

ANNUAL REPORT

Somerset West City Improvement District NPC
Annual Report and Financial Statements
for the year ended 30 June 2024



Our online report is available at www.swcid.co.za

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PART A: GENERAL INFORMATION

1. GENERAL INFORMATION

Company:	Somerset West City Improvement District NPC (SWCID) Non-Profit Company	
Company Registration No:	2015/250540/08	
Registered Office:	135 Main Road, Somerset West SP, Western Cape, 7130	
VAT No:	4180270680	
SWCID Directors:		
Michelle Stander	- Nadprop	
Gerhard Nel	- Rola Group	
Yolanda Van Der Spuy	- VDS Accountants	
Bertus De Waal	- Blouvin (PTY) Ltd / Ginkgotown (PTY) Ltd / Monch (PTY) Ltd	
Dawid Jacobus Malan	- Garrick (PTY) Ltd	
Principle Board Observer	- Norman McFarlane	- Norman.McFarlane@capetown.gov.za
Alternative Board Observer	- Chantal Cerfontein	- Chantal.Cerfontein@capetown.gov.za
Ward	- 84	
Sub-Council	- 8	
Sub-Council Manager	- Erika Williams	- Erika.Williams@capetown.gov.za
Auditors	- C2M Chartered Accountants	
Accountant	- Nicolene Cooke's Accounting Services	
Company Secretarial Duties	- C2M Chartered Accountants	
SWCID Management	- Geocentric Urban Management - 2, 12 th Street Elsies River, 7490 - info@geocentric.co.za - www.geocentric.co.za - 021 565 0901	
SWCID Manager		
Andrew Malgas	- 074 314 8302	- andrew@geocentric.co.za
Public Safety Service Provider	- Secure Rite Security	- 086 010 3099

2. LIST OF ABBREVIATIONS/ACRONYMS

SWCID	Somerset West City Improvement District
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CCT	City of Cape Town
KPI	Key Performance Indicators
SCM	Supply Chain Management

3. FOREWORD BY THE CHAIRPERSON

Dear Stakeholders,

I am pleased to present the Chairperson's Report for the Somerset West City Improvement District (SWCID) for the financial year ending 30 June 2024. It is with great pride that I reflect on the progress we have made, as well as the challenges we have encountered, as we continue to serve our community and enhance the Somerset West central business district.

The Somerset West City Improvement District remains committed to delivering supplementary municipal services beyond those provided by the City of Cape Town, including public safety, urban cleaning, urban maintenance, greening, and social upliftment. Our mission has remained constant, even as our operating environment shifts in response to the economic, social, and safety challenges facing our city.

Addressing Operational Challenges

The impact of two consecutive wet winters with above average rainfall has been severe on our road and storm water infrastructure. The City of Cape Town faces significant demands for road repairs, resealing, and resurfacing, and the Somerset West business area is no exception. The management of the SWCID remains in constant communication with the relevant City departments to ensure that the repair and maintenance of our roads and stormwater infrastructure are prioritised.

Key Achievements

Despite these challenges, the SWCID has made notable progress in various areas over the past year:

1. **The Village Collective.** Most significantly, the SWCID, as one of the founding members supported the launch of the Village Collective initiative aimed at reigniting the vision, image and interest in the Somerset West central business district through directed marketing and promotion of the businesses and opportunities it has to offer.
2. **Memorandums of Agreement:** We successfully signed long-awaited Memorandums of Agreement with the Road Infrastructure Management and Parks and Recreation Departments. These agreements will formalize and strengthen our urban maintenance and greening initiatives, allowing us to enhance public spaces and improve the quality of the environment in the Somerset West business area.
3. **Public Safety and Security:** Our ongoing partnership with law enforcement agencies and private security providers continues to make a positive impact on the safety of the Somerset West City Improvement District. We remain committed to proactively addressing the safety and security needs of businesses and property owners in the industrial area.
4. **Urban Maintenance and Cleaning:** Our dedicated teams continue to work tirelessly to maintain the cleanliness and appearance of our streets and public spaces. Their hard work and diligence ensure that the Somerset West City Improvement District remains an attractive and well-maintained area, despite the challenges posed by high foot and vehicle traffic and adverse weather conditions.

Looking Forward

This year, we are working on the possible additional of AI-powered cameras to our CCTV network, which will significantly enhanced our ability to monitor and respond to security concerns.

This year is also significant as we seek approval from our members for a new five-year term for the Somerset West City Improvement District. Our goal remains to serve the community with unwavering dedication and pride as we continue to improve and uplift the precinct.

As we move into the future, careful budget planning and resource allocation will remain crucial. We are aware of the financial pressures on property and business owners, and we continue to prioritize delivering high-quality services while maintaining fiscal responsibility.

Conclusion

In closing, I would like to express my deepest gratitude to our partners, stakeholders, and the entire Somerset West business community for their unwavering support and commitment to our mission. The progress we have made would not have been possible without your cooperation and dedication. Together, we will continue to build a stronger, safer, and more vibrant industrial area.

Thank you for your ongoing trust and support.

Sincerely,

Bertus de Waal

Chairperson, Somerset West City Improvement District Non-profit Company

4. SOMERSET WEST CITY IMPROVEMENT DISTRICT MANAGEMENT OVERVIEW

We take pride in reporting another successful year of operations for the Somerset West City Improvement District (SWCID). As we continue to provide supplementary municipal services to this CBD, we are pleased to outline our progress and efforts over the past year, despite the ongoing challenges of load shedding and increased activity in the district.

Our financial performance remains strong and focused on delivering essential supplementary services that enhance the Somerset West central business district community. Below, we highlight our operational achievements and strategic initiatives during the reporting period:

Operational Achievements:

Public Safety: Public safety remains a top priority for the SWCID. Our continued partnership with our public safety service provider and consistent maintenance of the CCTV network have ensured we can contribute to the safety and security of the area.

Urban Maintenance: This year, we signed a Memorandum of Agreement with the Road Infrastructure Management Department of the City of Cape Town, formalizing our role in addressing pressing urban maintenance issues in the area. This agreement allows us to take on specific maintenance tasks under the guidelines and oversight of the department, improving efficiency in maintaining public spaces.

Urban Greening Initiatives: The SWCID signed a Memorandum of Agreement with the Parks and Recreation Department, which will allow us to undertake future maintenance of public open spaces, further enhancing the area's visual appeal.

Social Upliftment: We are proud of our social upliftment efforts, which integrate with our urban cleaning and maintenance initiatives. By partnering with the Somerset West Night Shelter, we have provided interim work opportunities to individuals currently living in the shelter. This initiative not only supports vulnerable community members but also contributes to the upkeep and cleanliness of the area.

Strategic Initiatives:

To continue addressing the unique challenges in Somerset West, we have implemented the following strategies and initiatives:

- a. Enhanced Security:** We are investigating the placement AI enabled CCTV cameras to improve the early warning and detection of criminal activities. Our commitment to safeguarding public infrastructure, including streetlights, electrical systems, water, and sewer reticulation, remains steadfast.
- b. Urban Maintenance and Cleaning:** Through our agreement with the Road Infrastructure Management Department, we plan to upskill our cleaning and maintenance team, enabling them to perform additional tasks such as pothole repairs, road marking, and street sign maintenance.
- c. Infrastructure Monitoring:** We remain vigilant about the impact of congestion and vehicle movements on the area's infrastructure. Robust communication with City departments has helped us address and repair damage in a timely manner.
- d. Social Upliftment:** Our ongoing collaboration with the Somerset West Night Shelter will support the integration of social upliftment projects into our operations. We strive to create work opportunities for vulnerable individuals, enhancing both their livelihoods and the community's well-being.

Acknowledgments:

We extend our sincere gratitude to the following groups and individuals for their invaluable contributions over the past year:

- **Board of Directors:** Your guidance and commitment have been vital to our achievements.
- **Ward Councillor:** Your support and advocacy have been instrumental in our success.
- **City Departments:** We appreciate the collaboration and assistance provided by various City departments.
- **SAPS:** We thank you for your critical role in maintaining public safety.
- **Property Owners:** Your financial contributions sustain the operations of the SWCID, and we thank you for your ongoing commitment to our community.

Looking Ahead:

At our Annual General Meeting in October 2024, we will ask our property owners and members to support the application to extend our term for the next 5 years from 1 July 2025 to 30 June 2030. With their support we remain committed to our mission of enhancing the quality of life in the Somerset West central business district. We will continue to adapt, innovate, and collaborate to overcome challenges and capitalize on new opportunities. Together, we will build a stronger, safer, and more vibrant Somerset West business district for all.

Gene Lohrentz**Chief Executive Officer**

Geocentric Urban Management as management company for the Somerset West City Improvement District

5. STATEMENT OF DIRECTORS' RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

We confirm that, to the best of our knowledge:

- All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by C2M Auditors.
- The directors consider the annual report, taken as a whole, to be accurate, fair, balanced, and free of material omissions.
- The Financial Statements, prepared in accordance with the applicable accounting standards give a true and fair view of the assets, liabilities, and financial position of the company.
- The external auditors have been engaged to express an independent opinion on the annual financial statements.

Approved by the board on 30 August 2024 and signed on behalf by:

Bertus De Waal
Chairperson of the Board
30 August 2024

6. STRATEGIC OVERVIEW

6.1 Vision

The Somerset West City Improvement District (SWCID) was formally established in 2015 providing top up public safety and urban cleaning services in close cooperation with the City's Cleansing and Law Enforcement Departments as well as the SAPS to regain the cleanliness of the area and safety of property and business owners and the community.

The Somerset West Central Business District (CBD) area supports a business mix including various retailers, offices and small shopping malls especially along Main Road. At the time of implementation, the public environment was in a fair state, but indications of urban degradation were clearly visible throughout the area. Most business and property owners were aware of crime, concerned about crime or have been directly affected by crime in the area. With the implementation of the SWCID the area was improved through public safety patrols, cleaned up of litter including the removal of illegal posters and graffiti and the urban environment was repaired including repairs to sidewalks and public infrastructure. The perception survey conducted in 2019 showed a marked improvement of the overall status of the SWCID area compared to the overall impressions noted in 2014.

During the second term of the SWCID business plan, the aim remains to support a safe, clean, well-managed Central Business District that attracts and retains business investment and activities in the area.

6.2 Mission

It is the mission of the SWCID to implement a strategy to counter urban degeneration of the area by creating a safe and attractive Central Business District

Our strategy for promoting that vision is detailed in our Business Plan, available online at www.swcid.co.za

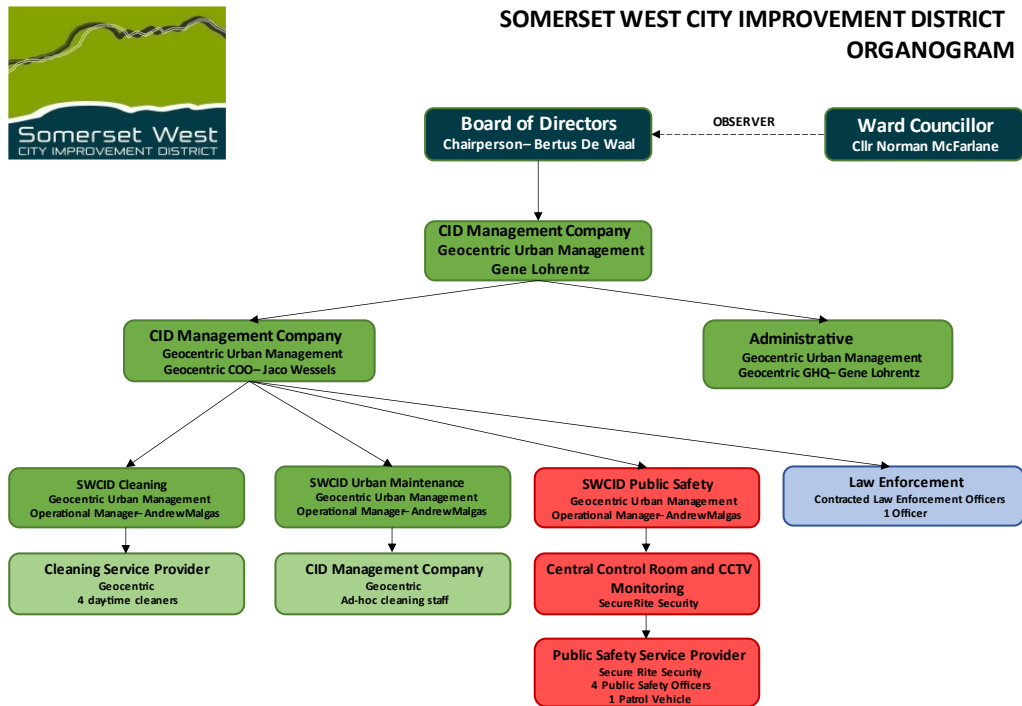
6.3 Our Goals

- Improve Public Safety significantly by proactive visible patrolling and cooperation with existing SAPS and City of Cape Town Law Enforcement efforts as well as other security service providers in the area.
- Creating a safe and clean public environment by addressing issues of maintenance and cleaning of streets, pavements and public spaces.
- Manage existing and new public infrastructure for the future benefit of all the users of the area.
- Protect property values.
- Attract new investment to the area.
- Support and promote social responsibility in the area
- The sustained and effective management of the SWCID area.

7. STATUTORY MANDATE

In terms of the CID By-law and s.22 of the Municipal Property Rates Act, the Somerset West City Improvement District NPC is tasked with considering, developing, and implementing improvements and upgrades to the Somerset West City Improvement District area to supplement services provided by the CCT. The funding comes from additional rates collected by the CCT from CID property owners and paid over to the company under the aforesaid legislation and may be supplemented by local fundraising initiatives. In expending these funds, the company is subject to oversight by the CCT in terms of the CID By-law and Policy, as well as public procurement principles enshrined in s. 217 of the Constitution of the Republic of South Africa, 1996 (the "Constitution").

8. ORGANISATIONAL STRUCTURE



9. MEET YOUR TEAM



Geocentric Urban Management Team



Gene Lohrentz
Chief Executive Officer

- Company enquiries
- Proposals
- Community groups and liaison

Contact Details

gene@geocentric.co.za
083 255 7657

Jaco Wessels
Chief Operating Officer

- Operational enquiries
- Control Room issues
- Collaboration requests
- CCTV enquiries

Contact Details

jaco@geocentric.co.za
062 650 3322

Wejaen Viljoen
Admin & Information
Manager

- Admin enquiries
- Reports
- AGM enquiries
- Board Meeting enquiries
- HR enquiries

Contact Details

wejaen@geocentric.co.za
062 753 4779

Andrew Malgas
CID Manager

- Day-to-day Operations

Contact Details

andrew@geocentric.co.za
074 314 8302

For emergencies contact our 24 hour Control Room on 021 565 0900 or info@geocentric.co.za or visit our website geocentric.co.za

Join our community WhatsApp group for realtime updates by sending a message with your name, surname, business name and business street address to 081 869 8911.

PART B: PERFORMANCE INFORMATION

1. SITUATIONAL ANALYSIS

1.1. Service delivery environment

Through the efforts of the SWCID the area has been upgraded and maintained. The SWCID successfully achieved the support of its members to extend its term for an additional five years. During this term the SWCID is repositioning itself to address the significant impact of large volumes of commuters in the CBD area and the associated potential for urban decay, traffic congestion, littering and increased opportunities for crime that may impact the entire SWCID area.

In the light of these challenges the SWCID aims to continue to enhance the area and work closely with the City of Cape Town to upgrade its facilities around the Public Transport Interchange.

1.2. Organisational environment

Most of the day-to-day activities such as meetings, Board meetings, contact with community organisations and engagements with the City of Cape Town returned to normality and were executed as planned.

The most significant challenge remained the impact of construction of the new Public Transport Interchange and the associated displacement of informal traders, taxi ranking and closed roads.

2. STRATEGIC OBJECTIVES

Strategically, the SWCID works in partnership with the City of Cape Town and the property and business owners towards the economic upliftment of the area by maintaining a level of safety and cleanliness to promote the use of and investment in the area. This is achieved through:

- Increased public safety
- Encouraging the maintenance and upgrading of private properties and public spaces in the area.
- Creating a clean and well-maintained public environment
- Assist with the management and solution to the issues of people living on the streets of Somerset West.

3. COMPLAINTS PROCESS

The SWCID offers numerous channels for dealing with complaints. Formal complaints are lodged to the SWCID management via email. The SWCID management will act on the complaint including one or more of the following actions:

- Referring serious complaints to the COO and CEO of the management company and/or the Board

- Meeting with the complainant to understand the problem and address the issue
- Scheduling the necessary tasks or actions to resolve the matter by the SWCID team
- Logging a service request with the City of Cape Town
- Communicating with the complainant on the actions taken
- Follow-up process and communication with the complainant until the matter is resolved
- Complaints are also received via website contact messages, email replies to newsletters and feedback via various social media platforms including dedicated WhatsApp groups which are monitored via the central control room.
- Telephonic complaints are also dealt with via the operational managers, or the central control room and the central control room number is visible on all patrol vehicles.

Most of the complaints relate to crime incidents or perceived criminal activity or relates to illegal dumping. Unless immediate response is required, safety and crime incidents are dealt with through our monthly meetings with the SAPS or through the adjustment of our public safety deployment plans. Illegal dumping is either cleared by the SWCID cleaning team as soon as possible or if necessary, a service request is logged with the City of Cape Town and followed up until completed.

4. PERFORMANCE INFORMATION

4.1. PUBLIC SAFETY

1.1.1. To improve safety and security the SWCID developed a comprehensive and integrated public safety plan for the area in conjunction with an appointed service provider. These actions include coordination and cooperation with:

- The South African Police Service
- Local Community Policing Forums
- Other existing security services in the area
- City of Cape Town Safety and Security Directorate
- Community organisations
- Other stakeholders

1.1.2. The SWCID initiative and the inherent security situation of the area require the deployment of public safety patrol officers to adequately secure the public areas. Such a deployment can be expensive to implement and therefore the focus of the public safety plan is on roaming vehicles and foot patrols with the highest number of resources deployed during day-time operations between 06:30 and 17:30 when most businesses are operational in the area. Considering the contributions from other stakeholders such as the SAPS and safety and security efforts from the City of Cape Town the following public safety and security plan is proposed for the SWCID.

1.1.3. This plan involves the deployment of Public Safety Patrol Officers (like the concept of Neighbourhood Safety Ambassadors) and public CCTV surveillance system to provide a reassuring presence on streets 7 days a week.

1.1.4. The public safety patrol officers are brightly uniformed ambassadors that help to maintain an inviting and comfortable experience by serving as additional “eyes and ears” for local law enforcement agencies. They are the face of the area. Typically, they get to know their neighbourhood and community very well and often serve as a first point of contact for emergency needs, help law enforcement to maintain order and provide an additional deterrent to crime through their consistent coverage and

visibility. Public Safety Patrol Officers are equipped with two-way radios and walk or patrol the area at key times of the day. They become an integral part of general law enforcement, often being the ones to identify public safety issues and form an extension of the SAPS and the local authority law enforcement. A small group of well-trained public safety patrol officers have proven to be very successful in securing an area through active engagement with all people in the precinct. Additional training of patrol officers is required to become knowledgeable on issues such as public safety and reporting, first aid and first-responder training, communication skills and homeless outreach services. Beyond basic training the Public Safety Patrol Officers develop a keen awareness and information of specific neighbourhood safety issues including drug trade, gang presence, poverty, social issues, criminal activity, and behaviour. If required patrol officers also provide walking escorts to people entering businesses early or staff leaving work late or elderly and vulnerable people feeling insecure.

1.1.5. The public safety plan includes:

- 4 x public safety patrol officers patrolling the area on foot, Monday – Sunday during the daytime (06:30 – 17:30).
- 1 x public safety patrol vehicles patrolling the area on a 24/7 basis.
- Radio communications network.
- Centralised Control Room and CCTV monitoring
- CCTV camera network comprising of cameras and monitoring as set out in the implementation plan time scale.

1.1.6. Assistance from the City of Cape Town

1.1.7. The SWCID will further enhance its public safety initiative through close cooperation with the Safety and Security Directorate of the City of Cape Town to link in with their initiative to support a safer public environment. This effort will be focused on utilising the services of Law Enforcement officers from the City of Cape Town in the area.

1.1.8. The activities of the Public Safety Officers and patrols are measured through a comprehensive management system for the logging of public safety incidents. The logging, mapping and analysis of these incident reports informs the adjustment of the public safety deployment plan for the area. The deployment plan is revised monthly.

Public safety performance information

ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
1. Identify the root causes of crime in conjunction with the SAPS, Local Authority and existing Public Safety service using their experience as well as available crime and public safety incident statistics.	Incorporate in Public Safety Management Plan	Ongoing	

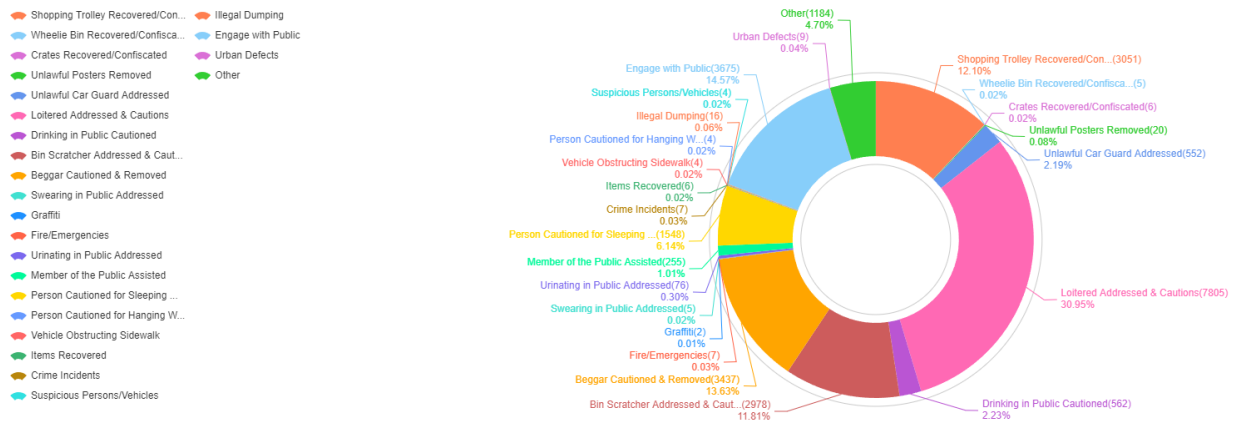
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
2. Determine the Crime Threat Analysis of the CID area in conjunction with the SAPS, determine strategies by means of an integrated approach to improve public safety, identify current Public Safety and policing shortcomings and develop and implement effective public safety strategy	Incorporate in Public Safety Management Plan	Ongoing	
3. Deploy Public Safety resources accordingly and effectively on visible patrols. Public Safety personnel and patrol vehicles to be easily identifiable	Effective Safety and Public Safety patrols in the SWCID measured by: Daily attendance registers Incident reports Patrol vehicle tracking reports Patrol vehicle patrol logs	Ongoing	Public safety officers are inspected and posted to their patrols daily. The Public safety officer's performance is measured on a weekly basis using the incident reports submitted via the incident reporting system and the public safety WhatsApp groups.
4. Assist the police through participation by SWCID in the local Police sector crime forum.	Incorporate feedback and information in Public Safety and safety initiatives of the SWCID Report on any Public Safety information of the SWCID to the CPF	Monthly	
5. Monitor and evaluate the Public Safety strategy and performance of all service delivery on a quarterly basis	Report findings to the SWCID Board with recommendations where applicable	Quarterly	
6. Deploy CCTV cameras monitored by a CCTV Control Room	Effective use of CCTV cameras through monitoring	Ongoing	

IMPROVE AND CONTINUALLY ASSESS ALIGNMENT OF RESOURCES WITH SAFETY NEEDS OF LOCAL COMMUNITY			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
7. Deploy Law Enforcement Officers in the SWCID in support of the Public Safety Initiative	Measure effectiveness through Law Enforcement Statistics	Monthly	
8. Weekly Public Safety Reports from Contract Public Safety Service Provider	Report findings to the SWCID Board with recommendations where applicable Incident reports Patrol vehicle tracking reports Patrol vehicle patrol logs	Weekly	Incident reports See the Table and Graph below Patrol vehicle patrol logs See the Table below
9. Identify "hot spot" areas.	Number of "hot spot" areas identified and the number of "hot spot" visitation for the reporting period	Monthly	See the Table Below

Public Safety Incident Summary Report

Type	Count
Shopping Trolley Recovered/Confiscated	3 051
Wheelie Bin Recovered/Confiscated	5
Crates Recovered/Confiscated	6
Unlawful Posters Removed	20
Unlawful Car Guard Addressed	552
Loitered Addressed & Cautions	7 805
Drinking in Public Cautioned	562
Bin Scratcher Addressed & Cautioned	2 978
Beggar Cautioned & Removed	3 437
Spitting in Public Addressed	5
Swearing in Public Addressed	2
Fire/Emergencies	7
Urinating in Public Addressed	76
Member of the Public Assisted	255
Person Cautioned for Sleeping in Public Space	1 548
Person Cautioned for Hanging Washing in Public	4
Person Cautioned for Obstructing Sidewalk	4
Vehicle Obstructing Sidewalk	6
Items Recovered	7
Crime Incidents	4
Suspicious Persons/Vehicles	16
Illegal Dumping	3 675
Engage with Public	9
Urban Defects	1 184
Other	3 051
TOTAL	25 218

Public Safety Incidents Graph



- The most significant challenge to the public safety operations in SWCID remains the limited resources. The Public Transport Interchange (PTI) requires near full-time dedicated patrol officers and Law Enforcement as well as Traffic Services management. The SWCID has limited resources and cannot dedicate its entire Public Safety Deployment to the PTI area alone.
- The SWCID’s overall strategy to address the challenge is based on a multi-disciplinary approach which includes the following measures:
 - Engaging the City of Cape Town for the deployment of additional Law Enforcement Officers for the Somerset West Public Transport Interchange
 - Increasing the number of contracted Somerset West ID Law Enforcement Officers
 - Deploy CCTV cameras to enhance the deployment of the Public Safety Operations.

1.1.9. Resource Allocation

- During the reporting period the SWCID deployed four public safety foot patrollers and a patrol vehicle during the daytime and 2 public safety officers in one patrol vehicle at night.
- A budget of R 2 287 629 was expended on the Public Safety deployments for the year and an additional R 108 180 was allocated for CCTV monitoring. The contracted Law Enforcement Officer contract budget was R 235 000 for the reporting period.

Actual expenditure compared with the projected expenditure for (1) the financial year preceding the current reporting period and (2) the financial year that is the subject-matter of this annual report (referred to below as “2023/2024”)

Service/ Project components	2022/2023			2023/2024		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
Public Safety	R 2 129 193	R 2 129 038	R 155	R 2 287 629	R 2 282 894	R 4 735
CCTV Monitoring	R 103 500	R 101 385	R 2 115	R 108 180	R 106 989	R 1 191
Law Enforcement	R 220 000	R 213 840	R 6 160	R 235 000	R 225 612	R 9 388

4.2. MAINTENANCE AND CLEANSING SERVICES

4.2.1. The SWCID deployed the services of a dedicated public cleaning service to provide the supplementary service or additional cleaning services required in their area. To establish the most effective cleaning plan the strategy supports existing waste management services, identify specific management problems and areas and assist in developing additional waste management and cleaning plans for the area.

4.2.2. The plan was executed by establishing a small team to:

- Decrease waste and grime in the area through a sustainable cleaning programme.
- Provide additional street sweeping, waste picking and additional refuse collection in all the public areas.
- Removal of illegal posters, graffiti and stickers from non-municipal infrastructure.

4.2.3. Urban infrastructure was improved by:

- Developing and implementing a plan to identify and monitor the status of public infrastructure such as roads, pavements, streetlights, road markings and traffic signs.
- Coordinating actions with the relevant City of Cape Town's departments to address infrastructure defects. This was done through specific liaison with departments and officials in addition to the reporting and monitoring of repairs identified by the CID Manager.
- After a base level of repair and reinstatement was achieved the SWCID team implemented local actions to correct minor issues.

4.2.4. In addition, the urban management team, in consultation with the relevant City Departments assisted with:

- Graffiti removal from non-municipal infrastructure where possible.
- Removal of illegal posters and pamphlets from public spaces and non-municipal infrastructure as noted in the SWCID Implementation Plan.
- Painting of road markings and correction of road signs.
- Greening, tree pruning and landscaping.
- Kerb, bollard and paving reinstatements.
- Storm water drain cleaning where required.

4.2.5. The cleaning contingent deployed teams in various areas and rotated through the SWCID. Some of the team members were recruited from homeless people seeking gainful employment and on-the-job training was provided to improve their skills and utilisation. The cleaning and urban maintenance team includes:

- 3 x urban management workers per day. The shifts run Monday to Friday
- 1 x urban management supervisor

Cleansing and Urban Maintenance performance information

PROVIDE A CLEANER PUBLIC SPACE			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
1. Develop cleaning strategy to guide delivery from appointed service delivery provider	Measure effectiveness through Cleaning Statistics	Monthly	
2. Provide (on own initiative or in collaboration with CCT) additional litter bins in public spaces.	Record and Report findings to the SWCID Board and the CCT with recommendations where applicable	Annually	
3. Provide clean streets & sidewalks (i.e. cleaning of municipal bins & removing street litter).	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below
4. Remove Illegal Dumping from Public Spaces	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below

RENEWING PUBLIC SPACES			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
5. Remove graffiti in public spaces	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below
6. Remove unlawful or unsightly stickers and posters from public infrastructure	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below

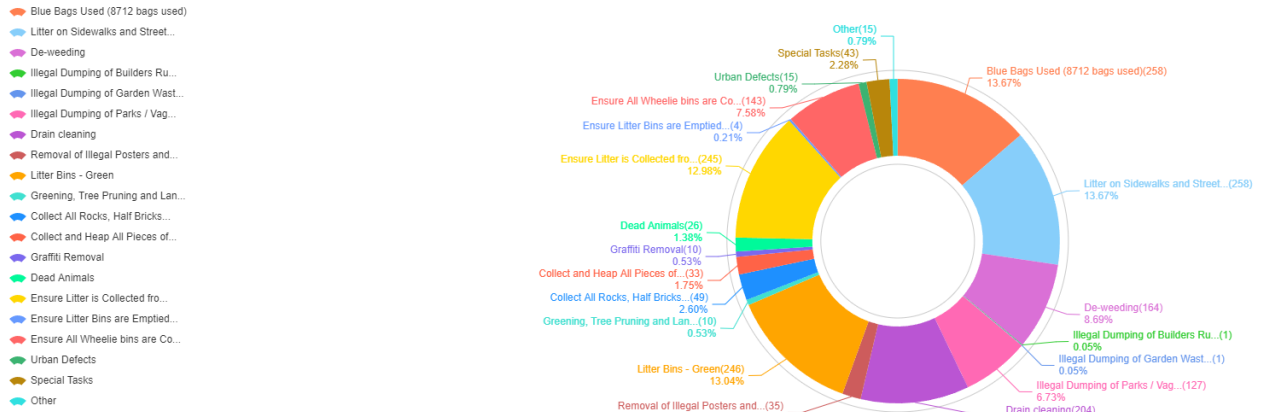
PROVIDE A WELL-MAINTAINED PUBLIC SPACE			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
1. Develop an urban maintenance strategy to guide delivery from appointed service delivery provider	Measure effectiveness through Urban Maintenance Statistics	Monthly	
2. Identify and report urban defects through collaboration with CCT	Record and Report findings to the SWCID Board and the CCT with follow-up action where applicable Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below
3. Identify and plan the correction of urban defects and beautification of public infrastructure through repair, cleaning, and painting.	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below

MAINTENANCE OF PUBLIC GREEN AREAS			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
1. Mow street verges	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below
2. Tree pruning and landscaping.	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below

Cleansing Summary Report

Type	Count
Yellow Bags Used	8 712
Litter on Sidewalks and Streets	258
Litter in Parks and Open Spaces	164
De-weeding	1
Illegal Dumping of Mixed Waste	1
Illegal Dumping of Parks / Vagrants	127
Drain cleaning	204
Removal of Illegal Posters and Pamphlets from Public Spaces and Non-municipal Infrastructure	35
Litter Bins - Green	246
Greening, Tree Pruning and Landscaping	10
Collect All Rocks, Half Bricks, Concrete Pieces	49
Collect and Heap All Pieces of Wood and Other Objects	33
Graffiti Removal	10
Dead Animals	26
Ensure Litter is Collected from City	245
Ensure Litter Bins are Emptied from City	4
Ensure All Wheelie bins are Collected	143
Urban Defects	15
Special Tasks	43
Other	15
TOTAL	1 887

Cleansing Task Graph



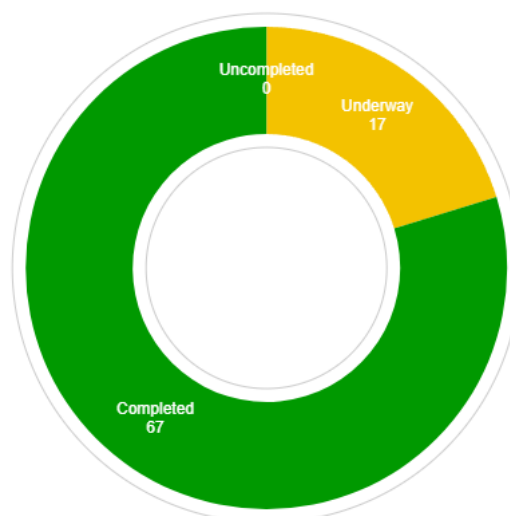
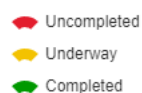
Urban Management Task List

Category	Sub-Category	Uncompleted	Underway	Completed	Total
City Parks (Maintenance)	Branch Removal (Fallen/Broken)	0	0	2	2
City Parks (Maintenance)	Tree removal	0	0	1	1
City Parks (Maintenance)	Tree trimming/pruning	0	0	1	1
City Parks (Maintenance) Total		0	0	4	4
Electricity (Equipment damage & exposure)	Equipment damaged	0	1	4	5
Electricity (Equipment damage & exposure)	Exposed cable	0	0	1	1
Electricity (Equipment		0	1	5	6

Category	Sub-Category	Uncompleted	Underway	Completed	Total
damage & exposure) Total					
Electricity (Street lighting)	All streetlights are out	0	0	1	1
Electricity (Street lighting)	Individual streetlights are out	0	0	1	1
Electricity (Street lighting) Total		4	5	11	20
Roads and storm water (Maintenance required)	Paint or repaint road marking, lines, etc.	0	1	4	5
Roads and storm water (Maintenance required)	Repair a pothole	0	2	2	4
Roads and storm water (Maintenance required)	Repair road or footway	0	2	6	8
Roads and storm water (Maintenance required) Total		0	5	12	17
Roads and stormwater (flooding)	Flooding of road	0	0	2	2
Roads and stormwater (flooding) Total		0	0	2	2
Roads and stormwater (Missing covers and grids)	Repair or replace manhole cover or grid	0	3	18	21

Category	Sub-Category	Uncompleted	Underway	Completed	Total
Roads and stormwater (Missing covers and grids) Total		0	3	18	21
Sewer	Re-instatement after sewer incident	0	0	1	1
Sewer	Sewer-manhole cover-damaged	0	0	2	2
Sewer	Sewer-manhole cover-stolen/missing	0	1	0	1
Sewer	Sewer: blocked/overflow	0	0	6	6
Sewer Total		0	1	9	10
Traffic Signals	All traffic lights are out	0	0	1	1
Traffic Signals	Congested traffic at intersections	0	0	1	1
Traffic Signals Total		0	0	2	2
Water	Burst pipe	0	1	4	5
Water	Fire hydrant: missing cover	0	0	2	2
Water	Leak at fire hydrant	0	1	1	2
Water	Leak at valve	0	0	1	1
Water	Leak in road/pavement/underground	0	2	4	6
Water	No water supply	0	0	1	1
Water	Re-instatement after water incident	0	2	0	2
Water Total		0	6	13	19
TOTAL		0	17	67	84

Urban Maintenance Task Graph



- Although the SWCID improved the cleanliness of most public environments in the area, the most challenging area remains the Public Transport Interchange and surrounding streets and open spaces. The large number of unpermitted informal traders makes a significant contribution to the generation of public litter and organic waste as they simply dispose of litter and unwanted fruit and vegetables in the streets and on the sidewalks.
- The SWCID is in constant liaison with the City of Cape Town to address both the origin and the result of this problem through concerted efforts to curb unpermitted trade and formalise solid waste management for the area.

4.2.6. Resource Allocation

Actual expenditure compared with the projected expenditure for (1) the financial year preceding the current reporting period and (2) the financial year that is the subject-matter of this annual report (referred to below as "2023/2024")

Service/ Project components	2022/2023			2023/2024		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
Cleaning Services	R 378 350	R 378 240	R 110	R 412 455	R 411 472	R 983
Environmental Upgrading	R 15 000	R 3 106	R 11 894	R 33 000	R 32 630	R 370
Urban Management	R 20 000	R 18 930	R 1 070	R 10 000	R 9 620	R 380

4.3. SOCIAL DEVELOPMENT SERVICES

- 4.3.1. The social issues of the area are varied and complex and no single plan or approach will adequately address these issues. The SWCID coordinates its social intervention actions with the Somerset West Night Shelter to assist in the development of a comprehensive strategy for addressing social issues in conjunction with the City of Cape Town, all relevant social welfare organisations, and institutions. Social intervention and development can only be achieved by offering unemployed and/or homeless people an alternative.
- 4.3.2. Through the development of pro-active programmes to create work opportunities for homeless people the Somerset West Night Shelter have presented the opportunity to direct their work programmes to include cleaning and maintenance services to CIDs. These partnerships between CIDs and NGOs create a more cost-effective approach to the provision of a “top-up” service to the municipal cleaning services when large area clean-ups or specific maintenance tasks are required.

4.3.3. Resource Allocation

Actual expenditure compared with the projected expenditure for (1) the financial year preceding the current reporting period and (2) the financial year that is the subject-matter of this annual report (referred to below as “2023/2024”)

Service/ Project components	2022/2023			2023/2024		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
Social Services	R 40 000	R 39 500	R 500	R 75 000	R 58 500	R 16 500

PART C: CORPORATE GOVERNANCE

1. APPLICATION OF KING IV

- 1.1. In recognition of the fact that the NPC is entrusted with public funds, particularly high standards of fiscal transparency and accountability are demanded. To this end, the NPC voluntarily subscribes to the King Code of Corporate Governance for South Africa 2016 (“King IV”), which came into effect on 1 April 2017. King IV contains a series of recommended reporting practices under the 15 voluntary governance principles.

The practices applied by the company are explained in this part (Part C), of the Annual Report. In determining which reporting practices to apply, the board took account of, among other things, the CCT’s policy, and the reporting protocols appropriate to a non-profit entity such as the NPC.

- 1.2. Compliance with King IV for the reporting period. The board is satisfied that the NPC has complied with the applicable principles set out in King IV during the period under review, to the extent reasonably possible, are provided fully below.

2. GOVERNANCE STRUCTURE

2.1. Board Composition

The Board is satisfied that the Board of the NPC is compiled by a representative group of directors representing the interests of the varied property owner groups within the SWCID footprint.

1.2. Board Observer

In terms of the By-law, city councillors are designated as “board observers” by the Executive Mayor to conduct oversight of board functions. This oversight entails receiving board documentation and attending board meetings, with a view to ensuring that the company duly executes its statutory mandate. The Executive Mayor has appointed Cllr. Norman McFarlane as board observer.

1.3. Appointment of the board

An Annual General Meeting is held every year to review the performance of the CID and to confirm the mandate of the members. The AGM provides the opportunity to elect new directors to serve on the board of the NPC. Elected Board members take responsibility for the various portfolios in the company and regular board meetings allow the directors to review current operations and apply corrective measures as required.

1.4. Overview of the board’s responsibilities

The Board oversees the day-to-day delivery of the additional services according to the Business Plan. In executing this task, the Board:

- identifying strategies to implement the NPC’s business plan in a manner that ensures the financial viability of the company and takes adequate account of stakeholder interests.
- monitoring compliance with applicable legislation, codes, and standards.
- approving the annual budget.

- overseeing preparation of and approving the annual financial statements for adoption by members.
- exercising effective control of the NPC and monitoring management's implementation of the approved budget and business plan

1.5. **Board charter**

The board is satisfied that it has fulfilled its responsibilities under the board charter during the period under review.

1.6. **Director Independence**

During the period under review, the board formally assessed the independence of all non-executive directors, as recommended by King IV. The board has determined that all the non-executive directors, including the chairperson, are independent in terms of King IV's definition of "independence" and the guidelines provided for in principle 7.28.

1.7. **Board Committees**

The Board did not appoint specific committees during the reporting period but as a Board considered proposal for new auditors and for the expansion of the CCTV network.

1.8. **Attendance at board and committee meetings**

The board convenes at least once every 2 months. An interim Board Information Pack is distributed monthly with the option to convene a special board meeting when necessary. In the period under review, physical meetings were severely disrupted due to the national lockdown and subsequently, update meetings were scheduled through video conferencing. In accordance with the MOI of the company, decisions noted during such meetings were ratified by individual email approvals after the meetings. These documents have been kept as a record of these decisions.

3. ETHICAL LEADERSHIP

Directors are required to maintain the highest ethical standards. To this end, the NPC has adopted a code of conduct for directors, which governs their ethical roles and responsibilities, and provides guidelines on the applicable legal, management and ethical standards.

The Code is available online at www.swcid.co.za

Upon appointment, directors must declare in writing to the chairperson any private interests which could give rise to a potential conflict of interest. These declarations are kept in a register and are regularly updated.¹

Directors must further disclose in writing to the chairperson if any matter before the board gives rise to a potential conflict of interest. Such a director must recuse himself or herself from

¹ The code of conduct provides that the register is under the control of the chairperson and is kept confidential.

consideration and deliberation of, or voting on, the matter giving rise to the potential conflict of interest.

Transparency in personal or commercial interests ensures that directors are seen to be free of personal or business relationships that may materially interfere with their ability to act independently and in the best interests of the NPC.

The board is satisfied that the directors have complied with their duties in terms of the Code during the year under review. No changes to the directors' respective declarations were recorded which could potentially impact their independence.

4. BOARD OVERSIGHT OF RISK MANAGEMENT

1.2. Risk Management

The SWCID board is committed to maintaining a comprehensive risk management policy aimed at safeguarding the SWCID's assets and ensuring responsible use of public funds in alignment with its objectives. The risk management policy is integrated into the company's operations and management processes, overseen by the board.

Key elements of the risk management strategy include:

1. **Board Oversight:** The board has the ultimate responsibility for risk management and ensures that a sound internal control system is in place. The board regularly considers risk at its board meetings to ensure that key risk areas are being adequately addressed and monitored by the appointed management company.
2. **Code of Conduct:** As part of the risk management framework, the SWCID adheres to a strict code of conduct, ensuring confidentiality and ethical handling of sensitive information.
3. **Internal Controls:** The system of internal controls includes:
 - **Performance Targets:** These are established at each board meeting, with actual performance being tracked on a quarterly basis with every board meeting set out as per the CID policy and implementation plan. This process helps identify areas of concern and mitigates risk through proactive monitoring.
 - **Risk Register:** A detailed risk register is maintained and reviewed by the appointed management company as set out in the implementation plan. This register identifies the SWCID's operational risks, assesses the likelihood and potential impact of each risk, and outlines mitigation strategies.

This approach ensures that risk is addressed in a structured and consistent manner, enhancing the SWCID ability to achieve its objectives while safeguarding its assets and operations. The board's continuous engagement in the risk management process provides an additional layer of assurance that all significant risks are being appropriately managed.

1.3. Effectiveness Of Risk Management

During the year under review, the appointed management company of the Somerset West City Improvement District NPC (SWCID) conducted thorough risk assessments to evaluate the effectiveness of its risk management policy and strategy.

The board is satisfied with the adequacy of the systems and processes in place to govern and manage risks. The risk assessments were carried out in accordance with the SWCID's established risk framework, ensuring that operational risks were continually identified, monitored, and mitigated. These assessments also included an evaluation of any emerging risks, ensuring that the risk register remained updated and reflective of the company's current risk profile.

Overall, the board is confident that it has fulfilled its responsibilities in managing and mitigating risks and that the existing systems provide robust support for the company's risk governance objectives.

1.4. Key Business Risk and Opportunities

During the reporting period, the board identified several material risks that could impact the ability of SWCID to achieve its strategic objectives. The key risks identified and monitored include:

- Manage the funds and bank accounts of the NPC responsibly.
- Theft and/or vandalism of municipal infrastructure.
- Crime against businesses and properties

The board confirms that no unexpected or unusual risks arose during the period under review. Furthermore, all risks were managed within the pre-determined risk tolerance levels, and appropriate mitigation strategies were applied.

In future reporting periods, the board and the appointed management company plans to enhance its risk management processes by incorporating more frequent risk assessments, expanding internal audit functions, and integrating risk management practices more closely with strategic decision-making processes. This will ensure that the organization remains agile and responsive to emerging risks and deliver the supplementary service to the members of the SWCID.

5. ACCOUNTABILITY AND RESPONSIBILITY

5.1 Performance Reviews

During the reporting period, the SWCID board conducted a comprehensive performance review of its governance structures and operations. The assessment covered the effectiveness of the appointed management company, focusing on strategic oversight, decision-making, and risk management. Based on the review, the board is satisfied that the appointed management company has performed its duties effectively and met its responsibilities in overseeing the SWCID's performance and achieving its strategic goals.

5.2 Delegated Limits of Authority

The board has appointed a management company to ensure smooth day-to-day functioning of the SWCID. These delegations of authority include decision-making in areas such as operational management, and execution of strategic initiatives.

The board has reviewed these delegations during board meetings for period under review to ensure that there is an appropriate balance between governance oversight and operational efficiency. It confirmed that the existing delegations are appropriate, maintaining a clear distinction between the board's governance responsibilities and management's operational

functions. This structure allows for agile decision-making without compromising the board's overall accountability.

5.3 Supplier Code of Conduct

The board and appointed management company undertook a review of the supplier code of conduct to ensure alignment with the company's ethical standards and risk management frameworks. The board and appointed management company will review all suppliers that are required to comply with the organization's standards concerning ethical behaviour, sustainability, and legal compliance. The board emphasized the importance of maintaining these standards to mitigate risks associated with supply chain practices, such as performance issues, reputational risks, and non-compliance with regulatory requirements. The SWCID has a procurement policy which outlines the procurement of goods and services for the SWCID. The procurement process is the acquisition process (purchasing) of goods and/or services. The procurement process is meant to ensure that the SWCID's needs are met for the best possible cost in terms of quality, time, and other relevant factors to support the SWCID's operations.

PART D: FINANCIAL INFORMATION

1. REPORT OF THE EXTERNAL AUDITOR

See full report below

2. ANNUAL FINANCIAL STATEMENTS

See full report below

RISK REGISTER						Annexure C
RISK DESCRIPTION	IMPACT DESCRIPTION	IMPACT LEVEL	PROBABILITY LEVEL	PRIORITY LEVEL	MITIGATION NOTES	OWNER
Manage the funds and bank accounts of the NPC responsibly	The loss of funds due to a hacking incident	Moderate	Very Low	High	The management of the funds and accounts payment functions are properly separated with separate authorisation and daily and monthly payment limits are imposed.	Management and Board
Theft and/or vandalism of municipal infrastructure	Degradation of the urban landscape. Interruption or total loss of services such as electricity supply, street lights, sewer pump facilities and water supply.	Moderate	High	High	The management team has identified potential municipal infrastructure at risk of vandalism and theft and the public safety teams are continuously monitoring these spaces to detect and prevent criminal activities. Where possible, additional technology such as AI CCTV cameras will be deployed to provide additional safeguards.	Management
Crime against businesses and properties	Both pre-planned and opportunistic criminal actions directed at businesses creates a sense of an unsafe central business district.	Moderate	High	High	The management team has identified the potential to place AI cameras on solar infrastructure along the central island of Main Road and other similar areas to enable improved CCTV coverage onto tree-filled sidewalks and underneath building overhangs. These cameras will be aimed at detecting movement in the area at night when most of the criminal activity takes place.	Management and service providers