

THE KALK BAY and ST JAMES SPECIAL RATING AREA BUSINESS PLAN

1 July 2024 – 30 June 2029



KALK BAY ST. JAMES
Special Rating Area NPC



This business plan is available at www.kalkbaystjamesra.org

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PART A: MOTIVATION REPORT

Introduction

The area of the Kalk Bay and St. James Special Rating Area (KBSJSRA) extends from Carisbrooke Steps on the St. James/Muizenberg border to Quarry Road in Kalk Bay. This small, unusual and beautiful area, which is primarily residential, is located on the narrow strip of land between False Bay and the Kalk Bay mountains that form part of the Table Mountain National Park.

The area has a small population of approximately 2,500 compared to approximately 10,000 in Fish Hoek and 6,000 in Muizenberg. Our community is diverse in terms of its racial, ethnic and religious backgrounds. Wealthier and poorer residents have shared this beautiful living environment in harmony for generations. This diversity contributes greatly to the special character of our village. The overwhelming view of the community is that the quality of life we share must be preserved.

This overview of our community forms an important context for the framing and understanding of this Business Plan proposal.

The KBSJSRA was formally established in 2014 providing supplementary public safety, urban maintenance, and urban cleaning services in close cooperation with the various City Departments as well as South African Police Services (SAPS). The formation of the KBSJSRA enabled the establishment of a statutory body to manage and implement the supplementary services in addition to those provided by the City of Cape Town. The property owners from the area pay an additional rate to fund supplementary services for the specified area as set out in the business.

This Business Plan is in support of the second extension of the initial Business Plan as the KBSJSRA aims to extend its work into a third five-year term.

Company: Kalk Bay and St James SRA NPC (KBSJSRA)

Registered Office: Kalk Bay Community Centre, Main Road, Kalk Bay, 7975

KBSJSRA Board: Eric Stephen
Bert Stafford
Tony Trimmel
Jackie De Waal
Florian Blochligher
Andrew Jones

Auditor: AMF & Associates

Accountant: Ros Eachus

Company Secretarial Duties: Eric Stephen

Contact Details: CID Manager 079 609 1172
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Boundaries of the CID:

The boundaries of the CID are shown as per Plan:

Eastern Boundary:

From the high water mark in a northerly direction along Carisbrooke Steps to Boyes Drive;

Northern boundary:

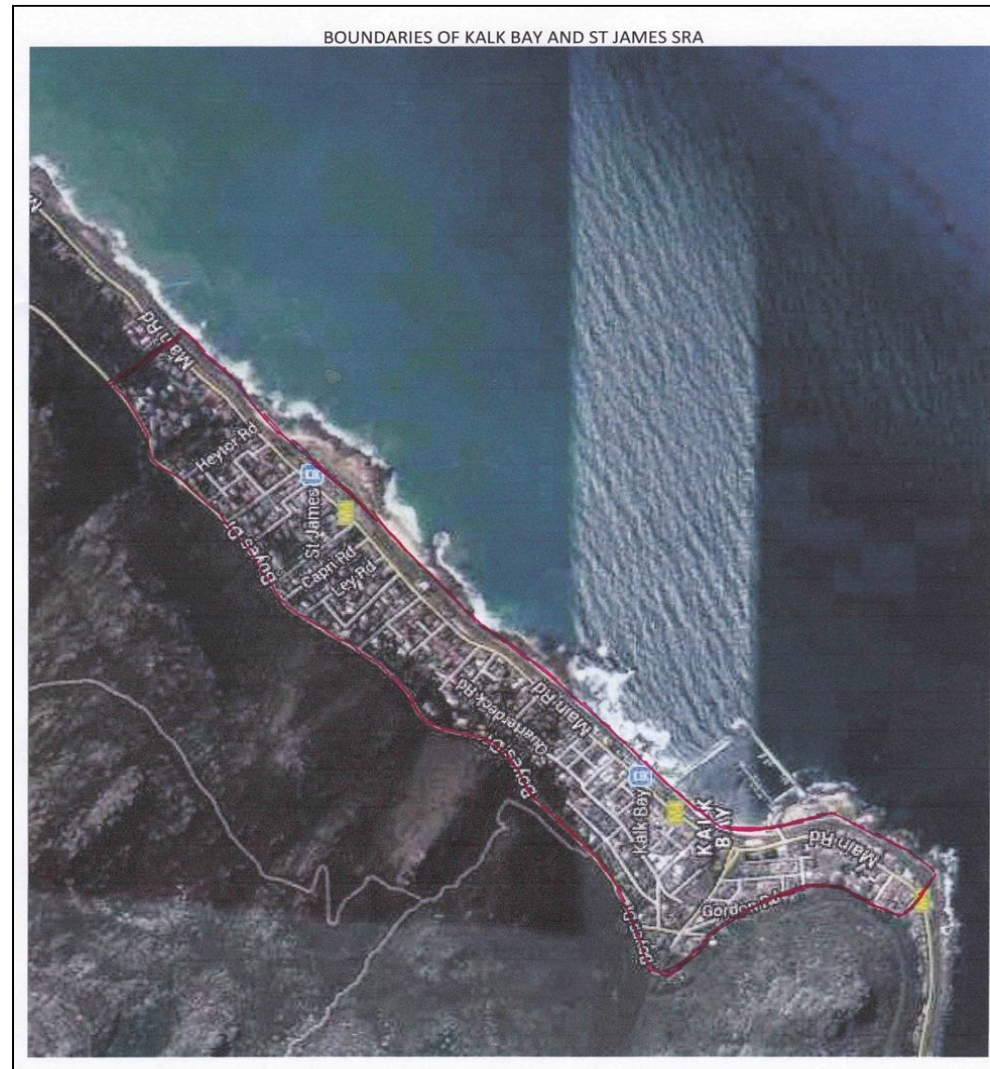
In a westerly direction from Carisbrooke Steps following the southern boundary of Boyes Drive up to Godfrey Road, including properties on both sides of Godfrey Road, Loch Road, Milkwood Close, Gordon Road, Hare Road, Barton Road, Ladan Road, Behr Road and Quarry Road;

Western Boundary:

Properties on both sides of Main Road from Quarry Road in a westerly direction up and including Erf 90123;

Southern Boundary:

From a point on the high water mark directly opposite the boundary between Erf 90123 and Erf 90124 along the high water mark in an easterly direction to the point directly south of Carisbrooke Steps.



KBSJSRA Vision

To maintain a safe, clean and pleasant area that is a highly sought-after place to live, visit and do business in because of its social harmony and its integration and harmony with its natural surroundings and modest built environment.

KBSJSRA Mission

The mission of the CID is to ensure an environment that is safe and well maintained for the benefit of all its residents, businesses and visitors.

KBSJSRA Goals

The five specific goals of the CID are set out as follows: improving public safety, maintenance and cleansing, environmental development and promotion of social and economic development.

Brief overview of the strategic objectives of the CID as they pertain to -

- This goal is to provide a safe and secure area by deploying contracted public safety patrollers that provide a comprehensive public safety service as outlined below. Options will also be considered whereby community safety could be enhanced by alternative or additional means, including by community participation.
- This current mandate of this portfolio is to concentrate on areas not normally maintained by the City Council (e.g. all residential streets other than the Main Road, Boyes Drive and Clairvaux Roads). The CID has contracted a cleaning company who has three full time cleaners for this purpose. It is proposed to continue with this mandate for the duration of this Business Plan period.
- Although maintenance of public spaces, including parks, is a responsibility of the City, many private initiatives by local residents greatly assist in the maintenance of our public spaces and gardens.

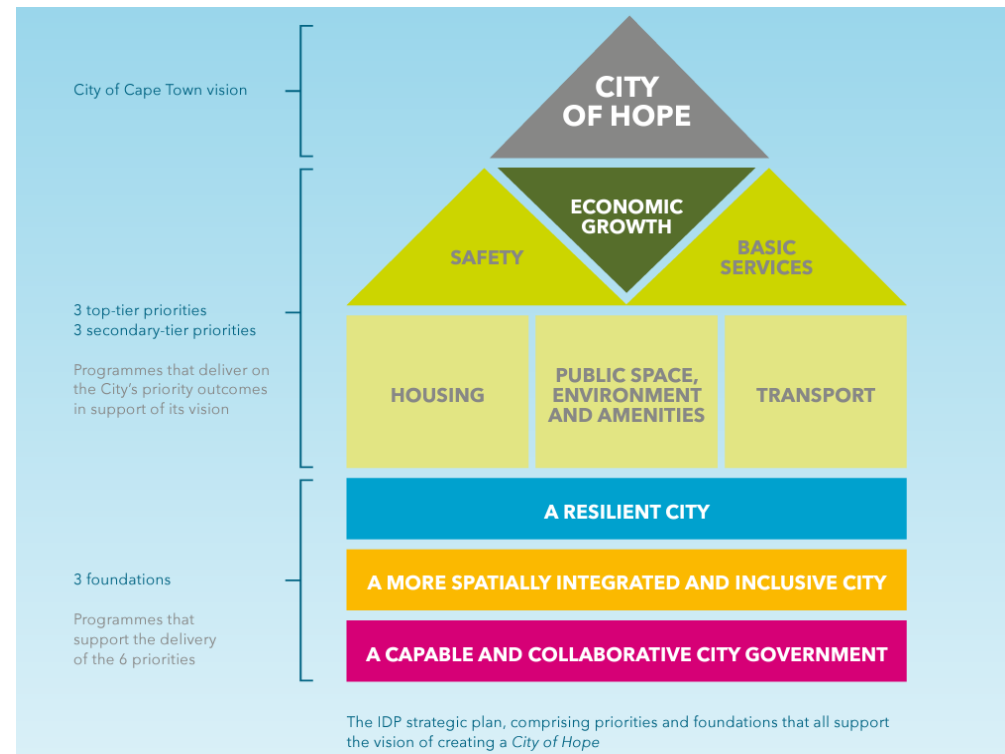
- Our community has always been an inclusive, live and let live community. This portfolio has therefore always been of fundamental importance to the CID's approach of addressing all issues in our village, including social issues, in a holistic way.

Consistency with Integrated Development Plan (IDP)

Introduction

The IDP of the City rests on 3 foundations, 3 second-tier priorities and 3 top-tier priorities. Together this supports the vision for the City of Cape Town's City of Hope. The IDP is based on the City's 16 objectives linked to its priorities and foundations. The KBSJSRA's supplementary services are consistent with the City's IDP objectives with specific reference to the following programmes:

- **Safety.** The Public Safety plan supports effective Law Enforcement to make communities safer and this is supported using technology such as CCTV. The Public Safety plan also strengthens safety partnerships, thereby aiming for a holistic crime prevention programme as noted in Objective 5 and 6 of the IDP.
- **Economic Growth.** The KBSJSRA is working towards the continuous development and improvement of the urban environment through public safety, cleaning, urban management, and social initiatives, all aimed at safeguarding and growing the existing businesses and economic opportunities thereby maintaining and



creating employment opportunities. A well-maintained and managed area stimulates investment and KBSJSRA therefore directly supports further economic growth.

- **Cleaning and the environment.** The KBSJSRA urban cleaning, maintenance, and recycling plan supports the objectives of a healthy and sustainable environment. This is specifically aimed at the public space and amenities of the City, creating safe, quality public spaces whilst supporting environmental sustainability. The waste minimisation and cleaning activities provided as a supplementary service further enhances the basic services provided by the City.
- **Urban Maintenance.** The KBSJSRA urban maintenance work also supports Objective 13 in the IDP through the maintenance of road and associated infrastructure thereby creating a better environment for pedestrians, cyclists, and vehicles alike.
- **Social Development.** The KBSJSRA supports the City's Social Upliftment Strategies to find lasting solutions for Social Development, which includes supporting individuals to move from the street into places of safety, support NGOs that provide social services and where possible create employment opportunities.

Each of these priorities and objectives are considered within each of the main service areas of the KBSJSRA business plan and highlighted in each section.

Proposed Services and/or Projects

Improving Public Safety

The goal is to provide a safe and secure area by deploying contracted public safety patrollers that provide a comprehensive public safety service as outlined below. Options will also be considered whereby community safety could be enhanced by alternative or additional means, including by community participation.

Foot patrols

The CID's public safety strategy has from the outset been based on foot patrols, supplemented and enhanced in various ways, including by a limited number of strategically placed security cameras and close working relationships with the CID's Social Development team, SAPS, Law Enforcement, and South African National Parks (SANParks) and other interested groups.

The CID's public safety contractor will patrol the streets and public spaces in the CID on 24 hour basis on every day of the year in order to enhance the protection of our residents and visitors in these public spaces. To this end the following terms of the current contract will be included in any renewed or new public safety contract:

- Two trained and uniformed public safety patrollers to patrol the entire CID during a 12 hour shift by day and a vehicle with an officer and 1 patroller patrol during a 12 hour shift by night.
- These patrols will be maintained on every day of the year. The dayshift patrollers will continue with the current requirement to record their presence at all 72 electronic stations throughout the CID at least twice in every 12 hour period.

The public safety contractor's foot patrollers will continue to be also deployed:

- To various “hot spots” on an ad hoc basis from time to time
- To local schools to ensure the safety of pupils at arrival and departure times
- To patrol the St James/Muizenberg walk way and coastal areas during early daylight hours in summer

The public safety contractor responds to any reported incident within the CID by reacting according to the standard procedures according to the nature of the call and maintains a close relationship with Mountain Men, who provide back-up when necessary.

The success of this strategy is clearly demonstrated by the following:

- The average number of visits to our 72 electronic recording points situated throughout the CID has been never less than 3 times and on average about 4 times per 12 hours, which is considerably more frequent than the contracted frequency of 2 times per 12 hours.
- Incidents of crime, despite periodic set-backs, have considerably decreased from the rate of crime experienced before regular patrols began in November 2015.
- Public safety patrollers respond to at least 3600 incidents each year. These range from assisting with arrests and apprehension of suspects to alerting residents and visitors to open gates and unlocked motor vehicles.

It is therefore proposed that the CID will continue to base its Public Safety strategy on the basis outlined above.

Regarding the other elements of the strategy:

CCTV Cameras:

The CID has installed 41 cameras and commenced to operate a CCTV security camera system in our area which is monitored by Omnivision between 22h00 and 05h00 daily.

The CID's public safety contractor responds to calls from Omnivision, via a WhatsApp group established for this purpose.

It is proposed that this system be expanded and enhanced as far as possible, depending on available budget.

This enhancement will include the provision of several additional cameras in hotspots, the addition of linking and utilising video from suitable private cameras overlooking hotspots, the funding of using Omnivision as observers for all cameras in the system, the provision of solar driven lights in certain areas to improve the night viewing operations by Omnivision. The scope of these additional improvements will be dependent on available funds.

Liaison and co-operation with other organisations

The CID will continue to maintain a close working relationship with SAPS Muizenberg, City Law Enforcement, Baywatch neighbourhood watch, the Kalk Bay Business Association and SAN Parks. Representatives of all these bodies regularly attend the CID weekly security meetings and will continue to do so.

The CID will also continue to promote and assist the following initiatives or organisations:

- Use by local residents and businesses of the CID sponsored WhatsApp group as another community tool in monitoring and assisting in addressing public safety. Members of the WhatsApp group have access to the Public Safety contractor's supervisor via mobile phone, as well as the Public Safety contractor's call centre who responds to any call for assistance.
- Support Baywatch neighbourhood watch in various ways, including by small donations from time to time to meet vouched ad hoc expenses again dependent on available funding.
- Appointment by the City of Cape Town of one or more local residents as volunteer Auxiliary Law Enforcement Officers. Such officers will be trained by the City and will have full powers of arrest.

Monitoring performance by the contracted public safety services provider and co-ordination of law enforcement activities

The Manager will:

- monitor performance,
- regulate efficient services by the public safety contractor in the CID,
- may periodically inspect public safety patrollers
- will ensure that the contracted public safety provider periodically trains the patrollers in its employ in Municipal By-Laws and local knowledge of the CID area
- will co-ordinate liaison between the CID and the contracted public safety contractor, SAPS, and SANParks Board security officials.

The Improvements and/or upgrades will be carried out throughout the entire boundary of the CID.

Total estimated costs of these services and/or projects over the term of the CID

2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total for proposed Period
R1 320 000.00	R1 412 400.00	R1 511 250.00	R1 617 000.00	R1 731 000.00	R7 591 650.00

The public safety services as planned is in support of the IDP, directly supporting the top-tier priorities of Safety, Economic Development and Basic Services.

Maintenance and Cleansing

This current mandate of this portfolio is to concentrate on areas not normally maintained by the City Council (e.g. all residential streets other than the Main Road, Boyes Drive and Clairvaux Roads). The CID has contracted a cleaning company who has three full time cleaners for this purpose. It is proposed to continue with this mandate for the duration of this Business Plan.

- The weekly roster is maintained to ensure that every street is cleaned approximately every two weeks, and litter picked up after weekly refuse collections. It is proposed to maintain this frequency.
- The Manager will monitor performance of the cleansing staff.
- The Manager will also identify health and safety issues within the CID and submit periodic reports to the Board and to the City.

The Improvements and/or upgrades will be carried out throughout the entire boundary of the CID except Main Road, Boyes Drive and Clairvaux Road as those are maintained by the City Council. The recycling plan includes arrangements with the City to collect the recycling every second week at no cost.

The total estimated costs of these services and/or projects over the term of the CID.

2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total for proposed Period
R348 000.00	R372 300.00	R398 399.00	R426 000.00	R456 000.00	R2 000 699.00

The maintenance and cleaning services as planned are also in support of the delivery of basic services and processes of ensuring that waste materials do not enter drainage systems. This is in line with the Objective 4 of the IDP (Well managed and modernised infrastructure to support economic growth) specifically objective 4.7 promoting cleanliness. KBSJSRA will work closely with the City regarding solid waste objective 4.5 (excellence in waste service delivery programme).

Environmental Development

Although public spaces, including parks, is a responsibility of the City, many private initiatives by local residents greatly assist in the maintenance of our public spaces and gardens. For example:

- An association called Friends of Lever Street Park raises funds and employ a worker for the maintenance of Lever Street Park
- A local Kalk Bay resident contributes her time and landscaping skills to the maintenance of the Dalebrook garden and the CID pays for the labour engaged to assist her
- A local Kalk Bay resident contributes her time and landscaping skills to the maintenance of the Harbour garden and the CID pays for the labour engaged to assist her
- Another local resident actively maintains trees planted along the Main Road in Kalk Bay
- Local residents also co-operate for the periodic maintenance of Danger Beach Park

In order to contain costs and the budget, this portfolio is allocated a relatively small portion of the budget but sufficient for the CID to provide modest financial and other support to these many initiatives as it has in the past. The CID will also continue to meet the cost of labour for maintenance of the Dalebrook Pool and Harbour gardens which is overseen by a local resident free of charge.

In addition, the CID Manager will identify problem areas in respect of:

- public parks and gardens and other public spaces, including cutting of grass and removal of weeds;
- street lighting;
- maintenance of roads and sidewalks, including drains and drain covers; and
- road markings and traffic signs

The CID Manager will compile a list of prioritized items requiring attention and will liaise with City to correct. The Manager will also log service request notifications to the city for its action as and when required. The Manager will provide periodic reports to the board of the CID Company.

The Improvements and/or upgrades will be carried out through out the entire boundary of the CID

The total estimated costs of these services and/or projects over the term of the CID.

2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total for proposed Period
R106 000.00	R114 000.00	R122 000.00	R130 000.00	R139 000.00	R611 000.00

The environmental services as planned are also in support of the delivery of basic services and processes of ensuring that the environment is healthy. This is in line with the Objective 9 of the IDP (Healthy and sustainable environment) specifically objective 9.1 Environmental and Biodiversity management Programme and 9.2 City Health Programme.

Social and Economic Development

Our community has always been an inclusive, live and let live community. This portfolio has therefore always been of fundamental importance to the CID’s approach of addressing all issues in our village, including social issues, in a holistic way.

The CID currently contracts a Social Development Co-ordinator (SDC) on a part time basis for 12 hours per week.

The SDC works hand in hand with the CID Manager and Public Safety contractor and attends weekly meetings with them.

The importance of this portfolio and the successes achieved by the SDC thus far have been well documented in the CID’s communications to the CID’s residents.

The Improvements and/or upgrades will be carried out through out the entire boundary of the CID.

The total estimated costs of these services and/or projects over the term of the CID.

2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total for proposed Period
R126 000.00	R134 800.00	R144 000.00	R154 200.00	R165 100.00	R724 100.00

The social upliftment programmes as planned is in support of the social development objectives of the IDP. The KBSJSRA supports the City's Social Upliftment Strategies to find lasting solutions for social development, which includes supporting individuals to move from the street into places of safety, support NGOs that provide social services and where possible create employment opportunities. This is in support of Objective 15 (Building a more spatially Integrated and Inclusive City).

Financial Impact of the CID

The proposed Five Year Budget for the CID, commencing on 1 July 2024 is based on the principles and plans outlined in this proposal, which, if approved, is considered adequate to fund the activities of the CID for the next five years.

In line with the views of its members, the budget of the CID has since inception been very limited. This is illustrated by the fact that, according to the City's 2023/2024 budget, our 2023/2024 budget is one of the lowest of approved CIDs and one of the lowest contribution rate for residents, expressed as cents in the Rand. The challenge has therefore always been to service our large geographical area satisfactorily with a relatively very modest budget.

In managing these realities, it has always been the policy of the board to "do more with less" by containing overhead and administrative costs as far as possible in order to allocate as much budgetary resources as it can to the core businesses.

The success of this policy is evidenced by the fact that the CID has built up cash reserves of R702,715 as at the end of June 2023. In terms of its agreement with the City, the CID is obliged to maintain a permanent reserve of two months' income from the City (approximately R466,000) in order to provide for contingencies, leaving an available surplus of approximately R236,715 to be spent on projects recommended by the board and approved by members.

It is clear that some budget items require significant adjustment in order to reflect current market reality, principally in respect of areas necessary for the CID to deliver services of a quality that will provide a meaningful contribution to maintaining the quality of life for all in our CID. For example, it is proposed to provide a significant increase to the Public Safety budget to ensure that the CID will be able to afford any anticipated increases in wages paid by our Public Safety contractor in line with nationally negotiated rates. With the implementation of more camera's in our area, the CCTV monitoring costs have increased together with monthly maintenance contracts for the CCTV camera network.

A budget of R3,021,031 for the year 1 July 2024 to 30 June 2025 is therefore proposed as set out in the Budget that is attached to this proposal. This is an increase of 20.7% on the budget of R2,503,620 for the financial year ending on 30 June 2024.

The CID is funded by property owners in the CID area through an additional property rate levied on the municipal valuation of all eligible properties within the boundaries of the CID. Additional property rates are vatable at the current gazetted rate and are calculated by the City during the City's annual budget process.

The CID Policy allows for a differentiation in tariffs for the different types of properties and as such a residential and non- residential additional property rate is applicable in the KBSJSRA.

The budget for each year of the Business Plan is as follows:

YEAR	TOTAL EXPENDITURE	REVENUE (Funding Source: Additional Rates)	REVENUE (Other Funding Source e.g. Accumulated Surplus / Donations / Sponsorship / Parking etc.)	% INCREASE IN ADDITIONAL RATES REQUIREMENT
1	R3,021,031	R3,021,031	R0	20.7%
2	R3,217,400	R3,217,400	R0	6.5%
3	R3,426,453	R3,426,453	R0	6.5%
4	R3,632,040	R3,632,040	R0	6.0%
5	R3,849,963	R3,849,963	R0	6.0%

Individual contributions for residential and non-residential properties can be calculated as follows:

1. Municipal valuation x R 0.XXXXXXX = Annual contribution (VAT excl.) – Note: R 0.XXXXXXX represents the approved KBSJSRA additional property rate.
2. Annual contribution (VAT excl.) ÷ 12 = Average monthly contribution (VAT excl.)
3. Average monthly contribution (VAT excl.) x 1.15 = Average monthly contribution (VAT incl.)

e.g. Residential - $R1,000,000 \times R 0.000584 = R584.00 \div 12 = R48.67 \times 1.15 = R55.97$
Non-Residential - $R1,000,000 \times R0.001644 = R1,644.00 \div 12 = R137.00 \times 1.15 = R157.55$

The board therefore is of the view that the proposed budget increase is affordable and is the minimum it requires to be able to continue to provide CID services at an acceptable level. It should also be noted that even after this proposed increase our budget will remain significantly lower than that of the Muizenberg Improvement District and will continue to have one of the lowest budgets and contribution rates of all 50 CIDs.

It is also proposed to apply an annual increase of about 6.5% in line with the expected inflation rate. The proposed CID additional rate will be expressed as Rand in the Rand of the total rates valuation of properties in the CID as at the end of February of each financial year and in the CID budget for the following year as approved by the City and the CID Company at its AGM.

The CID additional rate will be applied to the municipal valuations of all ratable properties within the CID area. This means that the owners of properties of lower valuation will pay proportionally less than owners of more highly valued properties.

The City will be responsible for billing of the CID additional rates and will pay 1/12th of the Budget to the CID Company monthly. The Council will retain an amount equal to 3% of these payments in a rolling bad debt reserve fund as provision to cover any bad debts. Any additional rate surplus or deficit collected by the Council will be offset against this rolling bad debt reserve. Seventy-five percent (75%) of the amount by which the rolling bad debt reserve exceeds accumulated arrears at the end of the financial year will be paid by the Council to the CID Company by 30 September of the following financial year, and must be treated by the CID Company as additional income.

Should property owners receive partial or full relief in respect of rates they would enjoy full exemption from payment of any CID additional property rates. It is however incumbent on the property owner to seek such relief from the City under the City's Rates Policy.

Proposed Management Structure

The Board

This goal is to ensure that the CID is managed effectively and that the Business Plan is carried out. This is achieved primarily through the effective functioning of the Board of the CID Company.

The Board will ensure that the CID Company complies with all its statutory obligations.

The Board will appoint a Manager under a service contract and will monitor and appraise performance by the Manager.

Members or sub-committees of the board will also assist in the management of the company as required.

The Manager

The Manager will:

- Be responsible for efficient day-to-day management and operation of the CID.
- Build good working relationships with members of the CID and the Board, City officials, and other authorities, including SAPS.
- Prepare the required accounts and financial statements and will provide input for developments plans and budgets.
- Monitor and appraise performance by the contracted public safety team, cleaning staff and social worker.

- Co-ordinate with the City to deal with issues relating to the rendering of services or resolution of disputes.
- Liaise with SAPS and other service providers, such as the National Parks Board, to ensure efficient delivery of services.
- Devise and implement projects, communication, marketing and promotion plans approved by the Board of the CID Company.
- Attend CID and other forum meetings as necessary to ensure proficient and professional management of the area.
- Report at least quarterly to the Board on management of the CID.

Communication

The Manager will:

- send out regular newsletters and press releases; and
- maintain the CID's website in good informative order.

Permissible Amendments to the Business Plan without Further Consent

If, at any time, it were decided that the geographical boundaries of KBSJSRA needed to change, then such change would need to go through a formal process as required in terms of section 26 of the CID By-law.

If additional services are required, stemming from collaboration with City departments, which are not specified in the motivation report but deemed supplementary municipal services, the business plan can be amended without further consent by submitting a request to the City in terms of section 25 of the CID By-law as long as it is not material.

List of all Rateable Properties within the CID

A list of all the rateable properties within the KBSJSRA is attached as Annexure A.