
MINUTES of the 2022 ANNUAL GENERAL MEETING
of the Hermanus Public Protection (HPP) NPC
held via Zoom virtual platform,
on Tuesday, 13 September 2022 at 16H30

1. **WELCOME:** Mr Errol van Staden, extended a sincere welcome and thanked all present for attending. The Chair confirmed that the meeting is being recorded. The recording is available on request.
2. **APOLOGIES:** Regrets were received from 25 ratepayers. The full list of names is available on page 4 of the presentation slides.
3. **CONFIRMATION OF AGENDA:** The circulated agenda was 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:	195
• New Members Admitted (during period):	33
• Required (20%):	39
• Members in attendance:	23
• Proxies received:	22

5. **APPROVAL OF MINUTES OF THE 2021 AGM:** The minutes were approved for the 2021 AGM held 13 September 2021. Proposed by Mr. R Stanway and seconded by Mr T. Louw.

Mr Stanway compliments the board on the improvements done between the Marine and Windsor Hotels. Mr Stanway also raised a query regarding the Overstrand Public Safety Forum (OPSF) and the Overberg Forum and the status thereof. The Chairperson stated that the forums never got off the ground, but the OPSF was relaunched two months ago under the Chair of the Deputy Mayor, he is hopeful that this will be more effective.

6. **CHAIRPERSON REPORT:** (The Chairperson Report is available on the HPP website <https://hpp.org.za/chairperson-report-2022/>).

The Chairperson delivered a succinct report on the previous year's activities of the HPP including the expansion of the CCTV-footprint and onboarding of neighbourhood camera networks and the upgrade to the control centre. Investment in stakeholder communications, social upliftment and environmental awareness as well as reviewing systems, processes and protocols were also undertaken during the course of the year.

Some of the challenges facing the HPP were highlighted, which included political and economic instability, public safety in the Central Business District (CBD) and evolving regulatory compliance.

The Chairperson then discussed the future of the HPP including the change in leadership.

7. **CONSIDERATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2022:** Mr T Louw, Director Finance and Strategy, presented on matters related to finances. The Audited Financial Statements for the Financial Year 2021/2022 have been circulated.

The opening balance on 1 July 2021 was R3,762,864. The closing balance on 30 June 2022 was R4,196,034. During this financial year HPP also received R933,177 from voluntary contributions towards neighbourhood camera projects and an insurance pay-out for damaged equipment.

In accordance with the Financial Agreement, HPP must maintain a reserve equalling two months' revenue. This reserve had already been achieved and forms part of the closing balance – R1,294,804. As a result of upgrades and new surveillance infrastructure installations, fixed asset value has increased from R593,616 the previous year (2021) to R1,494,535 (2022).

The operating budget for the period 1 July 2022 to 30 June 2023 was outlined. Mr T Louw, detailed that most expenditure would be on crime prevention and public safety, cleansing, CCTV expansion and system renewal. The operating budget for the Financial Year 22/23 is R8,890,363 less 10% retention to compensate for bad debt provision.

8. **APPROVAL OF BUDGET AND IMPLEMENTATION PLAN (2023 | 2024):** The 23 /24 Budget and Implementation Plan are available on the HPP website: <https://hpp.org.za/agms/2022-annual-general-meeting/> Implementation Plan: The 23/24 Budget must be read in conjunction with the Implementation Plan.

Mr T Louw outlined the Implementation Plan for 23/24 Financial year and described Milestone 1: Management and Control Actions. Ms M Bown expanded on Milestone 2: Safe Environment Actions. Mrs A Wright expanded on Milestone 3: Healthy and Clean Environment Actions.

Mr T Louw presented the Budget and Implementation Plan. The calculated income for the financial year 23/24, which is from 1 July 2023, is R8,402,472 excluding anticipated donations and interest.

Approach for 23/24 Budget: i). Updated work scope for new service contracts; ii.) Continued modernisation of CCTV surveillance capability; iii). Public Safety related Social upliftment programme. The expected expenditure for the period is R9,584,655.

The outstanding balance will be derived from the surplus (R1,397,000), interest on investments and donations. HPP Financial Agreement requires a retained balance equal to 2 months' levies of R1,400,412. Mr T Louw then presented the projected surplus reduction over the remaining HSRA period.

HPP NPC Budget for 23/24

As on : 09 September 2022

Financial year is from 1 July to 30 June

		23/24 Budget
Income	Base as on 1 July 2019	R 8,977,280
	Annual Rate increase	4.0% (1)
	Adjusted for year	R 9,336,371
	Less: Retention	10.0% (2)
	Levies paid to HSRA during year	R 8,402,472
	Donations received	R 100,000 (3)
	Interest received	R 184,739
	Subtotal Income	R 8,687,211
Estimated Balance at 1 July	R 3,694,773 (4)	
Expenditure	Expenditure as per schedule D	R 9,584,655
Balance at YE	Bank Balance at YE	R 2,797,329
	Less : Required Retained balance	R 1,400,412 (5)
	Surplus at 30 June VAT Excl	R 1,396,917

Budget Detail: Schedule D

Section A : General: Management and Control

SRA Management	R 513,600
General Administration	R 262,500
Toilet Facilities	R 55,000
Communications	R 55,000

Subtotal A VAT Excl **R 886,100**

Section B : Other

Safe Environment: Public safety and Crime Prevention

FADT	R 6,960,905
New CCTV Infrastructure	R 420,000
CCTV IT Support	R 428,000 (6)
CCTV Maintenance	R 220,000
Public Safety related Social Upliftment Programme	R 100,000

Healthy and Clean Environment

Litter control initiative	R 40,000
Iphupha	R 529,650 (7)

Subtotal B VAT Excl **R 8,698,555**

Total Budget VAT Excl **R 9,584,655**

Notes

- 1 4% increase is an assumption - OM Budget Steering Committee (BSC) and Council ultimately to approve Rates and Tariffs
- 2 As Agreed with OM
- 3 Donations for neighbourhood funded projects appears to be an ongoing practice
- 4 Include an amount retained for maintenance of neighbourhood funded cameras
- 5 As per Finance Agreement requirement
- 6 The large number of new cameras will require an increased maintenance effort
- 7 Expanding the service to improve litter control

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

Mr M Bourne – raised a concern that the AGM should have been held in person and suggested that advice be sought on amending MOI section 11.3 and 11.6 to explicitly allow for hybrid / virtual meetings. The Chairperson responded that the MOI does not preclude virtual AGMs but will take the suggestion under advisement.

Mr R Stanway – raised a query regarding the Annual Financial Statement and the budget. Mr Stanway notes that the income for 2021/2022 was R7,855,908. He queried how the budget for 22/23 can be R8,890m, a substantial difference from the previous year considering only a 4% increase was received. Mr T Louw explains that the 22/23 budget is based on the budgeted income from the OM, plus anticipated donations, interest on investments and around R500,000 from surplus. Mr Louw committed to discuss further with Mr Stanway to provide clarity.

Mr A du Toit – raised a query regarding the circulation of the Budget and Implementation Plan a day before the AGM. The Chairperson apologised for the delay, the Budget and Implementation Plan had to be approved by the Overstrand Municipality CFO prior to release to ratepayers. Mr du Toit then queried the AFS increase for ADT Patrol Expenses from 2021 - 2022. Mr du Toit requests the ADT scope of work for transparency.

Further, Mr du Toit raised the issue of the retained earnings, given that HPP is an NPC, why are they being accrued. Lastly, he questioned the social engagement plan, in his opinion he does not believe that the HPP is being run as a non-profit and should be run as a service to the members. Ms M Bown offered to meet with Mr du Toit and any other member that would like further clarity on the financial arrangements of the HPP.

Mr H Niemand – offered to meet with Mr du Toit or any other member to discuss the HSRA Implementation Plan and Overstrand Municipality control of the financial arrangements. He further congratulated the board on the funds being well managed.

The Chairperson sought approval for the proposed Budget and Implementation Plan. The Budget and Implementation Plan were approved. Proposed by Mr. R Stanway and seconded by Mr B Wridgway.

9. **APPROVAL OF AUDITOR'S RENUMERATION:** The payment of R10,950 to Pragma Konsult (previously Hermanus Accounting Services) was approved. Proposed by Mr B. Wridgway and seconded by Mr M Bourne.
10. **APPOINTMENT OF AUDITORS:** It was agreed that Pragma Konsult (previously Hermanus Accounting Services) be appointed Auditors for the financial year 2023 / 2024. Proposed by Mr B. Wridgway and seconded by Mr M Bourne.
11. **ELECTION OF DIRECTORS:**
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 Errol van

Staden (Chair) and Mr Tobie Louw (Finance and Strategy Director) resigned from the board and are not available for re-election.

Mr Gerrit van Niekerk and Mr Leon Rauch were formally co-opted from 1 July to take over the roles of Chairperson and Finance Director respectively and had received appropriate onboarding. They were nominated accordingly. No further nominations were received, all nominations were elected unopposed. Proposed by Mr R Stanway and seconded by Mr B Wridgway and Mr J Cilliers.

Mr du Toit raised a query regarding the Operations Director position. The Chairperson responded that the role has been vacated three times over the past 18 months. In view of the many changes to operations, in particular, the CCTV regulations, it was decided to appoint the Executive Officer, Ms Bown to oversee the portfolio for the short-medium term, while various policies were put in place with oversight from the Board. The Board continues to seek advice from experts in the public safety arena. Mr du Toit stated for the record his concern that there was not an appointed Operations Director and queried the background of the Executive Officer to perform the role. The Chairperson confirmed that the incoming board would review the Operations Director portfolio and take the best decision for the HPP.

12. **ANY OTHER BUSINESS:**

Written questions were received from three ratepayers:

Pat Redford

- Kwaaiwater Camera Network
- Cameras (and warning notices) at ATMs
- Incidents – Rotary Way and FNR (poaching and hunting)

Response:

- There are plans for the HPP camera network to expand to Kwaaiwater. A needs-analysis will need to be conducted.
- Cameras will be installed near Main Road ATMs where recent incidents have been reported.
- Rotary Way – signage, cameras and patrols have been proposed to the OM. Additional LEAP officers may assist with the patrol coverage of hotspot areas. There is an opportunity for HPP to assist with surveillance of the entrances and egresses from Fernkloof Nature Reserve. Further discussions to be held.

Michael Bourne

- What are the crime trends in the Overstrand (Hermanus in particular), and what is being done to mitigate such crime?
- What considerations are being taken to plan the installation of more cameras? Where are the priority areas? When can the lower crime risk areas expect to get cameras (example: Hermanus Heights)?

Response:

- HPP collect own statistics on incidents that HPP attend to, statistics and intelligence is also discussed at the JOCOM meetings with OM Protection Services and SAPS. HPP statistics are used to inform the public safety strategy and mitigate where possible.

- Two camera sights have been installed in Hermanus Heights at the entrance and egress of Fernkloof Drive. As data is obtained an analysis of camera placement in the area will be addressed, increasing sites or revising current sites accordingly. At present, immediate priorities include the upgrades of the high sight cameras and the cameras in the CBD hotspots.

Jan Cilliers

- Considering the change in OM-representation on the HPP-Board, could the following change be made to the OM's SRA-policy:
9.2.5 The Executive Mayor will appoint an elected councillor, or councillors, representing each Ward within the operating area of the SRA, as director(s) etc...

Response:

- The HPP Board will take this matter up with the OM CFO.

Mr du Toit

- Raised a further question regarding the donations towards neighbourhood camera installations. Who covers the maintenance and replacement of these cameras?

Response:

- An allowance is made for maintenance for the first three years from the donations for the neighbourhood cameras.

The Chairperson thanked all for attending.

There being no further business to discuss, the AGM was called to a close at 18H11.

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