

In accordance with the By-Law for the establishment of Special Rating Areas as promulgated in Provincial Notice 6651/2009

Steynsrust



Name of SRA	:	Steynsrust
Date	:	February 01, 2010
Name of Municipality	:	City of Cape Town

Steering Committee (in alphabetical order):

De Wet Schreiber,	14 Vergenoegd Road, Somerset West, 7130.	Mobile 082 561 4044
Heinz Modricky,	34 Stellenberg Road, Somerset West, 7130.	Mobile 082 650 9636
Paul de Klerk,	26 Vergenoegd Road, Somerset West, 7130.	Mobile 082 376 0989

Vision

To establish a safe living environment that increases in value above industry standards.

Background

This document serves to address various concerns raised by residents of Steynsrust. These concerns were precipitated by a particular house robbery during which a robber was shot and further galvanized by other serious incidents where residents have also been shot, hijacked and robbed in their homes.

This urgent need to safe guard lives and property resulted in the formation of a neighbourhood watch with community patrols which are currently done by about 30% of the residents. These patrols consist of two sets of two residents patrolling every evening for 3 hours each, and increased vigilance during the day by other participating residents, with a single resident acting as an "ops" room, receiving and distributing alerts to other members who have made themselves available to respond to potential crime about to happen or in progress.

Neighbourhood Watch members currently provide their own vehicles and time at their own cost. The ops room is also run by a single resident who carries the burden of admin and communication costs. Another resident has installed a radio repeater on Helderberg at considerable cost to this single resident. Numerous other residents have also invested in radios as a form of contact and response. Criminal incidents have dropped substantially.

It is only fair that this financial and practical burden be shared by all residents. The demand on the participating members is substantial and it must be fairly obvious that the current model is not sustainable as some participating members will eventually become disillusioned at continuously carrying their neighbour. The establishment of an SRA not only ensures the continued success of this initiative, but undertakes to address other issues to the benefit of all residents.

Residents are continuously encouraged to put forward ideas on how to retain and improve the standard of the community. The following business plan was presented at a public meeting held at Allenwood Hall, Helderberg Village on 26 January 2010.

Documents attached to this plan include

SRA policy document

SRA by law

Frequently asked questions and answers

A geographic map

Detailed listing of all the erf numbers and street addresses. (Please bring any error or ambiguity to the attention of the writer without delay.)

The business plan's income statement

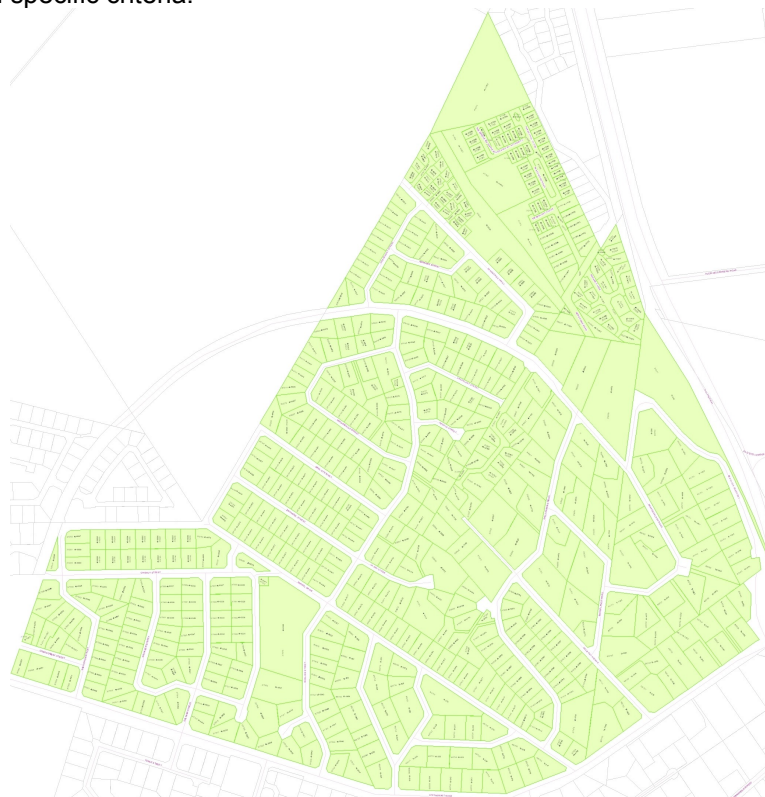
Brief description of an SRA. (Special Rated Area)

All residents within a geographic area contribute by paying the Cape Town City Council a levy (which is a percentage of their property Council valuation.) This collected rand value (less an allowance of 3% to cover bad debt) is paid over to the SRA monthly.

In the event of levies not being spent due to the practical constraints in carrying out the plan, all such funds will be carried forward to the next year's budget, and/or in the event of the dissolution of the SRA, funds are to be redistributed on the same percentage contribution as the residents made. In addition, the 3% funds held by Council as guarantee, always remains the property of the SRA and if not used to cover bad debt by Council, may be requested to be paid over to the SRA. Should bad debt increase, the Council retains the right to increase the percentage guarantee to match the prevailing bad debt.

The SRA only employs one person as an SRA manager, whose job description is to be drawn up by the steering committee, with final approval by the Board of Directors. The manager's responsibility it is to employ contractors for the services as detailed in the SRA business plan and ensure that the services paid for are duly received. For now, it is important to note that the budget offers a broad overview of expenditure and that the primary concern is that the SRA operates within this budget. The plan is dynamic and may respond to needs not included in the original plan. The SRA is audited annually and forms part of the Council's budget.

The proposed budget is presented to the community for their approval. A more detailed plan will be presented after greater consultation with residents. What is important to note, is that a SRA carries legal liability, and in this regard, carries limitations of what can be done and what contravenes the laws of our country. The SRA manager must have a good understanding of our rights and limitations. The two foremost issues are that the Council will not allow the exclusion any service provider and secondly, the privatizing of public property. There is a difference between monitored access, sign in access, boomed access and a gated village, each of which requires its own specific criteria.



What are the disadvantages?

SRA's focus on solving problems common to the majority of residents. In the run-up to the formation of the SRA, some misconceptions became apparent.

1. "The levy is an unaffordable additional cost." Both overseas and locally it has been shown that property values increase where communities take an active role and formalise collective associations such as City improvement districts, (the precursor to SRAs).

With homes forming the basis of most family's life's savings, the additional levy is certainly less than the proportional property value increase. On a worst case scenario, assuming a resident had absolutely no individual benefit from the SRA, the budget presented shows that a mere 5% increase in property value is equitable to 35 years of levy's. A 5 % increase should be realised within the first year.

In addition, with the lowering of associated risk profiles, home owners can renegotiate more favourable insurance premiums. Group buying power also lowers costs and increases benefit/delivery when negotiating for other services common to residents.

2. "SRA's pay for what Council should be doing." The council does not lessen its commitment and services to the area. In fact, a service level agreement is entered into between the SRA and the City of Cape Town, detailing the services to be provided by the Local Authority. This Agreement guarantees the levels of service to be provided by the Local Authority. If anything, SRA's, with their dedicated manager have a stronger hold over Council service delivery.
3. "SRA levies are misdirected, squandered or disappear into the Council's coffers." All levies less the 3% is paid over to the SRA and are only spent as directed by the SRA business plans, which plan is approved by the residents within the SRA only. The SRA is audited independently and by the Council. The residents hold the Board of Directors to task and can dismiss them for appropriate reason.

The clear benefits are

1. A shared knowledge on all issues affecting our area.
2. To govern and address issues of infrastructure and security, in addition to holding Council accountable to minimum service agreement.
3. The SRA acts as a single voice to Council for all SRA residents.
4. A single contact point into the Council through a representative that is employed by the residents and who gets to learn Council role players and operations.
5. The SRA liaises on a strategic level with the Provincial and Local Authorities and has access to Council's IT systems.
6. Direct control over top up services.
7. The local ward councillor and a sub-ward committee member serve on the SRA committee.

Governance and Management Structure

The Partnership is an independent non-profit (Section 21) company governed by a Board of Directors, appointed and drawn from residents and stakeholders. For cost and liability reasons, the SRA manager is the only paid employee. He may or may not reside in the area. He is an ordinary employee like any employee in a company. He is accountable to the Directors of the board, who in turn report to the residents.

We trust that we will find sufficient voluntary support and skills that the SRA will obtain free or at below market rates from within our SRA residents, that will allow the SRA to operate cost effectively. These residents will drive specific objectives (Radio comms, IT support, audits, service and capital acquisitions, top up patrols, etc..)

Evaluation of the current security risks

After an initial assessment by the steering committee, contributing residents and various stakeholders, the following security plan was compiled.

The plan recognises and acknowledges the challenges in addressing crime effectively. These include
practical and legal implications of simply walling off the suburb,
the geographics of the area,
the independence of some residents,
lack of communication between neighbours,
the open and easy access to the neighbourhood,
the volume of non-residential traffic to the area,
employment policies of some residents,
the excise of control over domestic workers and contractors (including gardeners, painters, builders) and
the general increase in crime in the area.

An important point to note, is that gated communities are not crime free and offer only a partial guarantee. Residents need to understand the origins of crime and the susceptibility of crime targets in order to lessen the risk for all.

The above considerations have resulted in the initial and primary focus of the SRA to implement a security plan.

The Objectives of the Security Plan

Short term.

To create an immediate platform which facilitates good communication, cooperation and forward planning between all residents and the contracted security components.

Medium to long term.

To further galvanise a complete strategy that ensures the sustainability of a secure neighbourhood.

The following role-players are directly involved with the security processes within the SRA:

- Every single resident
- The SRA manager and committee
- A contracted control room
- A contracted private reaction force
- Metro Police
- South African Police Service
- Community Policing Forum

The plan

First year of operation (items 4 -15 to run concurrently)

1. The appointment of a SRA committee.
2. The appointment of the SRA manager. The duties and responsibilities of the SRA manager to be detailed in a letter of employment which will run on a yearly contractual basis. He will use his own vehicle and preferably operate from a suitable rent free office within the SRA. The remuneration will be market related
3. A commitment from every resident to employ the services of outside contractors wisely. To discourage the employment of people picked up from the side of the road, either by residents or by the contractors that the residents employ.
4. Expand the radio network.
5. Establish a chain of command that dovetails with other security initiatives such as the SAPS, Metro, Fire brigade, ER, Farmwatch and other neighbourhood watches.
6. Offer assistance to SAPS during special operations, and provide an immediate “all eyes out” for suspect vehicles and persons wanted.

7. To lower the cost of existing security contracts held by individual households.
8. Establish a single reaction force that responds to the needs within the community and is dedicated to this community only. The preferred position is that the monitoring firm and response team are not the same entity. This may include the council's offer to supply trained Metro officers with full arresting powers who report to Council structures, but are under the SRA manager's orders. This will mean the purchase of at least one response vehicle (with tracking) and the full time employment of at least three officers. Community members may continue their patrol with this officer on duty. A further fee can be paid towards an emergency ambulance/ paramedic service.
9. The removal of graffiti within the SRA.
10. The erection of a fence along Bakkerskloof Road, effectively blocking access from the vineyard. Residents are encouraged to identify and report similar "back doors" being used by intruders to the SRA manager.
11. Bush clearing along the R44 (and other hiding places.)
12. Improved lighting where identified, such as at the dam.
13. The evaluation and possible implementation of some road closures.
14. The evaluation of cameras, fibre optics and whatever residents feel may assist in lowering crime and adding property value.
15. The evaluation of a new "SRA" short term insurance policy that lowers monthly premiums due to the lower risk associated with the SRA.

Second year of operation

1. Start the installation of a comprehensive camera network.
2. Depending on the success of road closures, the committee may continue to close certain roads. Patrol officers may be lessened in favour of guards manning entrances. This may require capital expenditure but may lower operating costs. It is noted that road closures, gated entrances, etc., are grouped into specific categories, each with its own set of criteria.
3. The evaluation and petitioning of council to lower road noise from the R44. This affects about one third of our residents.
4. Focus on our public open spaces and turn them into "residents controlled" parks, demarcating some as dog friendly, etc.. Erection of more playing facilities for our children.

Planting of trees and possible picnic benches/ facilities.

Look at our waste and recycling and evaluate opportunities, other methods of collection and processing.

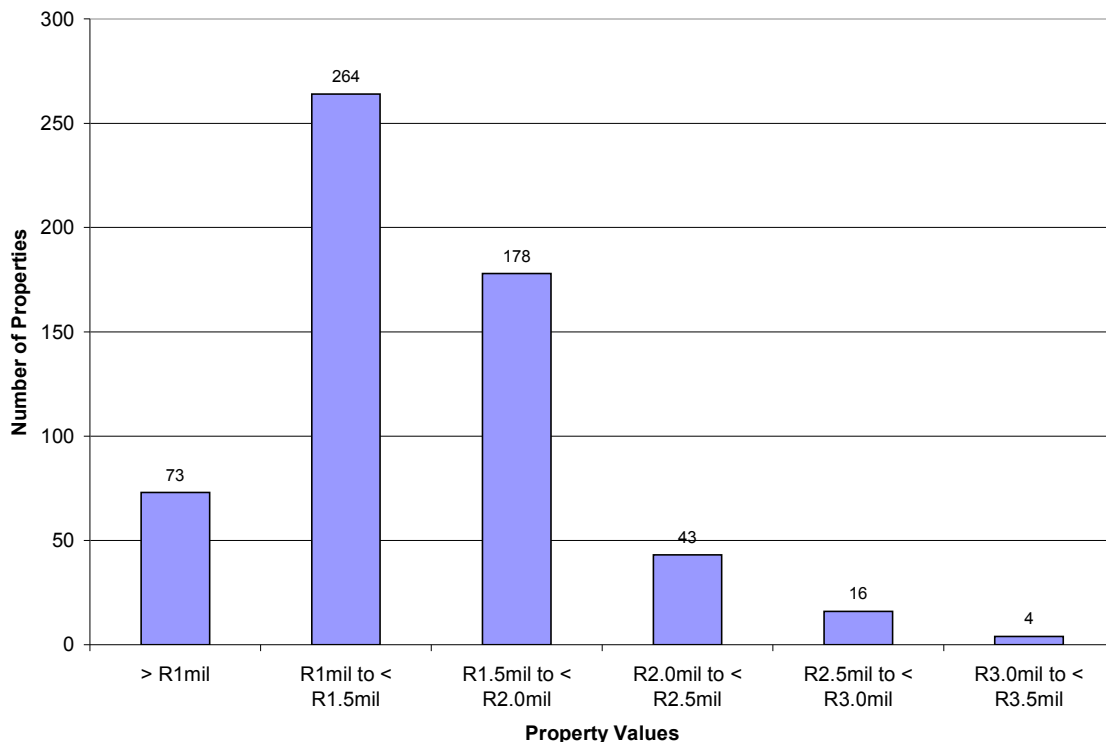
5. Evaluate the purchase of a “Kombi” to serve as residential taxi, run at cost plus marginal contribution. Taxi can collect and drop off school kids. Run to airport and back as businessman’s shuttle. Sunday’s take the elderly to a wine farm or shopping at off peak period.

Third year of operation

1. This is far ahead, but we trust we have the emergence of a much desired safe and smart suburb, with first world internet speeds to every house, growing parks and a sustainable role model for neighbouring suburbs to follow.
2. The SRA evaluates social projects in other communities that the Steynsrust community can become involved in as a unit and put something back into the country and its people that provide us with a fantastic life.

What are the costs

The following graph details the breakdown of households in valuation categories of R500 000.



The total capital base is R 838 million spread across 578 erven. This puts the average household with a value of R1.45 million.

The budget of R1,206 million per annum requires a levy of R120 per million rand of valuation. This means that the average levy per household works out to R174.00 per month.

It is important to note that the boundaries of the SRA may change, resulting in fewer homes within the SRA. In this instance the budget will be reduced so as to maintain a R120 per million levy.

Feedback from the Public Meeting

The meeting was well attended by at least 80 residents (70 chairs plus standing room). In addition, most of the attendees were not neighbourhood watch members (who already received a brief of the SRA plan and are in general agreement with the initiative.) We received 12 apologies.

The overall response was exceptionally positive. After one hour, an interval was offered, but none was taken. Most discussion took place on clarification of how the plan would be implemented, timelines, and specific tasks to be undertaken. Two objections were raised.

One question worth repeating was how the new municipal rates valuation effects the SRA Levy. The answer is that in the event of the capital property rates increasing, that the SRA rand value remains the same but that the value (R120) per million will drop. The SRA budget remains the same.

Objections

The first objection raised was that the method of rating the levy based on a percentage of the municipal property valuation was unfair as the service rendered to each home was the same. The resident mentioned that security service providers charge a flat rate and did not take the value of the property into account. The resident felt that the rate should be a flat rate for all properties.

The committee responds as follows:

1. The SRA falls under Council Jurisdiction and is subject to the Municipal Rates Act which requires the levy to be based on the property valuation.
2. The SRA's initiative falls in the ambit of basic community services. In this regard, these services are levied on a percentage of valuation base, and in numerous instances, these percentages are not flat rates, but include a more onerous sliding scale, for example, for the first R100 000, the rate may be 5% and from R100 000 to R200 000, the rate may be 6%, and so on. The SRA levy is a flat percentage rate.
3. The private sector also offers a percentage calculation, for instance, when offering a valuation certificate of a property, the capital value is taken and not the actual time spent, or for a property sale, the commission is a percentage of the sale value, and not the actual cost of advertising, etc..

4. It is also not true that security service providers offer a flat fee across the board. There are residents that pay different monthly premiums for the same service from the same service provider in the SRA area. Outside this area, the premiums differ vastly.
5. The primary focus of the SRA is to maintain and uplift the value of property and enhance the lifestyle of the residents. Higher value properties are generally larger, occupy more ground and have more occupants. The rand value benefit that the more expensive homes gain is equitably more than the lower valued homes.
6. Flat rand rates will have two roomed homes and vacant erven subsidizing larger estates.

The second objection was that gated villages don't help and that the SRA is only providing services that should be performed by SAPS and the Council. The resident therefore did not see the value in having an SRA.

1. The committee agrees that gated villages are not the answer and hopes that the business plan as submitted clearly acknowledges and addresses this point. Security is not only unique to South Africa. Many democratic countries have community policing forums, neighbourhood watches and a multitude of private organizations that try to address the social ills of man. The country's largest security firm is after all American.
2. We need to face realities. There are other communities that require services far more desperately than us.

We complain about the perceived lack of work done on an independent environmental study to upgrade a working electricity transformer, when many of our domestics don't even have electricity. Sure, local and national government should do their job and deliver the services to the poor, but you can only get out of a system what you put into it.

Here we have the opportunity of providing our own solution on a very effective, efficient (and selfish) way.

Please vote YES now

