



**CORNUBIA INDUSTRIAL AND BUSINESS ESTATE MANAGEMENT ASSOCIATION
NON-PROFIT COMPANY**

(Registration No: 2013/020224/08)

Chairman's Annual Review

The Chairman's Annual Review covers the financial year ending 30 June 2023 and the period to date.

I am pleased to be reporting at the 11th Annual General Meeting of the Cornubia Industrial and Business Estate (CIBE) Management Association ("the Association").

The purpose of the Management Association is to advance the interests of its members and protect property values within the precinct. This function is achieved by the CIBE Management Team provided by the appointed management company, UrbanMGT, under direction of the Board of Directors. The CIBE Management Team carries out the day-to-day administration of CIBE, including the Association's governance requirements, financial management, oversight of CIBE's rules, design code, and development control compliance. Further to this the management team regulates and monitors all the Association's contracted service providers in respect of safeguarding, and general maintenance. It also lobbies authorities on behalf of owners, businesses, and users of CIBE for amongst other things, policing, and municipal provided services to public areas such as roads maintenance, and street lighting.

I would like to thank the management team and all our service providers for their commitment in carrying out their duties. Cornubia is one of the few beacons of light in Durban that continues to show improvements when most of the areas under eThekweni are on the downward trajectory.

1. Board of Directors

The Memorandum of Incorporation (MoI) allows for a maximum of ten directors and a minimum of four directors.

Name	Representing
Gerald Chotu – Chairman	Tiso Blackstar – Hirt and Carter
Mtura Matshini	Tongaat Hulett Properties
Samantha Lambert	Redefine Properties
Brett Van Laun	Prop247
Darin Samuels	Samuels Group
John Veasey	4 Site Projects

2. Management of CIBE Management Association

UrbanMGT is the appointed management company specialising in precinct management. The company also manages the Bridge City Management Association, the Riverhorse Valley Business Estate Management Association, the Sibaya Coastal Precinct Management Associations and The Brickworks Management Association which allows for the benefits of best practice and experience in precinct management to be realised by CIBEMA and its Members. The team is made up of Sihle Miya, managing the day-to-day operations, and Justin van Rensburg overseeing development control, supported by Jarrod Evans (Head of Northern Operations) and Celine Spies (Management Association Administration). UrbanMGT's strategic; corporate governance; finance, and communications departments also offer specialist support to the Precinct.

The Management Team fulfils all governance and day to day functions of the Association, including the drafting of annual budgets and levies, which are presented to the Board for review and approval.

3. Auditors

The appointed Auditor is Stuart Edwards & Company, who are based in Berea. This was their third year of audit of the Association, and it is worth noting that the audit process was very successful and was completed without any concerns.

4. Tongaat Hulett

The Primary Developer called the Development Period over on 28 November 2019. Subsequently, Tongaat Hulett Developments has gone into Business Rescue. Mtura Matshini, of THD, agreed to remain a director on the CIBEMA Board for continuity purposes. However, Mtura has now left THD as at 31 October 2023 and therefore is required to be resigned from the Board. The Association would like to take this opportunity to thank Mtura for service on the CIBEMA Board and his dedication to the success of the Precinct.

5. Budgets and levy

The Board resolved to increase the 2023/2024 levy commencing 1 July by 9,1%, from 0.94c per sqm of bulk to R1.03

CIBE MANAGEMENT ASSOCIATION BUDGET JULY 2023-JUNE 2024

BUDGET SUMMARY	EXCL. VAT	Budget	Forecast	Budget	Variance	%	Notes
INCOME	2022/2023	2022/2023	2023/2024				
ANNUAL LEVY INCREASE	16,0%	16,0%	9,1%				
LEVY PER SQM	R 0,94	R 0,94	R 1,03	R 0,09		9,1%	
TOTAL LEVIES	5 967 845	5 840 878	6 335 579	367 734		6,2%	1
LEVIES TRANSFERRED TO RESERVE	0	0	0	0			
OTHER INCOME	223 848	386 617	266 169	42 321		19%	
	6 191 693	6 227 495	6 601 748	410 055		7%	
EXPENSES							
COMPANY COSTS	349 048	335 359	360 461	11 413		3%	
MANAGEMENT COSTS	1 841 040	1 819 581	2 111 079	270 039		15%	2
FEES - CONSULTING	19 026	0	19 242	216		1%	
MUNICIPAL COSTS	62 784	50 082	62 634	-150		0%	
SECURITY COSTS	2 133 489	2 293 678	2 274 371	140 882		7%	3
LANDSCAPING AND ENVIRONMENTAL MANAGEMENT	926 725	836 199	990 359	63 634		7%	4
CLEANING AND WASTE MGT	541 443	545 478	587 131	45 688		8%	5
MAINTENANCE	68 400	75 601	73 120	4 720		7%	
MISC COSTS	6 012	3 376	8 479	2 467		0%	
COMMUNICATION, PR, MARKETING COSTS	108 321	108 029	139 983	31 662		29%	6
SOCIAL-ECO DEVELOPMENT & STAKEHOLDER ENGAGEMENT	240 000	0	0	-240 000		-100%	7
	6 296 288	6 067 382	6 626 858	330 570		5%	
OPERATING SURPLUS / DEFICIT BEFORE TAXATION	-104 595		-25 110				
TAXATION	-41 776		-53 200				
OPERATING SURPLUS /(DEFICIT) AFTER TAXATION	-146 371		-78 310				Including depreciation R 188 016
CASH SURPLUS/DEFECIT FOR THE YEAR	41 645		109 706				Excluding depreciation R 188 016

NOTES

- 1 Loss of PTN 68 Levies
- 2 Due to new contractual agreement
- 3 Increase due to gazetted increases
- 4 Increase due to gazetted increases
- 5 Increase due to gazetted increases
- 6 Due to new contractual agreement
- 7 Removal of SED spend to accommodate loss of revenue from Ptn 68

The following projects have been identified for Capital Expenditure (CAPEX) during the upcoming year:

- Installation of bollards along the centre median of Longifolia Rd between the R102 and Cornubia Bridge.
- Additional 4x CCTV cameras on Longifolia Road and JG Champion Drive are in the process of being installed. Completion date will be early 2024.
- 4x NPR cameras on JG Champion Drive and Syringa Road are in the process of being installed. Completion date will be early 2024.

6. Strategic and Stakeholder Engagement

6.1. Greater uMhlanga Sewer Crisis

Based on exhaustive private sector efforts since 2018 with Municipal and Provincial Authorities at the highest political and official level, it has been concluded that there is NO sustainable fix of the sewer infrastructure

network and wastewater works expected from the municipality. Plan B is in the process of being drafted and will be shared for input, it is anticipated that a collective support will be required.

As a recap on historical notable actions: A proposal for covering 70% of the existing capacity was tabled with the eTM Municipal Manager and Minister of Water and sanitation.

Commencing in late 2019, significant private sector professional time and expertise has been invested in collaboration with the eTMs EWS Department in finding solutions to repair and maintain the Ohlanga Catchment wastewater infrastructure. The timeline of engagement below, highlights notable outcomes to date.

- 25 Oct 22' - City / Private Sector Technical meeting. City Manager and HOD Water and Sanitation Department, agree to collaboration with the private sector on the assessment and repair of uMhlanga catchment sewer infrastructure.
- 8 Nov 22' - As an outcome of the 25 October meeting, in collaboration with City engineers, the private sector tabled with the city a detailed and costed Emergency Action Plan.
- 10 Feb 23' - KZN Growth Coalition / City meeting the City Manager and HOD Water and Sanitation Department, agree to an independent assessment of the Ohlanga Catchment Wastewater infrastructure.
- 31 Mar 23' - Technical War Room meeting Chaired by the Mayor – the progress was presented and approved by the mayor.
- 13 Apr 23' - 1st Technical Meeting with City and Private Sector Engineers.
- 17 Apr 23' - 2nd Technical Meeting with City and Private Sector Engineers.
- 22 Jun 23' - Greater uMhlanga sewer Infrastructure status quo and remedial plan briefing and Q&A to the majority of the Greater uMhlanga Mas, UIPs and HOA's. Briefing provided detail on the engineer's onsite findings, remedial plan, and costing to "phase 1" of the remedial plan.
- 23 Jun 23' - 18th Annual Investec-sponsored Top Executive Dialogue Session. The session was attended by leadership of National and Provincial Government. A clarion call to the Minister of Water and Sanitation and KZN MEC Economic Development clearly laying out the business case as to why adequate municipal provision and maintenance of bulk infrastructure and services to economic precincts.

Proposed project deliverables:

- Infrastructure:
 - Stage 1 - assessment of repair and functional upgrades of Wastewater Treatment Works, Pumpstations and Trunk Sewer Main.
 - Stage 2 - Develop strategy and plans to carry out the work with BOQ and costing schedules.
 - Stage 3 - The private sector has agreed to assist in motivating for municipal funding and having it ring fenced for the projects; in addition, the private sector is funding parts 1 & 2 above.
- Maintenance: Establishing the required maintenance plan for Sanitation Operations along with the costing thereof to comply with Environmental regulations.

A major private sector re-think is required, as a lot more is at stake in economic precincts across eThekweni Metro than the R100 billion in uMhlanga property values. A senior Legal Team have now reviewed the

municipal engagement timelines with associated source documentation and historical water quality and sewer spill data sets and an update on the proposed approach will be provided in due course.

7. Municipal Service Optimisation

The foundation of the precincts' success lies in the collaborative and constructive working relationship with the Municipality based on mutual benefit. Notably, the CIBEMA operates in a complementary capacity to municipal services and does not aim to replace or duplicate municipal service delivery, instead, the MA provides supplementary services to enhance the desirability of the precinct and user experience.

Furthermore, the MA actively reports service delivery requests to the Municipality, diligently following up and monitoring the progress until resolved.

7.1. Street Lighting

Streetlights remain a significant challenge in the precinct with 40% of the precincts streetlights not currently operational, primarily due to cable faults. Through constant engagement with eTM, Municipal technicians have been deployed to site, however, due to the significant number of faults, progress is slow.

Due to the deployment of a dedicated nightshift guard at vulnerable points, the theft of streetlights has ceased, and all stolen lights have been replaced and are in working order.

7.2. Public transport

There have been no further updates regarding the implementation of the public transport plan that was previously shared. Once updates are received, they will be shared with members. Public transportation continues to be an issue in the precinct as there are inadequate facilities for taxi and truck staging.

7.3. Informal trading

eThekwini Municipality are yet to connect services to the precinct funded trader facility. While a water meter has been installed, we await connection from the meter to the container. In addition, a sewer connection is outstanding. In an attempt at expediting the process, the management association is engaging with Business Support to ascertain if the container can be used without a sewer connection, provided water is connected.

Click the links below for news related to eTM:

<https://cibe.co.za/water-damage-repairs/>

<https://cibe.co.za/blocked-manhole-and-sidewalk-sinkhole-repaired/>

<https://cibe.co.za/against-all-odds/>

<https://cibe.co.za/ews-unblocks-sewer-on-syringa-road/>

<https://cibe.co.za/11201-2/>

<https://cibe.co.za/trees-installed-on-syringa-road/>

<https://cibe.co.za/etm-working-on-blocked-sewer-infrastructure/>

<https://cibe.co.za/inlet-covers-replaced-by-etm/>

8. Precinct Services

To ensure MA management and services consistently align with the precinct's Board Charter and Strategic Priorities, a strong emphasis is placed on performance management, and evaluation, corrective action and innovation which strives to continually raise the management and services benchmark within the precinct benchmarks.

A cared for precinct which has a clear strategic plan that is effectively executed to ensure a safe, clean, green, well-maintained, and enabled public spaces, underpins investor confidence and strengthens property values.

8.1. Safe and Secure

The MA drives a proactive approach to security, emphasizing crime prevention rather than merely reacting after incidents occur. This proactive approach has led to consistently low crime rates within the precinct. Strengthening our ties with the South African Police Service (SAPS) and municipal Law Enforcement has been pivotal in ensuring low crime stats and enhancing the perceived safety within the precinct's public spaces.

The Precinct currently has a complement of 12 mast mounted CCTV cameras. The cameras are monitored 24 hours a day, 7 days a week by Marshall Security surveillance personnel manning the CIBE control room. Further to the control room, the precinct has a dedicated patrol vehicle, manned by two-armed reaction officers each shift.

Please note that the control room number is **086 124 4258** and is available 24/7 for the reporting of any security related matters, as well as any other matters by members, tenants, and members of the public.



The CCTV coverage expansion that was approved last year for 4x cameras on JG Champion and 4x NPR cameras on Syringa Road is ongoing. The delay in this installation is due to delays by eThekweni Municipality in supplying power to the new cameras. The Management Team are hoping that at least two cameras will have power in the next two months, as there has been some progress on the installation.

8.2. Clean, Green and Maintained

Whilst security is of critical importance, if an area does not look like it is cared for, it won't be perceived as being safer, irrespective of the crime stats.

The CIBEMA is deeply committed to delivering clean, green, and exceptionally well-maintained public spaces, which not only have visual appeal, but importantly, materially contributes to creating a cared for sense of place.

Our committed utility teams are on the ground daily, executing maintenance, landscaping, cleaning, and graffiti removal tasks, ensuring that our public spaces are appealing and welcoming. These hardworking individuals, often operating behind the scenes, are essential to retaining the precinct's desirability.

Each year, the precinct's appearance improves. We've observed significant growth in the trees planted during development and the maturation of the various gardens throughout the area despite the challenging soil conditions and the absence of an automatic irrigation system. Additionally, we've installed ten concrete bins, courtesy of eThekweni's DSW.

<https://cibe.co.za/a-growing-precinct/>

Click the links below for news related to cleaning, greening and maintenance:

<https://cibe.co.za/beautifying-our-precinct/>

<https://cibe.co.za/a-greener-cornubia/>

<https://cibe.co.za/preparing-our-gardens-for-spring/>

<https://cibe.co.za/gardens-so-green/>

- <https://cibe.co.za/preparing-for-spring/>
- <https://cibe.co.za/garden-installation-o-belladonna-road/>
- <https://cibe.co.za/palm-trees-find-new-homes-in-the-precinct/>
- <https://cibe.co.za/cibema-greening-teams-using-the-rainy-weather-to-their-advantage/>
- <https://cibe.co.za/precinct-gardens-will-soon-bring-pops-of-colour/>
- <https://cibe.co.za/boundary-cutting-and-topsoil-added-in-the-precinct/>
- <https://cibe.co.za/focusing-on-landscaping-the-precinct/>
- <https://cibe.co.za/landscapping-crews-focus-on-grass-cutting-despite-rain/>

9. Special Projects

While daily operations provide a consistently high-level of safety; maintenance and services to public spaces with Special Projects aim to be highly visible and impactful, adding value to precinct members, stakeholders, visitors, and the public of which all benefit.

Special Projects are not only reactive solutions to existing problems; they are also innovative initiatives that focus on enhancing the overall functionality and desirability of the precinct. Whether it's reimagining public spaces, adding new amenities, enhancing connectivity, or tackling environmental challenges, these projects encapsulate the relentless commitment to improving the precinct experience.

9.1. Entrance Feature Signage

The entrance features have been installed and handed over to the Management Association, we are in the process of finalising the design and costings of the gardens that will go around the features as a final touch. We expect these gardens to be installed by the end of the year.

9.2. Bollards

Branded concrete bollards have been installed on either side of stormwater inlets in areas prone to infrastructure damage from trucks. These bollards serve both a functional and aesthetic purpose, whilst cutting costs in replacing damaged inlets.

Click the links below for news related to special projects:

- <https://cibe.co.za/cibe-entrance-feature-pylons-in-final-stages/>
- <https://cibe.co.za/entrance-pylons-update/>
- <https://cibe.co.za/upgrades-for-efficiency/>
- <https://cibe.co.za/cibema-ongoing-projects/>
- <https://cibe.co.za/anticipated-cibema-projects-for-2023/>

10. Development Control and Private Property

The Design Review Panel (DRP) fulfils an essential role in ensuring that the development controls design mandates, as set out in the Design Code, are maintained. The Management Association panel consists of Justin van Rensburg, who is our Development Control HOD and Hilton Lawrence and Nathan Iyer as advisory members.

The table below is a summary of development progress to date:

Completed buildings	43
Under construction	2
Planning approval – DRP	1

11. Precinct Communications

The ability to show on-ground service delivery (security, cleaning, greening, maintenance, and special projects) demonstrates the tangible “bang for buck” benefits of CIBEMA levy contributors’ collective efforts in working with stakeholders and members. Furthermore, precinct communications assist in educating local non-contributing users of the precinct, stakeholders, and the public of the MAs active role in ensuring that public spaces within our precinct are safe and desirable.

11.1. Communications stats

Below is a summary of the stats on the various CIBE communication platforms:

Communication Platform	1 July 2022 – 30 June 2023
Newsletters Sent	27
Newsletter Database Subscribers	229
News items posted to website	54

Click the link below for a collection of all news items posted to the website:

<https://cibe.co.za/latest-news/>

11.2. Monthly Insights

On a monthly basis a newsletter is sent out to all members highlighting key stories, special projects, and interesting happenings in our precinct.

Click the links below for all monthly insight pieces:

<https://cibe.co.za/dropping-the-mask-and-welcoming-the-buzz-of-activity-from-around-the-globe/>

<https://cibe.co.za/do-you-know-the-cibema-boundaries/>

<https://cibe.co.za/using-surveys-to-optimize-communication-and-service-offerings-in-the-precinct/>

<https://cibe.co.za/the-cornubia-industrial-and-business-estate-management-association-annual-perception-survey-2022/>

<https://cibe.co.za/why-cleaning-greening-and-maintenance-is-at-the-heart-of-what-we-do/>

<https://cibe.co.za/durban-to-host-africas-travel-indaba-for-the-next-three-years/>

<https://cibe.co.za/ballito-uip-security-manager-dieter-fittkaus-top-tips-to-keep-you-safe-this-festive-season/>

<https://cibe.co.za/forward-thinking-precincts/>

<https://cibe.co.za/city-qears-up-for-hollywoodbets-durban-july/>

<https://cibe.co.za/how-to-get-in-touch-with-your-ma/>

<https://cibe.co.za/the-growing-influence-of-technology-in-managing-precincts/>

<https://cibe.co.za/know-your-csw-refuse-bags/>

<https://cibe.co.za/africa-travel-indaba-hailed-as-a-resounding-success/>

<https://cibe.co.za/africa-travel-indaba-to-boost-tourism-sector/>

<https://cibe.co.za/public-perceptions-and-how-it-affects-our-precincts/>

<https://cibe.co.za/the-benefits-of-greenspaces/>

<https://cibe.co.za/strong-business-travel-recovery-in-durban/>

<https://cibe.co.za/mayor-launches-ethekwinis-regional-hydrogen-strategy/>

11.3. CIBEMA Annual Perception Surveys

The CIBEMA 2022 Annual Perception Survey was conducted in November 2022. An analysis of these results was circulated to the Board and its members. The 2023 Annual Perception survey is underway and results will be shared in the new year.

Click the links below for news related to the annual perception surveys:

https://cibe.co.za/wp-content/uploads/bsk-pdf-manager/2023/04/230306_Cornubia-infograph_outlined.pdf

<https://cibe.co.za/the-cornubia-industrial-and-business-estate-management-association-annual-perception-survey-2022/>

11.4. Cornubia Welcome Guide

The Cornubia Welcome Guide was launched in September 2022 to provide members and key stakeholders of the precinct with key information about the CIBEMA. This friendly and engaging guide is hosted on the [CIBEMA website](#) and can be downloaded onto any digital device. [View the Cornubia Welcome Guide](#)

Click the links below for news related to general news items:

<https://cibe.co.za/beautifying-our-precinct/>

<https://cibe.co.za/a-greener-cornubia/>

<https://cibe.co.za/preparing-our-gardens-for-spring/>

<https://cibe.co.za/gardens-so-green/>

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<https://cibe.co.za/boundary-cutting-and-topsoil-added-in-the-precinct/>

<https://cibe.co.za/focusing-on-landscaping-the-precinct/>

<https://cibe.co.za/landscapping-crews-focus-on-grass-cutting-despite-rain/>

<https://cibe.co.za/12355-2/>

12. Thank You

In conclusion, I would like to thank the CIBEMA Board of Directors for contributing their time, effort, and careful consideration in acting in the best interest of the Members of the Association. Thank you to all members, tenants, and communities for your continued support to the Association.

A thank you is extended to the UrbanMGT, our management team, for their work and efforts in the running of the CIBEMA.

I wish you all a great year ahead and look forward to working collectively to secure the future CIBEMA and its stakeholders.

In closing, I would like again to extend an invitation to any members, who feel that they would like to contribute to the running of the precinct and the Association, to consider standing as a director.

Yours sincerely,

Gerald Chotu

Chair of the Cornubia Industrial Business Estate Management Association.

