BELASTINGSBETALERSVERENIGING
HERMANUS
RATEPAYERS ASSOCIATION

Notes on HRA meeting with Overstrand Municipal Manager on 22 August 2025

Ken Briggs(KB) and Tobie Louw(TL) of HRA met with Overstrand Municipal Manager (MM), Dr Dean O'Neill.

KB thanked the MM for the opportunity to continue the monthly engagements. He confirmed that the purpose of the meeting was to discuss issues of importance to the ratepayers of Hermanus. The key points that were discussed following on from the 25 July 2025 meeting are briefly introduced below.

1. Increases in rates and municipal charges

KB introduced the discussion through raising a number of concerns that had been expressed by ratepayers.

- Steep increase in electricity charges, with concerns that these charges may be above the NERSA approved charges. He indicated that the HRA analysis of the charges showed that they were generally in line with the NERSA charges, but for the fixed charge component.
- KB noted that the analysis had indicated the following points of concern in some incidences:
    - Electricity fixed charges had increased by 21.13% in July 2025.
    - Prepaid 2025/6 in the bracket of < R350 18,35% above NERSA 12,745
- It was noted that Anton Kruger (not a member of HRA) had written to NERSA for to ascertain if the Overstrand electricity charge increase complied with the regulatory framework and then to explore opportunities for recourse.
- KB indicated that the HRA understood that the fixed charge in the Overstrand had been determined based on a service charge review undertaken in compliance with the NERSA requirements, OM being one of 17 municipalities that had complied. The MM confirmed that OM had fully complied and that the charge increases were based directly on recovery of the electricity the service cost.
- KB noted that the HRA were aware that SA Homeowners, along with some rate payer associations in Cape Town, were challenging the increases in court, with the case due to be heard in September 2025. The basis of the challenges being that tariffs increase violated the SA Constitution, as they are not directly linked to service use / consumption and rather a revenue generating mechanism. Section 227, states that "*municipalities can only charge rates on property, consumption-based charges for services such as water, electricity, cleansing, surcharges on these service charges or taxes allowed by other legislation*". The MM indicated he was aware of the court challenge but contended that,

in their view, the OM had fully complied with the legislative framework and had undertaken the required service cost review.

- KB raised further concern of ratepayers that the current OM charge regime may not be equitable amongst different Overstrand Communities. For example, the differentials between general ratepayers in Hermanus, those served directly from Eskom (i.e. Onrus & Vermont) and "private" estates. He indicated that, for example, a direct invoice comparison had shown that a Vermont resident paid R444 fixed electricity charge **to Eskom**, while a Hermanus Heights resident paid **R873 to OM**.
- MM responded as follows:
  - In terms of different charging regimes between Eskom and OM, he stated that communities directly on Eskom network paid directly to Eskom.
  - Eskom charge regime was structured to recover the cost of supply to Eskom, totally independent of OM.
  - In conclusion, he confirmed that there was nothing OM could do to achieve parity with Eskom charging regimes.
  - In the case of private estates, the MM confirmed that the estates were charged on a comparable basis to all property owners and that the internal charging within the estate is out of the control of OM.

2. IDP and Budget Process

TL confirmed that the HRA were in the process of mobilising a small team of planning experts from the ratepayer community to form a team to engage with the municipality on the IDP and budget planning early during the 26/27 cycle. The MM indicated that OM would also confirm its key team members to drive the IDP and budget processes, indicating that the first joint team engagement would probably take place during November 2025. In conclusion, it was agreed to have identified the members of the planning team to engage and support the OM IDP / budget team ready for the next monthly meeting.

3. Municipal Organisational Structure

Drawing on the July meeting, TL stressed that it is important that OM critically review their operational structure in order to address the operational shortfalls in important areas, such as Environmental Management Services, Planning, Tourism and Local Economic Development. It was acknowledged that this issue was exacerbated by the critical Directorate posts that had been vacant for quite some time. The MM again shared these concerns and reiterated that the key challenges were around trying to secure suitable candidates within the constraints of the prescribed upper-limits for posts within a category 4 municipality. He indicated that the remuneration bands provided were totally inadequate within the current market, particularly in terms of accounting and appropriately experienced professionals for the director positions. He indicated that a few years ago that he and other representatives from the province had served on a task team to recommend new bands with higher upper limits. The recommendations of the task team were unfortunately not being addressed nor implemented at a national level. He further indicated that the issue had been escalated through Minister Anton Bredell resulting in an intergovernmental dispute being initiated. TL enquired if there was anything that the HRA could do to try and assist in unlocking the process.

4. Status of proposed new developments

TL confirmed the HRA understanding on the current status of key new developments. In the ensuing discussions the following points were noted:

- The legal process pertaining to the De Mond tender is still ongoing and the contract has not been cancelled.
- The proposed Life Style development of Erf 4833 (Voëlklip East) is still in the Basic Assessment Phase. Currently the consultants are in the process of making amendments to the Basic Assessment Report, which include additional specialist studies.
- The development for the OK site in Voëlklip is to be reissued for tender.

5. Dog Walking

KB thanked the MM for following up the status of the HRA dog walking report and recommendations. He noted that Cllr Brice had confirmed that the matter was on the agenda for September 2025. He indicated that he had again provided Cllr Brice with a copy of the HRA survey and report on dog walking to accompany the recommendations for formal ratification by Council in September. The MM agreed to ensure that as soon as Council approval had been achieved the signage would be re-erected for the dog walking and off-leash zones on Grotto beach. He indicated that this should be completed in late October 2025, ready for the holiday season starting in November.

6. Baboon management

KB introduced the discussion by first stressing that HBAG was the body leading the baboon matters on behalf of the community. He stressed that the matters being raised are being done in consultation with Mr Andrew White of HBAG. In this context he raised the following concerns:

- Recent applications of bangers and screamers being done high in the mountains, being inappropriate for baboon management and a potential fire risk. The MM responded that the matter had been taken seriously, and an investigation was being completed. He indicated that initial feedback suggested the applicable regulations and protocols in terms of the management plan were being applied. He stated that he would be releasing a formal statement on the matter once the investigation had been fully completed.
- In addition, the MM confirmed that the monitors were no longer employed under the EPW programme and were now under an OM programme that enabled more effective staff management.
- Lack of effective operational management, citing several incidences indicating poor management. The MM responded in accepting that the current management and supervision had not been optimal but confirmed that two appropriately qualified/experience supervisors were currently in the process of being engaged to strengthen the management and supervisory functions.
- KB asked if the current appointment stipulated clear objectives, protocols and deliverables and if so, whether these are comparable to those applied to the previous contract (2020-2024)? The MM confirmed that the current Baboon Management Plan is an extension of the BMP as approved by Minister Bredell, with same objectives, protocols

and desired outcomes as the earlier management plan and was being managed accordingly.

- On behalf of HBAG, KB made the following enquiries:
    - A need for the Baboon Liaison Group (BLG) meetings to be activated again. The MM responded to say that OM had an open-door approach to HBAG negating the need to the BLG meetings. KB suggested that there may still be a need for the BLG meetings, in response the MM indicated that they would give the matter consideration in consultation with HBAG.
    - Whether OM would be interested in baboon monitor training being provided by an outside party with funding raised by HBAG. The MM stated OM would be open to outside training provision and would value any external funding contributions from HBAG or other funders provided that such initiatives are in line with the approved baboon management program.

7. Benchmarking with Ratepayer bodies

TL confirmed that HRA are busy benchmarking objectives and portfolios against a few peer Ratepayers Associations in Cape Town, noting some early findings with relevance to the HRA and Overstrand. The MM stated that this type of consultation was important and that it is essential for ratepayers to have an open and cooperative relationship with the leadership of the relevant local authority.

8. Closure

KB thanked the MM for enabling an open discussion around key issues facing the Hermanus ratepaying community. The MM thanked the HRA for the constructive engagement and formally closed the meeting.

HRA August 2025