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THE COMPLETE BUSINESS PLAN IS AVAILABLE FOR INSPECTION. KINDLY TELEPHONE 011 885 3873 OR E-MAIL [cid@s-w-a-p.co.za](mailto:cid@s-w-a-p.co.za). SHOULD YOU REQUIRE A COPY.

**ACTION REQUIRED:**

1. READ THIS DOCUMENT CAREFULLY.
2. IF YOU HAVE NOT ALREADY DONE SO, COMPLETE THE **CID INFORMATION FORM** (AVAILABLE BY DOWNLOAD FROM [www.s-w-a-p.co.za](http://www.s-w-a-p.co.za)), AND FAX THE COMPLETED AND SIGNED FORM TO **011 809 7781**, TOGETHER WITH THE REQUIRED SUPPORTING DOCUMENT.
3. COMPLETE AND SIGN THE **VOTING FORM** ATTACHED PER THE INSTRUCTIONS SET OUT IN SECTION 10. THIS IS **IMPORTANT** – ORIGINAL VOTING FORMS MUST BE **RETURNED TO PO BOX 92345, NORWOOD 2117**, OR **DEPOSITED IN THE DESIGNATED COLLECTION BOX AT THE SWAP FILTER POINT** IN BRUCE STREET, BETWEEN BURN AND KNOX STREETS, WAVERLEY, WITHIN 14 DAYS FROM DATE OF RECEIPT. PLEASE CLEARLY MARK THE ENVELOPE "SWAP CID VOTING FORM".

# SAVOY WAVERLEY

## City Improvement District

### Executive Summary

08 August 2007

**Prepared by**

Savoy Waverley Residential Association  
Registration number 2007/013533/08  
Association incorporated under Section 21

In consultation with;

**Kagiso Urban Management**

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## SECTION 1: Introduction

This document summarises the Business Plan which has been prepared for the **Savoy Waverley Residential Association (SWAP)**, which details an integrated and multifaceted urban management intervention plan launched by the Savoy Waverley communities to **halt the affects of urban decay and degeneration in a once prestigious urban node**.

SWAP is a registered Section 21 (non profit) company initiated by residents of the Johannesburg suburbs of Savoy Estate and Waverley concerned about the rapidly declining urban environment and increased criminal activities in the area.

SWAP is supported by the Northern Suburbs Hebrew Congregation, Waverley (Rosabelle Klein) Nursery School, St Mary's School for Girls, Waverley Girls School, Beis Ya'akov Jewish Day School, CHABAD House and OHR SOMAYACH Savoy,

The initial launch, establishment and current operations of SWAP have been funded by donations from concerned residents and business sponsorships. This funding has enabled the organisation to establish a community office, surveillance cameras connected to a central Incident Command & Control Centre, 24 hour pro-active vehicle patrols monitoring the area, safety zones, a centralised emergency number operating through a central Incident Command and Control Centre, and a volunteer Block Watch programme operating seven nights a week from 18:00.

### The objectives

The objectives of SWAP, working closing with the City and local organisations are to:

- address and improve current safety, health and environmental issues;
- achieve and sustain a 'well-managed' safe and clean public space;
- create a shared community amongst the residents, institutions and business sectors; and
- create and promote strong collaborative relationships between the Savoy Waverley community and City utility organisations and agencies.

**Kagiso Urban Management (KUM)**, with its sister company the Central Johannesburg Partnership (CJP), is a multi-disciplinary advisory and management company whose core business is the establishment and management of City Improvement Districts and the provision of services to enhance the potential of these commercial, business and residential nodes. This is achieved by partnering the community, local business interests and government in order to improve the physical environments, and operating infrastructures of these areas. The SWAP Steering Committee approached KUM for assistance and recommendations regarding the legislation and management of the Savoy Waverley area.

## SECTION 2: City Improvement Districts

### A. What is a City Improvement District (CID)?

A CID is a defined geographic area within which property owners agree to pay for certain services to enhance the physical and social environment of the area. The services provided are supplementary to those provided by the local authority and usually include additional security, pavement cleaning, litter collection, as well as the upliftment and maintenance of public space.

Complementary services, which are often taken on by the CID include: communication via websites and e-newsletters; business attraction and retention; environmental upgrades; as well as branding and marketing the CID precinct area, including events management, to attract more people to the CID area.

The baseline 'need' that urban areas have is to provide a *safe and clean experience* for the user. This baseline need must be met prior to the creation of a better experience of the area. Refer to figure below which illustrates how an area can move from an unpleasant urban experience to an exceptional one.

In Gauteng, applications to create a formal or legal improvement district are made to local authorities and are considered in terms of the **Gauteng City Improvement District Act** (No 12 of 1997) which was approved by the Gauteng Provincial Legislature on 9 December 1997.



## B. Why a City Improvement District is under consideration in Savoy Waverley?

The effect of rapid urbanisation following the decades of apartheid control mechanisms has taken its toll. Our local authorities have the responsibility to provide basic services such as electricity, water and sewerage, as well as road maintenance, traffic lights, garbage collection and security. More and more we are finding our local authorities have neither the budget nor the staff to address these issues adequately. Without proper attention to these matters, a once sought-after residential suburb can become a less desirable place to live; property values can decrease; unwanted developments can proliferate; and ordinary day-to-day life can become chaotic for those who live in the area. One of the solutions to either uplifting a residential area where decay has set in, or to prevent the downward spiral before it has started, is to establish a CID – thereby ensuring that ALL residents in the defined area contribute to the management of the public space.

***Managed environments offer friendly, clean and safe conditions, as well as ensuring that the homeowner's most important investment, their home, is secure.***

The establishment of a CID leads to a well-run community – one that can proudly say it has desirable addresses and is a safe, secure, friendly and co-operative environment in which to live and work.

## C. Formation and operation of a City Improvement District

The procedure for establishing and managing a CID is described below. Requirements specific to CIDs formed in terms of the Gauteng legislation are marked with a (G).

- The geographic boundaries of the improvement districts have to be established.
- All property owners and major tenants within a defined area should be consulted and exposed to the proposed intervention.
- A vote has to occur and a pre-determined majority (51% in Gauteng) must be achieved in order to establish a CID legally. Additionally, the local authority may have to approve the CID as is the case in Gauteng. (G)
- Every property owner needs to be informed about the establishment of the CID.
- Whilst the application to the local authority to establish a CID may be made by 25% of property owners, final approval will not be considered unless more than 51% of relevant property owners are in agreement. (G)
- Once a CID is authorised, 100% of property owners within a district have to contribute financially. (G)
- Once legally constituted, the CID authorises the local authority to levy an additional tax on CID members, who are required to pay it just as they have to pay rates. (G)

- The local authority collects the levy on behalf of the improvement district and pays the money received directly over to the improvement district without deduction. The local authority can also give agency status to an approved agency to collect levies on its behalf – Kagiso Urban Management collects levies for the CIDs it manages.
- Each CID has its own board of directors elected from the members of the Section 21 company and they effectively control the CID within the terms of the original CID business plan. Non-voting members of the board may be included, such as a councillor, tenant or other stakeholder. However, property owners must be in the majority.
- The board can appoint a specialist urban management company, such as Kagiso Urban Management, to manage the day-to-day operations within the district.
- The supplementary services provided by the CID should represent the actual needs of the area according to the goals of the property owners for the area. The services provided are decided by the property owners as CIDs are property-owner driven.
- The local authority must inform the CID as to its current level of service and must maintain the same level of service when the CID is running through signing of service level agreements (SLAs). This is to ensure that the CID services remain supplementary and are not a replacement for local authority baseline services. (G)
- The CID is established for an initial period of three years but its life can continue indefinitely unless members move for material changes to the original business plan. (G)

#### **D. What are the benefits?**

- The CID approach is holistic
- The CID creates a positive identity for the area
- The establishment of a CID creates a 'formal' relationship with the City
- Enhancement of the environment and strengthening of investor confidence
- The CID supports investment
- The CID offers private sector management and accountability
- The effectiveness of the CID is constantly measurable
- CIDs monitor any new major developments or interventions that impact on the area
- CIDs form effective working relationships with appropriate bodies or associations
- The CID is able to put forward ideas for change to the local authority.

#### **E. City improvement district disadvantages**

Because the CID intervention is focused on public space interventions and rejuvenation solutions, there are generally no practical disadvantages recorded other than certain perceptions.

A perceived disadvantage to some owners may be the additional cost and the perception that all problems should be resolved by the local authority. However, both overseas and locally it has been proven that the *costs that are borne by property owners relative to the establishment and management of a CID are recouped in higher rentals and increased asset value.*

There is also a perception that improvement districts will result in the local authority reducing normal services further or discontinuing them altogether. However, in terms of the City Improvement District Act, a Service Level Agreement must be entered into between the local authority and improvement district which identifies and benchmarks the services to be provided by the local authority.

### **SECTION 3: Typical services that could be offered within the City Improvement District**

These include, but are not necessarily limited to:

- Cleaning and maintenance within the public space
- Crime prevention
- Marketing and promotions
- Parking and transportation
- Social services
- Capital improvements/place making initiatives in consultation with the authorities.

## **SECTION 4: Savoy Waverley Residential Improvement District**

### **City improvement district identification**

The following information is supplied to comply with the terms of Section 2(4) and Regulation 3 of the Gauteng City Improvement Districts Act, 1997.

#### **CID identification**

Name (of proposed CID):	<b>Savoy Waverley City Improvement District</b>
Date:	August 2007
Name of Municipality having jurisdiction:	City of Johannesburg Metropolitan Municipality
Principal contact person:	Errol Sackstein
Postal address:	<b>PO Box 92345</b> <b>Norwood</b> <b>2117</b>
Physical address:	54 Grenville Avenue Savoy Estate 2090
Telephone:	011 885 3873
Fax:	011 809 7881
E-mail:	<a href="mailto:cid@s-w-a-p.co.za">cid@s-w-a-p.co.za</a>
Alternate contact:	Kagiso Urban Management / Ashley Holman
Telephone:	(011) 447 8841
E-mail:	<a href="mailto:ashleyh@kum.co.za">ashleyh@kum.co.za</a>

### **SECTION 5: City Improvement District motivation**

We have received letters of support for the CID from the following:

- St Mary's School
- Waverley Girls School
- Beis Ya'acov Hebrew School
- Northern Suburbs Hebrew Congregation
- Ohr Somayach Savoy
- Chabad Savoy
- The Norwood Community Policing Forum
- The Bramley Community Policing Forum
- The Waverley Residents Association
- The Bramley Residents Association
- Councillor Ray Wolder.

These letters will be submitted together with the Business Plan.

In addition, as at the date of this document, ratepayers representing 30% of the proposed CID have informally confirmed their support of the CID.

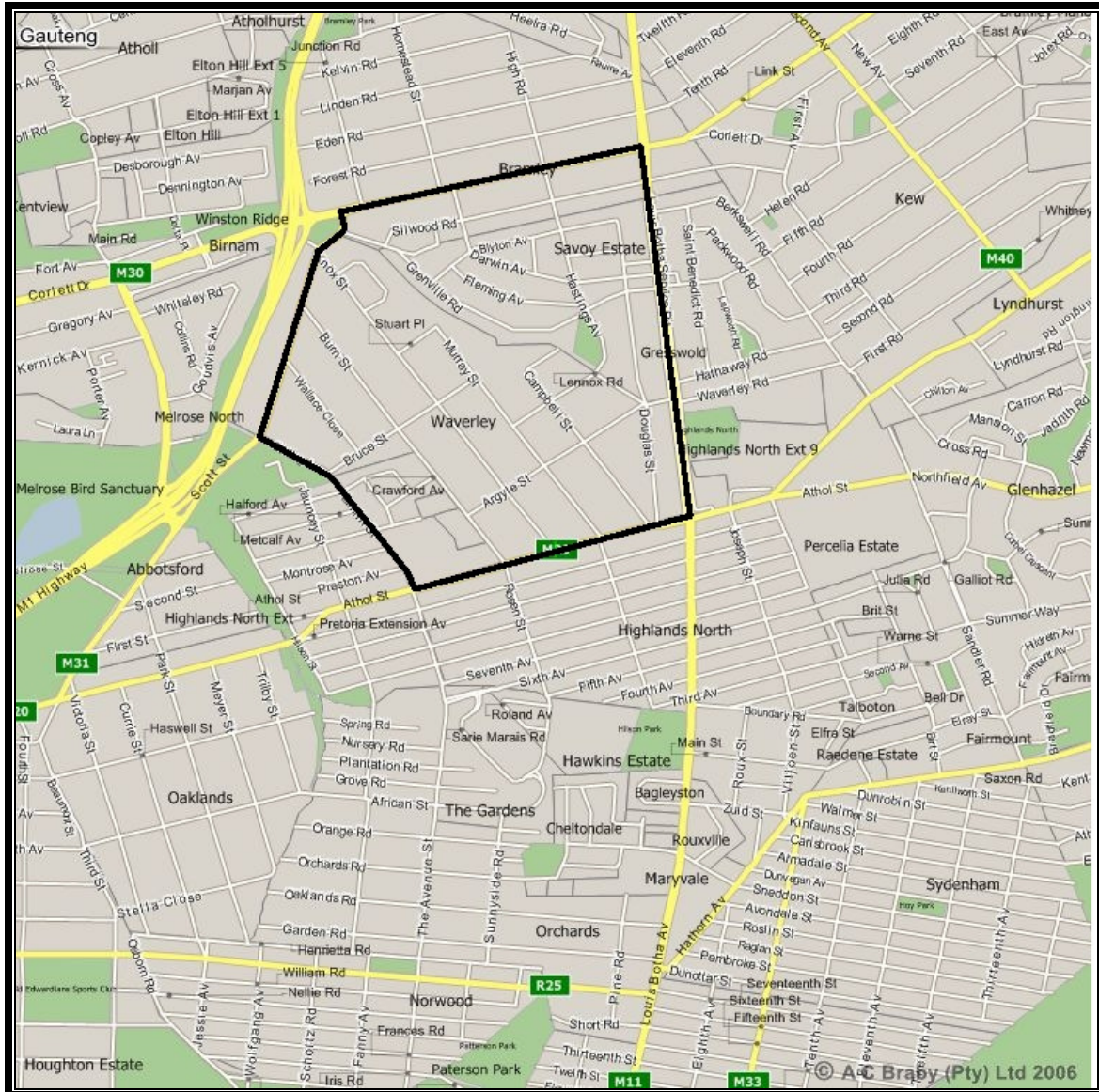
### **SECTION 6: Description and location of the City Improvement District**

#### **A. The boundaries**

The Savoy Waverley area is suburb of Johannesburg, Region E defined by Corlett Drive in the North, Athol Street in the South and Louis Botha Avenue in the East, with Scott Street becoming Stirling and Hamlin Street in the West.

Location Map showing boundary of the proposed Savoy Waverley CID:





## B. Main land uses

The Savoy Waverley area is a mixed use suburb: primarily residential with business and retail on Corlett Drive, Louis Botha Avenue and Scott Street, and a number of long established educational institutions (see below).

The area has undergone significant re-development in recent years, with many of the residential homes on the western border of Scott Street now office parks, and along the eastern border, townhouse complexes.

The area is segmented as follows:

- 664 residential homes, including 75 multiple dwellings, housing 525 units, comprising 8 apartment blocks, 8 townhouses, and 59 'Cluster' (shared entrance) complexes
- 53 businesses, comprising 22 houses used for business purposes, 15 office parks and 19 retail businesses
- 3 parks
- 1 public library
- 4 schools
- 1 residential hotel
- 3 synagogues.

### **C. Broad socio-economic conditions**

The Savoy Waverley area is a long established traditional leafy residential suburb with a mix of both upmarket and middle class households, a number of schools and educational facilities. St Mary's School in Waverley was established in 1888 and is the oldest school in Johannesburg. St Mary's is an Anglican School for girls, catering for girls from nursery school through to Matric. Waverley Girls High School, on corner of Athol and Knox Streets, was established in 1952 when it separated from its brother school, Highlands North Boys, in order to serve the needs of girls in Waverley and its environs.

In addition, there are three synagogue centres and a Jewish Day School.

The SAPS Union has a house on Stirling Street from which it conducts business.

### **D. Physical conditions**

Street frontage within the residential area is generally maintained by the residents. Traffic congestion is particularly prevalent at peak times on main arterial roads and around the school feeder areas. Scott Street is a feeder road onto the M1 motorway. Traffic calming methods have been implemented but may need boosting.

Pavement areas along Corlett Drive and Scott Street require attention and areas along Louis Botha Service Road would benefit from general maintenance and cleaning.

The Savoy shopping precinct has been identified as an area that requires specific attention with a number of informal traders and inadequate taxi facilities. This area is a criminal hotspot, from which a range of criminal activities are launched. This area is a focus area for the CID and will benefit materially from a clean-up and upgrade.

### **E. Vision and goals**

#### **Vision**

The vision of the improvement district is to maintain the Savoy Waverley area as a well managed improvement district where residents, visitors, businesses and the community may feel free to enjoy and use the public space.

#### **Goals**

- To maintain the CID area as a premier residential and business node – a safe, clean, attractive and user-friendly neighbourhood - by providing a range of enhanced management services.
- To facilitate public and private investment.
- To promote the assets of the area.
- To aggressively address negative perceptions of the area and increase the positive factors which will encourage investment.

### **F. Existing services**

#### **Municipal services**

An application has been made to the Municipality for information on existing municipal services in the area. It is essential that a basic municipal service level agreement be contracted between the local authority and the CID to ensure that service levels are maintained by the local authority.

The service level agreement will be required by the CID management company before it commences work, to provide a benchmark for checking that the level of service provided by the local authority is maintained throughout the life of the CID.

The service level agreement is not designed for the CID to become a watchdog of council functions. Rather, the agreement provides the CID with the necessary information on council services so as to construct relevant supplementary services and to provide the CID members with the information to monitor whether the base level services for which they pay rates and taxes are maintained.

### **G. Levy payments**

Levy payments have been calculated using the following formula:

***Total Annual Budget ÷ Total Square Metrage (excluding non-rate-paying properties) rounded up to nearest 5 cents***

This equates to R0.35 (35 cents) per square metre for the area.

This rate is then applied to each property in the area in accordance with its size, per municipal records.

This value is then adjusted (up or down) according to the nature (i.e. freehold, sectional title, townhouse) and purpose (residential, business, educational, recreational, other) of the property. A minimum and maximum value has been derived in order to cap the minimum and maximum levies payable.

By way of further explanation and with reference to the table below:

- **Residential – Single Dwelling:** The majority of ratepayers in the area are **private residences** (comprising 67.45% of the total square metreage). Accordingly, the area occupied by these residences has been used as the base, and has been allocated a factor of 1. Therefore, a private residence is charged at 0.35c per square metre based on the municipal square metreage of the residential property. As reflected in the table below, the average monthly levy for a private residence is R548.37 per month. The maximum monthly levy has been capped at R650.00, as set out in the table below.
- **Residential – Shared entrance:** These are the so-called “**cluster**” **complexes** which occupy 6.45% of the area. Many of these developments were formerly single dwellings or consolidated / sub-divided *erven*. Because several ratepayers now reside where one previously resided, and because municipal valuations have, in many instances not been adjusted to take into account commercial values, a factor of 3.15 to applies this category. A ratepayer living in a cluster is charged 0.35c X 2.5 X square metreage. However, the average monthly levy of R513.27 is lower than that of a single dwelling as property sizes are smaller (although actual residence sizes are comparable). The maximum monthly levy has been capped at R650.00, as set out in the table below.
- **Residential – Townhouse:** These occupy 9.23% of the area. Because these complexes often contain many, **multi-level units in a contained area**, owned by a single body corporate, but significantly smaller in size than ‘cluster’ units, a factor of 2 applies to this category. The body corporate will therefore be charged 0.35c X 2 X square metreage. Because the townhouse complex is regarded as a single ratepayer, the average monthly levy of R3 856.50 is higher than for the previous two categories, but once divided amongst individual unit occupiers, it translates in to a smaller monthly levy. The minimum monthly levy per unit will be R199.00, as set out in the table below.
- **Residential – Apartment:** These occupy 8.61% of the area. The same rationale as set out in the paragraph above applies here. However, many apartment dwellers are elderly, retired, or semi-retired citizens. Accordingly, a factor of 2 applies to this category. While the average monthly levy for an apartment block will be R2 880.73, each tenant will pay a minimum of R125.00 per month, as set out in the table below.
- **Business – House:** These occupy 4.63% of the area and are situated mostly on the Corlett Drive and Louis Botha Avenue perimeters. These **businesses** are not only income-producing, but also attract much higher levels of visitors to the area, in the form of customers, deliveries, etc. Accordingly, a factor of 2 applies to this category. This takes into account the business nature of the premises as compared with a single dwelling used as a private residence. As reflected in the table below, the average monthly levy for a business premises conducted from a house is R1 056.68 per month. Depending on the actual size, the highest monthly levy will be R5000.00, as set out in the table below.
- **Business – Office Park:** These occupy 0.37% of the area, and are situated mostly on the Scott Street border. These developments are larger in size than the other developments, other than for townhouse complexes, and are either single or multi-tenant occupied. To take into account the business nature of the property, but also the “corporate” rather than retail / commercial nature, a factor of 1.5 is applied to this category. As reflected in the table below, the average monthly levy for a business premises conducted from a house is R1 837.22 per month, making this the most expensive of the categories owing to the square metreage occupied by these properties. Depending on the actual size, the maximum monthly levy will be R6000.00, as set out in the table below.
- **Business – Retail:** These occupy 2.75% of the area, and are situated mostly along Louis Botha Avenue, Corlett Drive, Scott Street and the Savoy Shopping precinct. These properties attract a high volume of both pedestrian and vehicular traffic, much of it from outside the Savoy/Waverley area. Many of these businesses trade in fast-moving consumer goods. Accordingly, a factor of 2.5, being the highest factor, is applied to this category. As reflected in the table below, the average monthly levy for a business premises conducted from a house is R920.82. Depending on the actual size, the maximum monthly levy will be R1 500.00, as set out in the table below.
- **Educational:** The schools in the area are not expected to make a contribution in terms of the CID process, however, voluntary participation is welcome. St Mary’s School for Girls already generously contributes to the initiative.
- **Institutions:** This refers to the religious places of worship in the area, of which there are three. A factor of 0.5 has been applied to this category, to indicate participation but at a less than base user level. The average monthly levy of R424.17 is exceedingly affordable having regard to the fact that these institutions have large membership bodies, but drawn mostly from the area’s residents, all of whom will be contributors to the CID. Depending on the actual size, the maximum monthly levy will be R900.00, as set out in the table below. However, it is anticipated that these institutions will voluntarily contribute considerably in excess of the contracted monthly levy.

The formula has been applied as follows:



Property Type	Factor	Maximum Monthly Payment	Average Monthly Payment	Minimum Monthly Payment (R) per unit	Total Monthly Payments (R)	Percentage (%)
Residential - Single Dwelling	1	R 650.00	R548.37	R198.45	R338,343.37	67.45%
Residential - Shared Entrance	3.15	R 650.00	R513.27	R257.98	R32,336.08	6.45%
Residential - Townhouse	2	R 10,000.00*	R3,856.50*	R199.00	R46,278.00	9.23%
Residential - Apartment	2.5	R 5,000.00*	R2,880.73*	R125.00	R43,211.00	8.61%
Business - House	2	R 1,388.10	R1,056.68	R968.10	R23,247.00	4.63%
Business - Office Park	2	R 5177.90	R1,837.22	R1040.62	R1,837.22	0.37%
Business - Retail	2.5	R 2,000.00	R987.49	R557.38	R13,812.38	2.75%
Educational	0	R 0.00	R0.00	R0.00	R0.00	0.00%
Institution	0.5	R900.00	R424.17	R 82.42	R2,545.00	0.51%

\* Per complex. On a per unit base, this will be substantially less. There are 25 municipal erven, which have been excluded from the formula.

Households with special needs can be catered for through cross subsidization. Registered pensioners will pay a flat rate of R100 per month.

Non-rateable institutions will not be invoiced but have expressed their desire to make voluntary contributions to the City Improvement District.

Provision will be made by the management body, in the special needs categories, for those property owners whom may suffer from a temporary loss of income due to retrenchment, ill health or in some cases may not be in a position to pay a month levy in terms of the Gauteng City Improvement Districts Act No. 12 1997, section 5.2.

## SECTION 7: Proposed services in Savoy Waverley Residential Improvement District Area

### Overall management

- **CID manager and offices**

The Savoy Waverley City Improvement District will appoint a manager who will be responsible for the for ensuring the **effective and efficient delivery of all CID services, daily management of the CID and its related services, administrative support financial control and reporting**, liaison between CID committees, members, council officials, the SAPS and all other relevant stakeholders.

- **Safety and security**

Proactive armed vehicles patrol the Savoy Waverley area on a 24 hour, seven day basis. The Incident Command and Control Centre, situated in 2 Elray Street, Raedene, houses the Operations Manager who will monitor daily activities and accommodate effective communication with the vehicles. This communication is made possible utilizing strategically placed surveillance cameras, computer monitors, radio base stations and reports of suspicious activity from members of the community. A security forum for the Savoy Waverley area has already been established with representation from both Bramley and Norwood policing.

A centralised emergency number has been established and communicated throughout the neighbour to residents and users of the area. This number is manned by highly trained personnel on a 24 hour basis to deal with calls regarding suspicious activities within the area. A link up has been established with the local policing forum and collaboration has already enabled the identification of a number of criminal elements.

In addition to these services a filter point has been established in Bruce Street, between Burn and Knox Streets, and communicated throughout the neighbourhood whereby should a resident believe they are being followed or under threat they can drive to the filter point where SWAP personnel are available to intervene.

A community block watch programme is up and running in the area. Volunteers from the neighbourhood patrol the area in their own vehicles, every night from 6pm to 12am. All suspicious activity is reported to the control room which immediately dispatch a vehicle to investigate.

Apart from the public safety ambassadors / guest relations training that each officer must undergo to the requisite level before employment, provision has been made for each officer to receive specific training to be able to direct and answer inquiries from the public in regard to all aspects of the area. Officers who successfully complete this training are known as 'public safety ambassadors'.

• **Job Creation**

The Savoy Waverley Community will seek to create job opportunities where possible and will approach the local Alexandra Community upliftment programme to employ cleaning and maintenance personnel, as well as any additionally required personnel.

**Proposed Levels of Service:**

An assessment of the proposed area was conducted and various types of services were identified to promote the area and create an attractive upmarket City Improvement District.

**PROPOSED CID CRIME PREVENTION PERSONNEL**

The following number of security personnel and areas of deployment are recommended.

**SECURITY PROPOSAL**

**DAY SHIFT (Monday to Sunday 10h00 – 22h00)**

LOCATION	No of SECURITY PERSONNEL	DESCRIPTION	PAYROLL COST TO COMPANY – monthly
Vehicle 1 – Waverley	3 rostered	Grade A	R32 000
Vehicle 2 – Savoy	3 rostered	Grade A	R32 000
Filter Point – Bruce Street, betwn Knox and Burn	3 rostered	Grade B	R30 000
Divisional Supervisor – Floating	1	Grade A	R25 500
Cyclists / Public Safety Ambassadors	2	Grade D	R6 000
<b>TOTAL</b>			<b>R125 500</b>

**NIGHT SHIFT (Monday to Sunday 22h00 – 10h00)**

LOCATION	No of SECURITY PERSONNEL	DESCRIPTION	COST TO COMPANY - monthly
Vehicle 1 – Waverley	3 rostered	Grade A	R32 000
Vehicle 2 – Savoy	3 rostered	Grade A	R32 000
Filter Point – Bruce Street, betwn Knox and Burn	3 rostered	Grade A	R30 000
<b>TOTAL</b>			<b>R94 000</b>

**Other Security Costs:**

Vehicle Repayments (2 vehicles) – R13 769 (included maintenance plan)

Running costs for 2 vehicles – R11 000

Incentives – R19 000

Equipment and Uniform Rentals – R2 500

Sundry Expenses – R3 000

**TOTAL SECURITY COST R 268 769**

**TOTAL COMPLEMENT CID Patrol vehicles - 2**

**Grade A Officers and drivers – 18**

**Grade A Divisional Supervisor - 1**

**Radios 18**

**Base Station Radio 6**

**Cell phones 7**

**CLEANING & MAINTENANCE PROPOSAL**

The cleaning and maintenance crew will be responsible for:

- Removal of litter from pavements, curb sides and gutters

- Removal of illegal posters, graffiti and stickers
- Cleaning tree wells
- Basic street maintenance – repainting poles
- Removal of refuse bags and dispose twice daily

**DAY SHIFT (Monday to Friday 07h00 – 18h00) (Saturday 07h00 – 14h00)**

LOCATION	No of CLEANING PERSONNEL	DESCRIPTION	COSTING Based on 12 months contract
Waverley	2	Cleaner + <b>Equipment</b> , Otto Bin, Spade Scoop, Hard / Soft Broom	R6 000
Savoy	2	Cleaner + <b>Equipment</b> , Otto Bin, Spade Scoop, Hard / Soft Broom	R6 000
AREA		Refuse Bags, ad hoc chemicals	R2 000
<b>TOTAL</b>			<b>R14 000</b>

**TOTAL COMPLEMENT** **4 Cleaning Personnel**

**The Security Supervisor will undertake the supervision of the cleaning staff.**

**TOTAL COST of Security & Cleaning** **R282 769 Ex VAT**

• **Marketing**

It will be essential that the proposed CID considers its target market and looks at appropriate marketing interventions as well as developing and promoting a new image and identity for the area in order to turn around existing negative perceptions particularly around the Savoy / Louis Botha Avenue area. These could include a community based newsletter and website.

Ultimately all CID marketing initiatives should be used to facilitate information flow, decisions to be made in the area, events in the surrounding areas, property information, security updates and alerts and a rapid payment system.

Currently outdoor signs, posters and street poles are utilized as well as weekly emails and regular sms messages to communicate to subscribers. The current marketing plan is executed via the following media:

- Outdoor signs and posters including street pole ads and notice-boards
- Flyers distributed to residences in the area
- A weekly e-mail and regular SMS's to subscribers
- A website – [www.s-w-a-p.co.za](http://www.s-w-a-p.co.za).

• **Management Forum**

A Management Forum will be established to enable stakeholders in the immediate area to attend to matters of common concern. In addition, regular Community Briefings will be held to keep residents informed of matters relevant to them.

• **Domestic Worker's Forum**

A Domestic Workers Forum has been established with regular meetings. The goal of this forum being to ensure that all members of the community actively part take in the upliftment of the area and give input on matters of concern. With time this forum will be expanded to include education on life skills, financial and legal issues.

• **Bad debt provision**

The Council requires that the CID include a bad debt provision in the budget. It is recommended that this be 10% for the first year during which time it will be possible to determine a practical level.

**SECTION 8: Budgets****Year one monthly budget (all costs excluding VAT)****Operational costs**

	Monthly expenses	Total
<u>Motor vehicle</u>		
Monthly running costs for 2 vehicles	R11 000	
Monthly repayments for 2 vehicles	R13 769	
Payroll for vehicle staff	R145 500	
Incentives	R14 000	
<b>Total for Patrol cars</b>		<b>R184 269</b>
<u>Filter Point</u>		
Payroll	R68 000	
Incentives	R5 000	
<b>Total for Filter Point</b>		<b>R73 000</b>
Equipment and uniform rentals		R2 500
Sundry expenses		R3 000
2 cyclists @ R3,000 per month		R6,000
<b>Total for security force</b>		<b>R 268 769</b>
<u>Administration</u>		
Salaries	R15 000	
Office Rental	R5 000	
Legal fees	R1 500	
Call centre	R25 000	
Finance costs (Signage & Cameras)	R5 000	
Sundry Expenses	R2 000	
<b>Total administration</b>		<b>R53 500</b>
<b>Communications</b>		<b>R4 400</b>
<b>Marketing</b>		<b>R5 000</b>
<b>Insurance</b>		<b>R25 000</b>
<b>CID Management Fee</b>		<b>R10 000</b>
<b>CID Levy Collections</b>		<b>R20 120</b>
<b>Training and Development of Staff</b>		<b>R1 800</b>
<b>Operations Supervision</b>		<b>R45 000</b>
<u>Cleaning and Maintenance</u>		
4 staff @ R3,000 per month	R12 000	
Equipment Rental	R2 000	
<b>Total Cleaning and Maintenance</b>		<b>R14 000</b>
<b>TOTAL BUDGET</b>		<b>R447 589</b>

	Notes	Monthly	Year 1	Year 2	Year 3
<b><u>INCOME</u></b>	1				
Income from collections		R 497,321	R 5,967,853	R 6,564,639	R 7,221,103
<b><u>EXPENSES</u></b>					
Safety and Security		R 268,769	R 3,225,228	R 3,547,751	R 3,902,526
Cleaning, Maintenance and Parks upgrade		R 14,000	R 168,000	R 184,800	R 203,280
Marketing and Communications		R 9,400	R 112,800	R 124,080	R 136,488
Insurance - All Risks and Personal Liability		R 25,000	R 300,000	R 330,000	R 363,000
Training and Development of Staff		R 1,800	R 21,600	R 23,760	R 26,136
CID Management Fee	2	R 10,000	R 120,000	R 132,000	R 145,200
Operations Supervisor	3	R 45,000	R 540,000	R 594,000	R 653,400
Administration		R 53,500	R 642,000	R 706,200	R 776,820
CID Collection Fee		R 20,120	R 241,440	R 265,584	R 292,142
Sub Total		R 447,589	R 5,371,068	R 5,908,175	R 6,498,992
Bad Debt @ 10%	4	R 49,732	R 596,785	R 656,464	R 722,110
Total Expenses		<b>R 497,321</b>	<b>R 5,967,853</b>	<b>R 6,564,639</b>	<b>R 7,221,103</b>

The above figures are EXCLUSIVE of VAT.

#### Notes:

- For the purposes of CID submission we recommend that the year two and three budgets be based on the year one budget and increased by 10% pa respectively.  
The CID reserves the right to apply the funds collected to those areas which it deems to be priority, and also to phase in the services commensurate with and proportional to the funds actually collected.
- This is the consulting / management fee payable to the CID Manager which will be overseeing a number of CIDs in addition to the Savoy Waverley CID.
- The Operations Supervisor is, in effect, an Area Manager who will be tasked with managing the daily, administrative and operational aspects of the Savoy Waverley CID. The monthly amount includes the full cost to company remuneration package for the position, as well as an estimate for a secretarial assistant.
- Written application must be made to the Board of Directors for categorization as a property owner requiring special financial needs

#### SECTION 9: City improvement district levy: affordability analysis

An **affordability analysis** reflecting the monthly levy to be paid by each ratepayer based on the formula set out on p17 is **attached**.

#### SECTION 10: What you must do

Now that you have read this Executive Summary, you should have a good idea of how the CID operates and how much it will cost to implement. ***If you are still unsure, or have any other queries, please telephone 011 885 3873, or e-mail [cid@s-w-a-p.co.za](mailto:cid@s-w-a-p.co.za), and we will arrange to meet with you to address your queries.***

There is a **Voting Form** attached to this document. Please carefully detach the Voting Form. Each voting form is printed with the details specific to your property. **Check that it relates specifically to your property.**

The **registered owner / ratepayer** must **complete** the Voting Form, indicate in the section provided whether you **vote in favour** of the CID or not, and then **sign** the Voting Form.

Completed Voting Forms must be returned to **PO Box 92345, Norwood 2117**, or deposited in the dedicated **collection box located at the SWAP Filter Point**, in Bruce Street, between Burn and Knox Streets, Waverley, or telephone 011 809 885 3873 and we shall **arrange for collection**. Please clearly mark the envelope: "SWAP CID VOTING FORM".

It is important that we receive your **original** Voting Form within **14 days** from the date on which you received it.

We need at least 50% of all ratepayers by number and value to vote in favour of the CID. This means a minimum of **377 ratepayers** must vote in favour of the CID. The higher the number of ratepayers that support the CID by voting in favour, the better the chance of it being implemented.

**REMEMBER, NO VOTE = A "NO" VOTE!**