LOWER GARDENS
CITY IMPROVEMENT DISTRICT

# Lower Gardens CID

# Procurement Policy

# 1. Introduction to the Lower Gardens CID Procurement Policy

This document establishes the foundational procurement policy for the Lower Gardens City Improvement District Non-Profit Company (LGCID). Its primary objective is to guide the acquisition process for all goods, services, and works from external service providers. The policy is meticulously designed to ensure the LGCID consistently obtains optimal value, considering critical factors such as quality, quantity, delivery timelines, and location. Concurrently, it upholds core principles of fairness, transparency, and accountability across all procurement activities. This policy is binding on all procurement activities undertaken by the LGCID, including its Board of Directors, management, and any personnel authorized to engage in purchasing on its behalf.

The Lower Gardens CID is specifically established to enhance and upgrade its designated area, with its operations funded through an additional property rate levied on rateable properties within its boundaries. The LGCID's operational framework is detailed in its comprehensive Business Plan, which outlines key programmes encompassing Public Safety, Urban Management, Environmental Management, and Social Development. The CID operates for an initial term of five years, after which it is required to re-apply for an extension. This procurement policy is therefore not merely a procedural document but a critical instrument for the LGCID's successful operational launch and its sustained, accountable performance throughout its term.

As a Non-Profit Company, the LGCID operates under the Companies Act of South Africa and is specifically subject to the City of Cape Town City Improvement District By-Law 2023 ("CID By-law") and the overarching CID Policy. This procurement policy has been developed to ensure strict alignment and compliance with these legislative and regulatory frameworks, providing a robust legal basis for all procurement decisions and activities.

# 2. Objectives and Guiding Principles

The LGCID's procurement policy is underpinned by a set of clear objectives and guiding principles, ensuring that all acquisition processes are conducted with the highest standards of governance and strategic purpose.

### Core Procurement Objectives

The fundamental objectives guiding all LGCID procurement activities are:

- To ensure fairness, equity, transparency, competitiveness, cost-effectiveness, and accountability in obtaining, securing, or purchasing goods or services.
- To acquire goods, services, or works at the most advantageous price, taking into account crucial aspects such as quality, required quantity, delivery timeframes, and geographical location.
- To rigorously assess and confirm that all prospective service providers are appropriate for the task, and that their pricing, conditions of purchase, and related terms are suitable and align precisely with the intended purpose and requirements.

### Lower Gardens CID Specific Principles

Beyond these universal procurement objectives, the LGCID incorporates specific principles derived from its unique mandate and operational values:

- **Transparency and Accountability**

The LGCID is deeply committed to open and transparent processes. This commitment mandates that competitive quotations are systematically obtained, evaluations are thoroughly documented, and all procurement decisions are formally recorded. Specifically, all selections of contracted service providers will be meticulously documented in the minutes of the relevant forum meetings. This dedication to transparency extends beyond procurement to encompass broader financial disclosure; for instance, all sponsorships or donations received by the LGCID must be transparently disclosed and reported on a quarterly basis to the community. This practice is vital for

upholding public trust and preventing any potential conflicts of interest. The requirement for such extensive documentation and public reporting indicates a strong organizational culture of accountability to the community and its stakeholders, not solely within procurement but across all financial operations. This necessitates the implementation of robust internal controls and comprehensive audit trails to support consistent and accurate public reporting.

- **Local Community Preference ("Local is lekker")**

A core value of the LGCID is to support the local economy and community. Consequently, wherever feasible, the LGCID will prioritize the engagement of local Lower Gardens community suppliers. These suppliers are often uniquely positioned to understand the area's specific challenges and dynamics. While this principle strongly advocates for local engagement, its application is balanced with the fundamental objectives of competitiveness and value for money. The policy must therefore define how this preference is applied, which could involve assigning a specific weighting in evaluation criteria for local businesses, establishing set-aside programs for smaller contracts, or requiring larger bidders to demonstrate local content or subcontracting arrangements. A clear definition of "local" (e.g., registered address, primary operational base within the CID) is also essential to ensure equitable application of this preference.

- **Social Upliftment and "Hand Up" Employment**

A particularly distinctive and crucial principle for the LGCID is its commitment to social upliftment through procurement. Suppliers who either are, or actively collaborate with, local Non-Governmental Organizations (NGOs) that offer "hand up" employment opportunities for various categories of rehabilitated individuals, especially homeless individuals from the Lower Gardens area, will be considered most favorably. Furthermore, for certain services, all workers are expected to be recruited from local NGO programmes focused on providing such employment opportunities. This signifies that procurement is viewed not just as a means to acquire services but as a powerful tool for social development and rehabilitation. To operationalize this, the procurement policy must explicitly integrate this social impact into its evaluation criteria. Bidders will

be required to detail their partnerships with relevant NGOs, outline their recruitment processes for rehabilitated individuals, and potentially provide measurable metrics on the number of "hand up" opportunities created or sustained. This moves beyond a mere preference to a verifiable criterion, necessitating ongoing monitoring post-award to ensure compliance and tangible social impact, potentially through requiring proof of employment, training records, or formal partnership agreements with specified NGOs.

- **Performance-Based Contracts**

The LGCID is committed to ensuring that its service providers deliver measurable results and are held fully accountable for their performance. To this end, all supplier Service Level Agreements (SLAs) will be designed to include detailed, accountable success metrics that will be measured on a monthly basis. These agreements will also incorporate provisions for regular performance reviews and clear performance-related exit clauses. The policy also allows for the awarding of incentives, which will be measured against defined targets achieved across specific category objectives and reported monthly to the community. This approach signifies a shift from purely transactional procurement to strategic performance management, necessitating robust contract management capabilities within the LGCID to effectively monitor, evaluate, and enforce these performance standards.

# 3. General Procurement Requirements and Responsibilities

To ensure the integrity and effectiveness of its procurement processes, the LGCID adheres to several general requirements and clearly defines responsibilities for all involved parties.

- **Documentation and Record Keeping**

A fundamental requirement of this policy is the meticulous recording and storage of all procurement-related information. This includes, but is not limited to, all quotes, motivations for decisions, minutes of relevant meetings, and any supporting

documentation. These records must be maintained with the current financial year's records and subsequently archived at the end of each financial year. This rigorous approach to documentation is essential for upholding transparency, ensuring accountability, and facilitating comprehensive auditability of all procurement activities.

- **Conflict of Interest Declaration**

To prevent undue influence and maintain impartiality, each Board Member is mandated to declare any direct or indirect financial benefit they may receive from LGCID procurement activities. This declaration must occur prior to the review and approval of any supplier. Following such a declaration, the Board Member must recuse themselves from the decision-making process, in strict accordance with Section 75 of the Companies Act. This principle of conflict of interest declaration and recusal extends to all individuals involved in any stage of the procurement process, ensuring ethical conduct and unbiased decision-making.

- **Ethical Conduct and Financial Misconduct**

The Board of Directors is unequivocally committed to upholding the highest ethical standards. It will take appropriate and decisive action against any corrupt or unethical activities, as well as acts of financial misconduct, related to the purchase of goods and services. This commitment encompasses, but is not limited to, addressing instances of fraud, bribery, collusion, and misrepresentation, thereby reinforcing the LGCID's dedication to integrity and responsible financial stewardship.

- **Compliance with External Regulations**

The LGCID operates within a defined regulatory landscape, and its procurement policy reflects a strong commitment to compliance with all applicable external regulations.

- **Private Security Industry Regulatory Authority (PSIRA)**

For all public safety initiatives, which form a cornerstone of the LGCID's services, it is a mandatory requirement that service providers are duly registered with the Private

Security Industry Regulatory Authority (PSIRA) and any other appropriate regulatory organizations. This registration will serve as a non-negotiable pre-qualification criterion for any entity bidding on security-related contracts.

- **Protection of Personal Information Act (POPIA)**

The LGCID is committed to full compliance with the Protection of Personal Information Act (POPIA) in relation to any information gathered, particularly that derived from the deployment of public safety technology such as Licence Plate Recognition (LPR) and CCTV systems. This commitment extends to procurement; contracts for services involving personal data must include explicit clauses ensuring the supplier's compliance with POPIA. This means the LGCID must conduct due diligence on potential suppliers' POPIA compliance, and contracts must include specific provisions for data processing, data security, breach notification, and audit rights. This approach ensures that the responsibility for POPIA compliance extends throughout the supply chain, mitigating significant legal and reputational risks associated with data breaches by third parties.

- **City of Cape Town CID By-Law**

All procurement processes undertaken by the LGCID must strictly adhere to the provisions outlined in the City of Cape Town City Improvement District By-Law 2023 and its associated CID Policy. This ensures that all procurement decisions and procedures are consistent with the broader regulatory framework governing City Improvement Districts.

# 4. Procurement Process Tiers and Approval Matrix

The LGCID's procurement framework is structured into distinct tiers, each with specific requirements and approval levels to ensure appropriate oversight based on expenditure value. The Board is responsible for determining the most suitable procurement process, whether a Request for Proposals (RFP) or a Request for Quotation (RFQ), for each instance.

**Procurement Process Tiers**

**Tier 1: Micro-Purchases (Up to R20,000.00)**

- **Expenditure Range:** This tier applies to once-off expenses between R5,000.00 and R20,000.00 that form part of the annual operating budget.
- **Process:** Purchases within this range are generally exempt from the full formal policy requirements. However, the CID Manager is responsible for ensuring that sound procurement practices are followed in each instance. While not explicitly mandated for multiple quotes, sound practice dictates obtaining at least one competitive quote or ensuring the reasonableness of the price through comparison.
- **Responsible Party:** The CID Manager holds primary responsibility for these procurements.
- **Approval:** The CID Manager is authorized to approve these purchases, but must inform and seek input from the Financial Committee as necessary. The term "exempt from this policy" for small purchases does not imply exemption from sound financial management. The policy clarifies that "sound procurement practices" for this tier include, at minimum, verifying the need, ensuring the price is reasonable (e.g., through quick comparison or prior knowledge), and documenting the decision. The involvement of the Financial Committee for "input" suggests a necessary level of oversight to prevent the accumulation of small, unchecked expenses, which can otherwise lead to inefficient spending.
- **Documentation:** Basic records of purchase and justification are required.

**Tier 2: Small to Medium Value Procurements (R20,001.00 to R100,000.00)**

- **Expenditure Range:** This tier covers expenses exceeding R20,001.00 and up to R100,000.00, whether approved as part of the operating budget or funded from accumulated surplus/retention funds.
- **Process:** The CID Manager is required to define the terms of reference for the planned procurement and then source a minimum of three independent quotes. These quotes must include relevant specification details regarding the item or service to be secured.

- **Recommendation:** The CID Manager must prepare a written recommendation for the preferred provider, supported by all relevant documentation.
- **Approval:** The written recommendation, along with all supporting documents, must be submitted to the Financial Committee for their consideration and approval to proceed.
- **Contract Signing:** If the goods or services are to be supplied under a contract, it may only be signed by the Board Chair and the Board Deputy Chair, or other Directors/CID Manager as may be specifically mandated by the Board to fulfill this duty on behalf of the CBCID.
- **Documentation:** Required documentation includes the terms of reference, the three independent quotes, the CID Manager's written recommendation, the Financial Committee's approval, and the signed contract.
- **Board Notification:** The procurement decision and all supporting documents must be included in the document pack for the next scheduled Board meeting for their information.

**Tier 3: High Value Procurements (Exceeding R101,000.00)**

- **Expenditure Range:** This tier applies to expenses exceeding R101,000.00, whether approved as part of the operating budget or funded from accumulated surplus/retention funds.
- **Process:** For procurements of this magnitude, the Board may establish a dedicated working group of Directors to provide specialized input. The CID Manager, collaborating with this working group, must meticulously document the terms of reference for the proposed procurement. They must then jointly determine whether an open Request for Proposals (RFP) or a more targeted call for submissions is required. These terms of reference are then disseminated to potential proposers, who make submissions in response.
- **Supplier Assessment:** The CID Manager, with input from the working group, is responsible for preparing a comprehensive supplier assessment document. This document will always include a governance assessment as a mandatory qualifying criterion.
- **Presentations and Selection:** Potential providers are invited to make a presentation to a selection panel, typically comprising working group members

and staff. A detailed selection grid must be completed for each provider and retained as part of the procurement record. The selection panel then formulates a written recommendation regarding the selection of the provider, which is submitted to the full Board for final review and approval.

- **Contract Signing:** Any contract for goods or services in this tier may only be signed after it has been approved by a formal resolution of the Board. The contract must be signed by the Board Chair and the Board Deputy Chair, or other Directors/CID Manager as specifically mandated by the Board resolution.
- **Documentation:** Required documentation includes the terms of reference, the RFP or targeted call documents, all supplier submissions, the supplier assessment document, the completed selection grid, the selection panel's written recommendation, and the formal Board resolution approving the contract.

**Tier 4: Internal Capacity Building/Program Expansion/Special Projects**

- **Funding Source:** This tier specifically covers projects funded by accumulated surpluses, focusing on internal capacity building, program expansion, or other special initiatives.
- **Process:** The CID Manager is responsible for leading the project development process and documenting a full project or program scope. As part of this process, the CID Manager must consult with Board members and may also seek inputs from external parties. Once the scope is documented, the CID Manager develops a comprehensive implementation plan and a full proposed budget.
- **Approval:** The complete project/program scoping document, implementation plan, and budget must be submitted to the full Board for their thorough review, comment, and final approval to proceed. This ensures full Board buy-in for significant new ventures and strategic initiatives.

**Variations from Policy / Sole Source / Emergency Procurements**

- **Unique Suppliers:** In exceptional circumstances where potential suppliers are deemed unique due to their specific skills, competencies, and attributes, the full Board may agree to vary the requirement to request proposals from multiple suppliers for a specific procurement.

- **Emergencies:** Properly authorized emergency procurements may bypass regular purchasing procedures. However, such procurements require appropriate documentation and authorization to justify the deviation from standard processes.[3] While flexibility is necessary, these exceptions represent high-risk areas for potential misuse. The policy must clearly define what constitutes a "unique supplier" or an "emergency" (e.g., immediate threat to safety, property, or operations). It is imperative that strict documentation is maintained for such exceptions, including detailed justifications, approval by the highest relevant authority (e.g., the Board for sole source, or the CID Manager with immediate Board notification for emergencies), and a clear audit trail to ensure accountability and prevent any abuse of these clauses.

**Table 1: Procurement Thresholds and Approval Matrix**

This table provides a concise reference for the LGCID's procurement processes, outlining the required steps, responsible parties, and approval authorities for various expenditure ranges.

| Expenditure Range (ZAR) | Required Quotes/Proposals | Sourcing/Recommendation By | Approval Body | Contract Signing Authority | Key Documentation Required |
|---|---|---|---|---|---|
| Up to R20,000.00 (Once-off) | Sound Practice (e.g., 1-2 informal quotes) | CID Manager | CID Manager (with FinCom input) | CID Manager | Basic record/justification of purchase |
| R20,001.00 to R100,000.00 | Minimum 3 independent quotes | CID Manager | Financial Committee | Board Chair/Deputy Chair (or delegated) | Terms of Reference, 3 Quotes, CID Manager Recommendation, Financial Committee Approval |
| Exceeding R101,000.00 | Open RFP/Targeted Call | CID Manager with Working Group | Full Board (based on Selection Panel recommendation) | Board Chair/Deputy Chair (or delegated, post-Board resolution) | Terms of Reference, RFP/Call documents, Supplier Submissions, |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | Assessment, Selection Grid, Panel Recommendation, Board Resolution |
| Special Projects (Surplus Funded) | Project Scope/Budget Development | CID Manager | Full Board | Board Chair/Deputy Chair (or delegated, post-Board resolution) | Project Scope, Implementation Plan, Budget, Board Approval |
| Variations/ Emergencies | Board Approval for variation/justification | CID Manager/Board | Full Board | As per Board resolution | Detailed Justification, Board Resolution |

# 5. Specific Procurement Considerations for Lower Gardens CID

The LGCID's procurement policy is tailored to address the unique operational needs and strategic priorities outlined in its Business Plan.

- **Public Safety Initiatives**

Public safety forms the cornerstone of the LGCID's services, with a significant proportion of the budget allocated to this area. Procurement in this domain is therefore critical. All service providers engaged for public safety initiatives must be registered with the Private Security Industry Regulatory Authority (PSIRA) and other relevant organizations. Furthermore, the procurement of services involving advanced technology such as Licence Plate Recognition (LPR) and CCTV controllers must ensure seamless integration with central intelligence databases. This integration is vital for enhancing crime prevention, feeding alerts into intelligence systems for arrests, acting as a deterrent to criminals, and providing crucial evidence for post-event investigations. This means that procurement for public safety extends beyond merely hiring personnel; it involves acquiring integrated technological solutions. The policy must ensure that RFPs for security services explicitly require proposals to demonstrate technical compatibility with existing or planned central intelligence databases, adherence to data security protocols (including POPIA compliance), and the capabilities of CCTV controllers. This approach moves beyond basic service provision to strategic technological integration and robust data governance.

- **Social and Economic Development (Social Services)**

The LGCID aims to actively engage Non-Governmental Organizations (NGOs) that focus on supporting individuals living on the streets, with the goal of fostering a community-wide social services program. Procurement for social services will therefore prioritize lead implementing partners who can demonstrate strong, established partnerships with local NGOs. Crucially, these partners must present a clear strategy for

offering "hand up" employment opportunities, particularly for homeless individuals from the Lower Gardens area, aligning directly with the LGCID's social mandate.

- **Urban Management (Maintenance and Cleansing)**

For urban management services, specifically maintenance and cleansing, the LGCID will seek lead implementing partners. A distinct preference will be given to partners who propose to incorporate existing local cleaning teams into their operations and who can ensure the consistent supply of all necessary tools and facilities required for effective service delivery. This approach aligns with the "local is lekker" principle and addresses practical operational needs.

- **Environmental Development (Parks & Recreation)**

Procurement for environmental development, including parks and recreation, will require lead implementing partners with demonstrated expertise in greening initiatives, horticultural care, and potentially the integration of public art installations. An additional critical requirement is that park caretakers are adequately trained in security aspects, ensuring a holistic approach to maintaining and enhancing public spaces. This reflects the multi-faceted nature of urban management beyond just cleanliness, encompassing environmental stewardship and public safety.

- **Accountable Metrics and Performance Measurement**

Across all service categories, the procurement policy mandates that all proposals submitted by potential service providers must include detailed plans outlining how "accountable success metrics" will be measured on a monthly basis. These clearly defined metrics will form the fundamental basis for ongoing performance reviews, and will inform decisions regarding the application of performance-based incentives or penalties, ensuring that the LGCID's commitment to performance-driven outcomes is consistently upheld across all its programmes.

# 6. Confidentiality, Protection of Proposals, and Access to Information (PAIA)

The Lower Gardens CID (LGCID) is committed to transparency and compliance with the Protection of Access to Information Act (PAIA). However, the LGCID must also protect the commercially sensitive, proprietary, and competitive information contained within proposals submitted by service providers during an RFP or RFQ process.

To manage requests for access to these documents, particularly those submitted by CID members, the following mandatory controls are instituted:

### 6.1. Supplier Consent for Disclosure

All companies, firms, or service providers submitting a proposal (RFP/RFQ) shall, as a mandatory condition of submission, grant express written permission for the LGCID to allow access to and review of their submitted proposal documents by CID members, in response to a formal PAIA request.

- This consent must be provided as part of the formal submission documents, acknowledging that without it, the LGCID may not be able to comply with future PAIA requests regarding the proposal.
- The LGCID reserves the right to exclude any submission from the competitive process if the bidding company refuses to grant this conditional consent for disclosure to LGCID members, as this refusal would significantly impair the LGCID's ability to fulfil its governance and accountability obligations.

### 6.2. Mandatory Non-Disclosure Agreement (NDA) for Access

Any CID member who formally requests and is granted access to review the confidential proposals and competitive bidding information of service providers, whether under PAIA or other means, must first sign a legally binding **Non-Disclosure Agreement (NDA)** with the Lower Gardens CID.

- Purpose of the NDA: The NDA serves to protect the commercial rights, intellectual property, pricing strategies, methodologies, and other proprietary information contained within the proposal documents.
- By signing the NDA, the CID member commits to maintaining the strict confidentiality of the information and acknowledges that the information accessed is proprietary and is not freely available in the public domain.
- The NDA shall include clear provisions confirming that the accessed information is for the sole purpose of oversight as a CID member and may not be disseminated to the public or used for any personal competitive advantage.
- Breach of this agreement by the CID member may result in appropriate legal action being taken by the LGCID or by the affected bidding company whose confidential information was disclosed.

# 7. Contract Management, Performance Monitoring, and Payment

Effective contract management and performance oversight are critical to ensuring the LGCID receives the intended value from its procured goods and services.

- **Service Level Agreements (SLAs)**

All contracts for goods and services, particularly those for ongoing service provision, must incorporate comprehensive Service Level Agreements (SLAs). These SLAs will explicitly detail accountable success metrics, Key Performance Indicators (KPIs), specific reporting requirements, and clear performance-related exit clauses. The inclusion of these robust SLAs is a direct implementation of the LGCID's stated preference for performance-based contracts.

- **Performance Monitoring and Review**

Regular reviews of supplier performance against the agreed-upon KPIs will be conducted. These reviews will occur monthly, or at intervals otherwise specified within the individual contract. The outcomes of these performance reviews are instrumental in

informing decisions regarding contract continuation, renewal, or potential termination. The emphasis on monthly reviews and detailed SLAs necessitates a significant ongoing administrative commitment. This implies the need for a designated role or team (e.g., the CID Manager and relevant staff) responsible for diligent contract management, systematic data collection for KPI tracking, and regular reporting to the Board or Financial Committee. Without such a dedicated function, the commitment to performance-based contracts risks becoming a theoretical aspiration rather than an operational reality.

- **Incentives and Penalties**

The policy allows for the strategic inclusion of performance-based incentives within contracts. These incentives will be directly linked to defined targets achieved across specific category objectives and will be reported monthly. Conversely, clear penalties or remedial actions for non-compliance or underperformance must also be stipulated within the contractual agreements, providing a balanced framework for motivating high performance and addressing any deficiencies.

- **Payment Terms**

Payment to suppliers will be contingent upon the satisfactory delivery of goods or services. This satisfaction will be rigorously verified against the terms stipulated in the contract and the agreed-upon performance metrics. All payment schedules and terms will be clearly defined and documented within each individual contract, ensuring financial prudence and linking payment directly to verified delivery.

# 8. Governance, Compliance, and Ethical Conduct

Robust governance, unwavering compliance, and steadfast ethical conduct are foundational pillars of the LGCID's operations and are deeply embedded within its procurement policy.

- **Board Oversight and Accountability**

The Board of Directors retains ultimate oversight and approval authority for all significant procurement decisions, as detailed within Section 4 of this policy. The Board bears the primary responsibility for ensuring the LGCID's strict adherence to this policy, as well as to all relevant legal and ethical standards. This reinforces the Board's fiduciary duties and its overarching governance role in safeguarding the LGCID's resources and reputation.

- **Compliance with City of Cape Town CID By-Law**

All procurement activities must be conducted in strict compliance with the City of Cape Town City Improvement District By-Law 2023 and the associated CID Policy. This includes adherence to any specific requirements regarding public participation processes, alignment with approved budgets, and mandated reporting obligations to the City of Cape Town.

- **POPIA Compliance in Practice**

Beyond general compliance, the policy explicitly requires service providers who handle personal information—such as data from CCTV footage, Licence Plate Recognition (LPR) systems, or community survey data—to actively demonstrate their own compliance with the Protection of Personal Information Act (POPIA). Contracts with such providers must include specific data processing agreements and robust security protocols. When the LGCID outsources services that involve processing personal information, the responsibility for POPIA compliance extends to the service provider. Therefore, the policy mandates that the LGCID conducts thorough due diligence on potential suppliers' POPIA compliance, and that contracts include specific clauses on data processing, data security, breach notification, and audit rights. This ensures that the LGCID's entire supply chain is compliant, thereby mitigating significant legal and reputational risks associated with data breaches by third parties.

- **Transparency in Financial Management**

While specifically highlighted for sponsorships and donations, the principle of transparent financial disclosure permeates all aspects of the LGCID's operations, including procurement. To uphold the LGCID's commitment to accountability, key procurement outcomes—such as major contracts awarded, their value, and the selected suppliers - should be made publicly available or reported to the community periodically. This broadens the concept of transparency from a specific financial aspect to encompass overall operational openness.

**8. Policy Review and Amendment**

To ensure its continued relevance and effectiveness, this procurement policy is subject to regular review and a formal amendment process.

- **Regular Review**

This policy will be reviewed periodically, with a minimum frequency of at least annually. Reviews will also be conducted as necessitated by changes in relevant legislation, evolving LGCID operational needs, or the emergence of new best practices in procurement. This proactive approach ensures the policy remains current and fully effective in guiding the LGCID's procurement activities.

- **Alignment with CID Term**

Given that the LGCID operates for a five-year term and must undergo a re-application process for extension, a comprehensive review of this procurement policy will be undertaken well in advance of each re-application. This strategic timing ensures the policy's continued suitability and alignment with the evolving business plan and the needs of the community it serves. The effectiveness of this procurement policy directly influences the LGCID's ability to deliver on its business plan and secure re-approval. Therefore, aligning the policy review with the re-application process allows the LGCID to demonstrate good governance and adaptability to the City of Cape Town and its property owners, making the policy a vital tool for long-term sustainability.

- **Amendment Process**

Any proposed amendments or revisions to this policy must be formally approved by a resolution of the LGCID Board of Directors, ensuring that all changes undergo appropriate governance scrutiny.

# Conclusion

This Procurement Policy for the Lower Gardens City Improvement District is a comprehensive framework designed to govern all acquisition processes with integrity, efficiency, and strategic alignment. By integrating robust governance principles, stringent financial prudence, and a profound commitment to social impact, the policy serves as a critical instrument for the LGCID's operational success.

The policy's tiered approach to procurement, coupled with clear approval matrices, ensures appropriate oversight for expenditures of varying values, from micro-purchases to high-value strategic projects. Its emphasis on transparency, meticulous documentation, and strict adherence to conflict of interest declarations reinforces the LGCID's accountability to its stakeholders. Furthermore, the policy's explicit integration of the LGCID's unique values—such as prioritizing local suppliers and fostering "hand up" employment opportunities—transforms procurement into a powerful tool for community development and social upliftment.

The detailed provisions for performance-based contracts, including Service Level Agreements, Key Performance Indicators, and mechanisms for incentives and penalties, underscore a commitment to measurable outcomes and continuous improvement in service delivery. Coupled with rigorous compliance requirements, particularly concerning PSIRA registration for public safety and adherence to POPIA for data handling, the policy mitigates operational, legal, and reputational risks.

Ultimately, this policy is more than a set of rules; it is a strategic blueprint that ensures the LGCID's resources are utilized effectively, ethically, and in a manner that directly contributes to the safety, cleanliness, and overall enhancement of the Lower Gardens area. Its regular review cycle, particularly in anticipation of the CID's re-application for

extension, ensures its enduring relevance and effectiveness as a cornerstone of the LGCID's governance and operational excellence.