



COWIES HILL ESTATE NPC (“CHE”)

Registration Number: 2017/179710/08

(“the Company”)

MINUTES OF AN INFORMAL “TOWN HALL” MEETING OF THE COMPANY, HELD AT THE COWIES HILL COMMUNITY HALL, 5 WOODSIDE ROAD, COWIES HILL, DURBAN, ON THURSDAY, 27TH JULY 2023 AT 18H31.

PRESENT: Ivor John Daniel (Non-Executive Director / Chairman)
Paul Justin Brink – Non-Executive Director
Mitchell John Brooks – Non-Executive Director
John Edward Charter – Non-Executive Director
Michael Ray Woods – Non-Executive Director
Members / residents of the Cowies Hill Estate

APOLOGIES: Gillian Margaret Whittington
Willem Josè Schalk Jardine

BY INVITATION: Brett Scheepers – Bright Marble Accounting / CHE admin
Barry East – Member
Michelle Kramer – IDME
Kim du Toit – CHE admin
Grant Laret – Blue Security
Hayley Callanan (HC) – Cosecgov (Minute Taker)

Please note that the items have been recorded in terms of the numbering of the Agenda and not necessarily in the order they were discussed.

NO:	ITEMS	ACTION
1.	<p>WELCOME</p> <p>Mr Ivor Daniel, as Chairman of the Board, welcomed everyone present. He noted that this was an informal meeting in order to develop better communications between the members of CHE and the Board and as such, no formal statutory requirements would apply.</p> <p>Mr Daniel advised that the format of the meeting is to receive a presentation from each of the Portfolio Heads, followed by a “Questions and Answers” session. He further advised that the Board’s objective is to develop the objectives of CHE, which are strategic and deal with security, membership, Municipal engagement and greening issues within the Estate. Mr Daniel advised that although the CHE is now 3 years down the line, membership fees had not been increased, and this would need to be reviewed, in order to bring same in line with inflation.</p> <p>Mr Daniel advised that tonight’s communication would reflect where the CHE funds are being utilised and input would be required from members, as to these spends.</p> <p>Mr Daniel noted that communication is a two-way-process, and the Board has erred in many ways by not presenting a format for these communications, as many queries and issues had been raised and discussed on the CHE WhatsApp platform, without any formal response having been provided. He advised that the Board was hoping to deal with these in a more interactive way going forward. Mr Daniel advised that the Board would be presenting on what they hoped to achieve on the proposed budget, such having been duly circulated.</p>	
2.	NOTICE OF MEETING	

	<p>Formal Notice of the meeting was not provided for, as this would be an “informal” meeting of the members and residents of the CHE, purely to provide feedback to the CHE, and as such no formal agenda had been provided for either.</p>	
<p>3.</p>	<p>SECURITY AND STATISTICS: Presented by Ms Michelle Kramer - Blue Security</p> <p>Ms Kramer presented, and the following was highlighted:</p> <p>Ms Kramer advised that security is still the CHE’s primary concern and took the members through the various crime statistics in order to provide a better perspective on the security of the CHE and the surrounding areas. Ms Kramer further advised that the reason for providing these statistics (“stats”), is for the members of CHE to understand just how much safer the area has become. Ms Kramer noted that the stats she would be reporting on are obtained from the CHE and from Blue Security and covers an area within a 5km radius of the CHE. These stats provide an idea of the crime happening within the CHE boundary, which is a drop in the ocean compared to the true crime statistics of South Africa.</p> <p>Ms Kramer referred to the 2020 crime stats and noted that crime had increased considerably (44%)since 2020. Ms Kramer noted that there had been a dip in crime through Covid-19 and lockdown. The stats being reviewed are for the period January to June 2023, which gives an idea year on year, as to what has been happening in the first six months of each year. In the first six months of the year, there was a 29% increase from the 2020 stats. The statistics provide an overview of how crime is increasing in the surrounding areas.</p> <p>Ms Kramer reported that she had taken the stats that would affect a normal residential area and focused on housebreaking or attempted house breaking. Ms Kramer noted that in terms of the stats, attempted housebreakings had decreased, but housebreakings in general had increased, due to the advancement of the criminals perpetrating these crimes.</p> <p>Looking at a full twelve months’ statistics, house robberies are on the increase in residential areas (eleven house robberies within a 5km radius). Petty crimes are on the increase within the 5km boundary, being trespassing and vandalism, which will never be eradicated in totality, but which are infinitely better than contact crimes.</p> <p>Ms Kramer provided an overview of the precincts actual stats for a fully year, which shows a slight increase in crime in 2022, which was mainly due to the lockdown restrictions being lifted, which results in a sudden spike in crime in all areas. This figure has since seen a decrease, as the crime is being managed by CHE, with the assistance of Blue Security, by reducing the entry points and thereby helping to eradicate crime.</p> <p>Ms Kramer reported that housebreakings and theft have also been reduced. She noted that these stats were unusual, as you don’t generally see a reduction in crime in residential areas, but month on month the crime is steadily reducing in the CHE, and she doesn’t foresee it increasing. Crimes in other areas are however steadily increasing. Ms Kramer reported that some months have seen no reported incidents within the CHE. There has also been a reduction in trespassing.</p> <p>Looking at the overview, theft was still fairly high in 2022, but crime in general has reduced dramatically year on year and month on month since implementation of the CHE.</p> <p>Ms Kramer reported that so far for 2023, thefts have been low. There was one intimidation and one house robbery, which is low when viewing the stats from the surrounding areas, especially where contact crime is concerned.</p> <p>Ms Kramer advised that Blue is managed on a daily basis with the use of control tags. They have to patrol every road in the CHE within a six-hourly period. These work on a schedule with sectional reports being received every morning. The patrollers receive penalties if roads are not tagged. Booms are checked by camera throughout the shift and loadshedding and other technical failure reports are emailed to the relevant persons, so that these faults may be expedited. The area manager does regular site visits, which creates more visibility in the area.</p>	

	<p>When a vehicle has to refuel, they are relieved by the area manager and that is also logged. Ms Kramer receives tracker reports every morning, which ensures that the patrols are tightly managed on a day-to-day basis. All patrollers have a baseline target that they have to meet daily.</p>	
4.	<p>BUDGET OVERVIEW: Presented by Mr Brett Scheepers</p> <p>Mr Scheepers provided an overview of the budget, and the following salient points were highlighted:</p> <p>Mr Scheepers advised that he would provide actual figures first and then finish off with the budgeted figures.</p> <p>Financial Highlights (for the year ended 30 June 2023):</p> <ul style="list-style-type: none"> - R5.5 million in income and R5.4 million in operating expenses. - Operating surplus (before depreciation) was R106k. - R140k was invested in Capex. Some of these funds were taken from the reserve funds, which in turn reduced the reserves. <ul style="list-style-type: none"> - Cash reserve as at 30 June 2023 was R120k. - Members fee collections reflected few instances of none or slow payments <ul style="list-style-type: none"> - There are currently over 300 members who pay via Debit Order, which helps. - Bad debts were less than R10k for the year. - The above figures have been compiled and audited and will be included in the Annual Financial Statements, which will be distributed prior to the Annual General Meeting, later this year. <p>Year Ahead (year ending 30 June 2024) as per the 2023/2023 Budget:</p> <p>The following is the forecasting for the twelve months ending 30 June 2024, which provides a yardstick to ensure that CHE achieves its financial objectives:</p> <p><u>Income:</u></p> <p>The proposed budget sets a target of R5.9 million in income (the 2022 budget was R5.5 million), which is a 7% increase, which assumes the following:</p> <ul style="list-style-type: none"> - That regular donations from a major sponsor in the past, are repeated, i.e. greening donations etc - That a static level of financial assistance will be given – which provides financial assistance to pensioners and those in need. <p>Mr Scheepers advised that a summary of the budget is being provided, but a more detailed version was circulated via WhatsApp and posted onto the CHE website.</p> <p><u>Expenses:</u></p> <p>An expense budget of R5.8 million was prepared for the year ending June 2024, which provides a 7% increase compared to the actual figures for the year ended 30 June 2023.</p> <p>Mr Scheepers noted that there are some trends in the expenses, which are coming through on the budget. Security manpower, vehicles and systems, from the outsourced security provider, namely Blue Security, is still the biggest cost at 81% of the cost base. Mr Scheepers reported that the Board would be reviewing proposals from other service providers, to ensure the best fit for the CHE.</p> <p>Administration and Accounting is the next largest line item, and an inflationary increase has been budgeted for, with no systematic changes anticipated. This division also includes audit costs, bank charges, bad debts, management of debt, bookkeeping and other financial expenses.</p>	

	<p>Estate Management has also budgeted an inflationary increase of 6% vs the prior year actual figures. This division includes engagement with members, administration of the CHE, suppliers and contractors fees and other non-security related operations.</p> <p>Greening and infrastructure are budgeted to increase by 28%, compared with the previous year's budget. This is still 11% less than the actual spend in the prior year, indicating that CHE are having to reduce their activity, compared to the level the team has been working at in the prior year. This line item is budget dependent.</p> <p>Communications and Marketing spent R25k less than budgeted in the 2022/2023 year, due to a change in their service provider. The budget will be increased by 3%, compared to the 2022/2023 budget.</p> <p>Mr Scheepers made reference to various graphs, which reflected the impact of the various categories on the budget. The security cost is a combination of Blue Security, parts, labour and project management which is required to maintain the network in order to keep the systems running.</p> <p>Ongoing expenses include armed response, equipment maintenance, connectivity to sniper and APR cameras, electricity for the CCTV cameras as well as the internet provider. A large part of the budget increase is driven by maintenance of the network.</p> <p>The RFP ("Request for Proposals") process incurred some costs savings. The guard station on Buckingham Terrace was a container, which was donated, so there are no ongoing rental costs associated with the station. This station allows the armed response officers to have a coffee break and use the microwave and/or fridge.</p> <p>Security maintenance costs have increased by R102k, from R304k to R406k. Most of this increase is for the replacement of key equipment items as most of the equipment was installed three years ago, so high levels of maintenance are required. This increase also covers battery costs to run the hubs, internet for the camera's etc.</p> <p>Connectivity expenses will also see a slightly higher than inflation increase in the budget of 9.5%. This is due to the conversion of some of the sites to FTTB ("Fiber-To-The-Business", a process which will increase the stability of the network. Mr Scheepers noted that it would also be nice to install a "failover" which would provide a backup to the existing infrastructure.</p> <p>Mr Scheepers advised that a detailed schedule can be found on the CHE website, and he would be happy to answer any questions which may arise.</p> <p>The Chairman advised that these presentations would provide an overview only, but noted that these are challenging times with loadshedding and having to replace equipment etc, which all affects the budget in some way.</p>	
5.	<p>ENVIRONMENT AND INFRASTRUCTURE: Presented by Paul Brink</p> <p>Mr Brink presented on the greening and infrastructure and the following was highlighted:</p> <p>Mr Brink presented on the two main themes that the CHE is focusing on, namely Environmental (Greening and Aesthetics) and Municipal Infrastructure and Services and the following was highlighted:</p> <p>Environment (Greening and Aesthetics):</p> <p>Mr Brink reported that the overall drive is on biodiversity restoration, which covers the eradication of Alien Invasive Plants (AIPs), removal of undesirable exotics and the planting of local endemic indigenous species.</p> <p>He further noted that the CHE's current focus is on "reclaiming" public open spaces for the establishment of Conservancy areas and Beautification Sites.</p>	

Conservancy Areas:

Five Conservancy areas have been identified within the CHE. Two sites, namely the Tunbridge Conservancy Park and Avon Conservancy Park have already been established (access bridges, trails and ongoing AIP eradication) and are available for community use.

The other three sites, being

- i. Dudley Road/Dawncliffe Bridge and the McDonald Road Wetland precinct. This area is a continuous belt of public open space which extends from the M13 onramp below Sasol and all around to the Morewood Crescent / MacDonald Road intersection. Alien Invasive Plants will be removed and replaced with grasslands and indigenous trees.
- ii. Comrades Corner (Western portion of Josiah Gumede Rd). The Comrades Corner site extends from the Kloof View Road all the way around to Rockhaven Road. Plans to reintroduce and protect the endemic grassland species associated with the critically endangered KwaZulu-Natal Sandstone Sourveld (KZNSS) on the north and west facing slopes. The CHE are currently busy with eradicating invasive alien plants along the roadside between the Comrades Water Fountain and Rockhaven Road. Indigenous trees and shrubs have been planted along Josiah Gumede Rd on the embankment between Rockhaven and Paradise Place.
- iii. Palmiet River and Tributaries are a long-term project. A lot of damage caused by the recent flood can mostly be attributed to inappropriate planting/gardening in private properties. In conjunction with other role players, the CHE seeks to develop a management plan for the natural drainage corridors.

Beautification Sites:

The numerous road access points into Cowies Hill and prominent road intersections will be beautified. To date, the CHE has created a number of landscaped indigenous gardens and the intention is to encourage residents to ensure continuity and flow with the indigenous plant theme running throughout the CHE.

Litter Collection and Refuse Bins:

- Mr Bobby Cele is employed on a casual basis once a week to assist in the collection of litter.

Ad-hoc Work:

- Ongoing maintenance of verges such as Josiah Gumede (opposite and around SASOL) as well as the Norfolk Terrace/M13 embankment towards the fire station, which require regular de-weeding, brush cutting as well as roadside curb and pavement cleaning.
- These areas are meant to be maintained by the Municipality, but the CHE has stepped in to assist as the area is not being maintained.

Environmental Education and Awareness:

- Education and awareness on alien and invasive species as well as indigenous planting are provided to members via the WhatsApp groups.

Resources and Budget:

- The Biodiversity Restoration Project ("BRP") is managed by Mr Brink and his team of 3 men, with Mrs Margaret Daniel assisting with the landscaping.
- The Green Team (3 people) are employed for sometimes five days a week, with tight budget constraints.

Mr Brink notified the members of his conflict of interest, as he is a member of the Board and is being remunerated for his service. He further advised that his involvement is not in any way a commercial venture, but more of a charity as the current budget is very limited.

Mr Brink advised that after deducting administrative costs and Mr Cele's litter collection wages, the Greening portfolio is effectively only left with R20 000 per month. Based on historic expenditure, that would only allow for approximately 8 workdays per month.

Mr Brink said that in order to sustain the momentum and achieve the CHE's objective of implementing the Biodiversity Restoration Project, a budget of R45 000 per month is required.

The projected breakdown running costs are as follows:

- Management and Supervision takes up 37% of the budget, at a spend of approximately R16 650 per month.
- Labour and other direct costs take up 33% of the budget at approximately R14 850 per month
- Disbursements takes up a further 30% of the budget at approximately R13 500 per month. These costs include rubble removal, herbicide sprays, sharpening of chainsaws etc.

Donations and Tax Certificate:

To find extra funding to fill the shortfall (R20 000 allocated budget vs R45 000 desired budget), Mr Brink encouraged members to consider making financial donations over and above their monthly contributions, as this would allow management to plan for new projects. Mr Brink advised that any donations paid into the CHE account for Greening, would be Ring-Fenced for use on BRP activities only. He further encouraged businesses to consider "adopting a spot", which would not only assist with the BRP, but which would also provide tax relief for the business, as the CHE is registered to issue Section 18a Tax Certificates.

Mr Brink thanked CHE members for donations of plants and specifically thanked Mr Rob Krankshaw for his generous donation of trees that were worth thousands of rands. Phase 1 of the Comrades Corner project (Josiah Gumede embankment between Paradise Place and Rockhaven) had been planted out and Mr Krankshaw has offered many more trees to enable the CHE to extend the replacement of aliens and undesirable exotics with indigenous species.

Sponsorship:

Mr Brink thanked Shelley Residential for their donation of CHE branded clothing for the Green Team, as well as for their sponsorship of CHE banners which are erected wherever the team are working.

He further thanked Mondeo Holdings (Pty) Ltd who sponsored litter bins and who made a financial contribution towards the CHE's "Greening" activities.

Municipal Infrastructure and Services:

Faults and Infrastructure Maintenance:

Mr Brink advised that part of the Portfolio requires dealing with infrastructure and service delivery issues, which has become increasingly problematic. He further advised that whilst the CHE is not mandated to repair or maintain Municipal assets, they endeavour to ensure that faults and maintenance issues are timeously attended to

Mr Brink advised that there is currently no budget allocation for managing this process and this is compounded by the lack of adequate feedback from the Municipality.

CHE Operator – Blue Security Command Centre:

Currently CHE provides a service for members to report faults via the CHE App, whereby the faults and maintenance issues are reported by CHE members to the CHE operator (Blue Security command centre). These issues are relayed to the Municipal Call Centre (Helpline) and a reference number is obtained, which indicates that the matter has been logged for repair.

This process has become problematic for the following reasons:

- Blue Security personnel are spending an inordinate amount of time on infrastructure and service delivery issues instead of focusing on security issues.
- There is no mechanism for CHE to monitor progress or escalate incomplete faults.
- There is no mechanism to record repeat faults at the same location.

	<p><u>Fault Reporting:</u> The CHE Operator faults reporting process is a duplication of the Ward 18 – Cowies Hill Service Delivery Wapp Group which has been specifically set up for the broader community to report faults that require “escalation” via Councillor, once the resident has obtained their Reference Number.</p> <p>The CHE is hoping to create an “Issues Register” to record all reported faults. Over time the Issues Register will provide historical information on recurring issues such as water leaks, which could also assist in identifying repeat failures, due to poor workmanship or the other root causes of these faults.</p> <p>The Issues Register will assist the CHE in engaging with the municipality with the intention of clearly identifying the causes of most faults and to escalate problems directly to senior managers within the respective Municipal Line Departments</p> <ul style="list-style-type: none"> • Roads and Stormwater Management Mr Brink advised that the CHE is building a good working relationship with Roads and Stormwater Management. The plan is to provide an audit of maintenance problems such as the potholes and stormwater drains etc. and then submit these items on behalf of the CHE to the Municipality Roads and Stormwater Management Dept. • Water Water leaks are an ongoing problem which frequently occur at the same positions. The Issues Register will hopefully assist in identifying the root causes of this recurring problem. <p>Mr Brink further advised that he had received a call from Councillor Melanie Brauteseth, confirming that the asbestos cement pipe replacement project (Project X8576), will start in August '23. The project has a R7 million budget. It is hoped that the water upgrade project will solve the problems experienced over the past few years.</p> <p>The location of the Project X8576 Site Camp will be on Municipal land alongside Stafford Road abutting the Woodside Conservancy Park (near the Tennis Courts) and that environmental authorisation had been approved by eThekwinis Environmental Management department.</p> <p><u>Question:</u> How will this upgrade assist the CHE residents?</p> <p><u>Response:</u> Mr Brink advised that central Cowies Hill, such as Buckingham Place, Woodside, Ernest Whitcutt and Kitchener roads have had ongoing water issues including burst pipes, temporary surface laid pipes and inadequate pressure problems.</p> <p>The location of the site camp is a concern, as the Woodside Conservancy is a critically endangered KwaZulu-Natal Sandstone Sourveld (KZNSS) ecosystem. As the Woodside Conservancy Park falls outside of the CHE footprint, the CHE is hoping to get Woodside residents to contribute funds into the CHE account which would be ringfenced for the Green Team to manage this conservancy area.</p>	
6.	<p>COMMUNICATIONS: Presented by John Charter</p> <p>Mr Charter reported on Communications, and highlighted the following:</p> <p>Mr Charter advised that Communication is of critical importance, to ensure that members are constantly kept in the picture regarding any matters pertaining to the CHE.</p> <p><u>Performance to-date:</u> Mr Charter further advised that up until February 2023, the performance of the communications team had been good, but such has steadily declined due to the resignation of</p>	

the CHE Communications officer. Mr Charter advised that the Communications Group has produced short pieces of communication known as “snippets”, which have been pretty consistent, but have failed to provide more detailed communication.

Good News:

Mr Charter apologised for the lull in communications and happily advised that a replacement Communications officer (Sharlene Versfeld), has now been appointed. Ms Versfeld lives in Tunbridge avenue and bought her house largely due to the security offered by the CHE. Mr Charter noted that he had previously worked with Ms Versfeld in the advertising industry for many years and remembered her as being a consummate professional.

Mr Charter advised that the scope of Ms Versfeld’s work would involve maintaining regular “snippets” as well as the production of a quarterly newsletter, which would provide more detailed information to the CHE members. The CHE designer, Mr Ed Austin, would continue in the construction of all communication put out in the name of CHE, reporting directly to Ms Versfeld.

Mr Charter noted how fortunate the Communications Group is to have procured Ms Versfeld, and further noted that it had taken some persuasion. He further noted that Ms Versfeld has already produced a few good, quality pieces of communication and the CHE could look forward to her first Newsletter within the month of August.

Your Input:

Mr Charter requested the CHE members input in terms of the type of communication they would like to see, although he noted that a few good ideas had already been received. All thoughts and ideas could be emailed to Ms Versfeld for consideration at the following address: sharlene@versfeld.co.za.

List of Current Communication Items:

- Snippets and Newsletters;
- Website: Communication items past and present as well as a cross section of useful information;
- Events: To be arranged by the Marketing Department. All ideas are welcome.
- WhatsApp coverage Information for the Municipality regarding potholes, streetlights, water issues, electricity outages and lost pets etc, is communicated through Blue Security and Kim du Toit at the CHE head office.

Mr Charter advised that the CHE members could now look forward to more efficient communications from and with the CHE and noted that communication is a two-way process and requested that the CHE members let the Communications Group know what kind of information is required.

**7. SECURITY UPDATE: Presented by Barry East
Our plans for the next 12 – 18 months and what we could do if more budget was available.**

Mr Barry East presented, and the following was highlighted.

Mr East advised that Ms Kramer had touched on some of the items, but the main focus of the CHE is to optimise their operations from a security and communications perspective. Mr East reported that there had been some challenges in respect of man hours from the CHE operations Team, most noticeably such time being taken up by infrastructure challenges, such as leaky pipes and potholes. The way these issues are dealt with needs to be addressed.

Ms Kramer has embarked on a project to optimise the control room operations, especially in terms of the number of alerts received, as more than 20k alerts come through the control room (CCV cameras) in one month. Some of these camera alerts are turned off during the day, such as pedestrian alerts, in order to try and manage the various incoming communications from the CHE app, WhatsApp chats, panic buttons and alarming systems.

	<p>Mr East advised that the CHE is trying to optimise the best use of the various systems in place in the CHE precinct. Ms Kramer is focusing on the communication delays in respect of the time it takes for an armed officer to respond after an alarm is activated. She is trying to understand what causes the delays and has established that the time delay is in the pre-dispatch links, in respect of the steps taken till the arrival time. Mr East advised that there are vehicle notifications and there are some caveats associated with that. Her focus is on ensuring that the “takkie to tar” response is up to speed and has spent days in the control room with the operator, looking for potential bottlenecks.</p> <p>Mr East reported that false alarms remain a challenge and a fair amount of time has gone into understanding where the alarms are coming from. These alarms come through in chronological order and need to be addressed or dismissed. These alarms have led Ms Kramer to look into how to address the various alerts that are received from the licence plate recognition software, CCTV alerts etc and to look at how all these alerts are being dealt with. This has created insight into ways of improving systems and drives the CHE’s need to be more focused on optimising its expenditure.</p> <p>Mr East advised that R120k is not sufficient, but that the CHE is equally mindful that they need to maintain a reasonable budget going forward, as most members are under financial strain.</p> <p>Mr East advised that the CHE is now moving into year 3 and 4 of the technology infrastructure, which is deployed in 3 phases. He noted that when the CCTV infrastructure was originally deployed, loadshedding was not an issue, so the CHE has had to include a battery backup on all equipment. Mains power up time is also a challenge, so the CHE had to look at systematically migrating its infrastructure to solar power. Mr East noted that 91% of all faults registered on the CCTV cameras were power related.</p> <p>Mr East advised that many of the CHE residents provide power to the equipment and are compensated accordingly if required. This does however mean that the CHE is reliant on those properties to ensure that their breakers are up, which is a challenge. CHE has therefore started the process of investing in solar, which is an ongoing investment. The CHE is now going into year 3, 4 and 5 of its maintenance cycle. Lead asset batteries are being utilised which only have a 3-year shelf life, which in part is being accelerated by loadshedding. The CHE is now having to replace batteries and invertors, so is now moving into a maintenance cycle from a security budgeting perspective. Mr further advised that the expected use life for some of the equipment such as cameras, network video records and storage drives, are all coming to an end. This was budgeted for, but a lot of capital expenditure which is meant to be utilised for investments and infrastructure is now being utilised for maintenance.</p> <p>From a security update perspective, the CHE still believes that the shortest response time is best. The CHE has managed to maintain its 180 second response time, but there have been instances whereby this was not met and these instances were analysed to see how they could be improved on, going forward.</p>	
<p>8.</p>	<p>LEGAL COMPLIANCE: Presented by Mitchell Brooks</p> <p>The Chairman advised that the one issue that is not often realised in an organisation like the CHE, is Corporate Social Responsibility and compliance. He noted how fortunate the CHE was to have Mr Brooks as a member of the Board.</p> <p>Mr Brooks presented an outline of the issues the CHE has to deal with, and the following was highlighted:</p> <p>Mr Brooks noted that misconceptions and rumours often stem from the lack of information, specifically in terms of Corporate Governance and how the CHE Board runs the daily operations. Mr Brooks advised that the Board members have always been made aware that the Constitution exists, which sets out the rules and responsibilities of the Company, along with the Companies Act, which places a fiduciary responsibility on the Board to act in good</p>	

faith, in the best interest of the community and with the requisite skill and care when making decisions.

Mr Brooks reported that steps have also been taken to set up a "Conflict of Interest" policy in order to provide members with a better understanding of how the Board is managing the process, in order to provide proper accountability without sacrificing service delivery.

This includes a simple "Directors Declaration", which will summarise and simplify the complex duties imposed on directors by the various statutes. Mr Brooks noted that despite the Board being run in a professional manner, the Board positions are open to everyone, and he welcomed members to join the Board and to attend a Board meeting in order to observe same.

Mr Brooks attested that, with the guidance of the Chairman, the Board meetings are well run and duly minuted and there was a discussion regarding making these minutes available, but a discussion was had in terms of preventing sensitive information from being leaked into the public domain.

Mr Brooks advised that the RFP process would be going ahead and that a request for proposals was made. This would be a tender type process but will be an open and transparent process. Mr Brooks invited any questions regarding Corporate Governance of the RFP process and if information or documentation is required, that these requests be directed to the Chairman of the Estate Manager, so that they can be dealt with separately.

The Chairperson reiterated that the CHE wants its members to realise that all processes are open and transparent and that being a member of the CHE does require involvement and advised that the Board is there to serve in the best interest of the CHE.

9. WHATSAPP COMMUNITIES: Presented by Barry East

Mr East explained the drivers behind the decision to implement the WhatsApp Communities model, which he explained was not handled without some thought. Mr East understands that members have enjoyed the CHE app, and there were some benefits associated with the CHE app, but there were also a number of frustrations and delays, which is why the CHE had to look into an alternative communications app.

Mr East provided a live demonstration of the app and advised that there were no significant changes as members can still move between the various chats. Users can also join various groups and remove their involvement in these when needed.

Mr East advised that a lesser-known feature is to archive chats. These chats can then be un-archived again when required. Updates on all channels can also be easily viewed. Mr East noted that one of the frustrations of the CHE app was that if you had been away from a chat for a period of time, members were not always able to easily find the last message. All these issues posed a risk to the CHE, so the WhatsApp Communities app was looked at, as it is a more trusted environment amongst the CHE members.

Ms Kramer noted the frustration when logging a query and not receiving immediate feedback from the Blue operational centre but requested that members be lenient with the response time, as it does take time to dispatch and respond to these enquiries.

The Chairman suggested that if members have any questions regarding the app, that they contact Mr East, who will assist them.

10. QUESTIONS AND ANSWERS SESSION:

The Chairman invited questions from the members present.

Question:

In respect of the budget, what ideas does the CHE have for canvassing for new membership.

Response:

Mr Woods responded and advised that doing a membership drive is not easy but reported that membership has managed to stay at 61%, despite a large amount of movement due to people moving in and out of the CHE. A number of campaigns and sales processes are ongoing with the assistance of Blue Security. Mr Woods reported that he meets with Blue Security regularly, in order to review their focus for the month. In terms of “cold calling”, the CHE usually focuses on the low uptake or high visibility areas. There are a number of large campaigns ongoing, one of which includes a 3 month, no obligation free trial, which has seen some success. The first of these campaigns produced 10 – 12 new members, which have all stayed. The latest campaign produced 8 new members of which 7 have stayed on.

Mr Woods advised that the people who buy into the CHE, are not the same likeminded people who buy into an enclosed Estate. Those who buy in an Estate, understand that they are required to abide by the bylaws and regulations of the Estate. Mr Woods reported that of the 800 homes in the CHE, only 480 are paying members of the CHE. Some of these residents did not buy into the area 30 years ago, thinking they would be part of a bigger community like the CHE. This brings a variety of challenges, which is why membership campaigns are ongoing. Mr Woods advised that between the Estate Management team and Blue Security, a detailed analysis was done, looking at the CHE footprint and capturing every home on a database, in order to see who the paying members are and who is not yet a member and which security service provider they are utilising. This exercise, is very time intensive, but was done in order to produce a more focused campaign

Question:

Are there any ongoing negotiations with the Woodside Security Association (“WSA”), for such to be absorbed into the CHE?

Response:

Mr Woods advised that negotiations with the WSA started 18 months ago. There was an initial meeting with minutes and there was some interest shown. A further meeting was set up with the Chairman and Co-Chair of the WASA , but the day before the meeting an email was received advising that they were no longer interested, and the meeting was cancelled.

A discussion ensued regarding the WSA indirectly benefitting from the CHE. It was noted that the WSA still believed in the principle of guard huts even though guards have been caught sleeping on duty, which negates the security aspect of having same.

Question:

What kind of assistance is garnered from the Estate Agents. They bank on the CHE being a safer area to purchase property in, but yet they have no obligation to promote the CHE.

Response:

Mr Woods advised that himself and the Estate Management have met with various Estate Agents and given them the brochures, which now forms part of their sales pitch to perspective buyers.

Concern was raised, as the member was aware of friends who had recently purchased in the CHE, and they never received such a brochure.

Mr Woods advised that the CHE are in constant communication with the various Estate Agents, but it would never be perfect.

Question:

A previous resident of the WSA advised that CHE was unproven at the time of the meetings with the WSA Chairpersons and enquired as to whether the CHE has considered canvassing the WSA members, in order to convince them to now sign up to the CHE.

Response:

Mr Woods advised that the CHE had met with the Chairperson and Deputy Chairperson of the WSA, and a conversation was recently held with a prominent member of the WSA, who is an influencer who has also lived in the area for a very long time. His view is that the members of the WSA believe in boom gates and guard huts. They believe that cameras are low key and do not offer the same protection. They do also not have an appetite to go through the hard work of changing from the current structure to the CHE structure.

The Chairman advised that it was difficult to make direct contact with the WSA members, due to the implementation of the POPIA ("Protection of Personal Information Act"), as this prohibits the CHE from communicating with non-members, without their consent, i.e. "ambush marketing". The Chairman advised that he was hoping the WSA members would approach the CHE. They are experiencing a lower rate of crime, as they are currently being shielded by the protection that the CHE offers, which creates a further reluctance to join the CHE. Not all people living in the CHE have the same "Estate" mindset, and it is for this reason that the CHE members need to put pressure on their neighbours and friends who are benefitting without contributing.

Question:

Has the cost to incorporate the WSA been looked into and what is the uptake. If there is only 45% for the incorporation, then CHE is taking on an additional liability and would need to assess that.

Response:

Mr Scheepers recalled that there were 200 homes in the WSA, and the CHE would require 120 of these to sign up, in order to pay back the capital expenditure to replace the manual booms with automatic booms and put cameras in etc. Once they had the required 120 homes signed up, then their CHE membership would be activated.

The Chairman was unable to comment on the monthly cost of the WSA membership but was under the impression that it was far higher than the current CHE membership. It may be closer in value to the new proposed membership fee.

Question:

Has the CHE done a letter drop to non-members with the requisite statistics etc. in order to encourage them to join the CHE?

Response:

Mr Woods advised that letter drops are ongoing and even with all the membership drives, the CHE remains at 61%. He advised that a google expert was engaged to assist with social media and the target audience. The engagement needs to reach non-members, so CHE has had to get smarter with their social media, in terms of what reaches their Facebook feeds etc, hence the reason a google expert was hired to assist with the technical aspect.

Question:

Any plans for new boom gates to be installed in the new financial year?

Response:

Mr East advised that he had received a number of requests for the installation of boom gates, but that this was not currently on the cards due to budget constraints. He noted that there is currently a surplus of R120k, as was mentioned in the finance report, but it is important that these surplus funds be kept on hand. He further advised that the CHE was looking at integrating the historical neighbourhood watch model. Mr Justin Collins is the head of the new neighbourhood watch, and the CHE is hoping to draft him onto the Board. Mr East advised that there is a fair amount of equipment and technology available to assist the neighbourhood watch teams.

Question:

A question was raised as to whether the outdoor municipal gymnasium in Cecil Fisher Road is part of the CHE community, as the entrance does not seem to have a camera system and that area does garner a lot of foot traffic.

Response:

Mr East responded that CHE did replace some of the technology deployments in the area, as camera nodes were put in on the corner of Kitchener and Woodside, so the CHE does have eyes on that intersection. Previously the CHE did install the fence line that is there currently. Mr East noted that there are a number of roads they could warrant the addition of an automated boom. Mr East explained the history behind the boom gates, with the primary driver being the amalgamation of the five different informal communities, many of whom had already invested in guard huts. The only way to get these communities to move over to the CHE, was to drop the guard hut and put in an automated alternative, as a replacement. Mr East advised that MacDonald Road was the only exception, due to a spike in crime in that area at the end of 2001. The crime was affecting Catherine avenue all the way down to the cul de sac and into the other side of MacDonald Road. Mr East further advised that through a series of analysis, it was realised that additional control was needed, and the automated boom was installed in MacDonald Road, which had an immediate impact on the crime in that area. Mr East advised that the legal defence in terms of installing the booms, was historically due to the guard huts having set a precedent. Mr Easter provided an explanation as to why the boom at the end of Cecil Fisher Road was never replaced, as technically there was never a guard hut there as part of the CHE infrastructure, although there is a guard hut there now, as part of the WSA.

Question:

A question was raised as to why the CHE can't now automate the top of Cecil Fisher Road?

Response:

Mr East reported that he had taken that offer to the residents of Buckingham and Cecil Fisher roads, and a quotation was provided by Mr Scheepers. The CHE had offered to take over the maintenance of the automated boom, if the residents were happy to purchase same. Since then the CHE has put in CCTV infrastructure and all that remains to be installed is the automated boom, but the budget constraints hinder the installation of same.

The member suggested that the CHE put their focus on the installation of the boom, as it has been a few years already without one. Mr East advised that there have been some challenges, but he would welcome it, if the residents wanted to raise the cash.

The Chairman advised that cameras had been installed at the Kitchener / Woodside junction. He further advised that the boom at that junction does not stop people from coming in, but merely slows them down in order to get camera recognition.

Question:

A question was raised as to whether persons moving into the Estate are still required to become members of the CHE, before being allowed to sign up with Blue.

Response:

Correct – all persons moving into the CHE are required to become members of the CHE, before signing with Blue Security.

Question:

A comment was made regarding the Blue patrols, which seem to be less active at present.

Response:

Mr East advised that there are two dedicated patrol vehicles that traverse every road in the CHE twice a day. The neighbourhood watch model is still in play, but the CHE has now mandated each of its vehicles to drive a certain number of kilometres every day, in order to replace the distances that were being travelled on a voluntary basis.

A special thank-you was extended to the volunteers of CHE, who patrol without receiving any compensation.

A comment was made regarding the volunteer patrols, and it was noted that not all volunteers are retired, and work therefore interferes with the patrol roster, so volunteers tend to target weekends and certain days and times only, in order to cut down on the hours patrolled.

Mr East noted that he believes in the value of having a neighbourhood watch and that having Justin Collins involved in the CHE neighbourhood watch, would ensure that there is an improvement within the next six months.

Question:

In terms of the R5.7 million budget, approximately R4.6 million is paid to Blue Security. Will the CHE be putting the service out to tender, in order to ascertain whether Blue are effective?

Response:

Mr East advised that it is more of a formalised tender process that gets done every 3 years. He advised that 5 companies have been asked to tender against specific requirements and the Security Committee will process these and decide who the best service provider is.

Question:

So five companies can provide what Blue Security can provide?

Response:

There are more than five, but the CHE has chosen only 5 to submit tenders.

Question:

A question was raised as to what would happen if the Community felt that another service provider is a better fit for the CHE than Blue Security, would those members who do not wish to join the new service provider, be forced to do so or else they would lose their membership to the CHE?

Response:

Mr East advised that should the Community feel that another service provider is a better fit, then all CHE members would be required to change over to the new service provider, similar to members having to change over to Blue Security upon becoming a member of the CHE.

A discussion ensued regarding the dangers of considering an alternative service provider to Blue Security. Mr East advised that the actual service provider is the CHE and not Blue Security, as they are merely contracted to the CHE. Concern was raised as to whether the CHE would lose members if they decided to move to another security service provider, other than Blue Security.

The Chairman advised that the Board has a fiduciary responsibility to go out to tender and that whoever is appointed as the security provider, will service the entire CHE, and that will be the stipulated condition.

Question:

A question was raised as to whether the new service provider would be decided by the members of the CHE?

Response:

The Chairman advised that this question had already been answered and confirmed that the decision would ultimately be made by the Board of the CHE.

Question:

A member enquired as to the R30k cost of the automated Booms and requested that the installation of the boom gate in Cecil Fisher Road be revisited.

A discussion ensued regarding the cost and the funding, and a member of the CHE (26 Cecil Fisher Road), responded that there should not be an issue with the funding, he was happy to donate and is sure all residents of Cecil Fisher Road would be happy to contribute towards a special levy and requested that it be looked at soonest. Discussion ensued and Mr East undertook to revisit the installation of a boom gate in Cecil Fisher Road.

BE

Comment:

A member raised concern that herself and her domestic may be activating her alarm unnecessarily, due to the panic button being too sensitive. She noted that this was a problem, as it wasted the patrollers time.

Response:

The Chairman advised that most members are probably experiencing the same issues, but the CHE are trying to regularise the false alarms in terms of how these are being handled by the CHE operator.

A comment was made regarding an app that is advertised by Blue Security, whereby a false alarm can be cancelled via your cellphone, so as to avoid a patroller having to be called out.

The Chairman suggested that should any members have technical queries, that they engage with Mr Grant Laret (Blue Security) directly.

Question:

A member noted that tax season is almost up for this year and suggested that the CHE implement a once-off special levy to boost funds, which can then be given to the "Greening" portfolio or whichever project needs it. This would also provide a tax rebate to the members for their contributions.

Response:

Mr East provided clarification in that the CHE is a Section 18A registered entity, and therefore any donations made to the CHE, would be tax deductible and Mr Scheepers would happily provide such certificate to members who are willing to make a donation.

Question:

A comment was made regarding the reporting and lodging of faults and a suggestion was made that the CHE members be asked to utilise the eThekwini App to report faults, as although it is fairly new, it does work and will save time and reduce the efforts of the CHE operators.

Response:

The Chairman advised that the issues of fault reporting are being dealt with and will be managed, taking in mind that particular avenue as well.

Question:

A question was raised on the RFP's and the process for selecting the various service providers, when last was it done and whether the cost element was looked at?

Response:

Mr East advised that in terms of the manpower, the CHE goes through a three-year cycle of RFP's, and is in the process of preparing its second one. In terms of the other budget line items, such as accounting services etc, three costs are presented to the Board (where possible), and each goes through an approval process, in terms of such being market related and then a decision is made by the Board.

Question:

A question was raised as to whether the community can be informed of why a particular proposal was chosen and view the costs associated thereto?

Response:

Mr East advised that there are no issues with transparency, but viewing becomes a challenge in terms of putting the minutes out for public consumption and suggested that members look at joining the Finance Committee, as all members are welcome. Mr East further advised that currently most of the Committees are manned by the Board, except for the Security Committee but at each AGM, requests are made for members to join these Committees.

The Chairman noted that he has sat on the Finance Committee, and the Committee is able to request expert opinions, in order to get an overview of the AFS and issues like building of the reserves etc.

Question:

A question was raised regarding the RFP process for the security provider and a comment was made as to the enormity of such a decision, as it could disrupt all the goodwill raised thus far and suggested that the Board look at engaging the community before making a decision to move away from Blue Security as its security service provider.

Response:

The Chairman advised that the CHE would make its decision based on the best interest of the community at large, and not just for its own interest, but they would also need to look at the cost element and whether such costs are feasible.

A member extended their thanks to the Board and all members who assist them in their duties, as they are doing an excellent job.

The Chairman reminded the members to consider contributing toward the environmental projects and not just security, as this would assist in increasing the property values.

Mr East advised that the CHE is acutely aware of the frustration regarding the degradation of the infrastructure, roads etc and the time consumed with water related issues, but also just the general upkeep of the area. Mr East provided some background in terms of the original CHE strategy, which was security centric and focused on the best response times and at the time, did not consider that infrastructure would be such a huge consumer of the CHE funds and the Board's and Committee's time. Mr East noted that although Mr Brink is part of Greening, 85% of his time is spent on infrastructure issues, with a huge amount of that time being spent engaging with eThekweni, which seems to be a constant uphill battle. Mr East commended Mr Brink and his team and advised that the CHE is considering an extension to the current CHE model, which will include infrastructure related challenges, but the focus needs to remain on security. Mr East noted that internal changes would need to be made in order to assist Mr Brink in getting credible information through to the relative department at the eThekweni, as despite huge amounts of communication, they are not being responsive.

The Chairman advised that Blue Security have advised that their technical rates were negotiated with the CHE and have been reduced to R395 (Excl VAT) with effect from the 1st August 2023, with a 10% discount on hardware, which is a significant discount on their standard rate of R565 (Excl VAT). These are just some of the benefits that come with the CHE membership.

	<p>In touching on the question of energy, the Chairman advised that one of the issues raised was regarding loadshedding and the use of generators, which are disturbing to the environment. He further advised that the CHE were looking at alternative energy sources, and the possibility of the sharing of power. He noted that the CHE had engaged with an individual who operates within Estates like Zimbali and other gated Estates and there is complete involvement, unlike CHE which only has 61% involvement. The Chairman advised that the CHE is always looking at ways to make it work as a whole and non-members or those who are unable to afford the services are not excluded, as the CHE is a caring community and always looking to help one another. He noted that the spirit of this meeting is to communicate on how the CHE can improve its operations as a community.</p>	
<p>9.</p>	<p>CLOSURE</p> <p>The Chairman thanked the members for their attendance and interaction and further thanked the CHE management team, the directors and Ms Kramer for the work they do.</p> <p>With no further business to discuss, the Chairman adjourned the Meeting at 20h24.</p>	

READ AND CONFIRMED AS A CORRECT RECORD OF PROCEEDINGS.

CHAIRMAN

DATE