According to the HSRC/Nelson Mandela Foundation SA Study (2002), HIV prevalence in adults between 15-49 years is 28,4% in South African urban informal settlements. The early phase of the epidemic was restricted in South Africa to just a few hundred cases amongst men who have sex with men and persons receiving unsafe blood transfusions. The South African

Figure 9: HIV prevalence by City Health District



Source: City of Cape Town, 2006a

response to the HIV epidemic has been characterised by a unique form of denialism in the highest echelons of political power (Karim & Karim, 2005). The impact on those infected, the stigma attached to infection and the social and economic effects of the infection cause HIV to have an enormously broad impact, on the economy and on politics at a national level.

The prevalence of HIV/Aids in the city has been increasing steadily over the past few years - with the highest prevalence recorded in the areas of Nyanga and Khayelitsha (see Figure 9). This is in line with international trends of higher HIV prevalence in less affluent areas. While the Cape Town average HIV/Aids prevalence in pregnant women at 16% (2005) is well below the national average of 30.2%, (2005), the disease's prevalence in these two areas is as high as or higher than the national average (City of Cape Town 2006a).

The high prevalence on HIV/Aids in informal areas in the city is explained by a range of factors. This includes poverty and unemployment which increases vulnerability to HIV, urbanisation resulting in social disintegration which increases risk-taking behaviour, inadequate services, sexual violence and

rape, disempowerment of women, illiteracy and low levels of education (Bromfield, 2006).

A key failing in the response to HIV/Aids is that the problem has previously largely been defined within a health context with a primarily health sector-driven response. At a grassroots level, limited resources are also often wasted due to poor coordination, duplication of effort and plans that do not address local priorities. Based on the complex underlying factors driving the epidemic, it is clear that HIV/Aids will not be impacted upon unless a broader, coordinated, multi-sectoral approach to the epidemic is embraced (City of Cape Town, 2006i).

Given the projection that 50% of the Cape Town's population will comprise individuals younger than 31 years in the future (as can be seen from the population projection in Chapter 3: *'Cape Town's Developmental Context'*), there is a critical need for youth development strategies to be implemented to address future poverty, HIV/Aids and unemployment and which relate to the social, economic and physical needs of the city's young.

Views on human and social development

Public opinion

The City of Cape Town's public consultation processes (2003-2006) indicated that social development issues were a public priority. The highest number of responses related to poverty or income inadequacy. Responses also related to youth development which reflects broader concerns around youth unemployment. The need for facilities for young children, the aged and disabled were also recorded. The need for clinics or improving the accessibility of clinics, and more focus on the treatment and care of Aids sufferers were also identified as important needs. Furthermore, comments also related to the need for better enforcement of health regulations, and the provision and maintenance of sports and recreational facilities.

Contributors

"We need to build capacity in civil society." - Edgar Pieterse, Visiting Associate Professor, University of Stellenbosch

"There is a social crisis in Cape Town. The city is suffering from a high unemployment rate resulting in a range of detrimental social and economic consequences for these people and society in general. This social crisis can be addressed by better associations between the state and the economy and through improved youth development.

Better associations with community: Civil society must be assisted by government to enable them to assist the state in social and human development. This could be achieved through the establishment of a government-sponsored civic academy, to assist in the improvement and capacity building of community organisations in the city. The civic academy could bring people from different community organisations to the same learning environment to build up their skills. The stronger citizen capacity would result in a more articulate demand from the community which may improve the service delivery by the state. Furthermore, schools should be made more valuable for communities by transforming them into community centres which would serve as focus points for community activity in various areas.

Youth development: A more positive discourse for young people is needed in order to create confidence in and amongst the youth to run things in the future. Building good youth organisations and leadership are key instruments to strengthen youth development in the city. Especially important for the youth's economic development is that they should be taught entrepreneurial skills, as it is unlikely that the formal economy will be able to accommodate them in the future." - Edgar Pieterse

"Evidence suggests that in many developing countries, urban poverty is becoming as severe and as dehumanising as rural poverty." (United Nations, 2006)

"The polarisation between rich and poor in the city is the reason why gangsterism and drug abuse are exploding in the townships." - Tony Ehrenreich, Provincial Secretary, COSATU Western Cape

“At the beginning of the 1990’s, the HIV/Aids epidemics in Brazil and South Africa were at a similar stage, with a prevalence of HIV infection of about 1,5% among adults. But by 1995, the year before Brazil’s treatment programme was established, the HIV epidemic in South Africa had begun to explode, with prevalence already greater than 10%, whereas the infection rate in Brazil had declined by half. What happened? Brazil headed off the looming epidemic by way of a monumental effort at prevention that kept new infections low and stable, and made free access to AIDS treatment universally available.” - Susan Okie quoted by Wilmot James, Cape Times, 22 June 2006

“**Disclosing my HIV/Aids status has made my life easier** because I have nothing to hide from people. My open-minded attitude has encouraged other people to tell they are infected with HIV. Yet, I personally still have some problems at work. I find it difficult to interact with my colleagues during lunch breaks in the corridors because they don’t want to be seen with me.” - Nombeko, age 33, person infected by HIV, Nyanga

Better coordination of social programmes

The development of social organisation, social networks and social dialogue are powerful tools for economic and social progress. If the social and human development goals of the city are to be achieved, it is essential that there is recognition that these can only be achieved through the efforts and structures of the three spheres of government and the active involvement and participation of civil society.

Social and human development is becoming increasingly multi-faceted and interrelated and cannot be addressed within the boundaries of one organisation only. There is a multitude of non-governmental organisations, welfare organisations, state bodies and partnerships involved in social and human development in the city.

There is a need for an overall organisational framework or network, within which social and human development programmes of a variety of organisations and the spheres of government can be accommodated and coordinated. Without such an institutional structure, programmes will be fragmented and ineffective, as has been the case to date.

The three spheres of government and civil society should work together to ensure a range of coordinated interventions that maximise opportunities for human capital development at all stages of life, from educare and pre-school through to secondary school, tertiary and adult education.

To achieve this, it is important that:

- Overall responsibility for the management and coordination is undertaken in partnership with the City of Cape Town and the Provincial Government
- Existing structures within civil society should be formalised and linked with one another and their capacity developed
- Social development strategies are integrated with economic development

Areas of action for this network of public and private stakeholders may include:

- Improving the functioning of education and skills institutions by focusing on the provision of more direct economic and social support, through expanded training programmes and youth development programmes (to impact on future poverty alleviation)
- Integrated health action, including the consolidation of HIV/Aids initiatives (especially concentrating on the youth) and enhancing preventative primary healthcare
- Social capital development programmes including support for community-based, non-governmental and faith-based organisations, structured social dialogue and leadership development



“Young people should be taught entrepreneurial skills because the formal economy is unlikely to absorb them all.” - Edgar Pieterse, University of Stellenbosch

4.4 Economy

Cities, and more specifically large cities, are the mainstays of most countries' economies. As globalisation has gathered pace internationally, cities have increasingly found themselves as friction points of global social and economic processes. This has seen more and more municipalities being thrust into playing a conscious and explicit role as economic actors, intermediaries and facilitators. Cities are the spaces in which economic surplus is generated for the development of places with lower levels of economic output. They offer the largest single concentrations of customers, are the single biggest markets in a country, and are the places that provide the key distribution functions in most national and regional economies and the global economy (South African Cities Network, 2006).

Jobless growth or accelerated shared growth?

Without a healthy and growing economy, it is unlikely that the objective of a sustainable Cape Town will be achieved. Jobless growth, high unemployment and the skills mismatch between skills that are available and those skills that are needed by the economy, remain key challenges in the city.

Economy

In 2005, Cape Town's economy (Figure 10) contributed about 11,1% (or R112,47 billion) to South Africa's Gross Domestic Product (GDP). Between 1995 and 2004, the city contributed 15,9% of South Africa's economic growth, and 82% of new provincial economic growth (or growth in new Gross Geographic Product) (South African Cities Network 2006). Currently, a key strength of the city's economy is that it is rel-

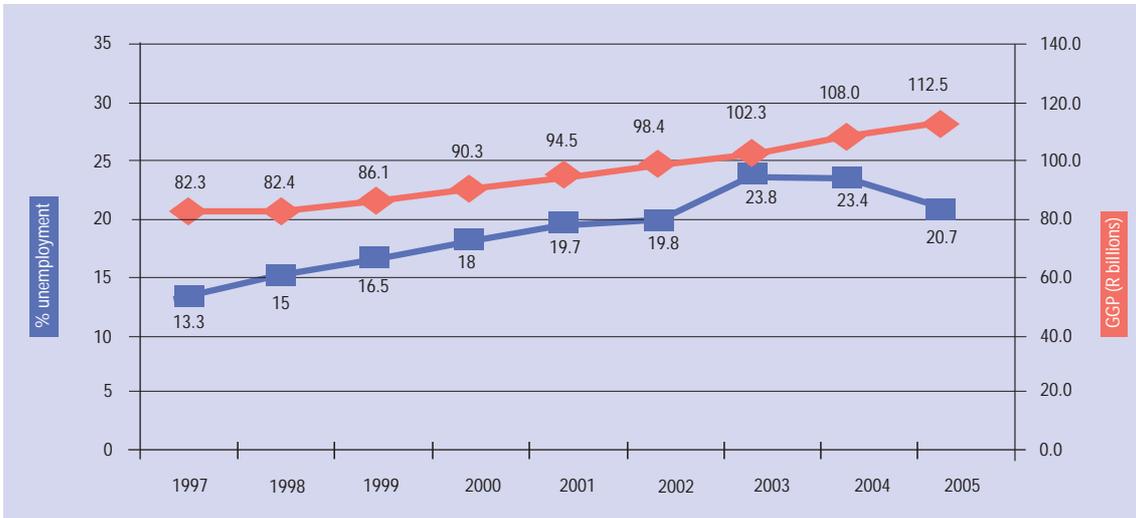
atively well diversified. However, in line with global trends, there has been a shift towards the services sector, with the sectors experiencing most growth recently being finance and business services, trade, catering and accommodation, and transport and communication. The manufacturing and government services sectors both declined as a percentage of total employment, between 1995 and 2004. Manufacturing, which accounts for 19,4% of employment, is in decline. The services and real estate sectors have been the major drivers of growth, with the city performing particularly well in an era of low national growth, and a large post-democracy increase in tourism and agricultural exports. However, the improving national economic scenario over recent years has been driven by the strong global demand for resources, partly driven by rapid growth in China's economy, and has not had strong spin offs for the city's economy. The relatively strong Rand has had negative impacts on the global competitiveness of the city's major economic sectors.

According to the Department of Trade and Industry (2002), 93% of Cape Town businesses are small, contributing approximately 50% of total output and 40% of total formal employment (City of Cape Town, 2006d).

Unemployment

The main challenge to the city's economy is the creation of productive employment opportunities and the reduction of the extent of poverty. In terms of the Labour Force Survey (Stats SA), unemployment in the city has grown from 13% in 1997 to almost 23% in 2004, with a drop in 2005 to 20,7%. The distribution of economic activity in the city has been highly skewed towards those with greatest skills and access to resources, with a large majority of the city's population precluded from meaningful participation in the economy. Figure 10 indicates a comparison between unemployment and GGP growth in Cape Town and clearly indicates that employment growth has not kept pace with economic growth. Cape Town's GGP growth rate has remained below 4,5% for the past four years (2002–2006) and the economic outlook for 2006/7 is likely to remain around 4% growth. The National Accelerated

Figure 10: Comparison of level of unemployment and GGP growth in Cape Town



Source: Statistics South Africa 2005

and Shared Growth Initiative for South Africa (ASGISA) annual growth rate targets are 4,5% (2006-2009) and 6% (2010-2014) (City of Cape Town, 2006d). It is estimated that a growth rate of over 7% (or the creation of over 40 000 jobs annually in the formal sector) is needed in the city to generate enough jobs to absorb the new annual entrants to the labour market alone.

reason why locations in the Cape Flats have been ignored by business in the past). The availability of infrastructure and services (i.e. roads, sewerage, water, etc.), a good quality, attractive environment, and locations with a catchment of higher-order income wealth are also issues that are considered in making decisions about where to locate (City of Cape Town, 2006).

With regard to the spatial distribution of job opportunities in the city - opportunities are increasing in the CBD (mainly due to the increase in new economic sectors, such as creative and cultural industries, call centres and tourism), while certain sectors of the economy are relocating to decentralised business nodes. The city thus has a multi-nodal or polycentric metropolitan economy, rather than a traditional CBD city economy (Andrew Boraine, 2006). Figure 11 shows the current location of formal business in selected sectors in Cape Town, extracted from the RSC levy database (2005).



It is important that the criteria that businesses consider when investing are taken into account in the spatial planning for the city. As good access is important, large commercial developments usually follow highways. Locations where security will not be compromised are also favoured (which may be a

Views on the economy

Public opinion

Economic development was the third highest priority for Cape Town residents when consulted by the City of Cape Town's public consultation processes in between 2003-2006. In addition, poverty reduction through job creation, supporting community-based projects and informal traders and the need for skills training and development were also prioritised.

Contributors

"It is important to acknowledge that there are no quick fixes to solving our economical problems." - Prof. Wolfgang Thomas, Business School, University of Stellenbosch

"On the public sector's role: It is limited what the public sector can do to achieve economic development in the City. However, the public sector can contribute to the following:

- Make land available for business development in the right locations
- Increase incentives for business
- Allow the private sector to drive and develop the economy, but ensure social benefits are achieved from private sector activities
- Monitor various business niches and their variables and share this information to assist business
- Promote the informal sector as a key contributor the economy, especially by means of training.

On partnership: Public-private partnerships are needed to facilitate the implementation of public initiatives to distribute the benefits of the economy to all residents in the city. Within these partnerships, the public sector must negotiate with the private sector the implementation of its social objectives as part of a learning process. " - Prof. Wolfgang Thomas

"The urban economy in the developing world in the future will be largely informal." - United Nations, 2006

"Voted one of the world's top 10 cities for sixth year in a row in US Travel & Leisure magazine 2006" - Cape Town Tourism

“Cut red tape and provide infrastructure to support business.” - Albert C. Schuitmaker. Director: Cape Regional Chamber of Commerce

“On the economy: Globalisation challenges South Africa’s industrial production. The manufacturing industry now has a decreased capacity to produce locally because of the competition from other countries like China, resulting in job losses in South Africa. In the short term, it is important that the manufacturing industry is protected in order to raise income among the poor people, who are mostly unskilled workers. Subsidising the manufacturing industry is one way to create economic growth and develop unskilled workers. In the long term, state intervention will enable more people to get the skills necessary to be employed in the service sector, which is necessary in a globalised world.

On partnership: It is important to create an institutional structure for cooperation in the city which involves all the relevant stakeholders, including business, trade unions and the spheres of government. This forum should be used to discuss the economic conflicts between the poor and the rich, the potential of supporting struggling manufacturing industries, and possible solutions to the high unemployment rate. Other issues that can be discussed are public transport, health care and policing.”
- Albert C. Schuitmaker

“The most positive aspect about living and working in Cape Town is the boom in tourism, which has positively influenced my business. Yet crime against the tourists will hamper tourism - people are not going to want to come to a place and spend their money here if they don’t feel safe. The other problem is the fact that accommodation in the City is too expensive - the tourists complain all the time about the high rates they have to pay at hotels.” - Nenad, Primo and Raj, Taxi operators from Cape Town



Shared growth and enhanced global competitiveness

The factors that influence economic growth are increasingly global, as opposed to local. This makes it essential for Cape Town to become globally competitive if it is to achieve sufficient levels of economic growth, and ensure that the social benefits of economic growth reach all residents. There needs to be synergy between the public and private sectors, as business better understands the pressures, trends and needs related to global competitiveness and economic growth. To achieve this, partnerships around particular issues must be formed between the public and private sectors and civil society.

Joint intergovernmental support must enhance the competitiveness and growth potential of local businesses in line with the National Accelerated and Shared Growth Initiative for South Africa (ASGISA). All three spheres of government need to deepen their collaboration in providing support to key economic sectors by facilitating networking amongst sector firms, by aiding access to markets and incentives and through the provision of relevant economic data and sector specific interventions.

A key challenge to be addressed in the city is to implement strategies which will achieve shared growth. Pro-market interventions should thus be complemented by pro-poor interventions. To spread the benefits of economic growth to all residents, support must be provided to the poor, by addressing their basic needs, such as health, education and shelter. This will enable them to more actively participate in the economy. Also important to increasing the poor's access to the economy is the improvement of public transport and integration between the formal and informal economies in the city.

Economic growth is likely to continue to focus on the services sector and high value-added manufacturing, while the knowledge economy and agri-processing is likely to become even more important. Due to the fact that most economic growth is taking place in the sectors that require high skills levels, it is important that appropriate skills development through education, training and experience (especially among the youth) be undertaken. Also important is promoting small business by the development of enterprise and entrepreneurship and the informal economy (through facilities and training), this will provide opportunities to those who do not have the appropriate skills to access the formal job market.

Cape Town is exposed to global risk. High and volatile crude oil prices will have a direct impact on energy prices and an indirect impact on global economic growth and demand for exports. High oil prices, and consequent sharp increases in energy prices, will impact negatively on lower income earners who are exposed to escalating transport and energy costs.

More specifically, the economy of the city should also be supported by:

- Making land available for business at appropriate locations and providing service/bulk infrastructure in consultation with business
- Increasing public sector investment in functions which create growth and supporting current competitive and value-added sectors
- Implementing initiatives to promote, support and fast-track private sector investment in the city
- Gathering and sharing information about the economy with business and other stakeholders
- Reducing the cost of doing business (cut red tape, e.g. legal reform to improve planning approval processes)
- Enhancing safety and security, particularly in areas where development is sought, e.g. Khayelitsha

“Government should not sell public land, but should rather keep the land and allocate it for social housing.”

- Tony Ehrenreich, COSATU Western Cape

4.5 Integrated human settlements

In Cape Town, most of the new households forming in the city due to immigration and population growth, are poor. The income levels of most of these households are too low to be accommodated in the private housing system and the rate of subsidised public housing delivery has been inadequate to meet demand. As a consequence, a large proportion of Capetonians live in informal settlements, with inadequate services and infrastructure resulting in a wide range of social and economic problems. This reflects the global position. According to the United Nations (2006), urban poverty and inequality will characterise many cities in the developing world in the future and urban growth will become virtually synonymous with slum formation (United Nations, 2006).

Cities of hope or slums of despair?

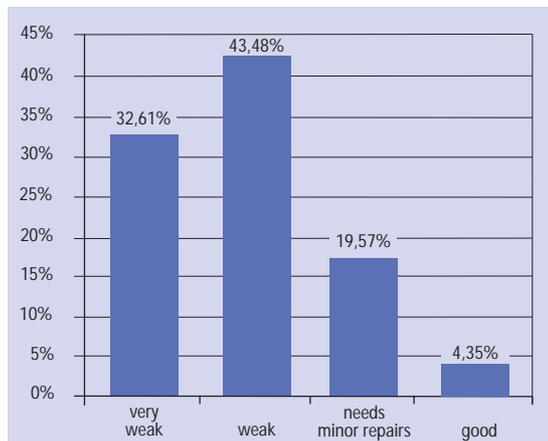
Informal settlements

The poor physical conditions of housing in the informal settlements in the city were recorded by the General Household Survey in 2005. Figure 12 gives an indication of the depressed physical conditions in which 400 000 Capetonians are presently living in.

In Cape Town, approximately 14% of all housing is classified as informal housing (see Figure 13), although in reality inadequate housing (including backyard informal dwellings and overcrowding conditions) is thought to be higher (Strategic

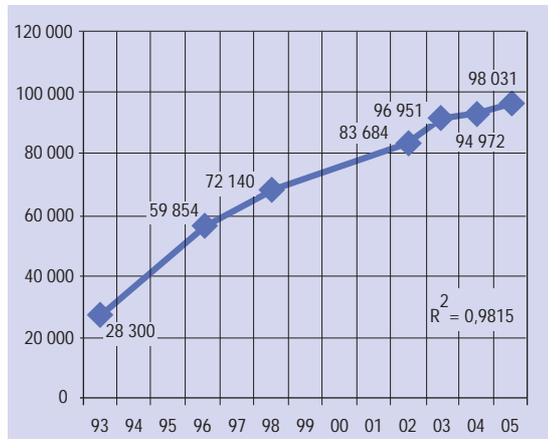
Development Information and GIS, City of Cape Town, 2006).

Figure 12: Conditions of walls in informal dwellings



Source: Statistics South Africa, 2006

Figure 13 Number of informal dwellings in Cape Town



Source: Strategic Development Information and GIS - City of Cape Town, 2006

Housing and infrastructure backlogs

It is estimated that there is a 265 000 unit housing backlog in the city. The growing housing backlog and reduced capacity to deliver in the city (see Figure 14), has the potential to undermine social stability and slow down economic expansion and even deter future investment (Housing Department, City of Cape Town, 2006).

Figure 14: Housing backlog compared to housing delivery



Source: Housing Department - City of Cape Town, 2006

Apart from the obvious housing backlogs in the city, the need to provide new infrastructure to accommodate economic, urban and population growth, coupled with competing funding demands has also meant that Cape Town is suffering from a combination of bulk infrastructure backlog and backlogs in the provision of basic service - to ensure that citizens have equitable access to basic municipal services (Table 3). Consequently, housing and infrastructure backlogs, insufficient funding, as well as a lack of institutional capacity to address these backlogs remains key challenges.

The financial cost of addressing these and future housing and infrastructure demands is high and will need significant additional capital investment if the city continues to follow the current path.

Table 3: Service levels in Cape Town

City of Cape Town	1996	2001	2004	2005
Demograph				
Number of Households	651 972	759 765		875 774
Population	2 563 095	2 893 251		3 151 006
Refuse Removal				
% of households out without weekly refuse removal	10,2%	5,8%	2,0 %	3,93%
Number of households without weekly refuse removal	65 882	45 031		34 413
Water Supply				
% of households without piped water on site	10,2%	15,6%	6,0%	7,01%
Number of households without piped water on site	66 133	121 258		61 387
Toilet Facilities				
% of households without flush toilet	10,4%	12,5%	9,7%	7,85%
Number of households without flush toilet	67 785	96 799		68 782
Electricity Supply				
% of households without electricity supply	12,8%	11,2%	3,0%	4,54%
Number of households without electricity supply	82 928	87 024		39 770

Source: Statistics South Africa, 1996, 2001, 2004 and 2005

Views on integrated human settlements

Public opinion

The issues of land housing and land were highlighted as key priorities in the City of Cape Town's recent public consultation processes (2003-2006). This included the need for more serviced land, the provision of low-cost housing and better maintenance of Council hostels and flats. The provision and maintenance of parks, multi-purpose community centres, and sports and recreational facilities also emerged as concerns (City of Cape Town, 2003b).

Contributors

“Stop saying that we can give everybody a house.” - Prof. David Dewar Department of Architecture, Planning and Geomatics, University of Cape Town

“It is important that lessons regarding housing provision be learnt from the past - this is the only way that we will be able not to repeat our mistakes of the past.

Firstly, a key lesson from housing provision in the past is that the housing issue must be depoliticised. Housing policy must be restructured to take into account the fact that it is not possible to give everyone in the City a house - there are simply not sufficient funds to do it. The current intention to give everyone a house leads to inequality, as some people get houses while others do not get them, which is a recipe for social unrest.

Secondly, the perception of housing as shelters must be changed - the issue of housing is not just about shelters, but also about the strengthening of social ties. The state must urge the institutional building of stronger communities and civil society, particularly non-governmental organisations. This would ease government consultation with the community through organisations rather than individuals.

It is important that the roles of the various spheres of government and civil society with regard to housing provision be clarified. The state should be a facilitator and not a provider of housing. A new way of thinking should focus on self-governance by communities, facilitated by the state, whose role is limited to the provision of land, basic infrastructure, services and the creation of basic rules. To achieve this, it is essential that non-governmental organisations be used as the link between the state and communities.

Thirdly, housing policy should move away from its focus on the provision of formal houses and should rather concentrate of the upgrading of informal settlements and keeping community networks in tact. The task of the state is to assist the levels of shelter and service of households rather than to try and totally eradicate informal settlements. For many people, informal settlements represent the only feasible form of entry onto the housing 'ladder'. ” - Prof. David Dewar

"Give more attention to the upgrading of informal settlements rather than the concept of houses for all, as it is not possible." - Prof. Wolfgang Thomas

"Most Capetonians have no conception of the filth, degradation, squalor, overcrowding and personal damage and insecurity which thousands of inadequate housing environs are causing." - Jeanette De La Harpe, Researcher (Resource Access 2005)

"One out of every three city dwellers in the world lives in slum conditions." - United Nations, 2006

"Informal settlements are not mere physical sites for redevelopment or relocation - they are a culmination of communities' struggles, resourcefulness and efforts to find a foothold in the urban space economy". - Nigel Tapela, Operations Manager, Development Action Group

"A new urban development paradigm is needed to restructure the city. Current urban development is premised on a state-driven practice of 'delivering quantifiable physical objects' (e.g. turn-key housing products) in the traditional partnership between the state and large construction companies to passive residents rather than a participatory engagement with an active citizenry. Housing ought to be part of a bottom-up strategy, involving people, rather than a top-down delivery of houses as physical products in peripheral locations. The most useful resource in housing provision is communities' own energies and resourcefulness, which should be used to facilitate incremental development of housing. The N2 Gateway housing project serves as an example of the dangers of the top-down approach, due to its failure to apply effective community participation and incremental housing development. We must learn lessons from this for housing provision in the future.

Historically, cities (and housing in cities) have not been built by the state, but by creative and enabling partnerships between the state, the market and a citizenry in a shared urban economy. Partnerships between government, civil society and the market are important in housing provision, as the state itself can not deliver housing on its own without the involvement of civil society and the market as partners. Non-governmental organisations like the Development Action Group (DAG) have demonstrated how working with communities can result in higher quality dwellings and empowered communities which actively engage with their own development." - Nigel Tapela

"I think that housing in Cape Town is bad. I am sharing a three-room flat with seven people. The government gave me the flat, but it is in a terrible condition. The City of Cape Town should be more involved in housing." - Siyasaga, age 20, Salesperson from Delft



Focus on a range of housing opportunities and community involvement

Creating integrated human settlements is not just about housing provision, but about an holistic approach of integrating housing provision. It is about upgrading informal settlements, providing social and service infrastructure, creating economic opportunities and sustainable transport.

Due to the current and inevitable future housing backlogs, which will require huge amounts of funding to address, it is important that the whole issue of creating integrated human settlements be reassessed in a more creative and realistic manner. The sad fact is that it is not possible to provide formal housing to everybody who needs it, in the short and medium term.

The solution lies in an incremental approach to the development of housing, focusing on the provision of a broad range of housing opportunities, including the release of land for housing, upgrading of informal settlements, provision of basic municipal services to all, encouraging and supporting communities to complete their own homes over time themselves (with a measure of security of tenure), emergency housing when required, and the development of social housing in the right locations for those who can afford it. This can only be achieved through partnership between all spheres of government, civil society and communities, with the state playing the role of facilitator rather than provider of housing. In other words, a more bottom-up approach is needed involving communities

rather than a top-down approach by government alone. In order to achieve this, it is important that the roles of the various stakeholders be clarified, and that the public sector focus more strongly on the provision of land for housing, the maintenance and improvement of basic infrastructure and services, and the creation of basic rules.

The following principles need to be adhered to in the establishment of integrated human settlements:

- Using the establishment of integrated human settlements as a means of institutionally building stronger communities and civil society, including a focus on the development of capacity in people and allowing non-governmental organisations to act as link between the state, private contractors and communities
- Concentrating on keeping community networks intact in the upgrading of housing environments
- Using the principles of good urban design and dignified community spaces in the establishment of integrated human settlements



“Being poor in Cape Town means you are stuck, as the cost of public transport consumes most of your money.” - Prof. David Dewar, Department of Architecture, Planning and Geomatics, University of Cape Town

4.6 Transport

Transport is the lifeblood of any city - a city cannot function without a transport system that works. Transport connects people and connects people with opportunities. In Cape Town, motor vehicles are a major contributor to air pollution and are responsible for most fatal accidents within the urban area. It is essential, if Cape Town desires to be a place with equal opportunities, for all its residents, to have a highly efficient, sustainable transport system which improves access and mobility in an equitable and sustainable manner (City of Cape Town, 2006h).

Gridlock or economic enabler?

Transport challenges in Cape Town remain increased reliance on the private car, ineffective public transport and poor coordination

between the stakeholders involved in the sector. Cape Town has almost doubled in size over the past 20 years, and in this time movement patterns have changed dramatically. This has resulted in an outdated transport infrastructure network with major road and rail routes still focusing primarily on the 'traditional' destinations such as the City's Central Business District (CBD). This does not adequately accommodate the multi-directional movement patterns which have emerged with the dispersal of commercial, employment and residential activity.

Reliance on the private car

The domination of private car use in the city is unsustainable to the city. The city's current form generates enormous amounts of movement, often resulting in increased traffic congestion. This occurs at great financial, social and environmental cost to the city as can be seen from the impacts shown in Figure 15 (City of Cape Town, 2006g).

Figure 15: Impact of the private car in Cape Town



Source: City of Cape Town, 2006g

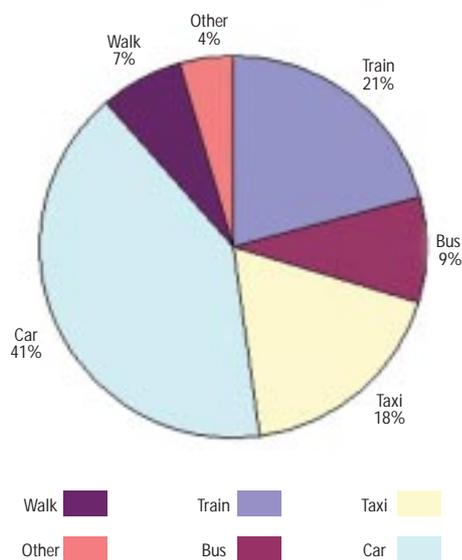
Public transport

Despite high government expenditure on transport subsidies, the existing public transport system is inadequate in meeting growing consumer need. Poor integration between different modes of public transport as well as issues of safety means that there is a growing trend in private car usage. In Cape Town, the split between private vehicle use and public transport use is approximately 50% for the peak periods (06h00 – 09h00 / 16h00 – 19h00). Over the whole-day period the split between private vehicle use and public transport is 67/33 in favour of private vehicles. This is mainly due to the reduction in the level of service offered by public transport during the off-peak period, the unsafe nature of public transport and the increase in business/delivery trips. Although the split between public and private transport has remained relatively stable over the last couple of years, the market share within public transport is far from being in a state of equilibrium (City of Cape Town, 2005d).

Both the subsidised rail and bus modes have lost patronage to the unscheduled minibus-taxi mode. Currently, 601 940 (54%) passenger trips are made by rail, 332 407 (29%) passenger trips are made by minibus-taxi and 197 444 (17%) passenger trips are made by bus (2004/5 Current Public Transport Record). A total of 7467 minibus-taxis were observed operating within the City of Cape Town area of which 43% operated without a valid operating licence.

Results from the City's Operating Licensing Strategy also shows that 70% of the 620 minibus-taxi routes are over-traded and this often leads to fierce competition for passengers. By 2001, 787 644 vehicles had been registered in Cape Town, and by 2003 this number had grown to 810 967 - an increase of 23 323 vehicles. Although not all these vehicles are for private use, most are, and they all contribute to the congestion experienced on the roads in the city. Currently few middle to high-income residents rely on public transport. For those residents who cannot afford a car, life is inconvenient and expensive. This increases poverty and inequality as people, especially the poor, have little access to economic and social opportunities (City of Cape Town, 2005d).

Figure 16: Modes of transport used to work and school in Cape Town (2003)



Source: Development Bank of Southern Africa (2006)

Over the last couple of years, both the subsidised rail and bus modes have lost patronage to the unscheduled minibus-taxi mode. Currently, 601 940 (54%) passenger trips are made by rail, 332 407 (29%) passenger trips are made by minibus-taxi and 197 444 (17%) passenger trips are made by bus (2004/5 Current Public Transport Record). A total of 7 467 minibus-taxis were observed operating within the City of Cape Town area of which 43% operated without a valid operating licence. Results from the City's Operating Licensing Strategy also show that 70% of the 620 minibus-taxi routes are over-traded and this often leads to fierce competition for passengers. By 2001 787 644 vehicles had been registered in Cape Town, and by 2003 this number had grown to 810 967 - an increase of 23 323 vehicles. Although not all these vehicles are for private use, most are, and they all contribute to the congestion experienced on the roads in the city. Like elsewhere in South Africa, few middle to high-income residents rely on public transport. For those residents who cannot afford a car, life is inconvenient and expensive. This increased poverty and inequality as people, especially the poor, have little access to economic and social opportunities (City of Cape Town, 2005d).

Apart from the city's reliance on the private car, the city's public transport system is also inefficient and it is difficult to switch from one mode of transport to another (City of Cape Town, 2005d). As can be seen from Figure 16, approximately 50% of commuters in the city make use of the various forms of public transport (taxi, bus, train) to travel to work or school, while 50% make use of a private car (Development Bank of Southern Africa, 2006).

To improve access and mobility in the city, there is a need to transform and restructure the current transport system and to improve public transport so that it can unlock the city's economic opportunities in all areas of the city.

Views on transport

Public opinion

From the City of Cape Town's public consultation processes (2003-2006), transport and traffic management were key priorities for residents. This related to the need for improvements in public transport with regard to convenience, comfort, safety and affordability; improved traffic measures such as speed humps and intersection circles; the need for more parking facilities; as well as pedestrian safety measures such as zebra crossings and foot bridges.

Contributors

"Fragmented institutional accountability in the city makes it hard to plan for public transportation."

- Prof. Roger Behrens, Department of Civil Engineering, University of Cape Town

"On a Metropolitan Transport Authority (MTA): The establishment of a MTA for Cape Town is the only way forward to achieve cooperation between the Provincial Government and the City of Cape Town with regard to the creation of a better transport system for the city. The MTA's key contribution should be an agreement on a common vision and a clear identification of roles and responsibilities. Public transport is currently challenged by the fact that the allocation of responsibilities is complex and falls within the national, provincial and municipal spheres. In order to make it a success, it is important that the lack of clarity concerning devolution of responsibility to the forthcoming MTA be addressed. Lessons learned from the establishment of a similar transport authority in Durban show that it will not work if national government does not devolve enough responsibility to the authority. Also important is the financing of the MTA: a financial framework must be created to ensure that the MTA receives sufficient funds each year.

On traffic congestion: The starting point to handle road congestion in the city is to acknowledge that economic growth inevitably causes congestion, which makes it a problem we are not going to remove. Nevertheless, a range of opportunities exist to reduce the problem - including the integration between transport and land use planning to reduce the need to travel; making it easier to change from one mode of transport to another; introducing variable working hours to decrease the impact of peak hour traffic; changing the status perception of public transport to attract middle or high income commuters."

- Roger Behrens

"So far, the City of Cape Town has not been helping the private sector efficiently with regard to public transport support to business." - Albert C. Schuitmaker, Director: Cape Regional Chamber of Commerce

"London is an international example of a metropole which has succeeded in making a public transport system tailored to the ambition of creating an equitable access to the opportunities. The transport system in London is not based on destinations but on the interchanges of travel modes. Perhaps these ideas could be transferred to Cape Town by thinking more strategically about strengthening the major intersections in the city. The basic building block of spatial planning in the city should be public transport." - Prof. David Dewar, Department of Architecture, Planning and Geomatics, University of Cape Town

Cape Town International Airport was voted Africa's Best Airport in the 2005 World Airport Awards - Cape Town Tourism

"I use the train every day when I go to work because it is the cheapest form of public transport. But I never know at what time I will arrive at work. **The security in the trains is getting better because Metrorail has introduced more security staff.** I am also upset about the poor conditions of our Khayelitsha coaches compared to the new coaches on the southern route." - Khumie Nqanto, age 38, public transport commuter from Khayelitsha



Effective public transport and coordination between stakeholders

An effective transport system is one of the key challenges facing Cape Town. It is an important element in creating integrated human settlements in the city. The objective of all relevant stakeholders should be the achievement of sustainable transport in the city. This is the ability to move people and goods effectively, efficiently, safely and most affordably without jeopardising the economy, social matters and environment, today and into the future.

In order to establish coordination between stakeholders, there is a need for the establishment of a metropolitan transport authority - to drive the different initiatives between all stakeholders and to achieve institutional integration. Particularly important is getting agreement on a shared vision and agenda for the city, the clear identification of roles and responsibilities, and adequate streams of funding for implementation.

A modal shift is required from private to public transport. In achieving this a major issue that must be addressed is reducing the city's dependence on the private car, through a range of incentives and disincentives. The current IDP (2006/7) requires the City of Cape Town to create the maximum opportunity through transport for all residents and visitors - to enjoy the full social and economic benefit the city has to offer. An improved public transport system offers benefits to the environment (e.g. reduced exhaust emissions) and benefits to the economy due to the easing of congestion. For this approach to work, a massive expansion and upgrading of the city's public transport system is required, in order to provide an alternative



to travelling by car. In fact, the establishment of a sustainable public transport system in the city represents the single most important intervention for achieving social inclusion and for enhancing the city's economic competitiveness. Key to this is that the current capital investment in private transport be changed to focus on investment in public transport. Also important is that safety and security be improved on public transport and that all modes of transport be effectively integrated.

As the CBD node contributes a large proportion to the metropolitan economy (and is the biggest area of employment), efforts must be made to make the CBD more accessible by public transport. At the same time other commercial and industrial nodes also play a key role in terms of economic growth and employment and need to be made more accessible through improved public transport.

Also important is changing Capetonians' travel patterns - most importantly to aim to reduce the need to travel. Currently, many new developments are taking place far away from job opportunities, leaving residents with high transport costs and long journey times. By integrating transport and land use - through higher density, mixed-use development closer to transport facilities, access to social and economic opportunities can be achieved by all.

"The findings from a recent survey has substantiated that people travelling by trains still perceive security as the biggest problem." - Prof. Roger Behrens, Department of Civil Engineering, University of Cape Town

4.7 Crime

One of Cape Town's main challenges is the high crime rate in the city. Apart from crime's devastating direct consequences for its victims, the social and psychological consequences of crime occurring in the city and the subsequent fear of crime should not be underestimated. It negatively affects the economy of the city as tourists are put off by the high crime rate and international, national and local businesses are discouraged from investing in the city. This contributes to rising poverty in the city as it limits the assets and livelihood sources of the poor. The fear of crime also leads to increased fragmentation and polarisation of the city, characterised by segregation through gated communities, stigmatisation and exclusion.

Are we winning or losing the war on crime?

Poverty is often cited as a cause of crime and violence, but increasing international evidence suggests that poverty *per se* has little to do with crime and violence levels. Rather crime and violence occur more frequently in settings where there is an unequal distribution of scarce resources or power (relative poverty) coupled with weak institutional controls. Crime increases when the social control that operates through formal institutions (such as the police and judicial systems) and informal institutions, including civil society organisations, breaks down or is weakened. Although there is no simple or direct causal relationship between inequality and violence, inequality does appear to exacerbate the likelihood of violent crime, especially when it coincides with other factors. This theory is based on the assumption that individuals or groups are more likely to engage in violence if they perceive a gap between what they have and what they believe they deserve (United Nations, 2006).

Plans for South Africa to host the next Soccer World Cup in 2010, have focused international attention on the country's crime rate with organisers having to answer questions not only about whether the country will have enough stadiums or hotel rooms, but also whether the expected 350 000 foreign visitors expected will be safe (SAPA-AP, 2006).

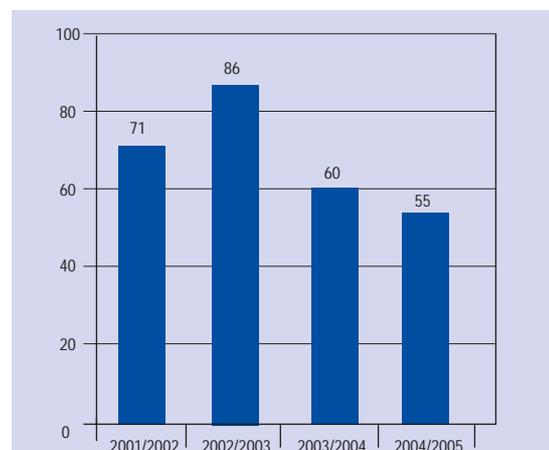
Public reaction to crime is shaped by personal experience, or that of friends, family or neighbours, rather than crime statistics. Survey data suggests that the majority of South Africans did not, in any event, believe crime statistics that were released by government. Government has argued consistently that crime was stable when many citizens thought that it was increasing dramatically (Shaw, 2002).

In Cape Town, the current state of the city's crime rate over the past few years has demonstrated an improving situation, although far from normalised.

Incidence of murder

Cape Town has one of the highest murder rates in the world. According to the United Nations, the city is considered one of the 'high-risk' cities for murder and is on par with Rio de Janeiro. Both cities have annual murder rates of more than 40 per 100 000 people (United Nations, 2006).

Figure 17: Incidence of reported murder in Cape Town



Source: Strategic Development Information and GIS using SAPS statistics

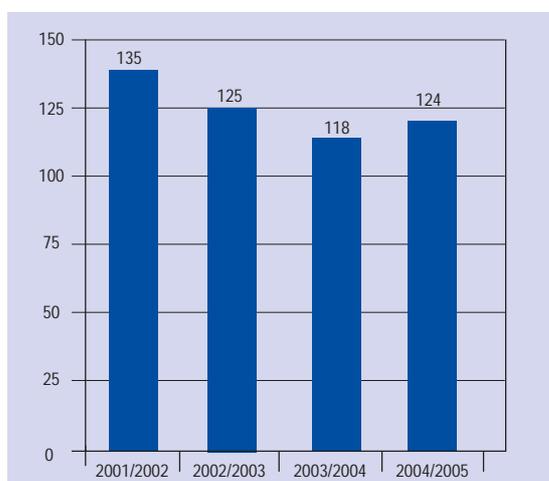
The incidence of murders in Cape Town (Figure 17) shows a recent decreasing trend over the past three years. However, the murder rate is still extremely high with a total of 1 757 murders in 2004/5, representing an annual murder rate of 56 per 100 000 population effectively an average of five murders every day.

Cape Town's reputation as one of the world's 'murder capitals', if not brought under control, will continue to impact tourism and the city's economy.

Incidence of rape

South Africa has the highest reported rape rate in the world, with Cape Town following national trends. Compared to the United States, which has 34,4 reported rapes per 100 000 population. Cape Town's rate is roughly three and a half times as high.

Figure 18: Incidence of reported rape in Cape Town



Source: Strategic Development Information and GIS using SAPS statistics

The incidence of reported rape in the city shows a stabilising trend (Figure 18), with a slight reduction from an average of 135 rape cases reported per 100 000 population over the period 1994-2004, with a rate of 125 per 100 000 in 2004/5. However, this still represents a staggering figure of 3 943 reported incidences of rape in a year. On average 10 cases are reported daily in Cape Town. According to Rape Crisis (a non-



profit organisation which offers counselling to rape survivors), however, these numbers are likely to be at least twice as high as their records show that only 50% of people on average report their rape to the police.

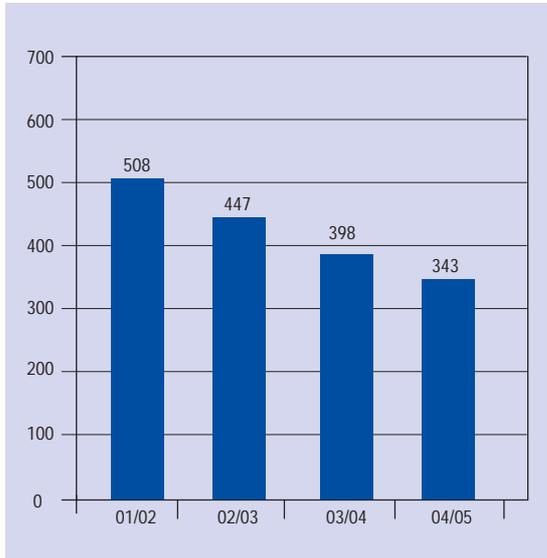
With a high HIV/Aids incidence in many areas of the city, rape is not only a brutal crime, but also a possible death sentence for many women.

Incidence of commercial and industrial crime

The number of reported incidents of commercial and industrial theft have shown a steady declining trend over the period 1994-2004 (Figure 19). There are on average 556 cases of commercial and industrial theft reported per 100 000 population each year in the city, which represents an average of 15 458 reported cases per year over the 10-year period.

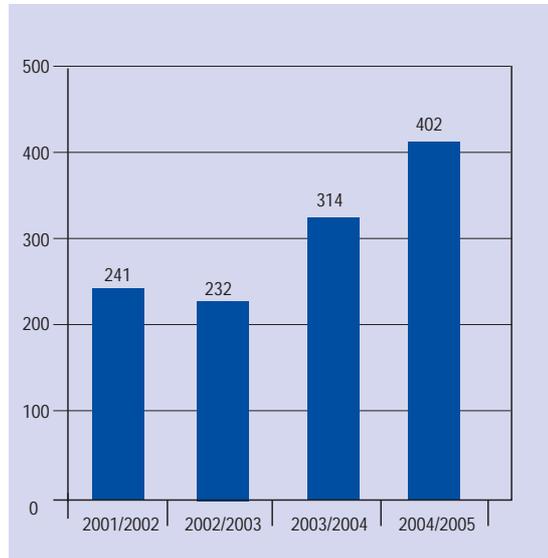
Commercial and industrial crime has obvious implications for the economic development in the city. If business premises are perceived to be unsafe and insecure, they are less likely to invest their business in the city (City of Cape Town, 2005d). This is particularly true in less affluent areas like Khayelitsha. If crime and the perception of crime are not brought under control, businesses are unlikely to invest in these areas, thus increasing unequal economic opportunities in the city.

Figure 19: Incidence of reported commercial and industrial crime in Cape Town



Source: Strategic Development Information and GIS using SAPS statistics

Figure 20: Drug-related crime in Cape Town



Source: Strategic Development Information and GIS using SAPS statistics

Drug-related crime

Cape Town has a high incidence of drug-related crime. As can be seen from Figure 20, there has been a dramatic increase in the rate of drug-related crime over the period 2001/2–2004/5. This may be due to the depressed socio-economic conditions in many areas on the Cape Flats as well as the recent dramatic influence of the use of the drug Chrystal Meth ('Tik') in these areas.



Views on crime

Public opinion

Recent City of Cape Town public consultation processes (2003-2006) indicate that crime is one of the public's key concerns. This includes comments about the need for effective law enforcement; addressing the influence of gangs on the community; and the negative impact of shebeens.

Contributors

"Insecurity will be a growing concern in cities of the developed world in the future." - United Nations, 2006

"This in an extraordinarily violent society and nobody understands it." - Peter Gastrow, Director: Institute for Safety Studies of South Africa

"There is currently no consistency in addressing the safety and security issue between affluent and less affluent areas of Cape Town. Too much attention is given on solving crime problems in tourist areas like the CBD, while ignoring crime in less affluent areas like the Cape Flats. This mirrors the national trend of government to downgrading the security issue in the less affluent parts of the major cities.

The security problems in less affluent areas must receive more attention, as it is a key contributor to crime in the country. In Cape Town, for instance, the socio-economic problems in the Cape Flats cause crime and violence, resulting in crimes in other areas of the city. If you ignore the Cape Flats, you are breeding serious social discontent in the future.

Partnerships between the City of Cape Town, Provincial and National Government have tried to address the problem but without any major successes. This is made worse by the failure to learn lessons from the past, and a lack of transparency. There is no reason to be embarrassed of the failures because major cities in other developing countries also struggle with the same problems.

We should rather acknowledge the complexity of the security issue and learn lessons for the future. This can be done by implementing a two-phased approach. The first phase would be to evaluate the crime fighting initiatives to date, in order to highlight the main lessons that should be learned. The second phase would be the creation of a long-term programme of action to resolve the problem of crime. This programme should also focus on the crime issue on the Cape Flats." - Peter Gastrow

The Cape Flats

"The state is failing to control many of the areas in the Cape Flats. Studies in organised crime in the Cape Flats show that organised crime syndicates often take over the role of the state, by providing "governance from below". The crime bosses derive community toleration and respect by performing functions traditionally associated with the state. The most significant of these is dispute settlement among residents, gangs or local businesses, and the provision of social protection. Crime bosses have also been noted for generous acts of charity like helping some residents with day-to-day costs, donating money to the church or by sponsoring local football teams. The 'functional side' of criminal governance, however, co-exist with more concerning aspects - the often brutal, undemocratic characteristics, and an absence of due process". - Standing, 2003

"Statistically, a South African is 12 times as likely to be murdered as the average American, and his chances of being killed are 50 times greater than if he lived in Western Europe. In countries not at war, only a Colombian has a greater chance of dying in a hail of gunfire." (SAPA-AP, AOL, 1 August 2006)

"The negative aspect of Cape Town is the crime. **I don't even feel safe in my own community - it's stressful living like this**, where you have to look over your shoulder all the time and be worried about your safety all the time. **I think that if unemployment is reduced, crime will be reduced.**" - Siyabonga, age 25, Sales Assistant from Delft



Address underlying socio-economic factors

The achievement of social equality in the city will only be achieved if the problem of crime is effectively addressed. This is due to the fact that apart from the devastating impact of crime on Cape Town residents and victims of crime, the city's image as a crime hotspot will also influence investment by business and the number of tourists visiting the city in the future.

In order to address this, all spheres of government, in partnership with the private sector and civil society, must work together to address the underlying socio-economic issues which impact on the crime issue in the city. This includes dealing with the city's problems relating to inequality, poverty, unemployment and youth development.

The initiatives of the spheres of government, business, law enforcement agencies and the criminal justice system must be aligned in order to reduce crime and improve security in all areas of the city. Lessons must be learned from the failures of the past and these lessons should inform future plans of action. It is therefore necessary to be transparent about the challenges and realistic about how these can be addressed.

More specifically, the following initiatives will contribute to addressing the issue of crime in the city:

- Implementing community and youth development programmes directed at reducing crime and lawlessness, including community anti-crime initiatives and Community Police Forums
- Focusing equally on crime prevention in affluent as well as less affluent areas in the city, including the Cape Flats

- Implementing the principles of crime reduction by environmental design in all development projects and the approval of building plans
- Expanding the CCTV network to cover key economic and transport locations as well as crime hot spots
- Addressing crime on all modes of transport
- Addressing the fear and perception of crime by being transparent about crime statistics and the locations of crime
- Implementing targeted prevention and enforcement based on the use of information



“Business will only invest in areas like Khayelitsha if the crime issue in these areas is addressed.”

- Albert C. Schuitmaker, Cape Regional Chamber of Commerce

4.8 Governance

The need for effective leadership in Cape Town is a key issue. The challenges facing Cape Town are interrelated and addressing these cuts across the responsibilities of all spheres of government and civil society. It is critical that innovative ways are found for dealing with these challenges in a more sustained and integrated way. This situation is the main reason why the most important aspect of governance emerging from South Africa in the recent years has been the issue of partnership - not only between the three spheres of government, but also between government and civil society, including the business sector and the community. There is thus a need for the creation of an integrated system of governance at metropolitan functional region level by all key stakeholders which is able to respond dynamically to a complex range of urban issues which exists at various levels in the city (City of Cape Town, 2005e).

From government to governance

The emergence of partnerships and the move from a top-down 'government' approach by the public sector to a 'governance' approach by all key stakeholders will become increasingly important.

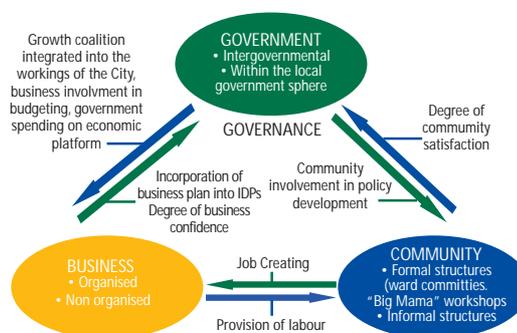
The increased importance placed on cities internationally as centres of economic, social and governance activity calls for new, innovative and more decentralised forms of governance. Hence better inter-municipal coordination, more intermediate metropolitan levels of governance, more civil society participation and more autonomy for various parts of large metropolitan cities. To achieve this, it is important to understand how the key sectors in cities relate to one another (United Nations, 2006). Figure 21 shows the interrelationship between the various stakeholders involved in governance. Currently, there is no dedicated legal or policy framework in South Africa that deals explicitly with cities as unique entities. Institutionally there is

also not a dedicated ministry in the national sphere or in any of the nine provinces that prioritise cities or the unique challenges they face and the opportunities they offer (South African Cities Network, 2006).

In order to achieve the strategic objectives of all spheres of government, mechanisms must be developed and supported to ensure closer intergovernmental alignment and shared and coordinated implementation of national, provincial and City of Cape Town strategies, programmes and projects in the city (City of Cape Town, 2005e). The need for this closer alignment is reflected by the fact that currently investment projects are unnecessarily held up by the weakness of local or provincial planning and zoning systems, the cumbersome nature of the environmental impact assessment (EIA) process and other governmental red tape (Provincial Government Western Cape, 2006). The City of Cape Town has acknowledged this need for closer intergovernmental cooperation and alignment by recently adopting its Intergovernmental Relations Policy (2006) and approving an intergovernmental focused '12-point plan'.

In addition to this, there is a need for more public participation in the city. Many of the current public consultation processes do not encourage effective public participation and the public often feel that they have no influence over decisions affecting them (City of Cape Town, 2006c).

Figure 21: Interrelationship of government, business and the community in governance



Source: South African Cities Network (2006)

Views on governance

Public opinion

From the City of Cape Town's public consultation processes (2003-2006), a range of issues relating to governance has been highlighted as concerns. Given the high incidence of poverty and unemployment in many areas, the vast majority of responses referred to people's inability to meet the costs of their rates bill and for their arrears to be scrapped. Other responses relating to the City of Cape Town included poor customer service, perceptions of bribery and corruption and concern that the city's finances were not spent efficiently. Comments also highlighted a need for better communication between the city and its residents - including complaints about councillors' performance and the need for information on their duties and responsibilities. A number of comments falling outside the local authority's responsibility included the need for schools and financial assistance to further education.

Contributors

"It's important that business plays a key role by contributing solutions in the city." - Andrew Boraine, Chief Executive Officer, Cape Town Partnership

"Partnership between government, business and communities is the key to effective governance in the city.

It is important that business plays a key role in the city by contributing solutions to the problems in the city. The City of Cape Town must therefore drive its developmental strategies in collaboration with business within a framework of a business forum. Business must also be engaged in the intergovernmental work between the Provincial Government and the City of Cape Town.

However, in order to do this, business needs to be well structured and organised and engage with the public sector on a city development strategy. One problem is that local business in Cape Town does not currently have a high profile in South Africa. There is sometimes a perception that Cape Town is more of a holiday destination rather than a place to do business. As involvement of national and international investors is needed, we must be able to show that there is a structured relationship between the city and business.

The Cape Town Partnership and the City of Cape Town are currently establishing a Business Areas Network, linking all commercial and industrial nodes into a learning network, through which ideas around urban growth and management can be shared. Another option could be the establishment of a city development agency to coordinate major development projects, which could be a tool for the City of Cape Town to use in the upgrading of various areas of the city, e.g. by driving key infrastructure projects." - Andrew Boraine

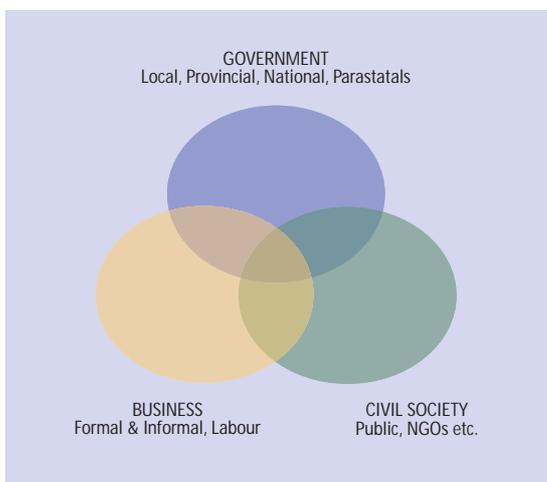
"The many restructuring processes in the City of Cape Town have triggered instability. **Every time a new political party comes into power, they change everything.** Top Council officials should also not be recruited politically". - Philip, age 45, Municipal official from Zeekoevlei

The solution: partnership

The challenges facing the city will only be adequately addressed if there is an effective system of governance in the city, based on the concept of 'city' leadership by all relevant stakeholders in the city, rather than leadership by the City of Cape Town only. The leadership of the city should thus extend beyond just leadership by the governance systems in local government, Provincial and National Government, to business and civil society as well. This would ensure a shared vision, shared strategies and shared resources to positively and meaningfully address the challenges.

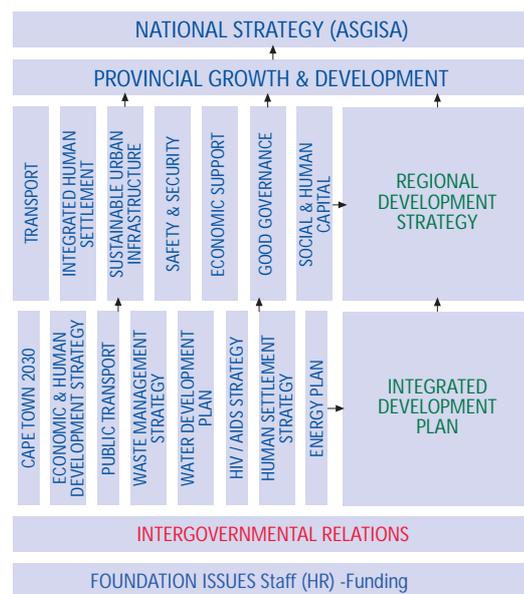
This approach will require formal structures for cooperation and alignment within and between government, business and civil society, to liaise with one another on a strategic level as an 'axis of partnership' (Figure 22), based on issue-based engagement rather than the current general and fragmented engagement between stakeholders. Current partnerships (e.g. the Cape Town Partnership and forums for intergovernmental relations) could be expanded while new partnerships could be formed in other areas.

Figure 22: Interrelationship between government, business and civil society



In government, public resources and administration must be refocused to maximise and leverage the impact of public investment and service delivery on the development potential of Cape Town and its region. Part of this is to minimise any constraints that government activity places on shared growth and development. Intergovernmental relations should ensure a joint approach to regional planning, efficient and reliable delivery and maintenance of municipal services and the improvement of the regulatory environment. Mechanisms for intergovernmental coordination and integration are necessary for the long-term success and management of joint planning, joint implementation and joint monitoring and evaluation.

Figure 23: Intergovernmental alignment of strategies



Source: City of Cape Town, 2006b

Currently, intergovernmental relations and the establishment of structures to facilitate it, and progressing within a framework which supports National imperatives. Figure 23 shows the alignment of local, provincial and national strategies, including the City of Cape Town strategies that feed into the IDP and the combined City of Cape Town and Provincial Government's strategies that feed into the Regional Development Strategy for the Cape Town functional region (City of Cape Town 2006b).

Priorities for future intergovernmental coordination must include:

- Improving programme and project delivery capacity and procurement processes to address low rates of capital spending
- Ensuring that citizens, residents and other customers experience government as a unified, seamless whole
- Sharing and aligning resources to ensure the planned roll-out and maintenance of integrated and accessible government services
- Coordinating financial issues, including the alignment of budgeting cycles, clarification of roles and responsibilities

(particularly with regard to 'shared' functions) and funding shortfalls, and addressing the impact on revenue sources.

More focus should also be placed in developing linkages between the public sector, the business sector and civil society. Although there are currently a range of formal and informal structures for partnerships both within business as well as in civil society, their capacity must be developed further to enable these key stakeholders to become more formally organised and mechanisms created to enable meaningful interaction with the government sector.







5

Implications for the City of Cape Town's Integrated Development Plan 2007/8



All the issues highlighted in this report have implications for the City of Cape Town's Integrated Development Plan (IDP). This information is necessary to ensure the IDP becomes an effective vehicle of change in addressing the challenges facing the Cape Town. The key failure of IDP's in the past was their failure to prioritise city objectives and to align these objectives with budgets.

This report should assist prioritisation in the next IDP (2006/7 - 2010/11) by highlighting the key issues affecting the city through trend analysis, stakeholder opinions and sharing knowledge. It also starts to access and share not only the views within the local authority, but also of other spheres of government and civil society whose views are important to contribute and give direction to the development priorities in the city.

Contributor

"The City of Cape Town's IDP tends to be too budget-driven, which makes it a document of short-term thinking only - a focus only on the annual municipal budget inevitably leads to a failure in long-term strategic planning. Another weakness is the lack of prioritising in the IDP as it does not allow the city leadership to make the relevant hard choices and trade-offs. Furthermore, the IDP's economic section remains its weakest part - the city has a relatively low economic growth rate compared to other South African cities and there is not sufficient focus on the economy to address this problem." - Andrew Borraine, Chief Executive Officer, Cape Town Partnership

The way forward

In addition to improved prioritisation and priority-budget alignment, the next IDP must also address the following issues:

- Establish a clear development vision for the City
- Include a clear strategy for people development
- Expand stakeholder consultation processes to inform the IDP
- Address and manage the policy conflict between long-term and short-term planning for the City
- Provide an overall development framework for the City
- Contribute to shared responsibility for coordination and implementation of IDP priorities by all departments and officials
- Facilitate better financial planning for the City, by improving current financial planning windows to a longer (10–15 year) period for planning
- Integrate and align the City's strategies and priorities with those of other spheres of government
- Increase the usefulness of the IDP for public infrastructure planning and maintenance

- Include stronger project and service delivery implementation plans
- Include clear performance indicators for local economic development implementation
- Highlight how a system of partnerships and joint initiatives within the City is and will be achieved
- Improve performance management and evaluation of the IDP and the City
- Link and manage long-term spatial planning objectives with short-term implementation plans.

In order for the IDP to be implemented, it is important for the City of Cape Town's leadership to facilitate and manage change, to strive for continuous improvement and for customer- and citizen-focused outcomes. It also requires councillors and senior officials to think and operate outside the box and to challenge the status quo. Also important is the ability of the City of Cape Town to bring organisations together, build and strengthen collaborative capacity in order to develop and implement a strategy to benefit the whole city community.







Conclusion

The challenges facing Cape Town are numerous and the socio-economic trends for the city strongly indicate the need for a change in strategy to address these challenges. The city is facing a crossroad - it can either continue with its current path of economic growth benefiting only a few, or it can change its path towards shared growth in which the entire population benefits from economic growth and human development. Although there are many positive trends in Cape Town, including a growing economy, healthy tourism sector and a stabilising crime rate, other factors like growing unemployment, increasing HIV/Aids prevalence rates, an ineffective public transport system and unsustainable urban sprawl must be addressed. However, it must be acknowledged that many of the challenges, such as HIV/Aids, crime and the housing backlog, will remain for a long time and there will be a very limited chance of totally eradicating them. It is thus important to be realistic about what can actually be achieved over certain time periods.

Many ideas expressed in this report are not new. The failure has been in the implementation of the ideas, in the types of discussion and coordination of the work undertaken by the key stakeholders in the city as well as the failure to learn lessons from the past.

A key challenge is thus how one starts and continues a robust

transformative public conversation about the city and the possible future strategies for the way forward. This report attempts to provide a basis for such discussions.

The challenges in the city must be addressed in a more integrated way by expanding the broader leadership of the city to include a greater role for civil society and the private sector. The City of Cape Town cannot resolve the challenges on its own and there is a need for the expertise and participation by business, other spheres of government and civil society. Inter-governmental and public-private relations are therefore important in addressing these challenges as cities are intergovernmental entities and many difficult issues can only be resolved beyond any one sphere of government. The basis for the way forward in addressing the city's challenges lies in integrated leadership of the city driven through partnerships between the City of Cape Town, other spheres of government, parastatals, civil society and business.

Greater coordination and alignment between these stakeholders can be achieved through joint planning, implementation and monitoring of the strategies for the way forward. Also important is the need for a narrower, more clearly defined focus on addressing the various issues; and the need for a strategic, longer term approach whilst still dealing with shorter term day-to-day management issues.

A change in the path of the Cape Town and all who live here for the better can only be achieved if all are realistic about what can be achieved; if lessons are learned from the past by implementing what has worked well and change what has not worked and by taking into account the views of a wide range of stakeholders in the city through partnership and increased democratisation.

"In time of drastic change it is the learners who inherit the future. The learned usually find themselves equipped to live in a world that no longer exists." - Eric Hoffer, American social commentator



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Glossary

Accelerated Shared Growth: ASGISA emphasises that growth of the 'first economy' will generate the resources that will then trickle down into the 'second economy', with the aim to restructure the economy as a whole. ASGISA's 'shared' component is focused largely on assisting those in the 'second economy' with the capital, human resources and other assets that will enable them to participate effectively in the first economy.

Particulate matter (air quality) exceedances: Exceedances occur when daily air quality levels go over the limits set in recommended guidelines, measured on an annual basis.

Biodiversity: The rich variety of plants and animals that live in their own environment. Fynbos is a good example of biodiversity in the Cape.

Cape Flats: The vast majority of the 'non-white' population live in a sprawling suburban region established through 'forced removals' during apartheid. Due to its geography, this area is known as the Cape Flats.

Cape Town Partnership (CTP): CTP was established in 1999 by the City of Cape Town, the South African Property Owners Association (SAPOA), the Cape Regional Chamber of Commerce and Industry and other stakeholders to develop the Cape Town Central Business District.

CCTV: Closed-circuit television is a video magnification system consisting of a video screen interfaced with a video camera. It is used in crime prevention in Cape Town.

Central Business District: Central Business District (CBD) is a term referring to a commercial heart of a city, typified by a concentration of retail and commercial buildings and a higher-than-usual urban density with the tallest buildings.

Civil society: Refers to the totality of voluntary civic and social organisations and institutions that form the basis of a functioning society as opposed to the structures of a state.

Community Police Forums: A Community Police Forum is a kind of forum that consists of a number of organisations and institutions, with the aim to establish and maintain a safe and secure environment for citizens in a particular area. These can consist of schools, mosques, churches, youth groups, ratepayers' associations, civic organisations and businesses.

Densification: Planning policies in many cities advocate for a compact city or some sort of compaction process, as a strategy to achieve more sustainable urban development. It contrasts with the car-oriented urban sprawl of many modern cities, which creates longer distances between urban functions, poor access to facilities and services, less efficient infrastructure provision, loss of open land, social segregation, etc. Densification policies in contrast should contribute to regeneration and densification of the urban area, thus contributing to more sustainable development in its broadest sense – social, economic and environmental.

Democratisation: Democratisation is the transition from authoritarian or semi-authoritarian systems to democratic political systems, in which there is universal voting, regular elections, a civil society, the rule of law, and an independent judiciary.

Environmental impact assessment (EIA): Refers to an assessment of the likely human environmental health impact risk to ecological health and changes to nature's services that a project may have.

Globalisation: An umbrella term for a complex series of economic, social, technological, and political changes seen as

increasing interdependence and interaction between people and companies in disparate locations.

Governance: While the public sector primarily is a facilitator, governance implies scope for authority and decision-making that is shared with civil society (incorporating business, community groups, informal sectors, non-governmental organisations etc.).

Gross Domestic Product (GDP): The GDP of a country is defined as the market value of all final goods and services produced within a country in a given period of time.

Gross Geographic Product (GGP): The total value of goods and services by sector in an area per annum.

HIV/Aids: A collection of symptoms and infections in humans resulting from the specific damage to the immune system caused by infection with the human immuno-deficiency virus (HIV). The late stage of the condition leaves individuals prone to opportunistic infections and tumors.

Housing backlog: Refers to the number of people without access to proper housing.

Informal housing: A structure which does not meet basic standards of safety in a residential building.

Integrated Development Plan (IDP): A 5-year plan for development of municipalities in South Africa which considers and combines all important elements and factors, e.g. land use planning, economic development, public investment and the monitoring of performance linked to budgets. It aims to prioritise actions in line with available resources.

Integrated human settlements: A holistic, sustainable human settlement approach for community building and dignified living including a fair and inclusive process for allocating housing opportunities from a single housing database, creating integrated communities rather than those separated by physical boundaries and mindsets, shifting focus to providing hous-

ing closer to opportunities and a greater range of housing choice for the range of lower-income families with different needs and financial means. It also includes all the other infrastructure and facilities such as roads, transport, electricity, water, refuse removal, community facilities, schools, shops and recreation areas.

Maximum parking standards: The maximum number of car parking spaces which new developments in an area should contain. The main purpose of maximum parking standards is to encourage greener alternatives to car travel where possible: by constraining car parking for new developments, maximum parking standards encourages developers to think about how people access their development in a more sustainable manner.

Metropolitan Spatial Development Framework (MSDF): The MSDF commenced preparation in the early 1990s and has been accepted as metropolitan spatial policy since 1996. An interventionist approach was generally adopted by the MSDF in response to the major challenge of spatial inequality and poverty in the City.

Minimum parking standards: The minimum number of parking bays that must be provided in a development – usually measured by the square meterage of office space or number of units in residential developments.

N2 Gateway housing project: A highly ambitious mixed-use urban development initiative funded by the central government, involving the creation of over 22 000 new housing units next to the N2 highway between the Cape Town CBD and the Cape Town International Airport.

National Accelerated and Shared Growth Initiative for South Africa (ASGISA): ASGISA is a national framework to support a range of key policy thrusts, including macro-economic policy refinement, strategic infrastructure provision, sector investment strategy, labour market skills, small business and governance



Non-governmental organisation (NGO): A non-profit-group or association which acts outside of institutionalised political structures and pursues matters of interest to its members by lobbying, persuasion, or direct action. The term is generally restricted to social, cultural, legal, and environmental advocacy groups having goals that are primarily non-commercial.

Partnership: Refers to participation in a relationship that usually involves close cooperation between parties having specified and joint rights and responsibilities.

Population growth: Change in population over time, quantified as the change in the number of individuals in a population per unit time.

Public – Private Partnership: A system in which a government service or private business venture is funded and operated through a partnership of government and one or more private sector companies.

South African Cities Network: An established network of South African cities and partners which encourages the exchange of information, experience and best practices on urban development and city management.

Spheres of government: The three spheres of government are the national, provincial and local spheres.

Sustainable development: Meeting the needs of the present without compromising the ability of future generations to meet their needs.

Sustainable transport: A transport system which improves access and mobility in an equitable and sustainable manner.

Millennium Development Goals: A set of goals from the United Nations aimed at improving basic human development indicators in all United Nations member countries, with the end goal of achieving a better quality of life for all. All 189 UN member states pledged in 2000 to achieve these goals by 2015.

Urban sprawl: The gradual and uncontrolled spread of urban areas into the surrounding natural areas.

Urbanisation: A natural expansion of an existing population, namely the proportion of total population or area in urban localities or areas (cities and towns), or the increase of this proportion over time.

Western Cape Growth and Development Strategy (PGDS): PGDS is a strategy for the Western Cape Province to achieve shared growth and integrated development. It is the core alignment mechanism for the Province and a coordination and implementation strategy driven by the Provincial Government Western Cape.

