

# 2019

ANNUAL  
REVIEW



**OBSERVATORY**  
IMPROVEMENT DISTRICT

SAFER

CLEANER

SMARTER

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# AGENDA

## THE OBSERVATORY IMPROVEMENT DISTRICT NPC'S ANNUAL GENERAL MEETING 2019

1. Registration	7. Approval of use of surplus funds 2019-20
2. Welcome & Apologies	8. Approval of implementation plans 2020-21
2.1. Membership	9. Approval of budget 2020-21
2.1.1. resignations	9.1. Approval of use of surplus funds 2020-21
2.1.2. new members	10. Appointment of auditors
2.2. Quorum to constitute a meeting	11. Confirmation of Company secretary
3. 3. Previous AGM minutes	12. Election of Board Members
4. Chairman's Report	13. General / Q & A
5. Feedback on operations 2018-19	14. Adjournment
6. Noting of Audited Financial Statements 2018-19	

# OBSID CHAIRPERSON'S REPORT 2019



10 NOVEMBER 2019

I have been a director of the OBSID and its chairperson of the Board for three years now. Based on a three year term for directors, I have resigned with others required to do so. I will be available for re-election as a director, but will not be available to be elected by the board as Chairperson. It is my firm belief that these roles should not become dependent or invested in any individuals and that periodic rotation of chairpersons is necessary, guided by what the organisation needs as it matures.

This constitutes the Observatory Improvement District's Board Chairperson's report for the financial year from 1 July 2018 until 30 June 2019. It focuses on this period, but within the context of my three year term as chairperson. The report is intended to provide a strategic and governance overview of the health of the OBSID as seen from it's Board of Directors and it's Chairperson in particular. It is intended to complement the management overview and report provided by the Chief Executive Officer (CEO).

## THE BOARD

The last AGM took place on 5 December 2018. It successfully approved the budget and implementation plan for the OBSID for the 2020/21 financial year, re-elected Edwin Angless and elected Claire Everatt and Tom Figl as directors.

New directors have helped to inject the board with new perspectives and skills.

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 in unity this year ensuring that it is able to play this role effectively. Most board members have been attending board meetings regularly having read documentation and are available for and contribute to urgent decisions. We have started a practice of evaluating board member performance in June, initially based on self-reflection. This will be to be augmented with director peer review in future years.

Board has been able to fulfil its governance and oversight role.

## OBSID CEO

This has been the first full year that Amanda Kirk been the OBSID CEO. The relationship between the board and management has significantly improved since her joining.

Amanda has focused on improving the internal systems and capabilities of the OBSID, and seeing through necessary staff changes in the year. She has also focused on improving our Public Safety offering and initiating new arrangements on urban management in our neighbourhood. The board has been unanimously supportive of an ongoing relationship with Amanda as our CEO and secured her contractually until 2022.

## CREATING AN ENABLING PLATFORM

The OBSID has spent much of this year on its internal structure and staffing to enable it to offer a better service to Observatory. A staffing plan was adopted, together with policies on recruitment and managing staff performance in the OBSID. Key recruitments were undertaken. The OBSID moved premises so that all staff could be under one roof, ensuring better cohesion, integration of work and oversight of activities and performance.

The board have been implementing our code of conduct and policies during the course of the year. 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, such as a procurement policy. Core to the work of the OBSID is a much clearer process and criteria for procurement that is now adhered to. This has created a legacy of having rigorous and transparent processes for appointment of contractors.

Our planning and budgeting systems have improved with better annual business planning and a clear framework for evaluating and approving projects.

## SERVICE IMPROVEMENTS THROUGH BETTER CONTRACT MANAGEMENT AND PARTNERING

In terms of services, we have seen the most significant advance in public safety.

Firstly, better contract management allowed us to recognize the limitations of our previous supplier and to exit that contract in a well-managed way. We followed a clear and open process of specifying how we would like our public safety services to work and engaging in a transparent and competitive process to decide on bids of potential service providers before unanimously appointing Securitas to undertake the work. Key to the success of this, is the improved contracting and oversight that OBSID is able to apply to ensure that we have a credible supplier, with good human resources practices and that they deliver an effective and adaptive public safety service.

Similarly, this year has seen the launch of our License Plate Recognition (LPR) cameras which are being monitored to improve safety in OBS.

OBSID's approach to partnering has advanced with it undertaking

- A relationship with Straatwerk for graffiti removal that also has social development benefits
- Engaged the services of Green4Life in the management of green spaces in the neighbourhood
- Engaged the services of Streetscapes, an NGO who will be working with homeless in Observatory
- Partnerships with Streetopia on public art and provision of sanitation facilities for the homeless.

# ANNUAL REVIEW - YEAR ENDING 30TH JUNE 2019

## FINANCE AND PROJECTS

The financial position of the OBSID is good, with a clean audit, and we are now spending our resources more effectively. However, we can upscale our delivery of projects, by ensuring that we have a steady pipeline of place-making projects that have community support. A challenge for the OBSID going forward will be to establish good stakeholder relationships with collaborative organisations in the area to generate a solid pipeline of viable, funded and well-supported projects and manage these effectively within a rigorous approach to delivering these without ongoing slippage.

## COMMUNICATIONS

We recognize our communication shortcomings, especially after Obslife ended. OBSID has improved its website and communication through newsletter updates and social media. We have recently engaged specialists to assist with ongoing strengthening of communication, which is an important aspect of our urban management work.

## 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 is necessary for successful function of OBSID and relates to functioning of law enforcement, maintenance of parks,

area cleaning, social development, planning and community facilities. For this to improve we need the city to provide a more effective urban management interface with communities and structures like the OBSID.

## CONCLUSION

The OBSID is in a healthy financial position, and with its governance, planning and management systems having significantly improved of late. Public safety services have improved and the OBSID is working with a range of NGOs to improve other services. We are now well poised to realise well-planned for and well-supported place-making projects that make Observatory a desirable and transformative place to live, work and play. This will take new energetic leadership in collaborative place-making and urban management. For the next phase in OBSID's growth, and in keeping with our succession planning, Jodi Allemeier has kindly offered to avail herself to chair the OBSID board.

I would like to thank the Board for making my job easier this year by working in cohesion in guiding and overseeing OBSID's work. I would like to thank Amanda Kirk, our CEO, for improving the way OBSID works internally, overseen by a governance board and working with City of Cape Town officials and with other local stakeholders. Many thanks to OBSID staff, service providers and partners for their important contributions.

## INTRODUCTION

The past year has served as a period of consolidation of services, structures and systems with much time being spent on gaining a deeper understanding of the current work of the OBSID and the identification of areas of strength, areas requiring improvement / stabilisation as well as areas requiring more detailed review.

Much of the focus was on the internal processes of the OBSID, whilst ensuring that the core programmes continued to function as effectively as possible, whilst review processes were completed.

This work has stabilised the OBSID's internal structures and processes and allowed for the development of clear plans and strategies to further improve services in the upcoming year and allowing us to start work on some of the value add projects and programmes identified.

## MANAGEMENT AND OPERATIONS

### PREMISES

OBSID functions had been running from 3 different locations in Observatory, which negatively impacted on company culture, staff's sense of belonging, communication and accountability. Late in 2018, the OBSID board agreed to commence the search for suitable premises that would allow for the consolidation of services.

Premises were located in St Michael's Road and the OBSID relocated during April and May 2019, with the public safety service being brought in house at the beginning of June 2019.

The central location allows for easy access to the whole of Observatory, whilst providing a comfortable working environment for all staff of the OBSID as well as the staff

of our outsourced public safety service provider. Improvements have been noted in communication, cross programme interaction and positive community engagements.

### CORPORATE GOVERNANCE

The OBSID is compliant with all legal and statutory requirements and bodies. Issues regarding CIPC and SARS submissions have been resolved and systems put in place to ensure that reporting / registration deadlines are met without exception.

The OBSID Board meets every 2 months, and a Director's Code of Conduct was developed and implemented, as well as a system to record declarations of interest. These meetings have also been attended during 2019 by the Ward Councillor assigned by the City.

## HR SYSTEMS

HR systems have been stabilised. A staff handbook was developed during this reporting period and is currently being implemented. A performance review and remuneration policy has been developed and signed off by the OBSID board, facilitating appropriate management of performance and reward through a system of performance agreements, reviews and performance ratings.

The Office Manager (C Majiet) and one Public Safety Manager (W Roukema) left the employ of the OBSID during the review period.

These positions were left vacant for a period of time to allow for clearer definition of role requirements and content based on the needs of the OBSID and approval of same by the OBSID Board.

We are confident that we now have the correct staffing plan defined as regards office coordination and programme management roles.

## FINANCE SYSTEMS

Finance processes continue to run effectively with an outsourced accounting service. Work has been done to streamline processing and deadlines and to ensure that the OBSID meets its payment date obligations as regards employees (payroll) and creditors).

A procurement policy was developed and approved by the OBSID board, detailing limits and levels of authority as regards procurement decisions. This has been consistently applied to procurement throughout the year.

The petty cash system has been improved and for the first year in three, no losses have been recorded through this system. The

annual financial audit was completed within agreed timelines.

## COMMUNICATIONS

The OBSID website was redesigned and launched in October 2018. The OBSID Facebook page is closely monitored and OBSID is also active on other Observatory specific Facebook pages.

Unfortunately, Obslife ceased publication late in 2018, thereby closing down one communication channel to the OBSID that had proved effective in the past. We have used our social media channels and the website to keep communicating about our work during the year – but it has been noted that further improvements are necessary to ensure that these platforms are kept up to date and relevant.

Late in the reporting period, OBSID engaged with a local communications agency to assist us in the development of our communications strategy. This will be launched during the first quarter of the new financial year.

## BUSINESS DEVELOPMENT

The OBSID continues to engage with the OCA's business forum as well as an organised group of business owners referred to as North Obs Biz mainly around public safety related topics.

We partnered with Afrikaburn on another successful Streetopia event, providing additional public safety and cleaning services to the event, as well as assisting with noise exemption applications.

In the year ahead, a business development strategy will be formulated, clearly outlining how the OBSID intends to engage with and support local businesses and business owners within its mandate.

## CLEANING AND URBAN MANAGEMENT

OBSID maintained its cleaning programme with a staff member assigned to a specific sector of Observatory. The cleaning team works a 5 day week, with a reduced cleaning service operating in high use areas over weekends and public holidays.

The cleaning team is responsible for litter removal, bin emptying and general weeding (by hand, as pesticides are not used in common areas).

Their work is complicated by opportunistic dumping, residents using the council bins for household rubbish and the homeless community – who leave litter and human waste in their wake.

Bin scratching is lucrative for some of the homeless residents (Observatory residents don't all subscribe to recycling) – and this adds more litter to the streets.

The team have continued to deliver a solid service to the Observatory community and need to be commended for their efforts in this



During the second half of the reporting period, the OBSID engaged with two external providers to deliver services in the public space.

**Straatwerk** were contracted to provide ongoing graffiti removal services on public infrastructure and their work has been well received by the community. Further, as they provide hours and days of paid work to vulnerable people (through their OpHelp) programme, OBSID is contributing to the improvement of these individual's circumstances.





OBSID also engaged the services of a local greening contractor – **Green4Life Gardeners** – to tackle the neglected and overgrown green spaces in Observatory. The team have been working weekly since May 2019 and have done amazing work in cleaning up the green spaces – including tree removal / tree trimming, weed removal and the transplanting of plants.

## SOCIAL ISSUES

The past year has been a challenging one for the social development programme as it became clear that the scope of services of the programme was no longer fit for purpose and required a full review and that services offered were doing little more than offering very temporary respite to those seeking assistance.

The OBSID work programme was suspended once it became clear that the work component outweighed the developmental aspect of the programme.

Despite this internal reflection, referrals and basic case management activities continued with individuals and throughout the year, the following statistics were recorded:

JULY 2018 - JUNE 2019	TOTAL
Number of contacts	820
Number of people introduced to shelters	64
Number of rehab referrals and attendance at programmes – CTDCC	36
Number of conjoint sessions attended with clients at CTDCC	4
Number of referrals for counselling – Trauma Centre	49
Number of referrals to SASSA	21
Number of referrals to Home Affairs	16
Number of referrals for medical assistance	92
Number of people reunited with families	6
Number of family home visits	38
New arrivals profiled	93

Follow up on referrals and introductions to other service providers were not consistently done, leaving gaps in client records.

Limited work was done to profile the homeless living in Observatory.

A programme review commenced in May 2019 and the findings of the review are currently being addressed.

During the review period, work was done to redefine the social development portfolio – ensuring that the programme is better equipped to provide a different range of services and support, can build the necessary relationships and networks and can properly assess impact.

The programme framework draft encompasses the following:

PROGRAMME ELEMENTS	WHAT IS REQUIRED:
<b>1. Outreach</b>	Daily interactions with those on the streets in Observatory (including feeder areas) – early morning and late evening outreach plus daytime outreach – includes weekends
<b>2. Welfare services</b>	Deepening of knowledge about client situations through sharing of information, developing a client needs assessment / vulnerability assessment / IDP and offering options
<b>3. Rehabilitation programmes</b>	<p>Clients engage with rehabilitation programmes:</p> <ul style="list-style-type: none"> <li>Streetscapes work programme including outpatient rehab if in client action plan(Observatory)</li> <li>In-patient rehabilitation (some options)</li> </ul>
<b>4. Work readiness programmes</b>	<p>Clients who are ready to engage with the world of work engage with different work readiness interventions, including:</p> <ol style="list-style-type: none"> <li>Life skills and work place life skills</li> <li>Skills assessments</li> <li>Job readiness training programme attendance</li> <li>Computer skills training</li> <li>Sponsored skills training</li> <li>Job search support</li> <li>Short term work experience placements</li> </ol>

In addition, the OBSID will continue to seek space to provide bathroom facilities to those living on the street.

As part of the reframing of the programme, the OBSID has partnered with **Streetscapes** – a NPO working with the chronically homeless in the Cape Town CBD – to run a pilot work based rehabilitation / diversion programme in Observatory.

The project is a pilot to test and develop approaches how better address anti-social behaviour of identified group of clients. Streetscapes will be starting a new work site under the umbrella of Streetscapes social enterprises, an existing urban management model.

The work shifts are combined with psychosocial individual support, group sessions and work readiness training. The auxiliary social worker I guided in their work by a social worker, performance manager and operations team support.

Streetscapes are able to offer social work support, referrals for heroin addiction treatment programmes and have opened their own place of safety in Kuils River for the treatment of substance use, also to provide transitional accommodation for those who may never be able to reintegrate into family or work structures. As a Streetscapes partner, OBSID would be able to access all of these services for social development clients.

Streetscapes have also completed a baseline survey of those living on the streets in Observatory

The social development programme will be relaunched during the first quarter of the new financial year and we look forward to delivering a far more suited, impactful and relevant range of options, services and support to those living on the streets – whilst being mindful of the rights of the rest of the community as regards public spaces / by law enforcement.

## PUBLIC SAFETY

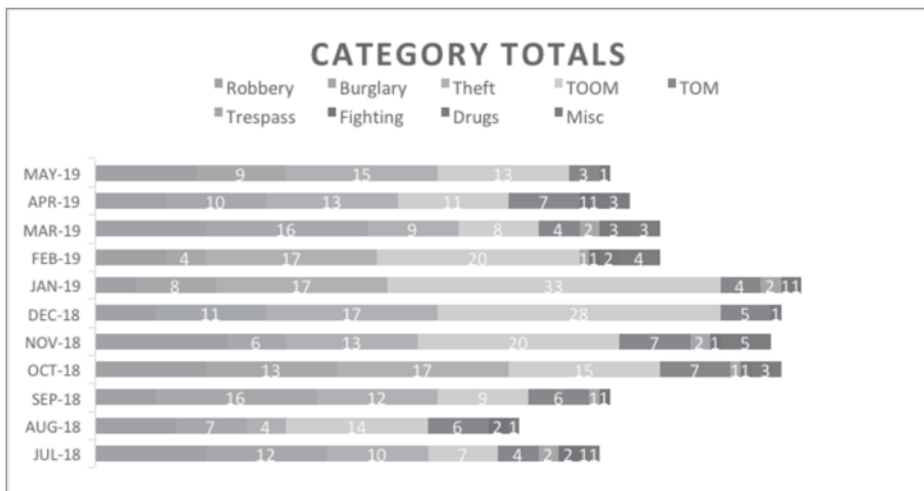


The year in review was a challenging one for the public safety programme. Despite an in-depth performance improvement process being implemented with the outsourced service provider, the OBSID continued to experience challenges with the stability of the contract and the provider's ability to meet the standards as set out in the SLA.

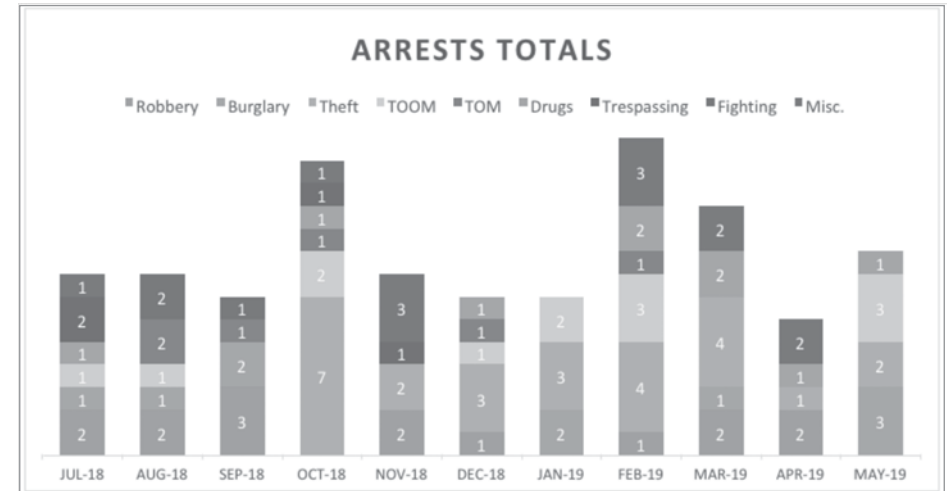
Due to efforts by the OBSID public safety managers, who worked shifts in order to manage the work outputs of the provider's

staff, we saw the same trends as prior years as regards the frequency and types of crime prevalent in the area. The efforts of **Jason Hill** and **Wayne Roukema** have to be acknowledged here – they effectively fulfilled contract management roles for the provider so as to ensure that the service was at least maintained at minimum acceptable levels.

The table below reflects the type and total of crime incidents reported during the review period.



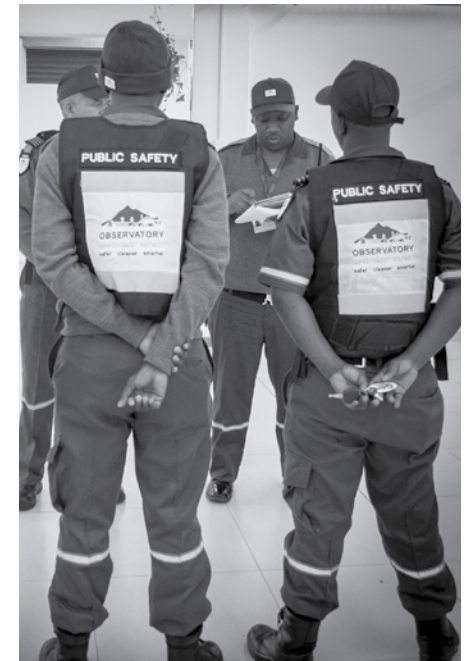
Quick responses coupled with community involvement resulted in a number of arrests during the review period, as indicated in the table to the right:



The requirement to operate as “*de facto*” contract managers allowed the OBSID to gain a deeper understanding and level of competency as regards what is required to manage a consistent, effective, intelligent public safety service.

In early 2019, the OBSID Board took the decision to put the public safety contract back out for tender and following a stringent procurement process, **Securitas** were appointed to take up the service from the 1st June 2019.

Stringent performance evaluation and review processes have been negotiated with Securitas for the first year of the contract so as to ensure that expectations are consistently met as well as ensuring appropriate transparency as regards remuneration practices.



## LPR:

We intensified its public safety programme with the introduction of a Licence Plate Recognition (LPR) system covering 8 locations. The technology is geared towards disrupting potential criminal activity by identifying and recognising vehicles suspected of being involved in crimes when they are in the area. It assists the SAPS and law enforcement in locating vehicles suspected or confirmed of being involved in crime.

The OBSID is working in collaboration with the LPR User Group, a volunteer run organisation, who offer coordinated assistance and support to SAPS and other law enforcement bodies related to suspect vehicles and their locations.

With the LPR system, public safety teams from other CIDs, private security providers using LPR and the SAPS will all receive real time information about possible risk vehicles heading their way, leading to an increase number of arrests.

Safeguards are built into the system to eliminate cloned number plates / stolen number plates / false number plates.

In the new financial year, we'll be working to improve our public safety team's ability to receive and react to LPR alerts.

## PARTNERSHIPS

Our partnerships and collaborations with private security firms such as Premier Armed Response, ADT, National (Formerly called Chubb), and other bodies such as the Observatory and Salt River Neighbourhood Watches continue to deliver in terms of supporting our efforts in public safety. These relationships are critical to the crime fighting efforts in Observatory.

## 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

This service has not consistently met expectations during the review period and is currently being reviewed. Law enforcement operations targeted at bylaw enforcement ceased during July 2018 and only occurred intermittently since then. The Displaced Person's Unit was restructured, which negatively impacted their ability to attend at operations related to the homeless community in the public spaces.

The contracted law enforcement officer programme also faltered – officers were changed without warning, assigned to Observatory without the requisite driver's licences and firearms permits, could not be assigned to work late shifts or nightshifts, and due to their having to report to Ottery at the start and end of each shift, their time spent in Observatory was sometimes limited.

Numerous meetings have been held with the Chief responsible for CID law enforcement services to try and find solutions – to which he has given assurances – and we wait to see if the situation improves in the new financial year.

## TRAFFIC SERVICES

Traffic operations continued to take place in Observatory but the frequency of these was inadequate to tackle congestion and the illegal taxi routes. Further, the illegal taxi

rank at the top of Station Road remains a problem that traffic do not seem to have the capacity or resources to address at the time of writing.

## SPECIAL PROJECTS (RETENTION FUND SPEND)

The LPR project was completed within budget and functionality parameters.

Greening and graffiti removal projects commenced during May 2019.

The balance of projects (public spaces infrastructure, communications projects, vendor infrastructure and the social development programme relaunch) will all be carried over to the new financial year.

## ARTS, SPORTS, HERITAGE AND CULTURE

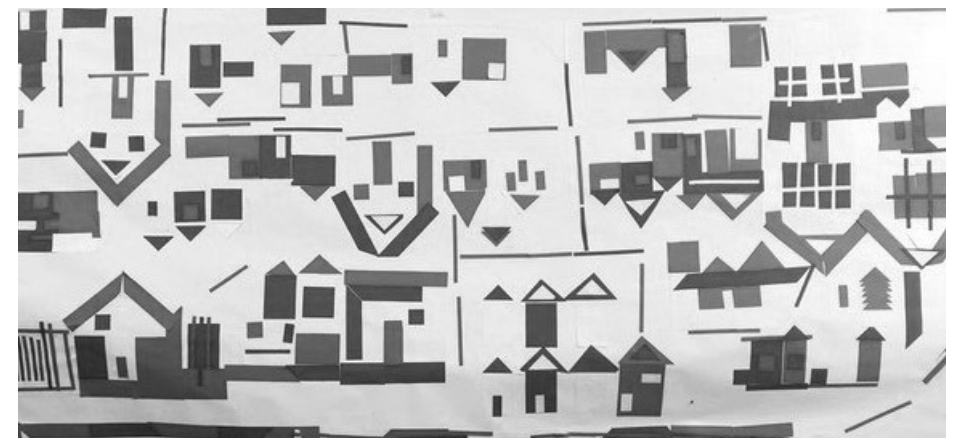
Activities inside of this programme during the review period were limited to OBSID's co-sponsorship of an art installation on the corner of Station and Herschel Roads in partnership with the **Streetopia Art** legacy project.

This project involved creating a mural for the Cape Town District Association for the Hearing Impaired (CTDAHI) building, through a creative art workshop attended by students from the Mary Kihn School, where they explored and sketched the

architecture of Observatory. The students then translated their drawings into simplified shapes representing the buildings, forming a cityscape.

The OBSID and Straatwerk also completed cleaning and removal of graffiti in the Trill Road subway in preparation for the Community Arts "Pixilation" Project completed in late May 2019.

This programme will be refined and activated in the new financial year.





# ACKNOWLEDGEMENT AND THANKS



A special word of thanks to the OBSID staff – Ibrahim, Nicholas, Master, Hugh, Bonisile (Oscar), Jacques, Mickael, Raymond, Kenneth, Jason and Wayne. Your ongoing commitment to your work and the community of Observatory is greatly appreciated.

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 and Nomnikelo Halana** at the City CID Unit;
- **Pauline McConney, Mark Basson** and their respective teams at Parks and Recreation;
- **Priscilla Booysen** and her team at Solid Waste;
- **George Kiewiets** and his team inside of PRASA;
- **Councillor Paddy Chapple;**
- **Inspector Ian McIntosh and the officers assigned to the OBSID** from Law Enforcement;
- **Warrant Officer Malila** – Public Liaison, **Colonel van der Berg** – Visible Policing Commander and **Colonel Ntsezo** and team at the Woodstock SAPS;
- **Principal Inspector Godfrey Africa, Senior Traffic Officers Meyer and Makutu** from Traffic Services.

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

- **Susan Smith** and the other volunteers of the LPR user group;
- Loaves and Fishes Centre for Renewal, Working Wednesdays and the Pasta Factory and the countless individuals who help the homeless in Observatory by donating food, time and money to different organisations;
- The Observatory Civic Association and the Observatory Neighbourhood Watch – specifically **Frank Schuitemaker;**
- Haumann Rodgers Auditors;
- **Charlene Binedell** – Accounting services;
- The OBSID Board of Directors;
- Our service providers – Outershield Security Solutions, Securitas, Gravit8 IT, Uniforms Unlimited, Green4Life Gardeners, Straatwerk OpHelp Projekte, Streetscapes and others.

A special thanks go to **Nick Roberts and his team at Narcom, Paul Johnson and the team at Macrolan** (now Seacom) and **Quentin Hewlett and his team at Systems 1-2-3** who all generously donated their time as well as IT equipment and infrastructure to the OBSID as part of the office relocation and set up. Their generous donation helped to get us functioning and connected in a very short space of time.





# **FINANCIAL STATEMENTS**

**FOR THE YEAR  
ENDED 30 JUNE 2019**

(Registration number 2008/020680/08)

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Improve and promote the Improvement area by providing and procuring the provision of services to and in the Improvement area
<b>Directors</b>	ES Angless CLR Neville T Jenkins N Moodley JK Allemeier JJ Ashley TG Hughes CA Everatt TH Figl
<b>Registered office</b>	13A St Michael's Road Observatory Cape Town Western Cape 7925
<b>Postal address</b>	13A St Michael's Road Observatory Cape Town Western Cape 7925
<b>Bankers</b>	First National Bank Investec Bank Ltd
<b>Auditors</b>	Haumann Rodger Bellville Incorporated Chartered Accountants (SA) Registered Auditors Shiraz House The Vinyards Office Estate 99 Jip de Jager Road Bellville 7530
<b>Secretary</b>	CJ Binedell
<b>Company registration number</b>	2008/020680/08
<b>Tax reference number</b>	9024/005/19/2
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>Preparer</b>	The financial statements were internally compiled by: JW Trytsman Chartered Accountant (SA)

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### General Information

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**Issued**

27 August 2019

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Contents

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

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The following supplementary information does not form part of the financial statements and is unaudited:	
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#### Level of assurance

These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008

#### Preparer

JW Trytsman  
Chartered Accountant (SA)

#### Published

27 August 2019

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### 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 financial statements and related financial information included in this report. It is their responsibility to ensure that the 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' is engaged to express an independent opinion on the financial statements.

The 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.

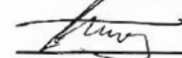
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for 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 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 2020 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' is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors' and their report is presented on page 7.

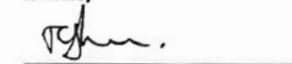
The financial statements set out on page 9, which have been prepared on the going concern basis, were approved by the board of directors on 26th August 2019 and were signed by:

  
\_\_\_\_\_  
N Moodley

  
\_\_\_\_\_  
TH Figl

  
\_\_\_\_\_  
T Jenkins

\_\_\_\_\_  
JJ Ashley

  
\_\_\_\_\_  
TG Hughes

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Directors' Report

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The directors have pleasure in submitting their report on the financial statements of Observatory Improvement District NPC and for the year ended 30 June 2019.

#### 1. Incorporation

The company was incorporated on 29 August 2008 and obtained its certificate to commence business on the same day.

#### 2. Nature of business

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

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

#### 3. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard 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 financial statements.

#### 4. Directors

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

ES Angless  
CLR Neville  
T Jenkins  
N Moodley  
JK Allemeier  
JJ Ashley  
TG Hughes  
CA Everatt  
TH Figl  
G Leyman  
SJ Killick

#### Changes

Appointed 05 December 2018  
Appointed 05 December 2018  
Resigned 05 December 2018  
Resigned 05 December 2018

#### 5. 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.

#### 6. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the 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.

#### 7. Auditors

Haumann Rodger Bellville Incorporated continued in office as auditors for the company for 2019.

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Directors' Report

---

At the AGM, the shareholder will be requested to reappoint Haumann Rodger Bellville Incorporated as the independent external auditors of the company and to confirm Mr W Plenaar as the designated lead audit partner for the 2020 financial year.

#### 8. Secretary

CV Lewis resigned as the company secretary on 31 July 2018 and CJ Binedell was appointed on 31 July 2018 as the new company secretary.

Business address

13A St Michael's Road  
Observatory  
Cape Town  
7925

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Accounting Policies

#### 1.2 Employee benefits

##### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

#### 1.3 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)

Financial Statements for the year ended 30 June 2019

### Notes to the Financial Statements

Figures in Rand 2019 2018

#### 2. Property, plant and equipment

	2019			2018		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	89 098	(45 216)	43 882	41 293	(38 689)	2 604
Motor vehicles	186 273	(162 671)	23 602	186 273	(147 323)	38 950
Office equipment	39 735	(39 719)	16	28 648	(28 638)	10
IT equipment	73 832	(69 350)	4 482	71 819	(63 592)	8 227
Other fixed assets	24 469	(23 096)	1 373	24 469	(22 068)	2 401
Security equipment	188 224	(56 673)	131 551	35 039	(18 354)	16 685
<b>Total</b>	<b>601 631</b>	<b>(396 725)</b>	<b>204 906</b>	<b>387 541</b>	<b>(318 664)</b>	<b>68 877</b>

#### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	2 604	47 805	(6 527)	43 882
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
Other fixed assets	2 401	-	(1 028)	1 373
Security equipment	16 685	153 185	(38 319)	131 551
	<b>68 877</b>	<b>214 091</b>	<b>(78 062)</b>	<b>204 906</b>

#### 3. Trade and other receivables

Trade receivables	14 905	-
Prepayments (if immaterial)	-	171
Deposits	86 703	14 888
Other receivables	-	990
	<b>101 608</b>	<b>16 049</b>

# HAUMANN RODGER

chartered accountants



Haumann Rodger Bellville Inc. Reg 2008/008833/21  
 Shiraz House, The Vineyards Office Estates, 99 Jip De Jager Road, Bellville  
 PO Box 3759, Tyger Valley, 7536, info@haumann.co.za, Tel: 021 913 8152, Fax: 086 680 4020  
 JW Trytsman CA (SA) W Pinnaar CA (SA)

## Independent Auditor's Report

### To the directors of Observatory Improvement District NPC

#### Opinion

We have audited the financial statements of Observatory Improvement District NPC set out on pages 9 to 17, which comprise the statement of financial position as at 30 June 2019, 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 financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Observatory Improvement District NPC as at 30 June 2019, 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 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 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). 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 and the Detailed Income Statement as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

## Observatory Improvement District NPC

(Registration number: 2008/020690/08)  
 Financial Statements for the year ended 30 June 2019

### Statement of Financial Position as at 30 June 2019

Figures in Rand	Note(s)	2019	2018
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	204 907	68 877
<b>Current Assets</b>			
Trade and other receivables	3	101 608	16 049
Cash and cash equivalents	4	3 669 018	3 264 211
		<b>3 770 626</b>	<b>3 280 260</b>
<b>Total Assets</b>		<b>3 975 533</b>	<b>3 349 137</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		3 705 391	3 224 532
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	270 142	124 605
<b>Total Equity and Liabilities</b>		<b>3 975 533</b>	<b>3 349 137</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2019	2018
Revenue	6	5 654 277	5 211 315
Other income	7	138 708	352 308
Operating expenses		(5 554 896)	(4 967 494)
<b>Operating profit</b>		<b>238 089</b>	<b>596 129</b>
Investment revenue		242 770	222 187
<b>Profit for the year</b>		<b>480 859</b>	<b>818 316</b>
Other comprehensive Income		-	-
<b>Total comprehensive income for the year</b>		<b>480 859</b>	<b>818 316</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 July 2017</b>	<b>2 406 216</b>	<b>2 406 216</b>
Profit for the year	818 316	818 316
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>818 316</b>	<b>818 316</b>
<b>Balance at 01 July 2018</b>	<b>3 224 532</b>	<b>3 224 532</b>
Profit for the year	480 859	480 859
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>480 859</b>	<b>480 859</b>
<b>Balance at 30 June 2019</b>	<b>3 705 391</b>	<b>3 705 391</b>



## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Statement of Cash Flows

Figures in Rand	Note(s)	2019	2018
<b>Cash flows from operating activities</b>			
Cash generated from operations	9	376 127	575 530
Interest income		242 770	222 187
<b>Net cash from operating activities</b>		<b>618 897</b>	<b>797 717</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(214 091)	(65 728)
<b>Total cash movement for the year</b>		<b>404 806</b>	<b>731 989</b>
Cash at the beginning of the year		3 264 211	2 532 222
<b>Total cash at end of the year</b>	4	<b>3 669 017</b>	<b>3 264 211</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Accounting Policies

#### 1. Basis of preparation and summary of significant accounting policies

The 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 financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs 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 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

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.

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Notes to the Financial Statements

Figures in Rand

	2019	2018
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#### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	321	3 310
Bank balances	1 321 210	1 084 505
Fixed deposits	2 347 486	2 176 396
	<b>3 669 017</b>	<b>3 264 211</b>

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	1 173 709	12 months	8.04% - interest capitalised monthly	02/12/2019
Account number 1100544020500	1 173 777	12 months	6.60% - interest capitalised monthly	30/06/2020

#### 5. Trade and other payables

Trade payables	43 382	3 816
VAT	20 882	35 451
Accrued expense	191 262	70 670
Deposits received	14 616	14 668
	<b>270 142</b>	<b>124 605</b>

#### 6. Revenue

Rendering of services	5 654 277	5 211 315
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#### 7. Other income

Other income	9 361	35 343
Retention refunded	129 347	316 965
	<b>138 708</b>	<b>352 308</b>

As at 30 June 2019 the total retention held by the City of Cape Town amounted R160,302.12

#### 8. Auditor's remuneration

Audit fees	17 550	14 940
Tax and secretarial services	1 350	-
	<b>18 900</b>	<b>14 940</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Notes to the Financial Statements

Figures in Rand

	2019	2018
--	------	------

#### 9. Cash generated from operations

Profit before taxation	480 859	818 316
<b>Adjustments for:</b>		
Depreciation and amortisation	78 062	46 578
Interest received	(242 770)	(222 187)
Rounding of cash flow	(2)	2
<b>Changes in working capital:</b>		
Trade and other receivables	(85 559)	2 819
Trade and other payables	145 537	(69 998)
	<b>376 127</b>	<b>575 530</b>

#### 10. Prescribed officer's remuneration

##### Prescribed officer's remuneration

##### 2019

	Emoluments	Total
<b>Company Secretary</b>		
Mrs CV Lewis	26 580	26 580
<b>Chief Executive Officer's</b>		
Mrs AJ Kirk	359 582	359 582
	<b>386 162</b>	<b>386 162</b>

#### 11. Going concern

The 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)

Financial Statements for the year ended 30 June 2019

### Detailed Income Statement

Figures in Rand	Note(s)	2019	2018
<b>Revenue</b>			
Rendering of services		5 654 277	5 211 315
<b>Other income</b>			
Other income		9 361	35 343
Retention refunded		129 347	316 965
Interest received		242 770	222 187
		<b>381 478</b>	<b>574 495</b>
<b>Expenses (Refer to page 19)</b>			
		<b>(5 554 896)</b>	<b>(4 967 494)</b>
<b>Profit for the year</b>		<b>480 859</b>	<b>818 316</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Financial Statements for the year ended 30 June 2019

### Detailed Income Statement

Figures in Rand	Note(s)	2019	2018
<b>Operating expenses</b>			
AGM expenses		7 616	7 794
Accounting fees		48 590	25 250
Administration and management fees		-	58 410
Advertising		2 684	-
Annual performance bonuses		400	8 016
Auditors remuneration	8	18 900	14 940
Bank charges		11 045	13 097
Cleaning services		57 091	61 428
Computer expenses		24 441	15 309
Consulting and professional fees		-	19 765
Depreciation, amortisation and impairments		78 062	46 578
Employee cost - PAYE, UIF and SDL		215 131	228 919
Employee costs		1 738 654	1 537 921
Environmental upgrading		7 970	600
Insurance		20 846	18 104
Interest and penalties		-	738
Law enforcement officers		357 120	278 664
Motor vehicle expenses		14 754	12 528
Newsletter expenses		43 448	42 282
Office rental		291 756	189 605
Printing and stationery		12 481	3 425
Project expenses		123 055	-
Public safety		2 268 278	2 152 392
Public safety - CCTV's		11 959	11 959
Rates and municipal services		11 167	9 781
Repairs and maintenance		17 179	12 829
Secretarial fees		-	2 680
Social upliftment		66 842	108 290
Staff clothing		27 575	-
Staff welfare		10 570	7 674
Telephone and fax		28 588	32 509
Training		4 810	8 050
Workmens compensation contributions		33 884	37 957
		<b>5 554 896</b>	<b>4 967 494</b>



# PROPOSED UTILISATION OF ACCUMULATED SURPLUS 2019 / 2020

(Registration number 2008/020680/08)

## OBSERVATORY IMPROVEMENT DISTRICT (OBSID)

2019/20

### ADDITIONAL UTILISATION OF ACCUMULATED SURPLUS

#### EXPENDITURE

##### Operational

Public Safety enhancement

##### Projects

Social development pilot

Greening

Communications survey and projects

Public spaces and art

Vendors and traders

##### Capital Expenditure (PPE)

Office Furniture

Computer Equipment

Security equipment

CCTV / LPR Cameras

Vehicles - Security Kiosk ("Horsebox trailer")

#### TOTAL EXPENDITURE

Approved at the 2018 AGM	Additional / Reduction Surplus Utilisation	Total Surplus Utilisation
R	R	R
<b>280 000</b>	-	<b>280 000</b>
280 000		280 000
-	<b>671 000</b>	<b>671 000</b>
	330 000	330 000
	90 000	90 000
	50 000	50 000
	141 000	141 000
	60 000	60 000
<b>30 000</b>	<b>119 000</b>	<b>149 000</b>
5 000	6 230	11 230
10 000	25 450	35 450
15 000	-15 000	-
	52 320	52 320
	50 000	50 000
<b>310 000</b>	<b>790 000</b>	<b>1 100 000</b>



# IMPLEMENTATION PLANS

**2020 / 2021**

(Registration number 2008/020680/08)

## Programme 1 : Management and operations

Outcomes:		Outputs:		Timing:
<p><b>Outcome statement:</b> 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><b>Outcome indicators:</b> Positive feedback from member surveys  Increases in property values  No formal objections lodged with the City / special resolutions passed by members to remove SRA status / dissolve the CID  No financial irregularities reported through annual audit or other review processes  CID receives allocated share of retention fund annually  Staff disputes resolved in line with principles of procedural and substantive fairness</p>	<p><b>Output statement:</b> OBSID is effectively managed in line with CID's MOI requirements, NPC registration requirements and guidelines, good management practices and community expectations</p>	<p><b>Output indicator:</b> OBSID is legislatively compliant  General management systems in place and effective  Relationships managed in line with mission statement and to the benefit of the CID  Community relationships managed and effective  Appropriate levels of staff retention  OBSID secures additional sources of funding to support programme activities</p>	<p><b>Ongoing</b></p>
<b>Activities:</b>				
<p>1. <b>Manage, maintain and improve relationships with the City of Cape Town CID office:</b> ensure compliance to City of Cape Town reporting requirements (financial reporting, implementation plans, budgets- annual mid-year and five yearly reviews, plans and budgets), attend all CID meetings, provide ad hoc reports as requested</p> <p>2. <b>Finance management:</b> 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. Development of <b>performance review system</b> for all activities of OBSID</p> <p>4. Preparation and submission of all <b>reports</b> to agreed timelines: City of Cape Town, Board of Directors, member reports and others</p>				

5. Ensure that CID complies with all <b>legislative requirements</b> as regards NPC registration, SRA renewals, CIPRO requirements, tax and VAT
6. Participate proactively in various <b>meetings</b> as and when requested to do so by partners (OCA, ONW), other CID's, City of Cape Town, service providers and Board of Directors
<b>Actions:</b>
7. Maintain appropriate <b>office systems</b> and functionality: IT infrastructure (hardware and software), Google Drive, data management, telephony, printing, internet, time and attendance systems
8. Ensure that <b>HR systems and practices</b> 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 <b>adherence to MOI</b> and sound CID membership practices, including but not limited to processing of membership applications, coordination and management of AGM and related
10. Ensure <b>community complaints</b> and reports are addressed and attended to and feedback given as appropriate
11. Ensure integrity of <b>system access protocols</b> - online banking passwords, authorised signatories for bank accounts, Wi-Fi access and etc.
12. <b>General administration</b> - lease negotiations and renewals with various landlords, consumables management (refreshments, stationery, cleaning team equipment and etc.), health and safety systems, repairs and maintenance, policy and procedure review, development of relevant policies and implementation of same

## Programme 2 : Security / law enforcement initiatives

Outcomes:		Outputs:		Targets and timing:
Outcome statement:	Outcome indicators:	Output statement:	Output indicator:	
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)	Improved community perception of public safety services Response times to incident reports are improved	OBSID has an effective, efficient and relevant public safety programme, directly contributing to a reduction in crime and the creation of a safer community	Effective public safety service acting as deterrent to criminal operations (includes planned operations) 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	
The Observatory community perceives the area as "safe" and expresses this in interactions with others	Reduction in crime incidents	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	Effective working relationships in place with law enforcement, SAPS, traffic, DPU and metro police as well as PSSP's (residential and commercial properties)	Ongoing
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)	Public safety resources are proactively allocated within OBSID boundaries	OBSID's outsourced security service provider is rated as professional and "excellent value for money"	Crime statistics are accurately reported, analysed and preventive actions implemented to address crime spikes or prevent predicted crime trends from occurring	
<b>Activities:</b>				
<b>Actions:</b> 1. Management of <b>outsourced security provider</b> against performance framework. 2. Consistent application of <b>arrest incentive policy</b> in cases where actions directly contribute to arrests being made and cases being recorded with SAPS 3. Manage <b>LPR</b> programme, maintain relationships with LPRUG, develop reporting mechanisms for LPR linked activities / arrests. 4. <b>Maintaining working relationships with SAPS Crime Prevention Sector Manager (Woodstock)</b> , law enforcement, traffic and metro police teams 5. Ongoing <b>liaison with law enforcement, DPU, traffic, SAPS and metro police</b> to plan and execute effective operations – enforcement of bylaws, crime prevention and etc. 6. Accurate <b>data capturing</b> of all incidents and events daily using Incident Desk, publishing suitable reports on statistics, trends and etc. 7. Ongoing <b>case follow up and management</b> - tracking of case numbers, court dates, sentences/ fines and etc. and reporting on same, attending court as and when required				
8. Ensure effective working relationship / shared synergies explored with community partners (e.g. SRNW, ONW) – coordinating joint patrols and other crime prevention / visible public safety initiatives – establishing and chairing public safety monthly meetings 9. Refresh <b>safety related communication campaigns</b> (see communications and marketing programme) 10. Management of contracted law enforcement officers in conjunction with City law enforcement management, integration of daily activities with public safety service and systems <b>11. Programme projects:</b> a. CPF sub sector formation b. CCTV / overview camera mapping within OBSID boundaries c. Provision of support to ONW patrols (sign on / off, shift briefings, PSO support etc.) d. Launch of detection programme in conjunction with SAPS and service provider (dog patrols for drug / copper detection) e. Installation of dash cams in PS vehicles (capex required) f. Installation and monitoring of overview cameras in designated crime hot spots (may be same location as some LPR cameras) – (capex required)				

### Programme 3 : Cleansing initiatives

Outcomes:		Outputs:	Targets and timing:
<b>Outcome statement:</b> 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  The community gets involved in keeping the streets and public areas clean on their own initiative	<b>Outcome indicators:</b> OBSID area is perceived / seen as clean with an effective cleaning programme in place City responds to reports in good time due to consistent community pressure Reduction in number of serious infrastructure damage caused by faults not being reported or addressed in good time	<b>Output statement:</b> 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  <b>Output indicator:</b> Streets cleaned on a daily basis from Monday to Friday, high litter areas / high use public litter bins also cleaned over weekends Public litter bins in good repair, emptied as needed and enough bins are sited in litter hot spots  Public cleaning campaigns supported and effective  Cleaning team are equipped to carry out their duties effectively (skills, training and right equipment / PPE)	Ongoing
<b>Activities:</b>			
<ol style="list-style-type: none"> <li>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)</li> <li>Ensuring that Streetscapes work diversion programme integrates with cleaning priorities and tackles agreed hotspots and high traffic areas, and that beneficiaries are trained in street cleaning and refuse removal</li> <li>Maintaining watching brief on public litter bins, reporting damages / losses to City, working with other providers to install additional litter bins</li> <li>Continue work in support of Parks and Recreation to maintain and clean access controlled parks – consider expanding reach to other parks (e.g. Rochester) if City not providing services</li> <li>Graffiti identified, removed if not authorised / permitted by property / site owner, management of Straatwerk SLA focussed on graffiti removal</li> <li>Relationship with pool manager is effective (collection point for City refuse trucks).</li> <li>Taking zero tolerance approach with dumpers and businesses without sufficient wheelie bins for their waste - law enforcement to issue fines when warranted</li> <li>Coordinate schedule of drain pit cleaning in conjunction with the City or work with Streetscapes to run a work diversion programme focussed on drain cleaning</li> </ol>			

### Programme 4 : Urban management initiatives

Outcomes:		Outputs:	Targets and timing:
<b>Outcome statement:</b> OBSID's public areas are accessed by a wide range of residents for a range of reasons  Greening and cleaning initiatives are considered as good examples for other CID's  The artistic community considers OBSID a good place to go to exhibit their work  The community understands and cares for the flora and fauna of the area	<b>Outcome indicators:</b> Increase in property prices  Awareness is raised outside of our geographic boundaries about urban management in action in Observatory Public spaces become gathering places - cared for by the community Vendors and traders see increases in revenue	<b>Output statement:</b> OBSID delivers on its mission – and is cleaner and smarter.  Observatory becomes adopter of place making and universal access thinking and its residents spend more time outside.  Green areas are expanded, healthy and attractive to the eye  Streets, public areas, parks and gardens are generally free from litter and weeds and other waste Public hazards (human waste, needles, damaged road and pavement surfaces) are reduced Public spaces contain art, places to rest as well as places to exercise Test partial closures along stretches of LMR	
<b>Activities:</b>			
<ol style="list-style-type: none"> <li>Progress public spaces plan, obtain sign off, activate projects (once project assessment processes completed)</li> <li>Identify additional sites for "place making" projects / temporary urbanism activations universal access pilots, develop project plans, secure funding, gather community inputs and support, ensure that memorialisation is handled sensitively</li> <li>Join up with other partners working on public spaces to explore ways to improve sociability, comfort, uses and access of public spaces</li> <li>Put out calls for art on public infrastructure (e.g. cigarette bins, benches) and oversee installation of same</li> <li>Work with NPO's on "safe needles" projects including safe disposal bins and assisting with communication plans to reach those using</li> <li>Develop an operating model for regular full or partial closures of LMR, using infrastructure such as booms, bollards and parklets, reach out to CofCT officials to pursue the concept, consult with OpenStreets / FutureCapeTown for expertise / guidance, engage with business owners with differing trading times to scope out delivery needs</li> </ol>			



## Programme 5 : Social intervention initiatives

Outcomes:		Outputs:		Targets and timing:
<p><b>Outcome statement:</b></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><b>Outcome Indicators:</b></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><b>Output statement:</b></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>Those living on the streets by choice are offered access to services, a safe space to sleep and opportunities to participate in daily work programmes in return for items (street sleeper bags, toiletries, clothing items)</p> <p>Those living on the street due to circumstances beyond their control are offered access to services shelters, work readiness programmes, rehabilitation programmes and other support (identity documents, social welfare grants, referrals for specialist services)</p> <p>Those requesting reunification with their families are supported during the process</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><b>Output indicator:</b></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 and access to support services on an individual basis (case management, referral, rehab)</p> <p>Vulnerable community members are offered support</p>	<p>ONGOING</p>

Activities:
<p><b>Actions:</b></p> <ol style="list-style-type: none"> <li>Pilot the service centre concept and plan for "safe space" project post pilot project (incorporating day services and overnight services) – possibly in partnership with GSCID. Liaise with organisations working with street dwellers in the area and provide a coordination service as regards case management, donations in kind, referrals and to allow for dialogues regarding complementary and conflicting services on offer (service)</li> <li>Expand the <b>responsible giving campaign</b> to other platforms, to include other partners, to fund other interventions</li> <li>Expand the <b>Streetscapes work based diversion programme</b> to include a drain cleaning work team / greening work team</li> <li><b>Street dweller / day walker database</b> – maintain database. Work with public safety / law enforcement and DPU to gather full profiles of all those on the streets. 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</li> <li><b>Formulate mechanisms and strategies to engage with those living on the streets/transient</b> to determine needs and ensure transparency and accountability to those affected (AAP principles to be applied to programme design and delivery)</li> <li>Ongoing <b>individual case management</b> of persons engaging with social development department - needs assessment, support for document applications, grant applications, access to shelters, referrals to medical services/specialised services (e.g. Scalabrini for foreign nationals, LRC, LHR for legal support, CMH, CTDC, Matrix, Streetscapes)</li> <li>Expand <b>outreach work</b> - 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.</li> <li>Work actively with outsourced security service provider to offer <b>ongoing training and sensitisation of staff</b> towards those living on the streets and to develop a culture of tolerance, respect and humanity within the confines of by law enforcement</li> <li>Work actively with cleaning team to offer <b>ongoing training and sensitisation of staff</b> towards those living on the streets and to develop a culture of tolerance, respect and humanity within the confines of by law enforcement</li> <li><b>Improve relationships</b> with organisations paying delegates for workshop attendance / issuing clean drug use kits to inform them of impact on the street dwellers and find solutions to needle disposal / enabling of addicts who are on the streets to continue using (e.g. SWEAT, TB / HIV Care)</li> <li>Engage with the <b>public library</b>, find a way to offer a street library / adult literacy classes and etc.</li> </ol>

## Programme 6 : Marketing and communication initiatives

Outcomes:		Outputs:		Targets and timing:
<b>Outcome Statement:</b> 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	<b>Outcome Indicator:</b> Improvements in member satisfaction survey scores	<b>Output Statement:</b> 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.	<b>Output Indicator:</b> Communications strategy documented	
	Improved web analytics		Communications plan documented and aligned with strategy	
	Improved Facebook analytics – e.g. page visits, reach, people engaged, likes, comments		OBSID's communication strategy is activated:	
	OBSID's communications referred to positively on other forums / on other platforms		<ul style="list-style-type: none"> <li>• Website is refreshed and interactive, content kept updated</li> <li>• New member welcome packs</li> <li>• Quarterly webletters to members</li> <li>• Content in OCA webletters</li> <li>• Regular engagement on social media channels (Facebook, Twitter)</li> <li>• Visual displays: posters brochures, fridge magnets</li> <li>• Calls to action campaigns in support of social development partners</li> <li>• Obs business directory</li> <li>• Content is published in local newspapers (PR campaigns)</li> <li>• Event support policy is activated and effective</li> </ul>	
<b>Activities:</b>				
<ol style="list-style-type: none"> <li>1. Ensure that OBSID's communication strategy is effective and maintained (social media, website, webletters, publication inserts and etc.)</li> <li>2. Develop PR strategy for OBSID - more regular contact with local media, submission of opinion pieces</li> <li>3. Develop expanded Obs signage projects and themes, activate in line with communications plan</li> <li>4. Design and administer OBSID member satisfaction survey, communicate results, take actions as necessary</li> <li>5. Develop and implement a tiered support policy for events incorporating communication activations across OBSID platforms (linked to programmes 7 and 8)</li> </ol>				

## Programme 7 : Business development initiatives

Outcomes:		Outputs:		Targets and timing:
<b>Outcome statement:</b> Observatory is seen as an attractive location for business owners to operate  Local businesses see revenue growth  Developers are committed to preserving the essence of Observatory whilst doing business in the area  Residents buy locally!  Observatory has an active retail, wholesale and service provider community, delivering products and services that are needed and wanted by the community	<b>Outcome indicators:</b> Reduction in business closures, empty premises  Businesses form strong ties to the community and start to give back to social initiatives  Businesses employ staff from the local community (or offer work experience placements to job seekers under OBSID's job shadowing programme)	<b>Output statement:</b> OBSID provides a one stop location for the public to access to search for and find businesses, services, accommodation and other products locally  Observatory supports its own - small businesses and traders are encouraged, supported and mentored whilst becoming self-sustainable  Festivals, events and happenings are well attended and supported by the community	<b>Output indicator:</b> OBSID has regular engagement with business groupings to develop issue based action plans aimed at improving the business community's experience of Observatory  Observatory business directory is live, up to date and accessible on multiple platforms  OBSID's communication platforms are used to publicise events and happenings (press releases, SEO, tourism platforms)  NGO's with offices / centres in Observatory are surveyed and infographics advertising Observatory as a NGO welcoming environment are publicised  OBSID has a developed place marketing strategy and encourages visitors / residents / business owners to participate	
<b>Activities:</b>				
<ol style="list-style-type: none"> <li>1. 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</li> <li>2. Develop an Observatory business directory – encourage the community to source locally</li> <li>3. Develop a tiered support policy and activate same in support of events and happenings in Observatory (links with programme 6) – to include theatre venues</li> <li>4. Develop and activate a place marketing strategy</li> <li>5. Develop a "how to" guide for events on the Village Green and activate same</li> <li>6. Explore the option of a "Friend Of" registration for the Village Green and activate if feasible</li> </ol>				

## Programme 8 : Arts, heritage, culture and sport

Outcomes:		Outputs:		Targets and timing:
<p><b>Outcome statement:</b> 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><b>Outcome indicators:</b> Community members are actively involved with heritage preservation</p> <p>Art and culture thrives in Observatory</p>	<p><b>Output statement:</b> 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><b>Output indicator:</b> 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>OBSID's public art policy is consistently implemented</p>	
<b>Actions:</b>				
<ol style="list-style-type: none"> <li>1. Develop a public art policy to inform processes related to public art support by OBSID (sponsorship, aesthetics, curatorship, calls to action and etc.)</li> <li>2. Engage with CofCT on Busking policy and Public Spaces Nuisance bylaws to check compliance, and to identify opportunities to encourage public performances</li> <li>3. Put out calls for public art on public spaces infrastructure (through public art policy protocols) and deliver projects in conjunction with community partners</li> <li>4. Develop concepts for Obs signage that incorporates heritage / story boards</li> <li>5. Support performing arts in theatres, venues and public spaces (linked to event support policy)</li> <li>6. Develop a Village Green activation programme, aligned with public art policy as well as performance / business / event support policies (linked to programmes 6 and 8)</li> <li>7. Provide input into the Streetopia Art Legacy projects associated with the event (selection panel participation, themes etc.)</li> </ol>				



# PROPOSED BUDGET

## 2020 / 2021

(Registration number 2008/020680/08)

## OBSERVATORY IMPROVEMENT DISTRICT (OBSID) 2020/21 PROPOSED BUDGET

	Business Plan	Proposed Budget	Variance
	R	R	R
<b>INCOME</b>			
Revenue - Add. Rates	-6 957 384	-6 957 384	-
Other: Accumulated Surplus	-185 000	-185 000	-
Other: Additional Accumulated Surplus	-	-620 000	-620 000
<b>TOTAL INCOME</b>	<b>-7 142 384</b>	<b>-7 762 384</b>	<b>-620 000</b>
	100,0%	100,0%	8,7%
<b>EXPENDITURE</b>			
<b>Employee Related</b>	<b>1 960 426</b>	<b>2 109 918</b>	<b>149 492</b>
Salaries and Wages	1 866 113	1 799 747	-66 366
PAYE, UIF & SDL	60 303	274 671	214 368
Allowances: Locomotion	-	3 500	3 500
COIDA	-	32 000	32 000
Bonus provision	34 010	-	-34 010
<b>Core Business</b>	<b>4 139 470</b>	<b>3 904 889</b>	<b>-234 581</b>
Cleaning services	104 130	190 597	86 467
Environmental upgrading	28 954	165 000	136 046
Law Enforcement Officers	376 812	-	-376 812
Public Safety	3 399 220	3 256 400	-142 820
Public Safety - CCTV monitoring	23 990	104 392	80 402
Public Safety - Leasing of cameras	-	-	-
Social upliftment	206 364	138 500	-67 864
Urban Maintenance	-	50 000	50 000
<b>Depreciation</b>	<b>19 000</b>	<b>75 000</b>	<b>56 000</b>
<b>Repairs &amp; Maintenance</b>	<b>42 370</b>	<b>10 000</b>	<b>-32 370</b>
<b>Interest &amp; Redemption</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>General Expenditure</b>	<b>772 396</b>	<b>833 855</b>	<b>61 459</b>
Accounting fees	41 945	74 500	32 555
Admin and management fees	18 875	-	-18 875
Advertising costs	-	-	-
Auditor's remuneration	22 284	30 000	7 716
Bank charges	17 151	15 000	-2 151
Books, periodicals & subscriptions	-	-	-
Catering & Food	-	8 000	8 000
Communication	-	-	-
Computer expenses	27 055	27 600	545
Conferences & seminars - International	-	-	-
Conferences & seminars - National	-	-	-
Contingency / Sundry	5 549	-	-5 549
Donations	-	-	-
Insurance	30 673	19 000	-11 673
Marketing and promotions	124 505	160 000	35 495
Meeting expenses	-	-	-
Minor tools & equipment	-	2 000	2 000
Motor vehicle expenses	25 298	22 000	-3 298
Office cleaning costs	-	12 000	12 000
Office rental	278 050	317 955	39 905
Office security	-	9 000	9 000
Postage & courier	-	800	800
Printing / stationery / photographic	4 719	23 000	18 281

Protective clothing	15 074	10 000	-5 074
Rates and Service Accounts (Only CCT)	25 549	36 000	10 451
Refreshments and Teas	25 970	15 000	-10 970
Secretarial duties	6 554	12 000	5 446
Telecommunication	58 945	23 000	-35 945
Training	44 200	17 000	-27 200
Travel & subs - International	-	-	-
Travel & subs - National	-	-	-
Utilities (Not CCT)	-	-	-
<b>Projects</b>	<b>-</b>	<b>600 000</b>	<b>600 000</b>
Busdev: place marketing and signage	-	60 000	60 000
Public spaces: infrastructure	-	75 000	75 000
Socdev: div. prog and container	-	340 000	340 000
Public spaces: LSDF consulting	-	50 000	50 000
Busdev: event support	-	75 000	75 000
<b>Capital Expenditure (PPE)</b>	<b>-</b>	<b>20 000</b>	<b>20 000</b>
CCTV / LPR Cameras	-	-	-
Computer Equipment	-	20 000	20 000
Fence	-	-	-
Office Equipment	-	-	-
Office Furniture	-	-	-
Security Equipment	-	-	-
Vehicles	-	-	-
Other: Specify	-	-	-
<b>Bad Debt Provision 3%</b>	<b>208 722</b>	<b>208 722</b>	<b>-</b>
<b>TOTAL EXPENDITURE</b>	<b>7 142 384</b>	<b>7 762 384</b>	<b>620 000</b>
	100,0%	100,0%	8,7%
<b>(SURPLUS) / SHORTFALL</b>	<b>-</b>	<b>0</b>	<b>0</b>



# 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*

#### Capital Expenditure (PPE)

Computer Equipment

#### TOTAL EXPENDITURE

### Proposed Budget

R

**600 000** 96,8%

60 000

75 000

75 000

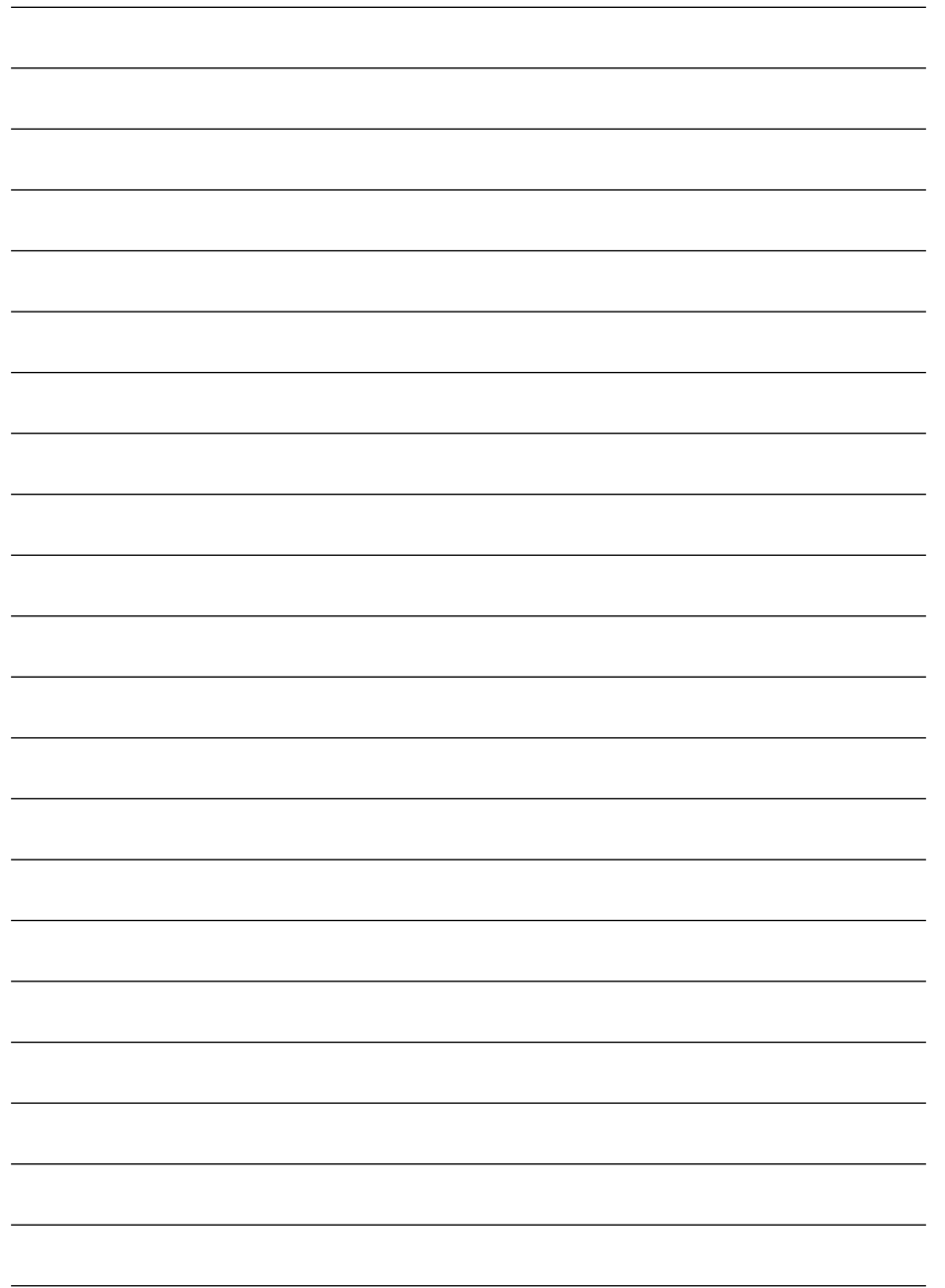
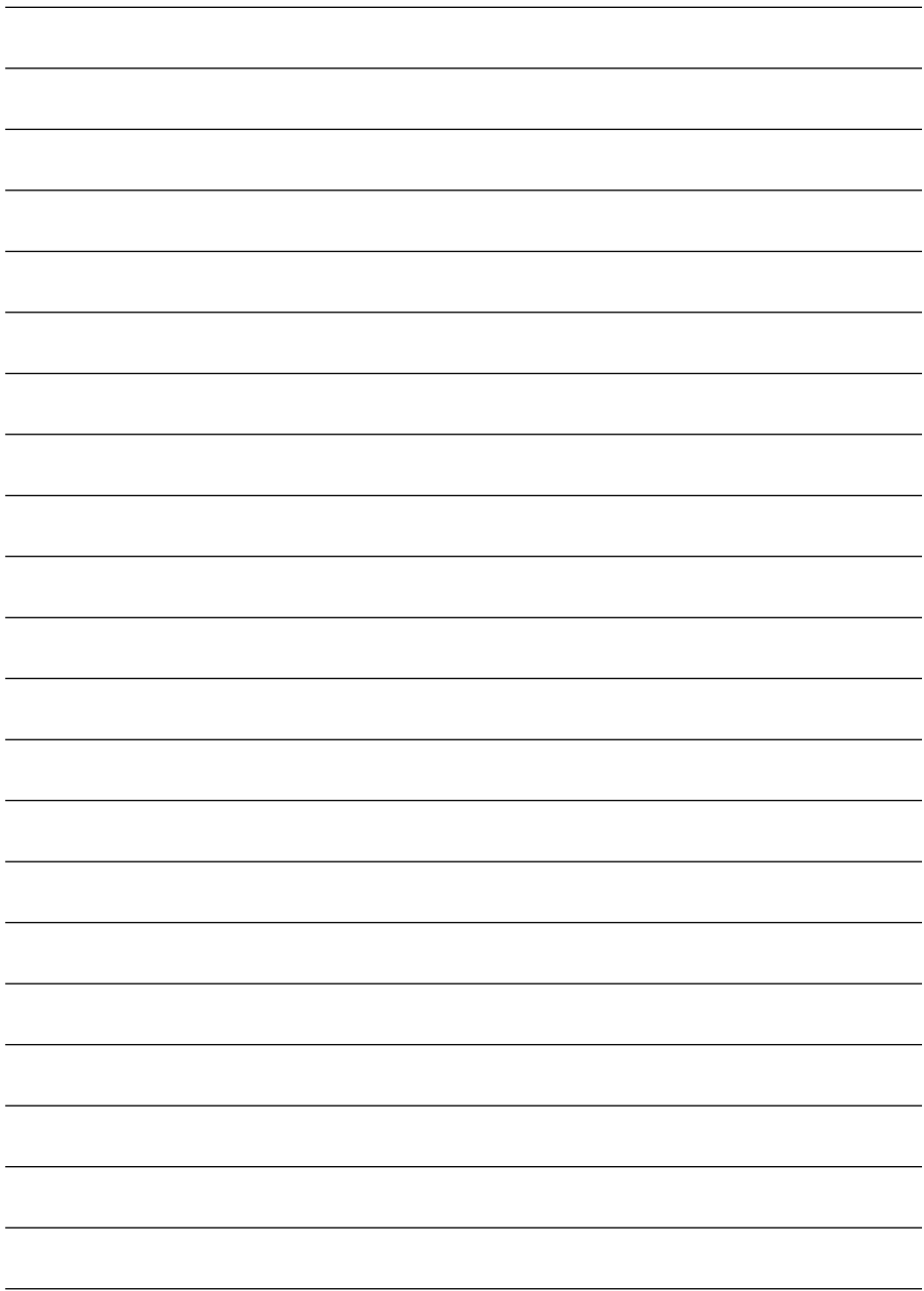
50 000

340 000

**20 000** 3,2%

20 000

**620 000** 100,0%





**OBSERVATORY**  
**IMPROVEMENT DISTRICT**

SAFER

CLEANER

SMARTER