

FAQs regarding Proposed Increase in Security Levy

27 March 2017

1. What exactly is being proposed?

The SRA is proposing that the monthly security levy paid by all households in Llandudno be increased to R49 per month per R1million of rateable property value. The total monthly amount available for community security would increase from c. R32k to R156k. This proposal will be voted on at a Special General Meeting of the SRA, to be held on 6 April 2017.

2. Why is this necessary?

In the last 3-4 months, there has been a significant increase in criminal activity in Llandudno. Between 14 February and 14 March 2017 alone, there were three incidents on Fishermans Bend: a violent late-night armed robbery, an attempted home invasion, and the burglary of an unoccupied house. There have been other late-night incidents of presumed criminals detected "on the mountain," heading down into the village. These people were chased by neighbourhood-watch volunteers, and did not succeed in committing crimes (but were not apprehended). There have also been multiple day-time muggings on the Sandy Bay path, and on Llandudno beach.

To date, only one criminal has been apprehended, and is currently awaiting trial. In every other case, the perpetrators were able to escape, potentially to come back on another night.

These incidents have shown up the extreme vulnerability of our community to criminal activity of all kinds. If criminals are able to enter our community with little fear of being caught, they will continue to do so. It is only a matter of time until residents are injured or killed in violent home invasions.

3. What would the additional funds be used for?

Currently, the SRA has a contract with ADT to provide one patrol vehicles in Llandudno on a 24x7 basis. This vehicle patrols public spaces and liaises with Watchcon. The ADT personnel are entry level. They do not track intruders on the mountain, do not respond to detection of intruders in houses, and are not equipped to apprehend criminals or to provide an effective deterrent. ADT also does not keep statistics on criminal incidents generally (only those involving ADT clients).

If the security levy were increased, a fully transparent and open process would be conducted to scope the terms of engagement, and to select a security company to address the crime problem more effectively. The scope would be determined by a Security Task Force, reporting to the SRA Board, and including experts in community security. The scope of engagement for a tactical-response service would likely include: (1) having the capability to track and apprehend criminals in public spaces (eg, on the mountain), (2) supporting the effective arrest and prosecution of criminals, (3) creating an effective deterrent to prospective criminals, and (4) keeping accurate and useful records of all criminal activity in Llandudno. This may also include re-instating security presence in the hut at the entrance to Llandudno.

It is expected that professional tactical response would cost R120-150k per month.

In addition to the operational expense of tactical response, funds will be allocated to acquiring (on financed terms) additional cameras and communications equipment. These cameras will provide early detection of intruders, regardless of where they are coming in from. The estimated cost of additional equipment is R1m. This capital expenditure will be subsidised (as it has been to date) by cash donations from residents. Acquiring the full R1m comes from SRA levies, on a financed basis this equipment would require debt-service (interest and principal, assuming 3-year repayment) of R30k per month.

4. Who will ensure that the money is well spent?

The SRA Board members have a fiduciary obligation to the residents who elected them to ensure that all of the SRA levies are spent appropriately. An ad hoc Security Task Force of residents (including security experts) will take responsibility for scoping the terms of engagement with a tactical-response company, will run a transparent tender process, and will make a selection recommendation to the SRA Board. The ongoing management and monitoring of the security contract will be the responsibility of the SRA Board (as is the responsibility for the existing ADT contract).

5. What if the operational expense is lower than expected?

If adequate tactical-response services cost less than the anticipated R120-150k per month, the excess SRA levy would be used to pay off the additional security equipment ahead of schedule. If the operational expenses are lower than expected, the monthly levy could be cut.

6. Will I still have to have a household-level contract with ADT?

Each resident is expected to make their own household-level security arrangements. This additional security levy is for community-level deterrence and response. If the residents want, the Security Task Force can also negotiate with security companies for lower household-level rates. Council requires that this process be conducted outside of the SRA.

7. Why can't residents just be responsible for their own security? Why do we need community-level security at all?

Great household-level security comes from concentric rings of protection and deterrence. Individual households are responsible for their interiors, their exteriors, and their property perimeters. The experience of other communities, in South Africa and around the world, is that developing a very strong community-level ring of protection and deterrence is most important and effective. This comes primarily from a strong sense of community spirit, and from neighbours looking out for each other. It also comes from great detection technology and professional response to apprehend and prosecute known bad guys before they commit more crimes. Penzance is case in point to illustrate that individual owners securing their properties do not necessarily result in a safe neighbourhood.

If an entire community is viewed as a "hard target" – defined as a very high likelihood of arrest or worse – then criminals will avoid the entire community. Households will still have to have their own security, but they will be significantly less critical if the overall community is highly secure.

8. Will any of this money be used for streetlights?

No. There is nothing in the plan relating to additional streetlights.

9. Why is the number of votes that each household gets determined by the assessed value of the property?

The relevant provision of the Memorandum of Incorporation of the SRA NPC reads as follows:

11.9.5 At a meeting of members, voting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands a poll is demanded by the chairperson of the meeting, at least 5 (five) persons having the right to vote on that matter as a member or proxy or persons who together are entitled to exercise at least 10% (ten percent) of the voting rights entitled to be exercised on that matter. Subject to the provisions of the Act, unless a poll is demanded, a declaration by the chairperson that a resolution has been carried, or carried by a particular majority, or lost, or not carried by a particular majority, shall be final and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

This is a municipal by-law relating to the SRA legislation. What this means is we can vote by show of hands, with one property having one vote, unless the poll is demanded in which case we must vote using the municipal valuation determining the number of votes. This process is regulated by the City of Cape Town. We cannot assume that owners with high value properties will vote in favour of the proposal and outvote owners with lower valued properties.

10. Why does this have to be done now?

If the SRA votes in favour of the increased levies, the City has to approve the change and implement it on their budget cycle (ie, starting 1 July 2017). Under the City's budgeting process, the request for the Llandudno SRA increase must be formally made by 7 April 2017. If the request comes in even a day later, it would only be implemented on 1 July 2018.

11. What if I can't afford the increased rates?

Any resident can apply to the City for relief on their rates if it creates unbearable financial hardship. This is extended to households with monthly income of less than R15,000, or in some other special circumstances. SRA board have made representations to the City to assist residents who are struggling to afford their rates. Residents who qualify for rates relief will receive a 100% rebate of the SRA levy.

12. Won't the rates just go up and up from here on?

No. The intention is to create a holistic and permanent solution to Llandudno's security problems. The increased amount for tactical response is designed to do this. There will likely be some cost inflation over time, but the resource requirement is not expected to increase, unless circumstances change dramatically (eg, overall crime levels increase).

The capital-expenditure component of this initiative will be paid off within about three years. All things equal, this would result in a reduction of 20-40% in the monthly rates.

Over time, if the crime situation s sustainably improved, the SRA Board will re-evaluate the resource requirements, and adjust the levy (downward, we hope) as appropriate.