

HERMANUS PUBLIC PROTECTION (HPP)
The HPP NPC is the Management Body of the Hermanus Special Rating Area (HSRA)
Non-Profit Company (NPC) | Registration Number 1999/015007/08
Website: www.hpp.org.za Email: info@hpp.org.za Mail: P.O Box 1599, Hermanus 7200

MINUTES of the 2021 ANNUAL GENERAL MEETING
of the Hermanus Public Protection (HPP) NPC
held via Zoom virtual platform,
on Monday, 13 September 2021 at 15H00

1. **WELCOME:** Mr Errol van Staden, extended a sincere welcome and thanked all present for attending.
2. **APOLOGIES:** Regrets were received from 22 ratepayers. The full list of names is available on page 4 of the presentation slides.
3. **CONFIRMATION OF AGENDA:** The circulated agendas were accepted and confirmed.
4. **CONSTITUTING:** The required notice had been given and meeting was duly constituted in terms of the Financial Agreement and Company's MOI (20% of the Members to be in attendance or by proxy). The list of voting members was published on the HPP website prior to the AGM.

Quorum

- Membership total: 161
 - New Members Admitted (during period): 15
 - Required (20%): 32
 - Members in attendance: 17
 - Proxies received: 21
5. **APPROVAL OF MINUTES OF THE 2020 AGM and 2021 SGM:** The minutes were approved for the 2020 AGM held 5 November 2020 and 2021 SGM held 26 January 2021. Proposed by Mr T Louw and seconded by Mr T Coetzee.
 6. **CHAIRPERSONS REPORT:** (The Chairperson Report is available on the HPP website <https://hpp.org.za/chairperson-report-2021/>). The Chairperson discussed HPP's value proposition, it is noted that HPP plays a vital role in driving investment in the area and crime prevention in public spaces.
The HPP video, HPP - Enhancing the Public Spaces of Hermanus was shown. It is available to view on the website or YouTube - <https://youtu.be/fwKmEUpuXfU>.
The Chairperson delivered a succinct report on the previous year's activities of the HPP including the transformation of HPP, listing the critical success factors. Some of the challenges facing the HPP were highlighted, which included meeting ratepayer expectations, vagrancy, informal car guards and homelessness, securing the boundaries of the HSRA, collaboration with stakeholders, third party monitoring and environmental awareness.

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The Chairperson then discussed the future of the HPP. These include planning for a surge in crime, the control centre and CCTV network expansion, adding a social upliftment portfolio and becoming a pivotal facilitator as well as imagining the future and planning accordingly.

7. **CONSIDERATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2021:** Mr T Louw, Director Finance and Strategy, presented on matters related to finances. The Audited Financial Statements for the Financial Year 2020/2021 have been circulated.

The opening balance on 1 September 2020 was R938,760. The closing balance on 30 June 2021 was R3,659,131.

It was noted that the surplus was partly due to the delayed start of service contracts on 1 November 2020. Fixed Asset value has remained steady at R593,616, notwithstanding several upgrades to ageing surveillance infrastructure.

In line with the Financial Agreement entered between Overstrand Municipality and HPP NPC, the HPP must achieve a quantum of reserves equalling two months' revenue. This reserve had already been achieved.

The operating budget for the period 1 July 2021 to 30 June 2022 was outlined. Mr T Louw, detailed that most expenditure would be on crime prevention and public safety, cleansing, CCTV expansion and renewal. The operating budget for the Financial Year 21/22 is R8,497,249 less retention to compensate for bad debt provision.

8. **APPROVAL OF BUDGET AND IMPLEMENTATION PLAN (2022 | 2023):** The 22 /23 budget and implementation plan are available on the HPP website: <https://hpp.org.za/2021-annual-general-meeting/>

Mr T Louw presented the budget and implementation plan. This budget is for the financial year 22/23, which is from 1 July 2022. The proposed budget is R8,658,495.

It was assumed that a 4% increase on levies and non-payment of retention of 10% would remain for the period.

Approach for 22/23 Budget: i). Accumulated surplus, in the order of R2.79m; ii). Continued modernisation of the CCTV surveillance capability; and iii). Public Safety related Social Upliftment Programme.

Financial Outcome: HPP Financial Agreement requires a retained balance equal to 2 months' levies. Proposed 22/23 budget achieves that plus the surplus of R865,000.

Implementation Plan: The 22/23 Budget must be read in conjunction with the Implementation Plan. Following the satisfaction survey and strategic workshop held by the Board it was concluded that a public safety related social upliftment programme should be devised to address vagrancy and homelessness in the HSRA.

Mr T Coetzee briefly discussed the intelligent security software solution that HPP will move towards in the coming year which includes Artificial Intelligence and License Plate Recognition.

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HPP NPC Budget for 21/22 and 22/23		
As on :	04 September 2021	
Financial year is from 1 July to 30 June		22/23 Budget
	Base amount	R 8 632 000
Income	Annual Rate increase	4,0%
	Adjusted after increase	R 8 977 280
	Less: Retention	10,0% (1)
	Levies paid to HSRA	R 8 079 552
	Estimated Balance at 1 July	R 2 790 626 (2)
Expenditure	Expenditure as per Schedule D	R 8 658 495
Balance at YE	Bank Balance at 30 June	R 2 211 683
	Less : Required Retained balance	R 1 346 592 (3)
	Surplus at 30 June	R 865 091
Budget Detail : Schedule D		
	Section A : General	
	SRA Management	R 374 400
	General Administration	R 104 000
	Toilet Facilities	R 50 000
	Communications	R 50 000
	CCTV Maintenance & IT	R 447 200 (4)
	Subtotal A VAT Excl	R 1 025 600
	Section B : Other	
	Public safety and Crime Prevention	
	FADT	R 6 400 000
	CCTV New/Updated Infrastructure	R 500 000
	Public Safety related Social Upliftment Programme	R 200 000 (5)
	Clean Environment	
	Litter control initiative	R 40 000
	Iphupha	R 392 895
	Contingencies	R 100 000
	Subtotal B VAT Excl	R 7 632 895
	Total Budget VAT Excl	R 8 658 495

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The floor was then opened to attendees to raise any questions.

Mr A Bishop – complimented the HPP on the impact the HPP has had on the Hermanus community. Mr Bishop asked about the surplus and the formula that was used to derive the sum. Mr Louw responded that the Financial Agreement with the Overstrand Municipality requires that a two-month revenue is held – this is around R1.5million.

Mr R Stanway – compliments the Boards performance during the period. Mr Stanway raised the issue of cleansing between Gearing's Point and the Marine hotel which is currently undertaken by the OM and understood that there was a commitment to resolve the issue of litter especially over the weekends. A second question is raised about the Overberg Protection and Safety forum, Mr Stanway feels there may be a disconnect between the CPF and the community safety forum. Mrs Wright responds that the cleansing issue has been raised with the OM, they have committed to investigate cleansing over the weekends, throughout the year. Mr Hartman comments on the CPF and Overberg Protection and Safety forum. Mr Hartman will engage directly with Mr Stanway to discuss in detail.

The Chairperson sought approval for the proposed budget and implementation plan. The budget and implementation were approved. Proposed by Mr C Lerm and seconded by Mr A Bishop.

9. **APPROVAL OF AUDITOR'S RENUMERATION:** The payment of R10 500 to Hermanus Accounting Services was approved. Proposed by Mr A Hartman and seconded by Mr L Theron and Mrs A Wright.

10. **APPOINTMENT OF AUDITORS:** It was agreed that Hermanus Accounting Services be appointed Auditors for the financial year 2021 / 2022. Proposed by Mr L Theron and Mrs A Wright.

11. **ELECTION OF DIRECTORS:**

Barry van Vuren and Brigitte Sabbe have resigned from the Board due to health reasons. The Chair thanked them for their service.

In line with the MOI 12.1.7 As required by item 5(1)(b) of Schedule 1 of the Act, at least 1/3 (one third) of directors shall resign every year at the AGM but shall be eligible for re-election. Mr E van Staden and Mr C Lerm resigned and indicated their willingness to be re-elected. They were nominated accordingly.

Mr T Coetzee was co-opted to take over the role of Operations Director. He was nominated accordingly. No further nominations were received, all nominations were elected unopposed. Proposed by Mr L Theron and seconded by Mr S Hayden.

12. **ANY OTHER BUSINESS:**

No other business was raised.

The Chairperson thanked all for attending.

There being no further business to discuss, the AGM was called to a close at 16H17.

A recording of the virtual AGM is available on request. Email info@hpp.org.za