

20 20

ANNUAL
REVIEW



OBSERVATORY
IMPROVEMENT DISTRICT

Making places for people

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OBSID CHAIRPERSON'S REPORT 2020



OCTOBER 2020

This constitutes the Observatory Improvement District's Board Chairperson's report for the financial year from 1 July 2019 until 30 June 2020. It focuses on this period, but with some additional reflection on the period June 2020–October 2020, given the interest our members show in the more recent progress of the OBSID's programmes and projects.

The report is intended to provide a strategic and governance overview of the health of the OBSID as seen from its Board of Directors and its Chairperson in particular. It is intended to complement the management overview and report provided by the Chief Executive Officer (CEO).

I have been a director of the OBSID Board for three years now, and Chairperson for the past year. Nishendra Moodley was Chair for the first half of the year reported on in this annual report and Claire Everatt has been an active and supportive Vice-Chair since being appointed to the role in January 2020.

As required by the OBSID's Memorandum of Incorporation as regards director's terms of office, this year both Justin Ashley and I have resigned – and have made ourselves available for re-election. Michael Krause has also resigned due to increased responsibilities at the organisation he leads. His contributions to the Board's decision making in a most extra-ordinary year are deeply appreciated.

THE YEAR WE'VE HAD

At the start of the financial year under review, OBSID was settling from a series of operational changes – new offices, some new staff, and a new public safety service provider. We had great ambitions to improve our service offerings in safety, cleaning, social development and public spaces, and to communicate in new ways with stakeholders and residents in Obs. Much of this was underway – additional capacities and new processes were introduced in safety and in cleaning, and we were on track with exciting partnerships in placemaking and communications.

Then came Covid19.

I am proud of OBSID's response to the uncertainties and demands presented this year. Very rapidly, our CEO, Amanda, presented the Board with a plan to keep OBSID delivering through lockdown while considering the welfare and health of our staff and contractors. Not only did we keep our basic services in safety and cleaning going, we

invested in new infrastructure, capacities and partnerships – mostly in support of Observatory's most vulnerable residents. These strengthened capacities and partnerships are now being leveraged for new work in public spaces projects and the social development programme.

THE BOARD

The previous AGM took place on 2 December 2019. It successfully approved the budget and implementation plan for the OBSID for the 2020/21 financial year, re-elected Nishendra Moodley, and elected Michael Krause as a new director. The first meeting of the board in 2020 elected myself as Chair and Claire Everatt as Vice Chair. The role of the board is to

- Provide strategic direction for the OBSID;
- Adopt its budget and implementation plan;
- Approve OBSID policies;
- Ensure oversight of OBSID implementation and adherence to policy;
- Report to members.

The board has engaged robustly this year ensuring that it is able to play this role effectively. Most board members have been attending board meetings regularly, having done the requisite pre-reading of documentation and are available for and contribute to urgent decisions.

This year has been an extra-ordinary year. The Board has been called on to meet more frequently than in previous years, to provide guidance and oversight as OBSID navigated the impacts of Covid19. Decisions for which there were no clear blueprint needed to be made regarding staff safety, our response to changes in the services most demanded by the community, and our approach to Observatory's street people.

The Board has been able to fulfil its governance and oversight role, guided by the various policies and plans that govern OBSID, and the principles that underpin these. Directors have been asked to declare their commercial interests and at the start of each board meeting register any interests that conflict the agenda items for that meeting.

The Board has been steadily adopting the core policies and systems for the OBSID to function, with a full suite of operational policies finalised in February 2020. Since then, we have also adopted a public spaces policy which will guide the projects currently being delivered (financial year 2020/21).

OBSID CEO AND TEAM

This has been the second full year that Amanda Kirk has been the OBSID CEO. Having built a foundation of improved internal systems and capabilities, improved staff morale, and established a strong relationship with the Board and key partner organisations in her first year, Amanda has used this year to drive the ambitions of the OBSID to do more within its mandate. Our public safety offering has grown, we have launched a new public spaces projects process and have expanded our partnerships on social development.

With Amanda's leadership, OBSID was able to rapidly respond to Covid19 with the provision of additional transport support to our staff so that

services could continue without risking staff welfare or health; and with the provision of additional hygiene infrastructure to people living on the streets in a number of locations throughout OBSID's boundaries.

The board has been unanimously supportive of an ongoing relationship with Amanda as our CEO, who remains contracted until June 2022. Amanda is supported in this work by Stoney Steenkamp and the public spaces team, as well as a team of specialist contractors who have gone above and beyond to serve the community of Obs in this year of high need.

OUR CONTRACTORS AND PARTNERS

In terms of services, we have seen the most significant advances in public safety and in social development.

Our public safety contractor, Securitas, has settled into Observatory steadily building relationships and improved data and insights into crime patterns, adapting their responses with changing trends.

With an officer, Leon Nzenza, seconded to the OBSID offices, we are able to work closely on plans and approaches to safety in Obs. This year, we have also seen improvements in our relationship with the Woodstock Police Station.

Our relationship with Khulisa Streetscapes has also grown this year, with Bongzi Sika seconded to be Observatory's social development programme coordinator, and with the bold decision to jointly invest in Observatory's first Supportive Housing Programme (effective in financial year 2020/21).

Straatwerk, Green4Life and Streetscapes work collaboratively with each other and OBSID to deliver on cleaning and greening activities that also offer opportunities to Observatory's homeless population. This work is further supported by TB/HIV Care.

Similarly, our relationship with AfrikaBurn has continued to deepen, with OBSID providing support to Streetopia 2019 and being able to call on AfrikaBurn's support to rapidly design and

deliver handwashing stations as a part of our response to Covid19 (also supported by Enviro Wildfire Services).

Finally, OBSID has engaged more frequently with the Observatory Civic Association (OCA) this year, and has also had various engagements with the Community Action Network (CAN) – mostly on the topics of social development and placemaking.

These relationships will be key to Observatory's recovery from the socio-economic impacts of the pandemic.

FINANCE AND PROJECTS

The financial position of the OBSID is good, with a clean audit, and we are now spending our resources more effectively.

In previous years OBSID has built up reserves. The need for OBSID to effectively spend its budget and ensure that levies raised are invested timeously and impactfully back into Observatory has been a key priority for the current Board. This year, we started to tap into these reserves to scale up services and to deliver on special projects. However, we can still further upscale our delivery of projects, by ensuring that we have a steady pipeline of place-making projects that have community support. This process has been initiated in the early part of the 2020/21 financial period, with a placemaking survey, a public call for projects, and the establishment of a joint working group with the Observatory Civic Association and other volunteers from Observatory.

COMMUNICATIONS

OBSID contracted Design for Development and Catalyst Communications to improve our website and social media presence. We are now regularly updating our website with operational updates and using Facebook and Instagram profiles to communicate with the community about our work.

We are also grateful to the OCA for including OBSID news in their newsletter when appropriate, and for convening a special meeting on social development where we were able to address questions from the community as we launched the ObsHouse Supportive Housing project.

More recently, we embarked on a survey to learn about preferences and priorities to inform our approach to public spaces.

We encourage all members and residents to visit our website and social media pages, and to reach out with ideas or questions.

We are aware that there remain many residents of Obs who do not have knowledge of OBSID's mandate, and the opportunities and indeed limitations that this presents for our contribution to Obs – communication thus needs to be ongoing across multiple channels.

RELATIONSHIP WITH CITY OF CAPE TOWN

Our relationship with City of Cape Town is essentially two-fold. The CID office regulates our activities and ensures that we fulfil essential governance and reporting requirements. We maintain a good relationship with this office and are thus in good standing. However, in terms of service co-ordination of city services, we have a limited engagement or influence. This was felt particularly strongly in the early stages of Covid19 with divergent responses to the needs of the homeless during lockdown.

It is hoped that the city works to provide a more effective urban management interface with communities and structures like the OBSID, thereby strengthening these relationships that are so necessary for the successful functioning of the OBSID – including but not limited to law enforcement, maintenance of parks, area cleaning, social development, planning and community facilities.

CONCLUSION

The OBSID has maintained stable services and indeed grown its service offerings and expanded our view of what is possible to achieve as a Special Rating Area in partnership with local organisations and specialist services. The OBSID is weathering the impacts of Covid19 and enters the phase of recovery in a healthy financial position, and with its governance, planning and management systems significantly improved. The focus for the next year is to sustain our services despite anticipated declines in the rate base as the economic impacts of the pandemic are felt, and to grow our special projects in support of the Obs community's expressed preferences for public spaces and local business recovery.

I would like to thank Amanda Kirk, our CEO, for her unbelievable resilience this year. Many thanks to OBSID staff, service providers and partners, and the rest of the Board for their important contributions.

JODI ALLEMEIER
OBSID BOARD CHAIRPERSON

ANNUAL REVIEW

2019 / 2020



INTRODUCTION

The OBSID has continued to focus on stabilising its core programmes whilst exploring and firming up partnerships with service providers that expanded our work and added value to the services on offer.

Large scale operational changes at the end of the last reporting period – including a change in public safety service provider (our single biggest line item expenditure), an office move, a programme review and staff changes all required periods of stabilisation and focus to ensure that the expected outcomes of the changes were realised. We're happy to report that this has indeed been the case, and look forward to further improvements and value add services in the year to come.

Two quotes from Cyril Ramaphosa after just 2 weeks of the lockdown ring true for the work of the OBSID in the past year – both before the pandemic became a reality in South Africa and once we entered lockdown.

"Much is being asked of you, far more than should ever be asked. And we dare not fail. We shall recover. We shall overcome."

"Faced with such daunting challenges, you – the people of South Africa – have responded with remarkable patience and courage."

This year split itself into 2 unequal parts – pre Covid, when we thought we were already dealing with all the operational challenges we could handle but still making good progress in many areas, and during Covid, when the operational challenges changed considerably, sometimes complicating our work in unexpected ways – at the same time giving us a chance to plan for the future (but more on these developments later).

What has been consistent is the team's incredible commitment to their work, their willingness to go the extra mile and their determination not to let the community down.

I want to give thanks to each and every OBSID staff member as well as each member of the Securitas public safety team for their efforts this year, often in extremely difficult and challenging circumstances.

Special thanks go to Robert Witbooi and Charl Brooks of Securitas for their efforts in supporting and strengthening the OBSID's public safety programme.

MANAGEMENT AND OPERATIONS

COVID-19 RESPONSE

The OBSID was designated as an essential services provider throughout the lockdown levels and continued to provide services. We implemented strict health and safety protocols for all our staff and the staff

of our providers and continue to be vigilant that these protocols are maintained.

Our public safety service continued uninterrupted

with an increase deployment. Our cleaning team's services continued on staggered shifts and to allow for safer travelling to and from work.

Our office was manned throughout the period, social development services continued albeit on a reduced scale and key staff (CEO and Area Manager) worked from home occasionally during later lockdown levels.

The management team felt it important to be in office to show support for the teams who had no choice but to come to work, but were extra careful as regards physical distancing, handwashing and the wearing of masks.

Covid19 has actually brought the team closer together. We have a shared, lived experience of working in a pandemic and supporting each other through periods of stress and anxiety as well as under differing levels of community pressure at different times.

We've helped with school assignments, issued masks and sanitiser to family members and listened whilst our staff have expressed their fears and worries for their families and friends. We've gratefully received cakes and lunch packs from community members wanting to say thank you to the team.

Despite it all, we've come through stronger!

HUMAN RESOURCES

HR systems are stable and functioning well. The OBSID has a fully developed policies and procedures manual for the first time in its history, encompassing HR policies (including recruitment, remuneration and performance management), health and safety, procurement, IT finance management and Board conduct.

During the reporting period, there were the following staff exits:

- Jason Hill – resignation
- Kenneth Roman – mutually agreed exit
- Rayno Joubert – resignation
- Edith Mennas – resignation

These roles have been filled by Stoney Steenkamp, Leon Nzenza and Bongwiwe Sika.

FINANCE SYSTEMS

During the reporting period, we changed accounting service providers (from Charlene Binedell to Accounts Star) and company secretaries (from Charlene Binedell to Ursula Genthe), also auditors (from Haumann Rodgers to Cecil Kilpin). These changes have all delivered the expected functional improvements hoped for. Service provider relationships in this critical area are solid.

COMMUNICATIONS

In October 2019, OBSID contracted the services of Design For Development and Catalyst Communications to assist in the development of a communications strategy, corporate identity and visuals. This partnership has resulted in clarity around messaging, look and feel", increased traffic to our social media feeds and website. We have also learnt a lot about content generation, content placement and messaging.

Together with the OBSID board, a new tagline for OBSID has been developed. After 10 years, the old "safer, cleaner, smarter" describes what we do, but isn't aspirational. Our new tagline "making places for people" is something to aim for – and describe how OBSID sees its role in the community.

The launch of this was delayed by Covid-19 and the lockdown, but activations are being planned.

BUSINESS DEVELOPMENT

OBSID's efforts in this area remained in support of public safety via the WhatsApp groups and significant support being provided to the annual Streetopia event.

Activations and projects in this programme portfolio are being planned for the 2020/21 reporting period.

KEEPING OBSERVATORY CLEAN

Our outsourced arrangements with Straatwerk – focussed on graffiti removal – and Green4Life Gardeners – focussed on the green spaces of Observatory – both delivered exceptional results and both contracts have been continued in the new financial year. We are confident that their standards and response times will remain at the levels we expect.



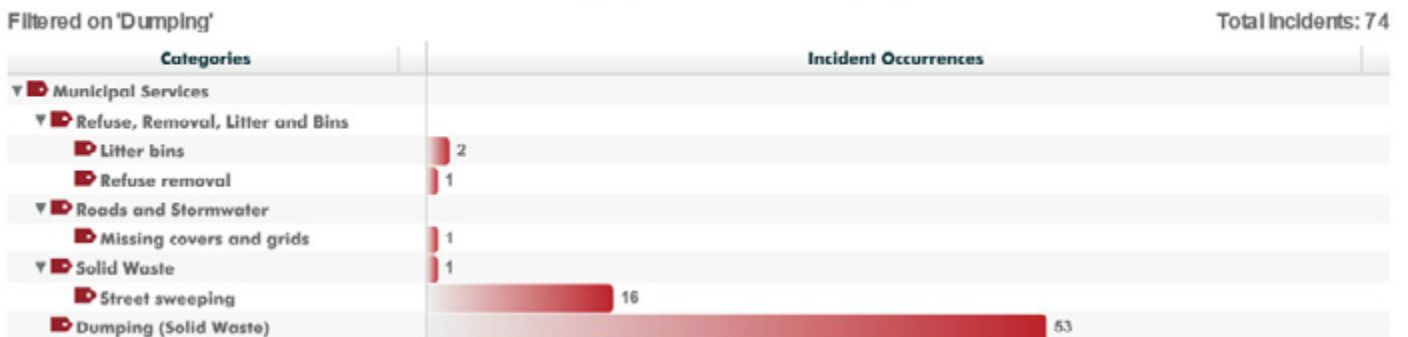
The OBSID cleaning team has had another busy year! We continued with our allocated zone arrangements, but supplemented the service with a dally truck run to collect dumping and other refuse.

Our plans to launch an afternoon cleaning service in partnership with Straatwerk were put on hold due to the lockdown, but this is being relooked at lockdown restrictions ease.

Dumping remains a challenge – OBSID seems to be a victim of its own success as people know we’ll clean up after them, so they feel more empowered to break bylaws and dump in public places. Restaurants along Lower Main and residents living just off Lower Main are significant contributors to the figures below:

OBSID ANNUAL REVIEW BY CATEGORIES

Start Date: 01/07/2019 End Date: 30/06/2020



During lockdown, it was disappointing to note a significant increase in dumping in the residential areas – people who were confined to their homes clearly decided that their bins couldn’t get full, so they dumped household refuse outside for OBSID to collect.

Whilst dealing with this, we weren’t always able to deliver our usual deep clean service (due to reduced manpower on shifts at different times of the day), and received a number of negative comments from the public as a result.

On a more positive note, the team continued to receive positive feedback from community members, appreciative of their efforts and the fact that they were at work 6-7 days a week, keeping Observatory clean.

OBSID's boundary ends at the Liesbeek Parkway and the Observatory side of Main Road. Many of the complaints we receive relate to rubbish along the Liesbeek River pathway and up Browning and Anzio Roads.

We appreciate that these are entrances and exits to Observatory but cannot deploy resources there. We're constantly reminding community members of this and asking them to log calls with the City of Cape Town.

COVID-19 RESPONSE

The OBSID was designated as an essential services provider throughout the lockdown levels and continued to provide services. Cognisant of the risks employees were taking, staff were issued with masks, hand sanitiser and disposable gloves for their journey to and from work and for use during work – refilled and resupplied by OBSID at no cost to the staff. Shift patterns were adjusted, rostering was split and staff areas on the office were reorganised in line with the Covid-19 health and safety protocols.

At time of writing, none of the OBSID cleaning team or their family members had contracted Covid-19.



CITY INFRASTRUCTURE IN OBSERVATORY

City infrastructure faults resulted in 839 C3's (service requests) being logged with the City during this reporting period.

A positive spin off from the appointment of Securitas as public safety service provider is access to the Incident Desk system, which contains urban management reporting modules. This is the first time in 3 years that OBSID has been accurately recording C3 reports, and has therefore been able to follow up and escalate as necessary.

The graph below indicates the range and types of issues reported to the City during this period:

OBSID ANNUAL REVIEW BY CATEGORIES

Start Date: 01/07/2019 End Date: 30/06/2020

Total Incidents: 839



SOCIAL ISSUES

The period of this report was one of considerable change in the social development portfolio, based on learnings of the prior year. As previously reported, the impact of the social development programme was extremely low, with no new approaches being tested to assess suitability for the target audience – primarily being those living on the streets, whether long term or relatively recent.

In May 2019, the programme was suspended and placed under review. The outcome of the review was unfavourable and indicated a range of issues that had been left addressed for a number of years. During this time, the pilot with Streetscapes was launched.

The launch of the “Streetscapes in Observatory” work rehabilitation programme and accompanying services has shown considerable impact within its first year. OBSID partnered with Khulisa Streetscapes to provide sheltered work opportunities for people living on the streets, coupled with outreach, case management and access to a range of support services.

The Khulisa Streetscapes approach is one of containment within a developmental framework to tackle a visible problem on the streets of Observatory. The programme contains some of the impact of homelessness in supportive housing and sheltered work opportunities with harm reduction strategies activated to support the individual’s journey’s towards different life choices.

This project has significantly deepened our impact on homelessness in Observatory and has laid the groundwork for further development of an integrated social development programme – comprising community education around responsible giving (and the provision of suitable donation mechanisms), supportive accommodation, our sheltered work programme and other containment measures, in depth case management and other support services – which could serve as a model to other CID’s grappling with the same issues related to homelessness in their boundaries.

Bongi Sika and Herbert November joined the team late in the last reporting period and immediately commenced with a census of those living on the streets to start a database – a database which remains up to date and now forms part of programme reporting. They built relationships with those living on the streets – both with those wanting to access the programme and those who did not.

The work rehabilitation programme commenced in August 2019 and ran without interruption until the lockdown commenced in March 2020.

The programme has been expanded in terms of participant numbers and work sites and to include a supportive housing pilot project, opening late August 2020.





THE DIGNITY PROJECT

In September 2019, we partnered with Afrikaburn Outreach to install 2 toilets in the public spaces to tackle the issue of human waste in the streets as a result of a lack of access 24/7 to bathrooms. These units, located alongside the Station Road bridge have been a great success, leading to an estimated 2/3 reduction in human waste in the centre of Observatory. We intend to roll out 2 more units in other parts of Observatory in the next financial year.

These units have been serviced by Sanitech and Enviro Wildfire Services, and maintained by the OBSID cleaning team.

COVID-19 RESPONSE

During the first phases of the lockdown, the work rehabilitation programme was suspended, Streetscapes and OBSID agreed to keep sponsoring some costs towards stipends so as to not add to the growing second pandemic of hunger and desperation.

The work programme recommenced in 7 June 2020.

Services continued to be available to people in need throughout the lockdown on a reduced work week. We assisted people with shelter placement, contact with families and transport stipends to get to family and friends. We partnered with the ObsCAN to provide a daily meal service during levels 5 and 4 of the lockdown.

The OBSID funded, installed and serviced 4 1000l handwashing stations strategically placed in the public spaces of Observatory in partnership with Afrikaburn Outreach and Enviro Wildfire Services and continues to do so at the time of writing. We funded and issued 80 individual handwashing kits, plus information packs, tissues and bottles of hand sanitiser.

PARTNERSHIP WITH TB / HIV CARE

Through Streetscapes, we continue to enjoy a successful partnership with TB / HIV Care providing support to their outreach teams as well as being a registered NSP (needle syringe programme) programme partner. We provided NSP services to clients throughout lockdown, when TB / HIV Care were not operational.

This has led to a reduction in the number of used needles in the public spaces and opened up new relationships for the social development team with individuals living on the streets who might not previously have known about OBSID's work as regards social development services.

PEOPLE AND PERFORMANCE

In April 2020, Bongi Sika was seconded to OBSID as the Social Development Programme Coordinator, ensuring that the care and dedication shown to clients during her time on the programme remained available to the OBSID. It is intended that this secondment be made permanent in time.

The secondment facilitates external supervision

from a suitably qualified and experienced practitioner and participation in ongoing learning opportunities whilst activating the OBSID social development strategy – the best of both worlds for

a CID with limited capacity to offer professional development and support to social services / development practitioners.

Client database	162
Active client cases at year end – 64 - broken down as follows:	
Active cases as at 30/6/2020	52 (non-work rehab clients)
Total number of participants registered on work rehabilitation programme throughout its existence (including exits)	19
Currently active on the work rehabilitation programme	12
Streetscapes beneficiaries (ex Obs) in Kuilsriver house	2
Identity document replacements obtained	19
Birth certificate replacements obtained	1
Temporary identity documents obtained	5
Total bags collected by Streetscapes work rehabilitation team during the period 12/8/2019 to 30/6/2020 (programme was closed from 27/3 to 7/6)	4881

PUBLIC SAFETY

KEEPING OBSERVATORY SAFE

We recorded 815 incidents during the year, up from 707 in 2018/19, up from 643 in 2017/18 and down from 950 in 2016/17.

Spikes in the number of incidents were noted in February 2020, May and June 2020 – the latter spikes being exacerbated by the courts being closed during lockdown, and those caught committing crime being released pending their future court dates – leaving them free to reoffend.

Monthly reports are published on the OBSID website and the link circulated to the OCA and Frank Schuitemaker (who maintains the ObsWatch Facebook community).

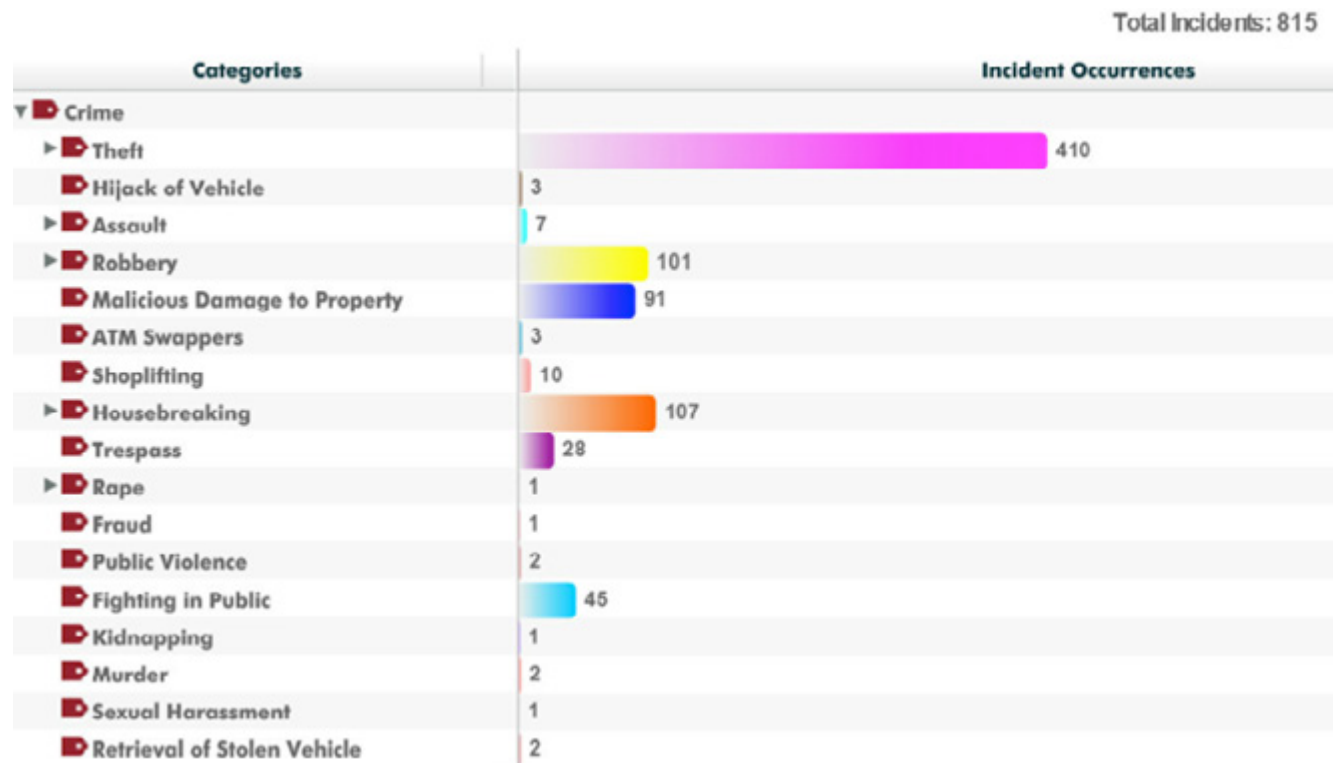
Theft accounted for almost 50% of the incidents reported broken down as follows – (29) theft of motor vehicle, (97) theft out of motor vehicle, (102) general theft, (19) attempted theft, (31) attempted theft out of motor vehicle, (22) theft of cell phones, (81) theft of car parts, (12) theft of motor cycles, (14) theft of bicycles and (3) attempted theft of motor vehicles.

Housebreaking was the second highest contributor with 107 incidents reported broken down as follows – (22) attempted housebreaking, (5) attempted housebreaking business, (66) housebreaking and (8) housebreaking business.

Third was robbery at 101 incidents reported broken down as follows – (19) attempted robbery, (47) robbery common, (14) armed robbery, (1) house robbery, (1) business robbery and (17) robbery with a weapon other than a firearm.

Other reported incidents were (91) malicious damage to property of which 59 was vehicle windows that were broken but nothing was taken nor was access gained to the vehicles, (4) common assault, (2) assault GBH, (3) ATM card theft, (10) shoplifting, (28) trespass, (1) rape, (1) fraud, (2) public violence, (45) fighting in public, (1) suspected kidnapping, (2) murder, (1) sexual harassment and (2) retrieved motor vehicles.

The graph below indicates the type and number of incidents recorded in this reporting period:

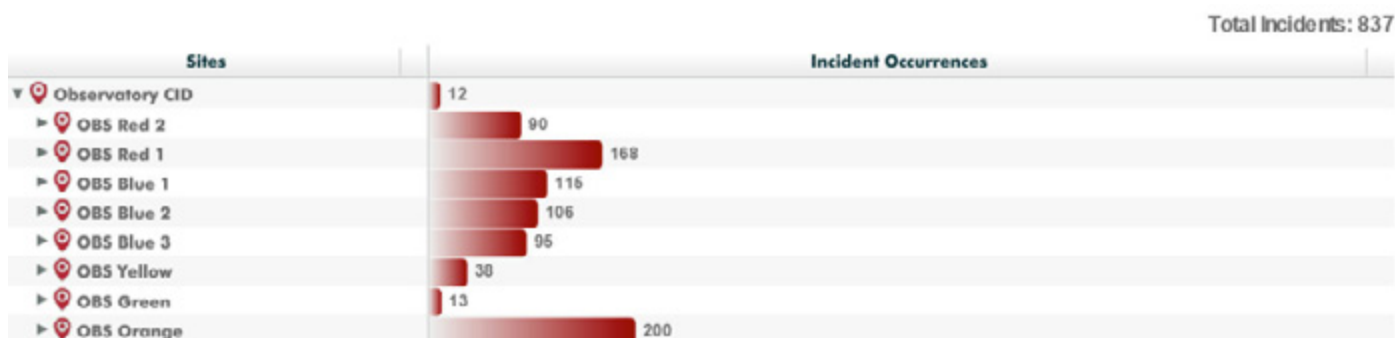


Most of the incidents in the OBSID precinct are opportunistic crimes. People are attracted to OBSID due to the on street parking situation where it is easy to steal items from or out of vehicles in unlit areas. Secondly people are leaving items in the line of sight in their gardens or at open windows that are easy pickings for opportunistic individuals and attract more unwanted elements to the area.

There are many attractions for people to enter the OBSID precinct. Due to this, the foot traffic in the OBSID area is high.

On bin days, the foot traffic increases. People throw away items of value, making it almost impossible for the public safety officers and law enforcement agencies to know what is stolen and what has been thrown away when found in the possession of someone else. This wastes SAPS resources, as they'll come when called, but then have to detain the person for a period of time until their story of a "donation / gift / found in the bin" can be verified.

Proactive actions:

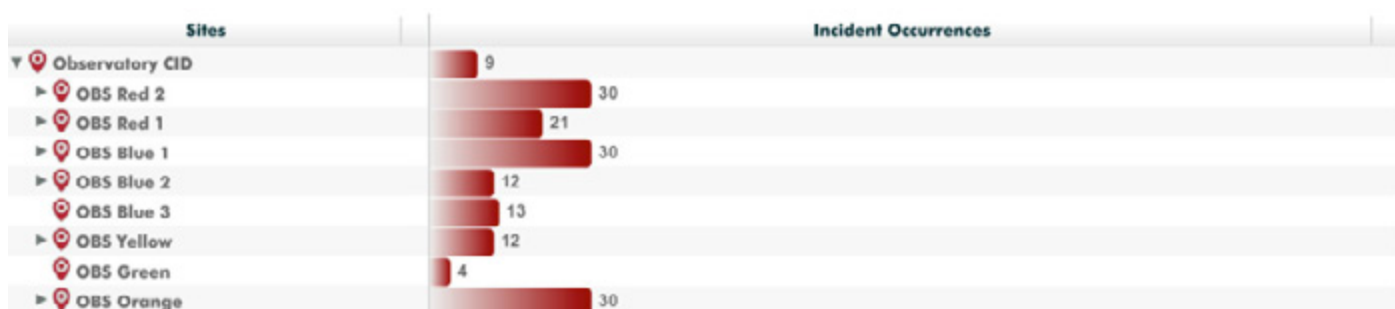


The OBSID public safety team delivered ongoing crime prevention actions - informing owners or residents of unlocked vehicles, open doors, and open garages or premises gates. OBSID's public safety team recorded 837 proactive incidents.

Past trends indicate a correlation between the number of proactive reports and the number of incidents (e.g. less vigilance can lead to more crime).



Community involvement:



161 calls were received from the community of suspicious activities.

ObsWatch is defunct, so the public safety team is the only line of defence against suspicious activity.

We have noted that although spiral patrols have been proven to be the most effective patrol pattern, there are time consuming and can be countered by criminals monitoring the public safety vehicles. We have therefore focussed on overlapping patrols to counter this.

If the community could be extra eyes and ears for the public safety officers our time and resources can be more affectively utilized.

Currently our deployment is reactive to crime patterns and focussed on visibility, but community involvement in reporting unusual or suspicious foot traffic and activities will facilitate a more proactive approach.

At the time of writing, OBSID has implemented the Buzzer Community Safety app, in the hope that this will give the community the right platform to raise safety concerns in real time.

We are also hopeful that the Neighbourhood Watch is reconstituted by people with a commitment to public safety in Observatory.

Licence Plate Recognition (LPR):

The licence plate recognition (LPR) system is functional and assisted the public safety officers with focused patrols with regards to suspicious vehicles.

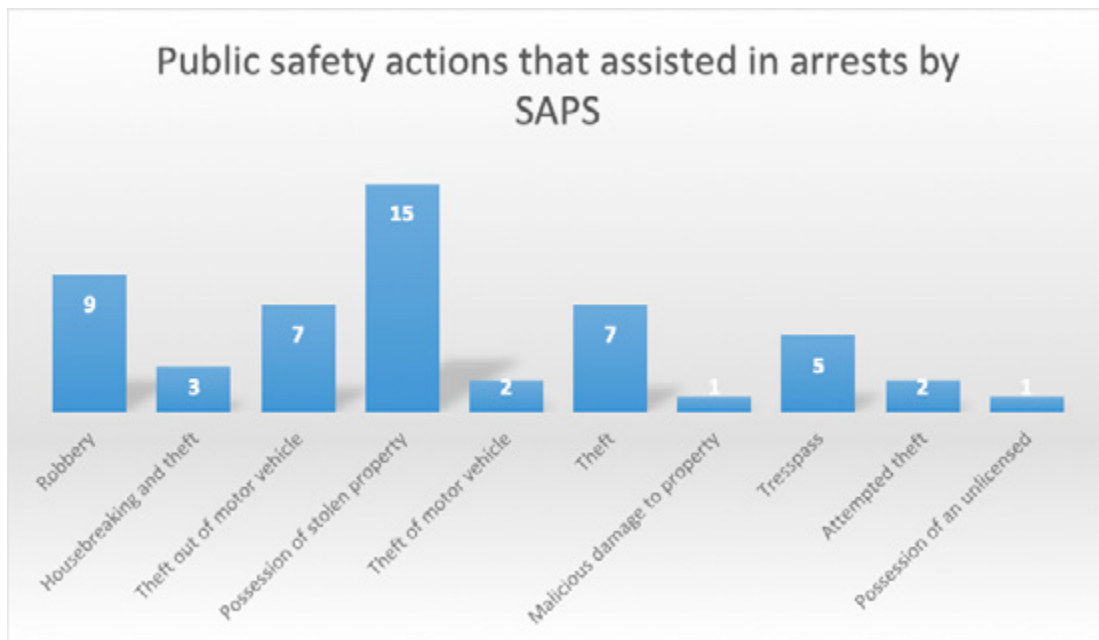
LPR responses have been integrated into the public safety team's day to day activities. The Controller receives alerts, and despatches it to the nearest vehicle. As soon as the vehicle is located the public safety officers will only be eyes on and give feedback to the controller.

Although most alerts are to monitor only there are times when the vehicles were actively sought by SAPS. Our controllers are in constant communication with the LPR group that is being monitored by administrators and SAPS who are informed of the movements of the vehicles in our area.

Quick action by the OBSID controllers has assisted in a number of arrests during the reporting period and contributed significantly to the LPR community reach.

Arrests:

Alertness and quick response by the public safety officers led to 52 arrests by SAPS during the reporting period. The graph below indicates the type of incidents people were detained in connection with / on suspicion of:



The challenges:

The public safety team have faced many challenges during this period and these challenges are not likely to decrease soon.

The Constitutional Court found stop and seizures without a warrant to be unconstitutional and the Cape Town High Courts made a blanket order that law enforcement officers are not to enforce municipal by-laws on people without homes.

The court findings changed the way peace officers used to operate.

While the different departments i.e. SAPS, Law Enforcement, Metro Police and Traffic are adjusting to the new work procedures, the OBSID public safety officers are having to deal with most of the complaints from the community themselves.

The OBSID public safety officers do not have enforcement powers and are dependent on the different law enforcement departments to deal with the more serious complaints. The blanket court order by the Cape Town High Court have left the public safety officers to deal with homeless complaints to the best of their ability with the means available to them.

The lack of law enforcement being able to enforce by-laws have resulted in many people now living around the Village Green. The people living on the streets are vulnerable and criminal elements are

taking advantage of them. The people living on the streets cannot act against the criminal elements nor can they inform on them as this will leave them exposed to retaliation. Criminal elements are also moving into the area for short periods to commit crimes before they move on.

We have observed an increase in foot traffic in the OBSID precinct and when people are approached by the public safety officers they mention that they either live in the area, have moved into the area or that they are visiting people living in the area.

With the increase in foot traffic we have noticed an increase in opportunistic crimes like theft of car parts, general theft where criminals jump over the walls to steal items from the property and theft out of motor vehicles.

A long term strategy to reduce the risk of incidents will be to get the Observatory CPF functioning again and to have a strong neighbourhood watch presence on the streets.

The short term strategy is to monitor the crime patterns on a daily, weekly and monthly basis to direct our deployments and to remain responsive to changes in patterns requiring changes in deployments.

SAPS:

OBSID continued to enjoy functioning relationships with Woodstock SAPS through our interactions with the station, our attendance at weekly joint meetings and our participation in numerous joint operations in conjunction with the Crime Prevention Unit (CPU).

Law enforcement:

OBSID contracted the services of 2 Law Enforcement Officers during the reporting period as in previous years. Unfortunately, ongoing operational challenges outweighed the benefits of this service, and the OBSID Board took the decision not to renew the contract for the 2020/21 year.

Observatory still enjoys good support from law enforcement through the relevant structures, including enforcement of bylaws as permitted by law and current court rulings.

"Buzzer" – a community safety app:

At the time of writing, the OBSID had commenced a pilot of the "Buzzer" community safety app – giving anyone in Observatory the ability to report incidents or call for assistance in real time, directly to the OBSID 24/7/365 control room. The pilot will run for the first quarter of the new financial year.



COVID-19 RESPONSE

As soon as lockdown became a reality, we temporarily increased our deployment by 30% to ensure that we staffed to manage whatever challenges would be coming our way as regards public safety.

We worked with Securitas to ensure that the public safety team were safe – OBSID received a donation of masks which we passed onto the Securitas team, and a donation of hand sanitiser which we also passed on. Strict protocols in terms of Covid-19 health and safety measures were put in place By OBSID for the team and remain in place in addition to what was required by Securitas policy. We experienced almost no absenteeism during the lockdown levels, testament to how seriously our team take their jobs.

One Securitas staff member was quarantined after possible exposure, but no other incidents of Covid-19 have been recorded on the OBSID contract during the reporting period.

PEOPLE AND PERFORMANCE

Staffing changes:

With the appointment of Securitas, the OBSID Public Safety Manager's role changed to one of client as opposed to hands on management of the service provider's resources.

Rayno Joubert joined the OBSID from the Wynberg Improvement District in July 2020 and brought some much needed experience and expertise to OBSID as regards CID public safety and urban management. He set up systems and helped us increase our knowledge. He left late in 2019 to join his GP wife in her new practice in the Eastern Cape.

Stoney Steenkamp joined the OBSID in December 2019 and has had an even more significant impact on our public safety and urban management programmes. These programmes are in excellent hands now!

Securitas contract management – monthly assessments and related:

A condition of the contract was the need for there to be defined metrics to measure the service provider's performance during the first year of the contract – and an exit clause was negotiated with Securitas if the service did not reach and be sustained at the required levels.

Metrics were defined by OBSID and signed off by the Board, agreed to by Securitas and assessed on a monthly basis. The service has been consistently good and proven to be value for money, and the contract has been extended to its full term (ending 30/6/2022).

At the start of the new year, we increased our complement by 6 people – 3 foot patrollers, 3 response officers – and an additional vehicle. This expansion is already showing a significant impact as regards a reduction in the number of incidents taking place.



SPECIAL PROJECTS AND CAPITAL EXPENDITURE (funded from reserves)

Greening - a pilot project was run with Green4Life Gardeners to assess their suitability for the work before this arrangement was normalised into operating expenses mid-year.

“Streetscapes in Observatory” - the work rehabilitation programme and related costs were funded as a project. This includes participant stipends, social auxiliary worker / coach salaries and related costs (external supervision and airtime).

Covid-19 - the costs of handwashing stations, handwashing kits, additional public safety support as well as the costs of the health and safety protocols required for workplaces were funded from reserves.

The **Station Road rainbow subway** community project organised in conjunction with Tanya Bonello in September 2019 was funded by OBSID. Our contribution included labour and materials (paints, tiles and brushes). We also sponsored the costs of indigenous plants from Communitree to start a small garden near the entrance to the subway.

A **CCTV camera system** was installed at the OBSID office and a third security kiosk was purchased.

Upgrades were made to the OBSID control room systems and computer infrastructure.

Despite Covid-19 restrictions, the creative juices of the Afrikaburn team continue to flow, and the OBSID has been asked to consider funding **Streetopia / e-Topia 2020**. This project should give a much needed boost to local businesses (and includes the trialling of an online retail platform) and we look forward to being involved in the development, design and activation of the 2020 version of this much loved event.

Late in the reporting period, the OBSID board approved the appointment of Marcela Guerrero Casas (ex-Open Streets CT) to provide project management support to the OBSID team, specifically as regards the **development and implementation of a public spaces projects policy**.

At the time of writing, a public spaces survey had been administered, a policy has been developed and approved and the OBSID Board are currently considering a number of pilot projects arising from analysis of the survey data. We’re looking forward to finally bringing some new and exciting community projects to fruition in the next reporting period.

ACKNOWLEDGEMENTS AND THANKS

A heartfelt and very special word of thanks to the OBSID staff – Ibrahim Chiwaya, Nicholas Jansen, Master Banda, Hugh Chimwa, Bonisile (Oscar) Mrwashu, Jacques Wiesner, Mickael Rabbaney, Raymond Duarte, Stoney Steenkamp, Leon Nzenza and Bongzi Sika, as well as those who left during the year – Jason Hill, Kenneth Roman, Rayno Joubert and Edith Mennas.

Your efforts this year have been remarkable and OBSID is going from strength to strength as a result of your commitment, energy and willingness to go the extra mile.

The OBSID cannot function without the ongoing support of many other entities and structures. To this end, we wish to express our sincere thanks to the following:

- **Eddie Scott, Joepie Joubert, Runan Rossouw, Bonita Ascot, Nomnikelo Halana and Alma Stoffels** at the City CID Unit
- **Inspector Ian McIntosh, Officers Fasser and Campbell** from Law Enforcement;
- **Priscilla Booysen** and her team at Solid Waste
- **George Kiewiets** and his team inside of PRASA
- **Councillor Paddy Chapple**
- **SAPS Constables Roode and Fortuin** – Crime Prevention Unit,
Colonel van den Berg – Acting Station Commander
Warrant Officers Smith and Muller and
Colonel Lotz – Detective Commander

In addition, we would like to express our thanks and gratitude to the following:

- **Charl Brooks, Robert Witbooi and the deployed team at OBSID** – Securitas
- **Charlene Binedell** – accounting services and
Ursula Genthe – accounting services
- **Susan Smith** and the volunteers of the LPR user group .
- **The OBSID Board of Directors**
- **Jesse Laitinen** and her team at Khulisa Streetscapes, especially **Herbert November**
- **Our service providers and suppliers**
CBA, Catalyst Communications, Connect123, Design For Development, Dr Wash laundry, Enviro Wildfire, Gravit8, Green 4 Life Gardeners, Hawkes and Findlay, JJ Chembros, JP Tek, Narcom, Omnivision, Niche Co., Observatory Petrol Station, Sanitech, Securitas, Seacom, Straatwerk OPHELP Projekte, The Camera Co. and Uniforms Unlimited.
- **The Observatory Civic Association**
- **Frank Schuitemaker**
- **Haumann Rodgers Auditors and Cecil Kilpin Auditors**





FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2020**

(Registration number 2008/020680/08)

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Improve and promote the improvement area by providing and procuring the provision of services to and in the improvement area
Directors	ES Angless N Moodley JK Altemaier JJ Ashley CA Everatt TH Figl JN Cronje MFC Krause
Registered office	13A St Michael's Road Observatory Cape Town 7925
Business address	13A St Michael's Road Observatory Cape Town 7925
Postal address	13A St Michael's Road Observatory Cape Town 7925
Auditors	Cecil Kipn & Co. Chartered Accountants (SA) Registered Auditor
Company registration number	2008/020680/08
Tax reference number	9024/005/19/7
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Index

The reports and statements set out below comprise the annual financial statements presented to the members:

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The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	19

Independent Auditor's Report

To the members of Observatory Improvement District NPC

Opinion

We have audited the annual financial statements of Observatory Improvement District NPC (the company) set out on pages 8 to 18, which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Observatory Improvement District NPC as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with international Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report, and the supplementary information as set out on page 19. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008 and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

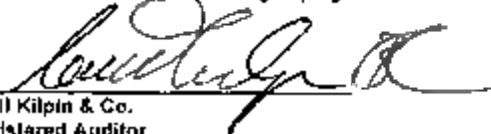
Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Cecil Kilpin & Co.
Registered Auditor
Per Partner: Sidney Schonegevel

Century City
Date: 27/08/2020

Observatory Improvement District NPC

(Registration Number: 2006/020680/06)

Annual Financial Statements for the year ended 30 June 2020

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2021 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 8 to 18, which have been prepared on the going concern basis, were approved by the directors and were signed on its behalf by:

Approval of annual financial statements

N Moodley

JJ Arney

CA Everatt

TH Figl

CA Everatt

JK Allemeyer

Cape Town

Date: 28/8/2020

Observatory Improvement District NPC

(Registration number: 2008/020690/08)

Annual Financial Statements for the year ended 30 June 2020

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Observatory Improvement District NPC for the year ended 30 June 2020.

1. Nature of business

Observatory Improvement District NPC was incorporated in South Africa with interests in the security services industry. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Directors

The directors in office at the date of this report are as follows:

Directors	Changes
ES Angless CLR Neville	Resigned Monday, 02 December 2019
T Jenkins	Resigned Monday, 02 December 2019
N Moodley JK Allmeier JJ Ashley TG Hughes	Resigned Monday, 02 December 2019
CA Everatt Tri Fgi JN Cronje	Appointed Monday, 02 December 2019
MFG Krause	Appointed Monday, 02 December 2019

The directorate expressed their sincere appreciation to the outgoing directors for their contributions during their respective periods of office.

4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Directors' Report

6. Auditors

Cecil Kilpin & Co. were appointed as auditors for the company for 2020.

At the AGM, the members will be requested to reappoint Cecil Kilpin & Co. as the independent external auditors of the company and to confirm Mr Sidney Schonegevel as the designated lead audit partner for the 2021 financial year.

7. Secretary

The company secretary is U Genthe.

Postal address

13A St Michael's Road
Observatory
Cape Town
7925

Business address

13A St Michael's Road
Observatory
Cape Town
7925

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Statement of Financial Position as at 30 June 2020

	Note(s)	2020 R	2019 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	200 384	204 905
Current Assets			
Trade and other receivables	3	400 732	101 608
Cash and cash equivalents	4	3 038 388	3 669 017
		3 439 120	3 770 625
Total Assets		3 639 504	3 975 530
Equity and Liabilities			
Equity			
Retained income		3 501 489	3 705 385
Liabilities			
Current Liabilities			
Trade and other payables	5	138 015	270 145
Total Equity and Liabilities		3 639 504	3 975 530

Observatory Improvement District NPC
 (Registration number: 2008/020680/08)
 Annual Financial Statements for the year ended 30 June 2020

Statement of Comprehensive Income

	Note(s)	2020 R	2019 R
Revenue	6	6 163 162	5 654 277
Other income	7	309 318	138 708
Operating expenses		(6 887 817)	(5 554 898)
Operating (loss) profit	8	(416 337)	238 087
Investment revenue	9	212 436	242 770
(Loss) profit for the year		(203 901)	480 857
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(203 901)	480 857

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 01 July 2018	3 224 533	3 224 533
Profit for the year	480 857	480 857
Other comprehensive income	-	-
Total comprehensive income for the year	480 857	480 857
Balance at 01 July 2019	3 705 390	3 705 390
Loss for the year	(203 901)	(203 901)
Other comprehensive income	-	-
Total comprehensive loss for the year	(203 901)	(203 901)
Balance at 30 June 2020	3 501 489	3 501 489

Note(s)

Observatory Improvement District NPC

(Registration number: 2008/020680/06)

Annual Financial Statements for the year ended 30 June 2020

Statement of Cash Flows

	2020	2019	
	R	R	
	Note(s)		
Cash flows from operating activities			
Cash (Used in) generated from operations	11	(157 649)	376 125
Interest income		212 436	242 770
Net cash from operating activities		(45 213)	618 895
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(85 416)	(214 090)
Total cash movement for the year		(630 629)	404 805
Cash at the beginning of the year		3 669 017	3 264 211
Total cash at end of the year	4	3 038 388	3 669 017

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS for SMEs requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Key sources of estimation uncertainty

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

The timing of leave pay is uncertain as leave pay is only payable when an employee leaves the employment of the company or utilised when an employee takes leave. The provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Security equipment	Straight line	3 years
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	4 years
IT equipment	Straight line	3 years
Other fixed assets	Straight line	5 years

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1.2 Property, plant and equipment (continued)

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Financial Instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The company is exempt from taxation in terms of section 10(1)(a)(i)(cc).

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to transfer economic benefits in settlement, and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Notes to the Annual Financial Statements

	2020 R	2019 R
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2. Property, plant and equipment

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	70 795	(35 558)	35 237	89 098	(45 217)	43 881
Motor vehicles	23 268	(169 071)	62 197	166 273	(162 671)	23 602
Office equipment	24 119	(24 108)	11	39 735	(39 719)	16
IT equipment	102 952	(76 551)	26 401	73 832	(69 350)	4 482
Security equipment	177 256	(100 720)	76 536	188 224	(56 673)	131 551
Other fixed assets	24 469	(24 467)	2	24 469	(23 095)	1 373
Total	630 859	(430 475)	200 384	601 631	(386 726)	204 905

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Furniture and fixtures	43 881	-	-	(8 644)	35 237
Motor vehicles	23 602	44 995	-	(6 400)	62 197
Office equipment	16	-	(5)	-	11
IT equipment	4 482	39 700	(1)	(8 780)	26 401
Security equipment	131 551	9 721	(4)	(64 732)	76 536
Other fixed assets	1 373	-	-	(1 371)	2
	204 905	85 416	(10)	(89 927)	200 384

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	2 804	47 804	(6 527)	43 881
Motor vehicles	38 950	-	(15 348)	23 602
Office equipment	10	11 088	(11 082)	16
IT equipment	8 227	2 013	(5 758)	4 482
Security equipment	16 685	153 185	(38 319)	131 551
Other fixed assets	2 401	-	(1 028)	1 373
	68 877	214 090	(78 062)	204 905

3. Trade and other receivables

Trade receivables	-	14 905
Deposits	86 025	86 703
Prepayments	313 907	-
	400 732	101 608

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Notes to the Annual Financial Statements

	2020 R	2019 R
4. Cash and cash equivalents		
Cash and cash equivalents consist of		
Cash on hand	68	321
Bank balances	814 117	1 321 210
Fixed deposits	2 224 203	2 347 486
	3 038 388	3 669 017

The fixed deposits respectively reached their maturity dates on 2 December 2019 and 30 June 2020 and was instructed by management to be reinvested as follows:

Investec Bank Fixed Deposits	Reinvested amount	Term	Interest	Maturity date
Account number 1100544020450	962 739	12 months	8.04% - interest capitalised monthly	02/12/2019
Account number 1100544020500	1 261 464	12 months	6.60% - interest capitalised monthly	30/06/2020

5. Trade and other payables

Trade payables	3 603	65 542
VAT	8 893	20 879
Accrued expenses	107 653	169 103
Deposits received	18 466	14 616
	138 015	270 140

6. Revenue

Rendering of services	6 163 162	5 654 277
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7. Other income

Other income	2 417	9 361
Retention refunded	305 901	129 347
	308 318	138 708

As at 30 June 2020 the retention held by City of Cape Town amounted to R190,613.00

8. Operating (loss) profit

Operating (loss) profit for the year is stated after accounting for the following

Operating lease charges		
Premises		
• Contractual amounts	295 078	291 757
Property, plant and equipment	(10)	-
Depreciation on property, plant and equipment	89 927	78 062
Employee costs	1 614 894	1 738 655

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Notes to the Annual Financial Statements

	2020 R	2019 R
9. Investment revenue		
Interest revenue		
Bank	212 436	242 770
10. Taxation		
No provision has been made for 2020 tax as the company is exempt from taxation in terms of section 10(1)(a)(i)(cc).		
11. Cash (used in) generated from operations		
(Loss) profit before taxation	(203 901)	480 857
Adjustments for:		
Depreciation and amortisation	89 927	78 062
Loss on sale of assets	10	-
Interest received	(212 436)	(242 770)
Rounding of cash flow	-	(2)
Changes in working capital:		
Trade and other receivables	(299 124)	(85 559)
Trade and other payables	(132 125)	145 538
	(767 649)	376 126
12. Auditor's remuneration		
Fees	17 500	18 900
Prior year under provision for audit fees	(1 350)	-
	16 150	18 900
13. Prescribed officer's remuneration		
Prescribed officers		
2020		
	Emoluments	Total
Chief Executive Officer	393 285	393 285
Mrs AJ Kirk		

14. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

Detailed Income Statement

	Note(s)	2020 R	2019 R
Revenue			
Rendering of services		6 163 162	5 654 277
Other income			
Retention refunded		305 901	129 347
Interest received	9	212 436	242 770
Other income		2 417	9 361
		520 754	381 478
Operating expenses			
Accounting fees		50 775	48 590
AGM expenses		8 548	7 616
Advertising		-	2 684
Annual performance bonuses		-	400
Auditors remuneration	12	16 150	18 900
Bank charges		10 047	11 643
Cleaning		96 490	57 091
Communications		148 584	-
Compensation for Occupational Injuries & diseases		26 312	33 884
Computer expenses		31 270	24 442
Consulting fees		6 375	-
Covid-19 expenses		224 931	-
Depreciation, amortisation and impairments		89 927	78 062
Donations		150	-
Employee cost - PAYE & UIF		252 030	215 131
Employee costs		1 614 694	1 738 655
Environmental upgrading		120 493	7 971
Insurance		18 904	20 846
Law enforcement officers		320 332	357 120
Lease rentals on operating lease		299 078	291 757
Motor vehicle expenses		20 668	14 753
Newsletter expenses		-	43 448
Printing and stationery		14 462	12 481
Project expenses		394 133	123 055
Public safety - CCTVs		-	11 655
Rates and municipal services		50 836	11 167
Repairs and maintenance		6 845	17 190
Scrapping of assets		10	-
Secretarial fees		7 113	-
Security		2 990 336	2 268 278
Smelter fees		10 683	-
Small tools under R7000		1 525	-
Social upliftment		11 935	65 842
Staff clothing		8 272	27 575
Staff welfare		19 999	10 570
Telephone and fax		16 390	28 586
Training		-	4 810
		6 887 817	5 654 898
(Loss) profit for the year		(203 901)	480 857



PROPOSED UTILISATION OF ACCUMULATED SURPLUS

2020 / 2021

(Registration number 2008/020680/08)

OBSERVATORY IMPROVEMENT DISTRICT (OBSID)

2020/21

PROPOSED UTILISATION OF ACCUMULATED SURPLUS

EXPENDITURE

Projects

Business development: place marketing and signage
Business development: event support
Public spaces: infrastructure
Public spaces: LSDF consulting and inputs
Social development: diversion programme, drop in centre
Social development: supportive housing

Capital Expenditure (PPE)

Computer Equipment

TOTAL EXPENDITURE

Proposed Budget

R	
1,065,000	98.2%
60,000	
75,000	
75,000	
50,000	
485,000	
320,000	
20,000	1.8%
20,000	
1,085,000	100.0%



PROPOSED IMPLEMENTATION PLANS

2021 / 2022

(Registration number 2008/020680/08)

Programme 1 : Management and operations

Outcomes:		Outputs:		Timing:
<p>Outcome statement:</p> <p>The Observatory rate payers continue to support the SRA / CID and see value in the services delivered, are actively engaging with our work and give positive feedback when asked</p> <p>The City of Cape Town is satisfied with OBSID's management and operations.</p>	<p>Outcome indicators:</p> <p>Positive feedback from member surveys</p> <p>Increases in property values</p> <p>No formal objections lodged with the City / special resolutions passed by members to remove SRA status / dissolve the CID</p> <p>No financial irregularities reported through annual audit or other review processes</p> <p>CID receives allocated share of retention fund annually</p> <p>Staff disputes resolved in line with principles of procedural and substantive fairness</p>	<p>Output statement:</p> <p>OBSID is effectively managed in line with CID's MOI requirements, NPC registration requirements and guidelines, good management practices and community expectations</p>	<p>Output indicator:</p> <p>OBSID is legislatively compliant</p> <p>General management systems in place and effective</p> <p>Relationships managed in line with mission statement and to the benefit of the CID</p> <p>Community relationships managed and effective</p> <p>Appropriate levels of staff retention</p>	<p>Ongoing</p>
Activities:				
<p>1. Manage and maintain with the City of Cape Town CID office: ensure compliance to City of Cape Town reporting requirements (financial reporting, implementation plans, budgets- annual mid-year reviews, plans and budgets), attend all CID meetings, provide ad hoc reports as requested</p>				
<p>2. Finance management: ensure compliance with GAAP principles as regards cash management, procurement, creditors and debtor's management, preparation of management accounts, adherence to budget, financial record keeping, annual audit protocols, annual financial statements, asset registers, investment and call account management and related.</p>				
<p>3. Maintenance of performance review system for all activities of OBSID (including Board metrics)</p>				
<p>4. Preparation and submission of all reports to agreed timelines: City of Cape Town, Board of Directors, member reports and others</p>				

5. Ensure that CID complies with all legislative requirements as regards NPC registration, SRA renewals, CIPC requirements, tax and VAT
6. Participate proactively in various meetings as and when requested to do so by partners (OCA, ONW), other CID's, City of Cape Town, service providers and Board of Directors
7. Maintain appropriate office systems and functionality: IT infrastructure (hardware and software), shared drives, data management, telephony, printing, internet, time and attendance systems
8. Ensure that HR systems and practices comply with legal and best practice frameworks – recruitment and selection, employment contracts, leave administration, employee files, working hours, overtime management, job descriptions, performance reviews, training and development, misconduct and incapacity management processes
9. Ensure adherence to MOI and sound CID membership practices, including but not limited to processing of membership applications, coordination and management of AGM and related
10. Ensure community complaints and reports are addressed and attended to and feedback given as appropriate
11. Complete annual review of policies and procedures manual with Board input to ensure continued relevance, effectiveness and suitability

Programme 2 : Security / law enforcement initiatives

Outcomes:		Outputs:		Targets and timing:
<p>Outcome statement:</p> <p>Observatory is recognised for its consistent and effective safety programme, leading to steady reductions in crime, better relationships with the authorities and nearby organisations (neighbourhood watches, CID's and others)</p> <p>The Observatory community perceives the area as "safe" and expresses this in interactions with others</p> <p>Community takes responsibility for staying safe inside of OBSID's public safety programme (i.e. take joint responsibility by being aware and using services as needed)</p>	<p>Outcome indicators:</p> <p>Improved community perception of public safety services</p> <p>Response times to incident reports are improved</p> <p>Crime incident levels remain within norms</p> <p>Public safety resources are proactively allocated within OBSID boundaries</p>	<p>Output statement:</p> <p>OBSID has an effective, efficient and relevant public safety programme, directly contributing to a reduction in crime and the creation of a safer community</p> <p>OBSID is viewed as a professional public safety programme manager with suitably qualified and experience staff and as a result enjoys high levels of support and cooperation from law enforcement, SAPS, traffic and metro police</p> <p>OBSID's outsourced security service provider is rated as professional and "excellent value for money"</p>	<p>Output indicator:</p> <p>Effective public safety service acting as deterrent to criminal element (includes planned operations)</p> <p>By law enforcement, visible mobile and foot patrols in all OBSID areas, LPR and public space monitoring systems deployed and effective, additional resources deployed on "spike/high crime" shifts</p> <p>Effective working relationships in place with law enforcement, SAPS, traffic, DPU and metro police as well as PSSP's (residential and commercial properties)</p> <p>Crime statistics are accurately reported, analysed and preventive actions implemented to address crime spikes or prevent predicted crime trends from occurring</p> <p>Outsourced service provider delivers services in line with OBSID's quality standards and SLA criteria</p>	<p>Ongoing</p>
Activities:				
<ol style="list-style-type: none"> 1. Management of outsourced security provider against performance framework. 2. Active participation in sector CPF as well as Woodstock CPF (subject to SAPS providing framework for establishment and support) 3. Consistent application of arrest incentive policy in cases where actions directly contribute to arrests being made and cases being recorded with SAPS 4. Manage LPR programme, maintain relationships with LPRUG, and develop improvements in reporting mechanisms for LPR linked activities / arrests. 5. Maintaining working relationships with SAPS Crime Prevention Sector Manager (Woodstock), law enforcement, traffic and metro police teams 6. Ongoing liaison with law enforcement, DPU, traffic, SAPS and metro police to plan and execute effective operations - enforcement of bylaws, crime prevention and etc. 7. Accurate data capturing of all incidents and events daily using Incident Desk, publishing suitable reports on statistics, trends and etc. 				

8. Ongoing case follow up and management - tracking of case numbers, court dates, sentences/ fines and etc. and reporting on same, attending court as and when required
9. Ensure effective working relationship / shared synergies explored with community partners (PSSP's) – establishing and chairing public safety monthly meetings
10. Ongoing safety related communication campaigns activated across all platforms
11. Programme projects: <ul style="list-style-type: none">a. Continuation of CCTV / overview camera mapping within OBSID boundaries, exploring opportunities to allow OBSID access to camera feeds for incident investigationb. Actively support re-establishment of ONW when approached asked to do so

Programme 3 : Cleansing initiatives

Outcomes:		Outputs:		Targets and timing:
<p>Outcome statement:</p> <p>Observatory is referred to as an area with public infrastructure which is in good repair and is seen as clean and free of litter and unplanned graffiti</p> <p>The community gets involved in keeping the streets and public areas clean on their own initiative</p>	<p>Outcome indicators:</p> <p>OBSID area is perceived / seen as clean with an effective cleaning programme in place</p> <p>City responds to reports in good time due to consistent community pressure</p> <p>Reduction in number of serious infrastructure damage caused by faults not being reported or addressed in good time</p>	<p>Output statement:</p> <p>OBSID provides effective and efficient top up cleaning services over and above the City's cleaning programmes, focussed on litter, graffiti, dumping, posters and signage</p>	<p>Output indicator:</p> <p>Streets cleaned on a daily basis from Monday to Friday, high litter areas / high use public litter bins also cleaned over weekends</p> <p>Public litter bins in good repair, emptied as needed and enough bins are sited in litter hot spots</p> <p>Public cleaning campaigns supported and effective</p> <p>Cleaning team are equipped to carry out their duties effectively (skills, training and right equipment / PPE)</p>	<p>Ongoing</p>
<p>Activities:</p> <ol style="list-style-type: none"> Ensuring that cleaning schedules are adhered to, hotspots are checked and cleaned daily, vehicle based pick-ups increased in frequency and team is working to capacity, pilot the introduction of an afternoon cleaning shift (outsourced provider to be contracted) Ensuring that Streetscapes sheltered employment programme integrates with cleaning priorities and tackles agreed hotspots and high traffic areas, and that beneficiaries are trained in street cleaning and refuse removal, continue to expand work scope to drain cleaning / tree trimming / weeding Maintaining watching brief on public litter bins, reporting damages / losses to City, working with other providers to install additional litter bins Continue work in support of Parks and Recreation to maintain and clean access controlled parks Graffiti identified, removed if not authorised / permitted by property / site owner, management of Straatwerk SLA focussed on graffiti removal Maintaining functioning relationships with relevant City officials – Area Director, Solid Waste unit Taking zero tolerance approach with dumpers and businesses without sufficient wheelie bins for their waste - law enforcement to issue fines when warranted 				

Programme 4 : Urban management initiatives

Outcomes:		Outputs:		Targets and timing:
<p>Outcome statement:</p> <p>OBSID's public areas are accessed by a wide range of residents for a range of reasons</p> <p>Greening and cleaning initiatives are considered as good examples for other CID's</p>	<p>Outcome indicators:</p> <p>Increase in property prices</p> <p>Awareness is raised outside of our geographic boundaries about urban management in action in Observatory</p> <p>Public spaces become gathering places - cared for by the community</p> <p>Vendors and traders see increases in revenue</p>	<p>Output statement:</p> <p>"making places for people" is brought to life</p>	<p>Output indicator:</p> <p>Infrastructure is maintained within City budget constraints</p> <p>Green areas are expanded, healthy and attractive to the eye</p> <p>Streets, public areas, parks and gardens are generally free from litter and weeds and other waste</p> <p>Public hazards (human waste, needles, damaged road and pavement surfaces) are reduced</p>	<p>Ongoing</p>
Activities:				
<ol style="list-style-type: none"> 1. Join up with other partners working on public spaces to explore ways to improve sociability, comfort, uses and access of public spaces 2. Activate approved placemaking projects through public calls or internal opportunity identification that address public spaces, social cohesion, and ecological sustainability 				

Programme 5 : Social intervention initiatives

Outcomes:		Outputs:		Targets and timing:
<p>Outcome statement:</p> <p>Observatory is known for its humane, proactive and considered approach to dealing with its transient and or homeless community through the offering of a range of integrated and holistic interventions whilst still ensuring that by laws are enforced, human rights are respected and no-one feels harassed to give to those asking (but give through structured mechanisms)</p> <p>OBSID is seen as an example as regards transient community engagement and management</p>	<p>Outcome indicators:</p> <p>The Observatory community is educated about responsible giving and enables providers to offer support through financial support and donations in kind and stop enabling drug dealers through cash hand-outs to those asking</p> <p>Those individuals and organisations working with the homeless do so in an integrated approach and actively work together to reduce dependency on handouts whilst not neglecting basic human needs (e.g. for nutrition)</p> <p>Those living on the streets view the support they receive as being respectful of their choices</p>	<p>Output statement:</p> <p>OBSID has an up to date view of those living on the streets and can engage with law enforcement and other providers to offer collaborative solutions and services</p> <p>Effective, compassionate and appropriate case management, facilitates access to those living on the streets by choice and those living on the street due to circumstances beyond their control to services, shelters, work readiness programmes, sheltered employment and supportive housing placement, rehabilitation programmes and other support (identity documents, social welfare grants, referrals for specialist services)</p> <p>Other vulnerable members of the community are listened to and offered a range of support to improve their sense of belonging and neighbourhood care</p>	<p>Output indicator:</p> <p>Street dweller database is up to date and information integrity is assured</p> <p>Case management reviews, client files, additional record keeping and outcomes of applications for documents, grants and other services and support</p> <p>Relationships with other organisations are established, effective and deliver value</p> <p>Local organisations are supported through coordinated individual giving campaigns</p> <p>OBSID's partnerships with Streetscapes offers a work based diversion programme with supportive housing and access to support services on an individual basis</p> <p>Vulnerable community members are offered support</p>	<p>Ongoing</p>

Activities:	
Actions:	
1.	Assess supportive housing vs safe space vs drop in centre concepts and develop strategies to access services in Observatory
2.	Street dweller / day walker database – maintain database. Engage with other organisations working with the homeless to compare case notes and build a more accurate record of services offered and accessed via different organisations
3.	Formulate mechanisms and strategies to engage with those living on the streets/transient to determine needs and ensure transparency and accountability to those affected (AAP principles to be applied to programme design and delivery)
4.	Ongoing individual case management of persons engaging with social development department - needs assessment, support for document applications, grant applications, access to shelters, referrals to medical services/specialised services – providing linkage officer support as needed to clients
5.	Continue to develop and enhance relationships with NPOs' working with same client base – e.g. Tb / HIV care, SANPUD, SWEAT, Gender Dynamix to improve case conferencing and ensure complementary offering of services (not competing services being offered)
6.	Expand outreach work - ensure that contact is kept with all those living on the streets on a weekly basis- assess needs, offer support as regards options and etc.
7.	Work actively with outsourced security service provider to offer ongoing training and sensitisation of staff towards those living on the streets and to develop a culture of tolerance, respect and humanity within the confines of by law enforcement
8.	Work actively with cleaning team to offer ongoing training and sensitisation of staff towards those living on the streets and to develop a culture of tolerance, respect and humanity within the confines of by law enforcement

Programme 6 : Marketing and communication initiatives

Outcomes:		Outputs:		Targets and timing:
<p>Outcome Statement: OBSID is viewed as a reputable source of information, is respected and known for its high level of member engagement/ community engagement through multiple communication channels</p>	<p>Outcome Indicator: Improvements in member satisfaction survey scores</p> <p>Improved web analytics</p> <p>Improved Facebook analytics – e.g. page visits, reach, people engaged, likes, comments</p> <p>OBSID's communications referred to positively on other forums / on other platforms</p> <p>Donations in kind / funding received from individuals reacting to messaging</p>	<p>Output Statement: OBSID's communication strategy is clearly defined, applicable to its mission and vision and is activated and effective across all communication channels. The strategy is reviewed at agreed intervals to ensure that it remains applicable, effective and relevant.</p>	<p>Output Indicator: Communications strategy documented</p> <p>Communications plan documented and aligned with strategy</p> <p>OBSID's communication strategy is activated:</p> <ul style="list-style-type: none"> • Website is refreshed and interactive, content kept updated • Quarterly web letters to members • Content in OCA webletters • Regular engagement on social media channels (Facebook, Twitter) • Visual displays • Calls to action campaigns in support of social development partners • Content is published in local newspapers (PR campaigns) 	<p>Ongoing</p>
Activities:				
<ol style="list-style-type: none"> 1. Ensure that OBSID's communication strategy is effective and maintained (social media, website, webletters, publication inserts and etc.) 2. Develop PR strategy for OBSID - more regular contact with local media, submission of opinion pieces 3. Activate approved communications projects in support of programmes and themes – arts, sport, heritage, culture, public spaces, public safety, social cohesion, local economy, ecological sustainability, business support 				

Programme 7 : Business development initiatives

Outcomes:		Outputs:		Targets and timing:
<p>Outcome statement:</p> <p>Observatory is seen as an attractive location for business owners to operate</p> <p>Local businesses see revenue growth</p> <p>Developers are committed to preserving the essence of Observatory whilst doing business in the area</p> <p>Residents buy locally!</p> <p>Observatory has an active retail, wholesale and service provider community, delivering products and services that are needed and wanted by the community</p>	<p>Outcome indicators:</p> <p>Reduction in business closures, empty premises</p> <p>Businesses form strong ties to the community and start to give back to social initiatives</p> <p>Businesses employ staff from the local community</p>	<p>Output statement:</p> <p>OBSID provides a one stop location for the public to access to search for and find businesses, services, accommodation and other products locally</p> <p>Observatory supports its own - small businesses and traders are encouraged, supported and mentored whilst becoming self-sustainable</p> <p>Festivals, events and happenings are well attended and supported by the community</p>	<p>Output indicator:</p> <p>OBSID has regular engagement with business groupings to develop issue based action plans aimed at improving the business community's experience of Observatory</p> <p>OBSID's communication platforms are used to publicise events and happenings (press releases, SEO, tourism platforms)</p> <p>NGO's with offices / centres in Observatory are surveyed and infographics advertising Observatory as a NGO welcoming environment are publicised</p> <p>OBSID has a developed place marketing strategy and encourages visitors / residents / business owners to participate</p>	<p>Ongoing</p>
Activities:				
<ol style="list-style-type: none"> Engage with business groups within Observatory (North Obs Biz, OCA Business Forum, Obs Bizz Security WhatsApp group and develop issue based action plans for further consideration) Activate approved projects that support businesses (projects originating from public calls, business engagements or internal discussions) and the local economy 				

Programme 8 : Arts, heritage, culture and sport

Outcomes:		Outputs:		Targets and timing:
<p>Outcome statement:</p> <p>Observatory's rich history is remembered, preserved and known</p> <p>Observatory's community has access to different artistic programmes</p> <p>Observatory's narrative is known</p>	<p>Outcome indicators:</p> <p>Community members are actively involved with heritage preservation</p> <p>Art and culture thrives in Observatory</p>	<p>Output statement:</p> <p>OBSID contributes to the preservation of memories and narratives, encourages the community to engage with the history of the area, to get active, to get outside and meet their neighbours through the creation of opportunities for interaction</p>	<p>Output indicator:</p> <p>OBSID supports projects intended to claim back public spaces</p> <p>OBSID develops partnerships with other organisations that support our vision for promoting the arts, preserving heritage, defining and respecting diversity and culture and enjoying recreational activities</p>	<p>Annual project planning and implementation cycle commences May annually)</p>
Activities:				
<p>1. Develop and activate projects that address programme themes through OBSID public spaces project policy or internal identification of partnerships and opportunities</p>				



PROPOSED BUDGET

2021/ 2022

(Registration number 2008/020680/08)

OBSERVATORY IMPROVEMENT DISTRICT (OBSID)

2021/22

PROPOSED BUDGET

	Business Plan	Proposed Budget	Variance
INCOME	R	R	R
Revenue - Add. Rates	-7 653 122 99.2%	-7 493 102 92.0%	160 020 -2.1%
Other: Accumulated Surplus	-60 000 0.8%	-60 000 0.7%	- 0.0%
Other: Add Accumulated Surplus	- 0.0%	-594 000 7.3%	-594 000 7.7%
TOTAL INCOME	-7 713 122 100.0%	-8 147 102 100.0%	-433 980 5.6%
EXPENDITURE	R	R	R
Employee Related	2 094 973 27.2%	2 130 401 26.1%	35 428 0.5%
Salaries and Wages	1 996 741	1 792 901	-203 840
PAYE, UIF & SDL	64 222	260 000	195 778
Allowances: Locomotion	-	4 500	4 500
COIDA	-	28 000	28 000
Bonus	34 010	45 000	10 990
Core Business	4 483 140 58.1%	4 330 508 53.2%	-152 632 -2.0%
Cleansing services	111 419	228 600	117 181
Environmental upgrading	34 663	132 000	97 337
Law Enforcement Officers	401 509	-	-401 509
Public Safety	3 646 185	3 741 264	95 079
Public Safety - CCTV monitoring	79 054	99 600	20 546
Social upliftment	210 310	129 044	-81 266
Depreciation	14 000 0.2%	75 000 0.9%	61 000 0.8%
Repairs & Maintenance	64 579 0.8%	9 600 0.1%	-54 979 -0.7%
General Expenditure	826 836 10.7%	827 800 10.2%	964 0.0%
Accounting fees	44 882	64 200	19 318
Admin and management fees	20 197	-	-20 197
Auditor's remuneration	23 843	20 000	-3 843
Bank charges	18 351	12 000	-6 351
Catering & Food	-	6 000	6 000
Computer expenses	28 949	30 000	1 051
Contingency / Sundry	1 800	600	-1 200
Insurance	32 820	20 400	-12 420
Marketing and promotions	133 220	122 000	-11 220
Minor tools & equipment	-	1 200	1 200
Motor vehicle expenses	27 069	33 000	5 931
Office cleaning costs	-	30 000	30 000
Office rental	305 855	311 500	5 645
Office security	-	10 200	10 200
Postage & courier	-	1 200	1 200
Printing / stationery / photographic	5 049	35 000	29 951
Protective clothing	16 129	17 000	871
Rates and Service Accounts (Only CCT)	27 481	60 000	32 519
Refreshments and Teas	26 906	18 000	-8 906
Secretarial duties	7 013	7 500	487
Telecommunication	63 072	18 000	-45 072
Training	44 200	10 000	-34 200

	Business Plan	Proposed Budget	Variance
Projects	- 0.0%	499 000 6.1%	499 000 6.5%
Graffiti removal programme	-	36 000	36 000
SocDev work diversion programme	-	288 000	288 000
Placemaking projects (public spaces)	-	175 000	175 000
Capital Expenditure (PPE)	- 0.0%	50 000 0.6%	50 000 0.6%
CCTV / LPR Cameras	-	50 000	50 000
Bad Debt Provision 3%	229 594 3.0%	224 793 2.8%	-4 801 -0.1%
TOTAL EXPENDITURE	7 713 122 100.0%	8 147 102 100.0%	433 980 5.6%
(SURPLUS) / SHORTFALL	-	-	-
GROWTH: EXPENDITURE		5.0%	
GROWTH: ADDITIONAL RATES REQUIRED		7.7%	



PROPOSED UTILISATION OF ACCUMULATED SURPLUS

2021/2022

(Registration number 2008/020680/08)

2021/22 PROPOSED UTILISATION OF ACCUMULATED SURPLUS

		Proposed Budget	
		R	
EXPENDITURE			
Employee related		45 000	7.6%
Bonus		45 000	
Projects		499 000	84.0%
Graffiti removal programme		36 000	
SocDev work diversion programme		288 000	
Placemaking projects (public spaces)		175 000	
Capital Expenditure (PPE)		50 000	8.4%
CCTV / LPR Cameras		50 000	
TOTAL EXPENDITURE		594 000	100.0%