

PAROW EAST INDUSTRIAL CITY IMPROVEMENT DISTRICT BUSINESS PLAN

1 JULY 2027 – 30 JUNE 2032

FOR THE
CONTINUATION AND ONGOING MANAGEMENT
OF THE
PAROW EAST INDUSTRIAL CITY IMPROVEMENT DISTRICT
(NPC Registration No: 2022/645470/08)



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This business plan is available at www.peicid.co.za

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A. MOTIVATION REPORT

Introduction

The Parow East industrial area is primarily a light industrial area. At the inception of the Parow East Industrial City Improvement District initiative, some parts of the public environment were found to be in distress, and distinct challenges such as incidents of crime, antisocial behaviour of street people, homelessness and some levels of urban degradation were present. At that stage, most business owners were aware of crime, concerned about crime or had been directly affected by crime in the area.

After 4 years of operation of the PEICID, the public environment has been improved, and some of the indications of urban degradation have been mitigated. Since its establishment, the PEICID has provided an important platform for enhanced urban management within the precinct, with particular attention to public safety, cleaning and maintenance, infrastructure oversight, environmental management and the general improvement of the public realm. These interventions contribute to creating an environment that is safer, cleaner, better maintained and more conducive to business activity in cooperation with the City of Cape Town. These improvements include the establishment of a camera network consisting of 8 pan-tilt-zoom and 28 static CCTV cameras and the continuous cleaning and maintenance of the area. Social issues including vagrancy and associated anti-social behaviour continue to be noted by businesses in the area, especially in the vicinity of Voortrekker Street.

The changing nature of industrial areas also requires the PEICID to look beyond the management of existing problems. Modern industrial precincts increasingly compete for investment, businesses and skilled employees and must provide environments that are safe, accessible, functional, attractive and supportive of economic activity. The long-term sustainability of Parow East will therefore depend not only on responding to immediate operational challenges but also on anticipating future needs and identifying opportunities to strengthen the precinct.

The PEICID is positioning itself to address the ongoing issues impacting the area, noting that further developments in the area will increase the potential for urban infrastructure damage, traffic congestion, littering and increased opportunities for crime that may impact the entire area. The PEICID continues to motivate property owners to enhance their investments and work closely with the PEICID and the City of Cape Town.

The improvements and upgrades proposed in this extension of the business plan is funded by an additional rate levied on rateable property located within the PEICID. All property owners will contribute to the improvements and upgrades.

Company: Parow East Industrial City Improvement District (PEICID) Non-Profit Company
Company Registration No: 2022/645470/08
Registered Office: Unit 3, 22 Boompies Street, Parow East, Cape Town, 7500

PEICID Directors:

Michael Walter Birch
 Matthys Barend van Eck
 Emile Du Toit
 Werner Barnard
 Gary Donald Nieuwstad
 Mohamed Ramdass

Portfolio(s):

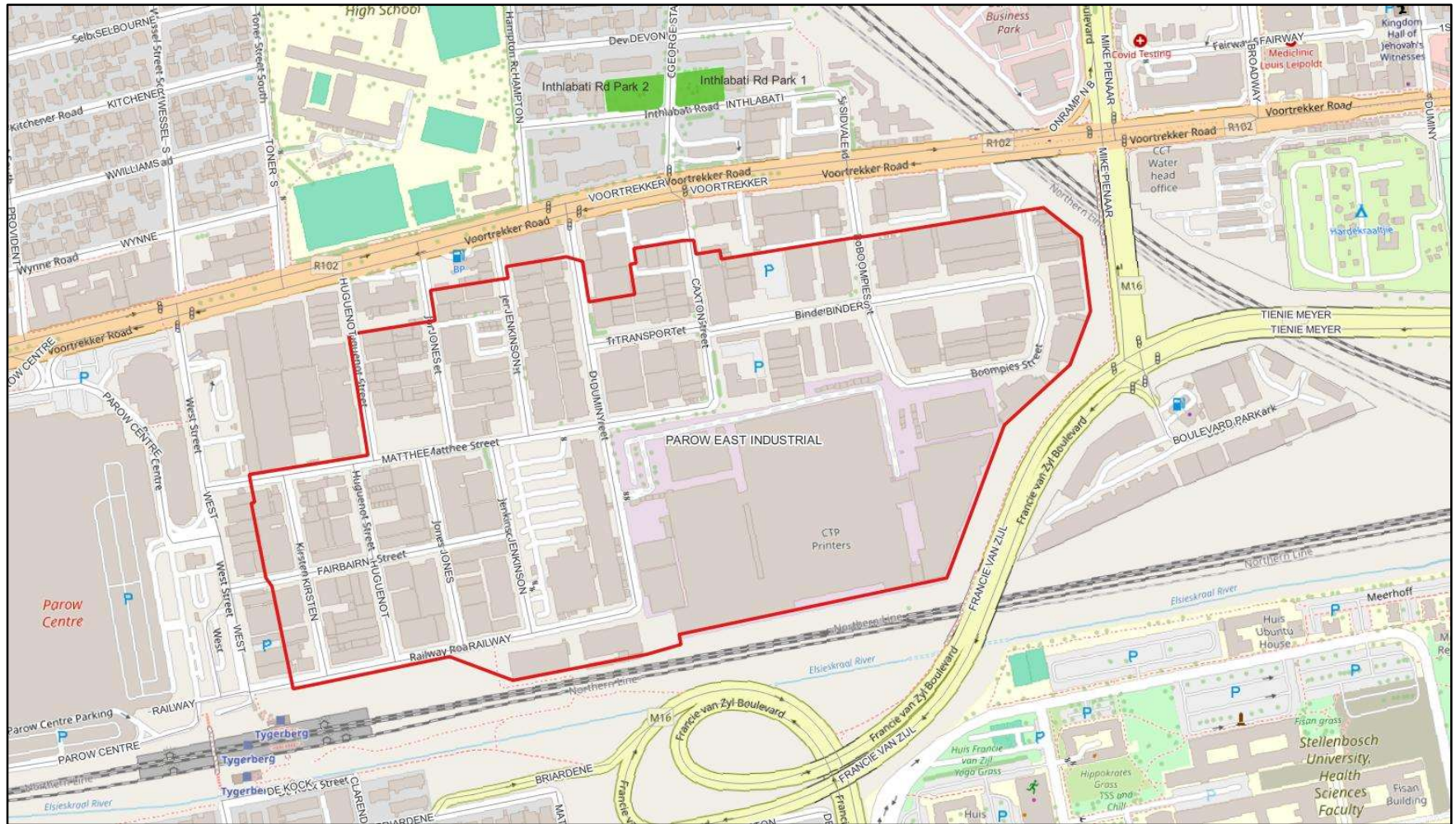
- Marketing
- Social Upliftment
- Cleaning
- Urban Maintenance
- Finances
- Public Safety

Auditors**Accountant**

- C2M Chartered Accountants
- Nicolene Cooke's Accounting Services

Company Secretarial Duties

- C2M Chartered Accountants



PEICID Area

Northern Boundary – From the intersection of Matthee and Kirsten Street along Matthee Street and Hugo Street Including erven 23995, 7814, 7835, 19824, 21828, 7878, 7879, 24746, 19419, 16929, 15652, 15651, 15650, 15649, 15648, 24606 and 15644.

Eastern Boundary – From erven 15644 southwards including erven 15643, 15642, 21877 and 24513.

Southern Boundary – From erven 24513 along the railway reserve (excluding the railway reserve) but including erven 23149 and 20139 and the intersection with West Street.

Western Boundary – Including erven 20139 along Railway Street and Kirsten Street including erven 7967, 7969, 7962, 15826, 7957, 7958 and 7953.

PEICID Vision

To be a safe, clean, attractive, and vibrant industrial and business district that is recognised as a preferred destination for investment, economic growth, innovation, and employment.

PEICID Mission

To lead the sustainable urban revitalisation of PEICID by implementing a turnaround strategy that reverses urban degeneration and drives continuous urban improvement through effective public safety, urban management, environmental enhancement, stakeholder collaboration, and place-making initiatives.

PEICID Goals

Enhance Public Safety - Deploy visible, proactive patrols and collaborate with SAPS, City Law Enforcement, and private security providers.

- **Maintain a Clean and Welcoming Environment** - Address issues of maintenance and cleaning of streets, pavements and public spaces.
- **Manage existing and new public infrastructure** – Proactively manage existing and new public infrastructure through ongoing maintenance and operational oversight, enhancing accessibility and delivering long-term benefits for all users of the area.

- **Stimulate Economic Growth** - Attract and retain business investment through a well-managed and appealing district.
- **Support and promote social responsibility** - Support initiatives that uplift the vulnerable members of the community and encourage inclusive development.
- **Ensure Sustainable Management** - Maintain effective governance and operational excellence in all aspects of the management of the PEICID area.

PEICID Core Values

The Parow East Industrial City Improvement District (PEICID) is guided by a commitment to delivering supplementary and enhanced municipal services to property owners, businesses business owners and those that work and visit the area. These services are provided in a cost-effective, sustainable, and transparent manner by the Board, appointed management entity, and service providers.

PEICID upholds the following core values:

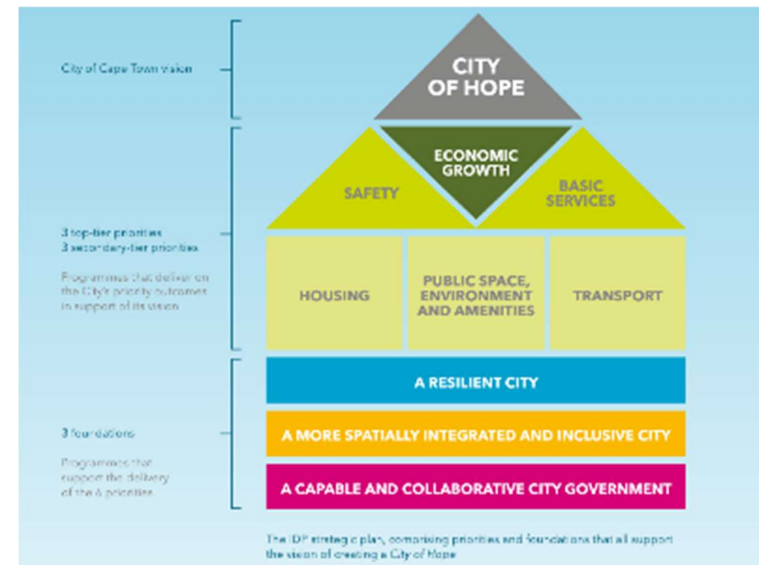
- **Accountability** – Ensuring consistent evaluation of service provider performance and transparent execution of daily operations which includes rigorous reporting to the Board of Directors and the City of Cape Town,
 - **Transparency** - Maintaining open access to information through regular public reporting and the publishing of key documentation on the PEICID website,
 - **Community Engagement** - Facilitation of local community participation in board meetings and members' meetings of the CID company,
 - **Financial Integrity** - Adhering to proper accounting practices and meeting auditing standards,
- Open Communication** - Sharing annual reports with the local community and regularly publishing news updates to keep stakeholders informed and engaged.

Consistency with Integrated Development Plan (IDP)

Introduction

The IDP of the City rests on 3 foundations, 3 second-tier priorities and 3 top-tier priorities. Together this supports the vision for the City of Cape Town's City of Hope. The IDP is based on the City's 16 objectives linked to its priorities and foundations. The PEICID's supplementary and enhanced services are consistent with the City's IDP objectives with specific reference to the following programmes:

- Safety** - The Public Safety plan supports effective Law Enforcement to make communities safer, and this is supported using technology such as CCTV. The Public Safety plan also strengthens safety partnerships, thereby aiming for a holistic crime prevention programme as noted in Objective 5 and 6 of the IDP.
- Economic Growth** - The PEICID is working towards the continuous development and improvement of the urban environment through public safety, cleaning, urban management, and social initiatives, all aimed at safeguarding and growing the existing businesses and economic opportunities thereby maintaining and creating employment opportunities. A well-maintained and managed area stimulates investment and PEICID therefore directly supports further economic growth.
- Cleaning and the environment** - The PEICID urban cleaning, maintenance, and recycling plan supports the objectives of a healthy and sustainable environment. This is specifically aimed at the public space and amenities of the city, creating safe, quality public spaces supported by community partnerships whilst supporting environmental sustainability as noted in Objective 4, 9 and 11 of the IDP. The waste minimisation and cleaning activities provided as a supplementary service further enhances the basic services provided by the City of Cape Town.
- Urban Maintenance** - The PEICID's urban maintenance work also supports Objective 13 in the IDP through the maintenance of road and associated infrastructure thereby creating a better environment for pedestrians, cyclists, and vehicles alike.



- **Social Development** - The PEICID supports the City's Social Upliftment Strategies to find lasting solutions for Social Development, which includes supporting individuals to move from the street into places of safety, support Non-Governmental Organisations (NGOs) that provide social services and where possible create employment opportunities as noted in Objective 15 of the IDP.

Each of these priorities and objectives are considered within each of the main service areas of the PEICID business plan and highlighted in each section.

Proposed continuation of existing services

To address the needs of the area the PEICID will address six focus areas namely:

- a) The management of the PEICID operations.
- b) The provision of public safety and security measures in the public areas only.
- c) The cleaning, greening and maintenance of the public spaces in the area.
- d) In co-operation with the relevant City of Cape Town departments, actions will continue to address and monitor urban management issues related to the public infrastructure in the PEICID.
- e) Through constructive partnerships with all the role-players in the PEICID the recycling initiative will be continued to improve the sustainability of the businesses and potentially create employment opportunities and social upliftment in the area; and
- f) Marketing and promotional efforts will continue to promote the PEICID as a well-managed and functioning business and residential node.

Improving Public Safety

To improve safety and security the PEICID will continue with a comprehensive and integrated public safety plan for the area in conjunction with an appointed public safety service provider.

The PEICID initiative and the inherent security situation of the area require the deployment of public safety patrol officers to adequately secure the public areas. Such a deployment can be expensive to implement and therefore the focus of the public safety plan for PEICID is on a roaming public safety patrol vehicle. Considering the contributions from other stakeholders such as the SAPS and safety and security efforts from the City of Cape Town the following public safety and security plan is proposed for the PEICID. This plan involves the deployment of Public Safety Patrol Officers (like the concept of Neighbourhood Safety Ambassadors) and a public Closed-Circuit Television (CCTV) surveillance system to provide a reassuring presence on streets 7 days a week.

Public Safety Patrol Officers

The public safety patrol officers are brightly uniformed ambassadors that help to maintain an inviting and comfortable experience by serving as additional “eyes and ears” for local law enforcement agencies. They are the face of the area. Typically, they get to know their neighbourhood and community very well and often serve as a first point of contact for emergency needs, help law enforcement to maintain order, and provide an additional deterrent to crime through their consistent coverage and visibility. Public Safety Patrol Officers are equipped with two-way radios and walk or patrol the area at key times of the day. They become an integral part of general law enforcement, often being the ones to identify public safety issues and form an extension of the SAPS and the City’s law enforcement. A small group of well-trained public safety patrol officers have proven to be successful in securing an area through active engagement with all people in the precinct. Additional training of patrol officers is required to become knowledgeable on issues such as public safety and reporting, first aid and first-responder training, communication skills and homeless outreach services. Beyond basic training the Public Safety Patrol Officers develop a keen awareness and information of specific neighbourhood safety issues including drug trade, gang presence, poverty, social issues, criminal activity and behaviour. If required patrol officers also provide walking escorts to people entering businesses early or staff leaving work late or elderly and vulnerable people feeling insecure.



It is proposed that the PEICID will be patrolled by one public safety patrol vehicle on 24 hour/7 days a week basis. The vehicle will be manned by two public safety officers on every shift. The public safety deployment will be supported by a comprehensive radio and communications network linked to a supporting control room to be supplied by the service provider.

The public safety plan includes.

- 1 x public safety patrol vehicles co-branded with both the logos of the PEICID and the service provider patrolling the area on a 24/7 basis, Monday to Sunday manned by 2 public safety officers.
- Radio communications network.
- Centralised Control Room and CCTV monitoring
- CCTV camera network comprising of cameras and monitoring as set out in the implementation plan time scale.

Assistance from the City of Cape Town

The PEICID further enhances its public safety initiative through close cooperation with the Safety and Security Directorate of the City of Cape Town to link in with their initiative to support a safer public environment. These services are often made available to CIDs by the City of Cape Town. These officers:

- Can enforce compliance with By-Laws and Policies.
- Have powers of arrest.
- Can Issue appropriate fines for the transgression of City By-laws.
- Enhance safety and security in the PEICID.

Should the Board of the PEICID identify the need for a dedicated Law Enforcement Officer, the PEICID will secure this officer through a contract with the City of Cape Town. This will also depend on available funding within the budget of the PEICID.

CCTV Surveillance

The budget and business plan also incorporates the continued management and development of a CCTV surveillance programme whereby the initial capital expenditure for the implementation of strategically placed surveillance cameras was expended on the last 5 years. The PEICID network consists of eight (8) Pan-Tilt-Zoom (PTZ) cameras and twenty-seven (28) static cameras with analytical capabilities. The cameras assist in acting as a deterrent and further assist in the monitoring of areas that are difficult to or less frequently patrolled by foot patrollers and patrol vehicles. The cameras also assist in directing foot patrollers and patrol vehicles to specific problems when detected. In the new term the current fleet of cameras and associated infrastructure will be maintained, or replaced, and five new cameras will be added in selected locations pending approval from the City of Cape Town. It is planned to expand the number of cameras to include six (6) Licence Plate Recognition (LPR) cameras.

Operational security forum

To facilitate an integrated approach, the PEICID will continue to participate in a safety and security forum in association with the appointed public safety service provider. This will include coordination and cooperation with:

- The South African Police Service
- Local Community Policing Forums
- Other existing security services in the area
- City of Cape Town Safety and Security Directorate
- Community organisations

- Other stakeholders

This forum will continue to encourage the involvement of members of the PEICID, property owners, tenants, businesses, and representatives of the above-mentioned organisations. Operational and response protocols are governed and decided upon at this operational forum convened to oversee safety and security initiatives within the area. This forum serves to share pertinent crime information as well as trends or emerging threats. The forum is ideally attended by the following stakeholder groups:

- The preferred public safety service provider – employed by the City Improvement District
- The cleansing supervisor of the City Improvement District
- The local SAPS Commander
- Metropolitan Police Services
- Law Enforcement Services
- Traffic Services
- A representative of the Community Policing Forum and Neighbourhood Watch
- Representatives of other private security companies operating within the area.

Perimeter security and security applications

Existing property owners and businesses will be encouraged to improve existing security applications on their property. This includes initiatives to encourage property owners and businesses to secure their perimeters as the PEICID public safety service provider may only operate in the public space. The planned public safety services are strategically aligned with the City of Cape Town's Integrated Development Plan (IDP), directly advancing the top-tier priorities of **Safety, Economic Development, and Basic Service Delivery**. These services specifically contribute to **Objective 5: Effective Law Enforcement to Make Communities Safer** and **Objective 6: Strengthening Partnerships for Safer Communities**.

Through the implementation of enhanced policing initiatives, the plan directly supports **Programme 5.1: Enhancing Policing**, while the integration of advanced CCTV systems contributes to **Programme 5.2: Safety Technology**. In addition, the partnership-driven approach of the Parow East Industrial City Improvement District reinforces **Programme 6.1: Partnerships for Community Safety** and complements **Programme 6.2: Holistic Crime Prevention**.

Collectively, these initiatives ensure that the PEICID's public safety plan is not only responsive to community needs but also fully aligned with the City's broader strategic objectives for a safer and more resilient urban environment.

The budget for the provision of Public Safety is R 1 673 900 or 67,6% of the annual budget of Year 1 of the Business Plan. The cost of the proposed public safety service during the five-year term is summarized below.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5-year term
Public Safety	R 1 557 500	R 1 674 313	R 1 799 886	R 1 934 877	R 2 079 993	R 9 046 569
CCTV Monitoring	R 116 400	R 125 130	R 134 515	R 144 603	R 155 449	R 676 097
CCTV Expansion (Capital Project)		R 50 000	R 50 000	R 50 000	R 50 000	R 200 000
Total	R 1 673 900	R 1 849 443	R 1 984 401	R 2 129 480	R 2 285 442	R 9 922 666

Maintenance and Cleansing

Most established Improvement Districts have appropriate budgets available to deploy the services of a dedicated public cleaning service to provide the supplementary or additional cleaning services required in their areas. To establish the most effective cleaning plan the strategy will continue to support existing waste management services, identify specific management problems and areas, and assist in developing additional waste management and cleaning plans for the area.

The plan will be executed with a small team to:

- Decrease waste and grime in the area through a sustainable cleaning programme.
- Provide additional street sweeping, waste picking and additional refuse collection in all the public areas.
- Removal of illegal posters, graffiti and stickers from non-municipal infrastructure.

Urban infrastructure will be maintained by:

- Developing and implementing a plan to identify and monitor the status of public infrastructure such as roads, pavements, streetlights, road markings and traffic signs.
- Coordinating actions with the relevant City of Cape Town's departments to address infrastructure defects. This will be done through specific liaison with departments and officials in addition to the reporting and monitoring of repairs identified by the CID Manager.
- After a base level of repair and reinstatement has been achieved the PEICID team will implement local actions to correct minor issues.



In addition, the urban maintenance team will in consultation with the relevant City Departments assist with:

- Graffiti removal from non-municipal infrastructure where possible.
- Removal of illegal posters and pamphlets from public spaces and non-municipal infrastructure as noted in the PEICID Implementation.
- Painting of road markings and correction of road signs.
- Greening, tree pruning and landscaping.
- Kerb, bollard and paving reinstatements.
- Storm water drain cleaning where required.



The cleaning contingent will deploy the team in various areas and rotate through the PEICID. Team members can be recruited from homeless people seeking gainful employment and training can be facilitated to improve their skills and potential utilisation.

The cleaning and urban maintenance team includes:

- 2 x urban maintenance workers per day. The shifts will be run Monday to Friday from 08:30 to 16:30.
- The urban maintenance team workers will wear PPE and reflective vests with both the logos of the PEICID and the service provider.
- 1 x urban maintenance supervisor (may be the CID manager).

The following equipment will be required:

- General cleaning equipment such as spades, picks, etc.
- General maintenance tools such as scrapers, paint brushes, spanners etc.

- Materials such as paint, cement, cold asphalt and cleaning materials such as plastic bags which will be acquired as needed and within budgetary limitations.

The cleaning and urban management services as planned are in support of the IDP. The PEICID is working towards the **continuous development and improvement of the urban environment** through **public safety, cleaning, urban management** and social initiatives, all aimed at safeguarding and growing the existing businesses and economic opportunities thereby maintaining and creating employment opportunities.

The Maintenance and Cleansing services as planned are also in support of the delivery of basic services and processes of ensuring that waste materials do not enter drainage systems and the efforts to recycle collected waste supports this priority. This is in line with the Objective 4 of the IDP (Well managed and modernized infrastructure to support economic growth) specifically objective 4.7 promoting cleanliness and addressing illegal dumping. The PEICID will work closely with the City of Cape Town regarding solid waste objective 4.5 (excellence in waste service delivery program) and 4.6 (waste minimization and recycling program).

The budget for the provision of maintenance and cleansing services is R 212 500 or 8,6% of the annual budget of Year 1 of the Business Plan. The cost of the proposed cleaning and urban cleaning and maintenance service during the five-year term is summarised below.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5-year term
Cleansing	R 202 500	R 215 663	R 229 681	R 244 610	R 260 509	R 1 152 962
Maintenance	R 10 000	R 10 600	R 11 236	R 11 910	R 12 625	R 56 371
Total	R 212 500	R 226 263	R 240 917	R 256 520	R 273 134	R 1 209 333

Environmental Development

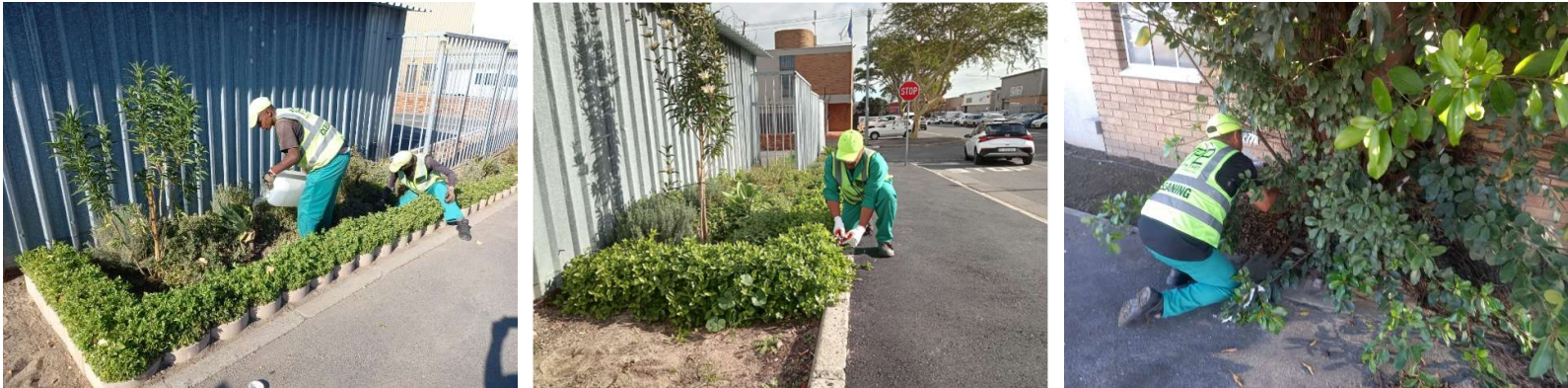
Recycling Initiative

The Environmental Development component of the business plan is dedicated to fostering sustainable practices within our community while enhancing the overall aesthetic appeal of our urban landscape. Our recycling initiative is at the forefront of this effort, aimed at reducing the environmental impact of waste disposal by diverting recyclable materials away from landfills. This includes separating all recyclable items from the urban waste collected by our cleaning teams while sweeping streets and services public litter bins. Members of the cleaning and maintenance team will collect and sort the recycling as part of their daily activities.

Greening

In addition to our recycling initiative, the Environmental Development aspect of the business plan also focuses on beautifying our urban landscape. We understand that a green and pleasant environment enhances the quality of life for our residents and attracts visitors to our area.

To this end, we plan to invest in planting trees and creating potted gardens throughout the district. This initiative not only adds to the visual appeal of our community but also brings numerous environmental benefits such as improved air quality, reduced urban heat island effects, and increased biodiversity. Members of the cleaning and maintenance team will perform these tasks as part of their scheduled deployment.



Improving public amenities

Due to the limited budget in the initial five-year term the PEICID embarked on small gardening and clean-up projects to improve public amenities. The introduction of these amenities received positive feedback from the PEICID community. During the term of this business plan, the PEICID will expand these facilities where possible, maintain the existing amenities and add, where possible some potted gardens and greening.

The Environmental Development as planned are in support of the delivery of services and processes of ensuring that waste materials do not enter drainage systems and the efforts to recycle collected waste supports this priority. This is in line with the objective 4.5 (excellence in waste service delivery program) and 4.6 (waste minimisation and recycling program).

The budget for the provision of environmental development services is R 10 000 or 0.4% of the annual budget of Year 1 of the Business Plan. The cost of the proposed cleaning and urban cleaning and maintenance service during the five-year term is summarised below.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5-year term
Environmental Development	R 10 000	R 10 600	R 11 236	R 11 910	R 12 625	R 56 371
Total	R 10 000	R 10 600	R 11 236	R 11 910	R 12 625	R 56 371

Social and Economic Development

The social issues of the area are varied and complex and no single plan or approach will adequately address these issues. The PEICID will continue to coordinate social intervention actions with the various NGO's and social improvement organisations in the area to assist in the development of a comprehensive strategy for addressing social issues in conjunction with the City of Cape Town, all relevant social welfare organisations and institutions. Social intervention and development can only be achieved by offering unemployed and/or homeless people an alternative.

Through the development of pro-active programmes to create work opportunities for homeless people certain NGOs have presented the opportunity to direct their work programmes to include maintenance and cleansing services to CIDs. These partnerships between CIDs and NGOs create a more cost-effective approach to the provision of a supplementary service to the municipal cleaning services when large area clean-ups or specific maintenance tasks are required. This plan depends on close cooperation with NGOs and the City of Cape Town's social intervention strategy through which a small number of individuals can be identified to be re-integrated into society through gainful employment.

The PEICID has used this approach successfully in the current 5-year term and will continue to use and develop the strategy in the new term. The work teams from the shelters have specifically assisted with the PEICID recycling initiative with good successes.

The social upliftment programmes as planned is in support of the IDP Social Development objectives. The WIS supports the City's Social Upliftment Strategies to find lasting solutions for social development, which includes supporting individuals to move from the street into places of safety, support NGOs that provide social services and where possible create employment opportunities. This is in support of Objective 15 (Building a more spatially Integrated and Inclusive City).

The budget for the provision of social development is R 10 000 or 0.4% of the annual budget of Year 1 of the Business Plan. The cost of the proposed social upliftment program during the five-year term is summarized below.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5-year term
Social and Economic Development	R 10 000	R 10 600	R 11 236	R 11 910	R 12 625	R 56 371
Total	R 10 000	R 10 600	R 11 236	R 11 910	R 12 625	R 56 371

Communication

Marketing will initially focus on communicating with the members, businesses and property owners of the PEICID will focus on:

- Maintaining an informative website.
- Distributing PEICID flyers and/or newsletters reflecting the initiatives and successes of the PEICID.
- Promoting the PEICID amongst the local businesses and industries.
- Promote community pride through the initiatives of the PEICID in making the area cleaner and safer.
- Promoting the PEICID through high visibility branding on the patrol vehicles.
- Promoting the PEICID through high visibility uniforms with PEICID branding for the patrol officers and maintenance workers.

The budget for communication is R 14 420 or 0,6% of the annual budget of Year 1 of the Business Plan. The cost of the proposed social upliftment program during the five-year term is summarized below.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5-year term
Communications	R 6 420	R 6 805	R 7 214	R 7 646	R 8 105	R 36 190
Advertising	R 8 000	R 8 480	R 8 989	R 9 528	R 10 100	R 45 097
Total	R14 420	R15 285	R 16 203	R 17 174	R 18 205	R 81 287

Property Owner Supported Projects

Property owners with the financial means to contribute beyond their additional Municipal Property Rates for the PEICID will be encouraged to support various additional initiatives such as:

- Donation of infrastructure for the deployment of CCTV cameras of properties in strategic locations.
- Job creation and skills development opportunities.
- Funding of voluntary additional services including landscaping of public spaces through an “adopt a spot” initiative.
- Funding of additional public safety patrols in the public area.

- Donation of supplies and equipment for the operations of the PEICID such as uniforms, branding, signage, cleaning equipment.

All additional funding to be approved at an AGM and included into the next year's Implementation Plan and Budget.

5-Year Budget of the PEICID

The 5-year budget for the implementation and operations of the PEICID is set out in Annexure A. It reflects the identified needs of the PEICID operations in as cost effective a manner as possible. Income in the form of additional rates will be derived from all properties in the area, and this attracts VAT. Should property owners receive partial or full relief in respect of rates they would enjoy full exemption from payment of any PEICID additional property rates. It is however incumbent on the property owner to seek such relief from the City under the City's Rates Policy.

Financial Impact of the CID

In line with the City's CID By-law, the Management Body is required to prepare a proposed annual budget for each successive financial year by the date and in the format required by the Executive Director based on the specific needs of the area as set out in the Business Plan. The budget is funded by an additional property rate levied on the municipal valuation of all properties within the CID boundary.

The property rate is calculated by the City annually during the City's budget process. The additional rate is expressed as a cent-in-the-rand and is calculated by dividing the budget total with the total municipal valuation of properties in the CID.

The impact on individual property owners in the outer years of the CID term may vary due to valuation fluctuations caused by successful valuation objections, subdivisions, new developments, court amendments, implementation of a new General Valuation Roll or Supplementary Valuation roll causing the CID budget to be spread over an increased or reduced total municipal valuation base.

The CID By-law allows for differentiated additional rates between categories of rateable property and as such non-residential additional rate is applicable in the PEICID.

Property owners who receive a full or partial rates rebate will not pay additional rates.

The budget and additional rates` are approved by Council with the City's budget and is applicable over a financial year, which starts on 1 July. Individual contributions for residential and non-residential properties can be calculated as follows:

1. Municipal valuation x R 0.XXXXXX = Annual contribution (VAT excl.) – Note: R 0.XXXXXX represents the approved CID additional property rate.
2. Annual contribution (VAT excl.) ÷ 12 = Average monthly contribution (VAT excl.)
3. Average monthly contribution (VAT excl.) x 1.15 = Average monthly contribution (VAT incl.)

The Budget for each year of the Business Plan:

YEAR	TOTAL EXPENDITURE	REVENUE (Additional Rates)	REVENUE (Other: Accumulated Surplus)	% INCREASE IN ADDITIONAL RATES REQUIREMENT
2027/28	R 2 476 062	R 2 476 062		9.0 %
2028/29	R 2 697 761	R 2 646 214	R 50 000	6.9 %
2029/30	R 2 797 719	R 2 746 172	R 50 000	3.8 %
2030/31	R 3 003 630	R 3 952 084	R 50 000	7.5 %
2031/32	R 3 223 668	R 3 172 122	R 50 000	7.5 %

The steady increase in the budget is based on an average 7 % escalation.

Budget allocation by Portfolio for the 5 years of the Business Plan

- Public Safety 67,6 %
- Maintenance and Cleansing 8,4 %
- Environmental Development 0,4 %
- Social Upliftment 0,4 %
- Communication 0,6 %
- Management & Administration 11,9 %
- General Expenditure 3,5 %
- Depreciation 4 %
- Provision for bad debt 3 %

Proposed Management Structure

The PEICID is managed by a board of directors, elected by the members of the Parow East Industrial City Improvement District NPC (PEICID). A Board of Directors consists of property owners within the PEICID and a political representative from the City of Cape Town attending Board Meetings as an observer. The Board manages a Non-Profit Company (NPC), which is responsible for the management of the CID, within the framework of the approved PEICID business plan and oversees the implementation thereof.

Elected Board members take responsibility for the various portfolios in the company and regular board meetings allow the directors to review current operations and apply corrective measures as required.

The Board can appoint service providers and staff to manage the day-to-day operations within the PEICID. The supplementary services provided by the PEICID should represent the actual needs of the area according to the vision of the property owners for the area. The services provided are decided upon by the property owners as CIDs are property-owner driven. The PEICID is managed by a management company manager appointed by the Board and will oversee the day-to-day delivery of the additional services according to the Business Plan.

All the above is subject to monitoring and oversight by various departments in the City of Cape Town. The CID Branch also advises, monitors, oversees and provides guidance on administrative, financial, operational and governance compliance.

An Annual General Meeting is held every year to review the performance of the CID and to confirm the mandate of the members. The budget and implementation plan for the next year is also presented and discussed for approval at the AGM. The AGM also provides the opportunity to elect new directors to serve on the board of the NPC.

The budget for the provision of management and administrative services is R 295 000 or 11,9 % of the annual budget of Year 1 of the Business Plan. Provision is made for bad debt at 3% and depreciation of 4% in Year 1 of the Business Plan. The cost of the proposed management and administration services for the five-year term is summarized below.

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5-year term
Management and administration	R 295 000	R 312 700	R 331 462	R 351 350	R 372 431	R 1 662 942

Permissible Amendments to the Business Plan

If a determination is made to affect a material alteration to the geographical boundaries of the CID, such alteration shall be implemented in accordance with the formal process in Section 26 of the CID By-law. If an amendment to the geographical boundaries of a CID is deemed non-material and does not alter the terms of liability or the quantum of the additional rate levied, such amendment shall be undertaken in compliance with Section 25 of the City Improvement District By-law.

Where additional services are necessitated through collaboration with municipal departments, and such services are not expressly provided for in the motivation report but is deemed as enhanced and/or supplementary municipal services, the business plan may be amended without further consent, provided that the amendment is non-material and the process prescribed under Section 25 of the City Improvement District By-law, 2023 is duly followed.

The PEICID signed a Memorandum of Agreement with the Roads Infrastructure Management (RIM) Department, who is responsible for the management and maintenance of all road infrastructure assets falling under the auspices of the Urban Mobility Directorate. This agreement allows the PEICID to seek permission to provide supplementary maintenance tasks related to road infrastructure.

The PEICID signed a Memorandum of Agreement with the Recreation and Parks Department. This agreement allows the PEICID to seek permission to provide supplementary greening tasks related to parks and public open spaces.

The PEICID Board evaluates the need to contract Law Enforcement Officers from the City of Cape Town Safety and Security Directorate on an annual basis and if deemed necessary enters into an annual Memorandum of Agreement with the Safety and Security Department to provide these officers.

There are currently no other plans to investigate or explore significant changes to the strategy or operations of the PEICID and therefore no other such actions are noted here.

Should any significant changes be required, such changes will be subject to approval of the Members of the PEICID at an Annual or Special Members' Meeting.

List of all Rateable Properties within the CID

A list of all the rateable properties within the PEICID is attached as Annexure A.