



Grant Thornton

City of Cape Town

Evaluation of City Owned Resorts
July 2009



City of Cape Town
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5th Floor Cape Town Civic Centre
Cape Town
8000

Attention: Ms Pauline van der Spuy

27 July 2009

Dear Pauline,

Final Report on the Evaluation of City Owned Resorts

We have pleasure in presenting our report on the Evaluation of City Owned Resorts.

The opinions and recommendations contained in this report are based on such information as was available to us at the time of our research and the study is based on estimates, assumptions and other information developed by us from our independent research, general knowledge of the industry, and from consultations with the Client and its representatives. We assume no responsibility for inaccuracies in reporting by the Client, its agents and representatives or any other data source used in preparing or presenting our study.

In performing our procedures, we have assumed and relied upon, without independent verification, the accuracy and completeness of the information provided to us or otherwise received by us for the purposes of this report, whether in writing or obtained through research or discussions with various parties including the Client and its representatives, and we have not assumed and do not assume any liability therefore.

To the extent that our advice is based on unaudited information provided to us, obviously we cannot accept responsibility if such information (and therefore advice based on it), is incorrect.

The estimates and projections included in our report are not presented as results or outcomes that are inevitable under any circumstances. Factors which are unquantifiable and unpredictable, including but not limited to the weather, the general state of the economy, market acceptance, management approach, quality and effectiveness of design and others have not been considered in the preparation of this report. The estimates and projections are, instead, subject to the various assumptions and bases stated in the report.

Our report is based on the current economic and regulatory conditions. It should be understood that subsequent developments may affect our conclusions which we are under no obligation to update, revise or affirm. Therefore, as is customary with studies of this nature, we advise that the

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Client ensures that all data and conclusions are reviewed and updated from time to time to take account of changing conditions.

Our report is solely for the information purposes of the Client. Our complete report may be used for presentation to relevant third parties, however, we require that you inform us in writing of all parties to whom the report is made available. Our report may not be quoted or distributed in part without our prior written consent.

We trust that the report will prove useful for your purposes. We would, of course, be pleased to discuss any aspect of the report with you in more detail should you so require.

Yours sincerely



Martin Jansen van Vuuren

Director

Grant Thornton Strategic Solutions

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Section 1: Introduction

1.1 Background

The City of Cape Town (“**The Client**”) owns and manages 13 resorts across the Cape Town Metropolitan. These resorts are located in 5 tourism destination areas (“**TDA**”) identified in the City of Cape Town’s Tourism Development Framework of 2004. The resorts as well as their corresponding TDAs are shown in **Table 1.1**.

Table 1.1: City of Cape Town Owned and Managed Resorts

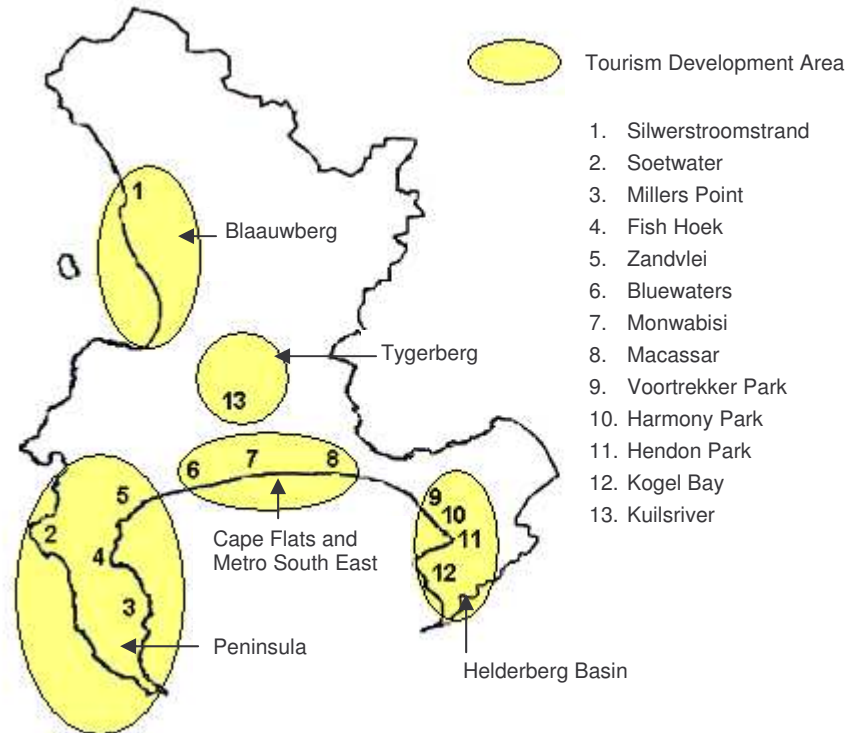
Resort Name	Tourism Destination Area
Silwerstroom	Blaauwberg
Soetwater	Peninsula
Millers Point	Peninsula
Fish Hoek	Peninsula
Zandvlei	Peninsula
Blue Waters	Cape Flats and Metro South East
Monwabisi	Cape Flats and Metro South East
Macassar	Cape Flats and Metro South East
Voortrekker Park	Helderberg Basin
Harmony Park	Helderberg Basin
Hendon Park	Helderberg Basin
Kogel Bay	Helderberg Basin
Kuilsriver	Tygerberg

Source: City Resorts Product and Facility Development Guidelines

Figure 1.1 provides a spatial overview of the resorts. With the exception of Kuilsriver the resorts are also strategically located on scenic routes identified in the City Resorts Project.

Silwerstroomstrand is located on the West Coast route, the Peninsula resorts are located on the Cape Town to Cape Point route, the Cape Flats and Metro South East resorts are on the scenic Baden Powell Drive, and the Helderberg Basin resorts are on the Gordon’s Bay to Kleinmond route.

Figure 1.1: Resorts Owned and Managed by the City of Cape Town



Source: Grant Thornton and City of Cape Town City Resorts Project

The Client has appointed Grant Thornton to evaluate the existing and potential markets for these resorts, and to make strategic recommendations in order to maximise the revenue generating capabilities of each of the facilities. Specific attention has been paid to how each facility contributes or competes with the collective group of city owned resorts, and the following aspects of each resort have been evaluated:

- The current state of the resort in terms of its infrastructure, facilities and any other relevant aspects;
- The estimated current grading of the facility according to the requirements and grading criteria of the Tourism Grading Council of South Africa (“TGCSA”);
- The market that the resort is likely to attract, or could potentially attract, taking into account its location, facilities, etc;
- Possible recommendations on the ideal level of grading required for the resort to cater for this market; and
- Recommendations on the infrastructure and facility improvements that may be needed to achieve the ideal grading, and to make the resort viable.

Any strategic recommendations must take cognisance of the 5 resort goals identified in the Client's draft City Resorts Project, namely:

- To provide quality affordable accommodation at the lower end of the market without excluding the higher end where possible;
- To increase the income of the resorts through efficient marketing of the resorts product;
- To ensure the continuous improvement of the resorts from a management and infrastructure perspective;
- To develop an integrated resort product;
- To grant concessions and leases that will contribute to the overall product quality of the resorts;
- To ensure that any new buildings are in line with the “touch the ground lightly” philosophy, development and design guidelines, and that minimum standards are adhered to.

1.2 Structure of the Report

Section 1 of this report provides an introduction and background to the project. The methodology followed during the course of the project is also outlined. **Section 2** provides an overview of tourism in South Africa and the Western Cape. The foreign, domestic and backpacker tourism markets are all analysed in detail based on statistics published by South African Tourism. In **Section 3** we consider the existing facilities, conduct a SWOT analysis, identify the target markets and make recommendations for each of the Client's resorts.

Section 4 provides a set of overarching recommendations (applicable to all resorts regardless of their facilities and location) regarding the minimum facility standards required in order to compete in the market. **Section 5** provides a quantitative analysis of the supply of - and demand for - the Client's resort facilities, and **Section 6** details a broad regional strategy for the resorts in each of the identified TDAs.

1.3 Methodology

During the course of the project we have, inter alia:

- Met with the Client to ascertain the scope, constraints and peculiarities of the project and to prepare and finalise a detailed study brief;
- Established a steering committee for the study;
- Reviewed all research conducted and information gathered by the Client including but not limited to:
 - City of Cape Town's Tourism Development Framework, Business Plan 2005/6 – 2008/9;
 - City of Cape Town's Tourism Development Framework, Tourism Spatial Framework;
 - City of Cape Town's Local Economic Development Plan;
 - City of Cape Town's Spatial Development Plan; and
 - City of Cape Town's Integrated Development Plan.

- Reviewed all research conducted by others and ourselves including the research conducted during the course of the 2008 review of the Western Cape Integrated Tourism Development Framework;
- Developed and agreed on a detailed work plan with the Client.
- Conducted site visits at all 13 resorts owned and managed by the City of Cape Town as well as 3 additional resorts that are owned by the Client but leased to a private party. During the site visits we assessed the following:
 - Exterior of Buildings and grounds;
 - Sites;
 - Ablutions and Bathrooms;
 - Scullery
 - Laundry;
 - Communal and Public Areas;
 - Housekeeping;
 - The bedrooms;
 - Kitchens;
 - Lounge/dining room/patio; and
 - The staffing of the resort including number of staff, skill level, job descriptions, etc.
- Appointed an official registered with the TGCSA to indicate the level of grading of each of the resorts as well as to offer recommendations regarding the grading of each of resorts.
- Reviewed the operational information available for each resort to assess:
 - The current operational and financial performance of each resort;
 - The current markets attracted by the resort; and
 - The current rates charged, etc.
- Reviewed other information gathered by the client regarding the resorts, including:
 - Facility audits;
 - Annual Revenues;
 - Feasibility reports;
 - Strategy and development plans; etc
- Conducted surveys via personal visits, email or telephone interviews with the Client's representatives as well as with managers of the Client's resorts to determine:
 - Name;
 - Location;
 - Size and standard;
 - Facilities and services provided;
 - Main theme/brand;
 - Source of business;
 - Market mix;
 - Seasonality of demand;

- Guest characteristics;
 - Rates (rack and average room);
 - Occupancies/patronage levels;
 - Trends they have experienced in the last 5 years;
 - Their expectations of the market in the next 5 years; and
 - Expansion or upgrade plans if any.
- Conducted surveys via personal visits, fax, email or telephone interviews of a select number of existing resorts in and around the City of Cape Town and the broader Western Cape not owned by the City of Cape Town to determine:
 - Name;
 - Location;
 - Size and standard;
 - Facilities and services provided;
 - Main theme/brand;
 - Source of business;
 - Market mix;
 - Seasonality of demand;
 - Guest characteristics;
 - Rates (rack and average room);
 - Rates for other services such as food and beverage, spa, conferencing, etc;
 - Occupancies/patronage levels;
 - Trends they have experienced in the last 5 years;
 - Their expectations of the market in the next 5 years; and
 - Expansion or upgrade plans if any.
 - We compiled a draft report for discussion with the Client’s representatives as well as any relevant stakeholders which included:
 - An assessment of the current state of the resorts including its infrastructure, management and other relevant aspects;
 - An estimation of what the current grading would be if the resort met the minimum requirements and grading criteria as per the TGCSA;
 - An evaluation of the market that the resort is likely to attract, or should attract, taking into account its location, facilities, etc;
 - Recommendations on the ideal level of grading required for the resort to cater for the likely/ideal market; and
 - Recommendations on the infrastructure and management improvements that may be needed to achieve the ideal grading.

Following the discussion of the draft report with the Client and any relevant stakeholders, we will incorporate the input from the stakeholders and the client into the report and present the final report to the client.

Section 2: Tourism in South Africa and the Western Cape

2.1 Introduction

This section will position itself centrally around the focus of types of accommodation, and the usage that is indignant of various types of accommodation. The understanding of this is imperative to the understanding of the resorts that fall within the Client's portfolio which will be analysed in detail in the later sections.

Please note that the information available is not consistently published in the various surveys utilised. We have indicated which of the latest data is available and in some cases the information is not available for a particular category of information. For example, the total number of visitors for 2007 and 2008 may be available, but the breakdown of the total visitors per province may not be available for 2008.

2.2 Foreign Tourism in South Africa and the Western Cape

2.2.1 Introduction

In this section we analyse the foreign tourism market in South Africa and the Western Cape. This analysis serves to provide the Client with an overview of the current trends that are being experienced in the market. Our analysis makes use of the following sources of information:

- SA Tourism Annual Foreign Tourism Reports 2002 - 2007;
- SA Tourism Highlights of Tourism's Performance 2008; and
- Cape Town Routes Unlimited ("**CTRU**") Visitor Tracking Survey 2006/2007.

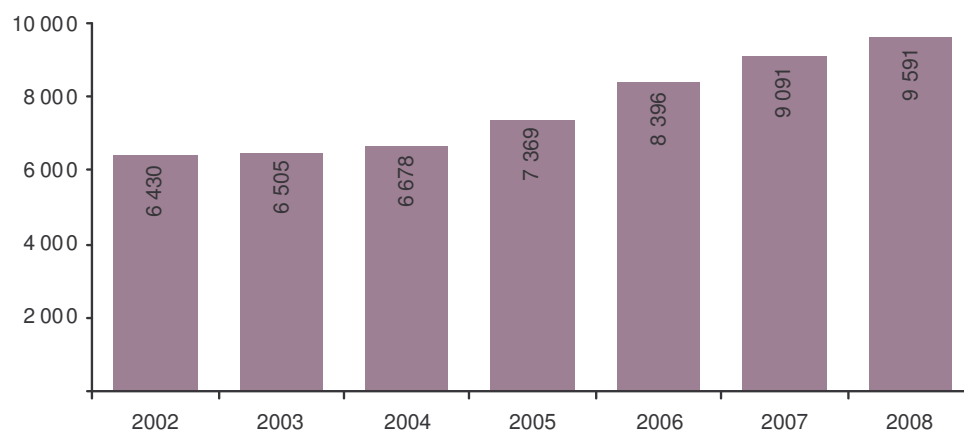
Tourism is internationally recognised as one of the world's fastest-growing industries. After years of isolation, South Africa has emerged as an attractive tourism destination striving to position itself as a major player in this high-growth, global industry that has been identified in a South African perspective as a pro-poor empowerment asset of our young democracy.

Tourism is also one of South Africa's major foreign exchange earners and job creators. According to the World Travel and Tourism Council, the direct contribution of South Africa's travel and tourism industry to gross domestic product ("**GDP**") in 2008 was 3,2%, while the direct and indirect contribution was 8,5%. Direct employment in the travel and tourism industry in 2007 was 438 500 (3,2% of total employment) while direct and indirect employment was 1 041 700 (7,6% of total employment).

2.2.2 Foreign Arrivals

There were 9,6 million foreign visitors to South Africa during 2008, an increase of 5,5% when compared to the 9,1 million arrivals in 2007 (**Figure 2.1**). However, it is important to note that although the total foreign arrivals grew by 5,5% between 2008 and 2007, overseas arrivals only grew by 0,1% and that the growth in total arrivals was buoyed by African land arrivals, which grew at 7,0%.

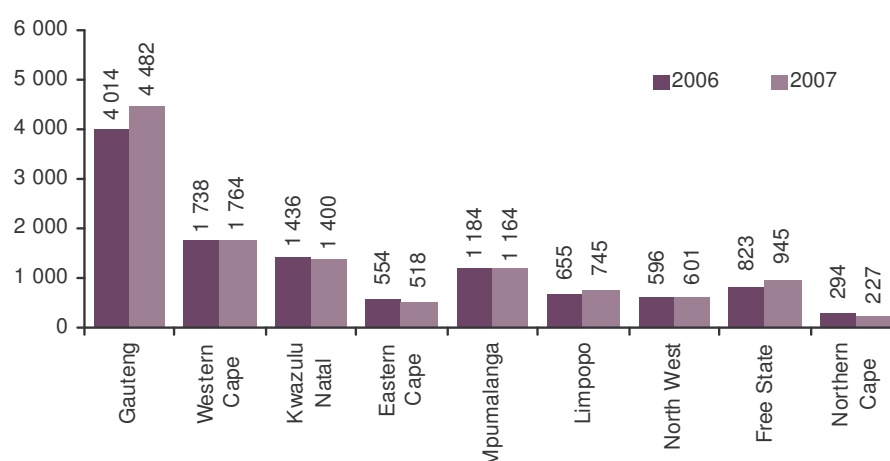
Figure 2.1: Total Foreign Arrivals to South Africa ('000)



Source: SA Tourism

Figure 2.2 shows the number of foreign visitors to each of the 9 provinces of South Africa during 2006 and 2007 (the latest available data). Gauteng remains the most visited province with around 4,5 million (48,9%) of all foreign tourists in 2007 visiting the area, followed by the Western Cape with 1,8 million (19,4%), and Kwazulu-Natal with 1,4 million (15,2%). The least visited province during 2008 was the Northern Cape which only received 227 000 visitors.

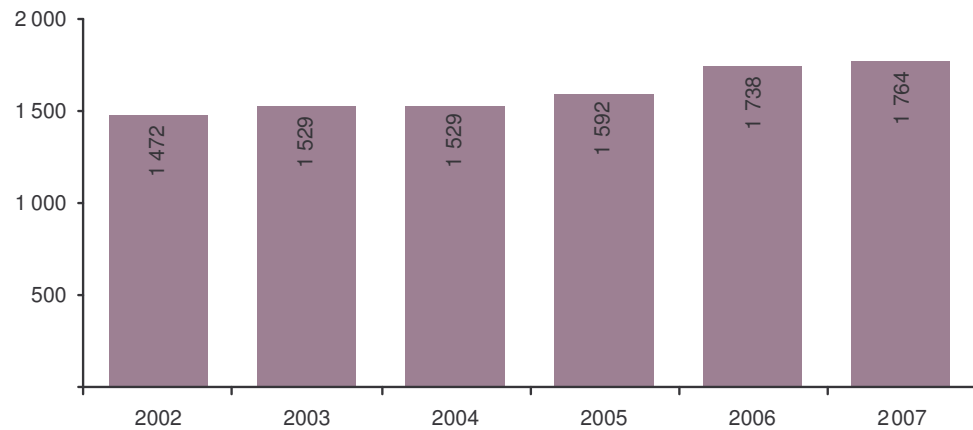
Figure 2.2: Foreign Visitors to Each Province of South Africa ('000)



Source: SA Tourism

The Western Cape experienced an compound annual growth rate of 3,7% in foreign visitor numbers between 2002 and 2007 (**Figure 2.3**). According to CTRU, 94% of all visitors to the Western Cape visit the city of Cape Town during their stay.

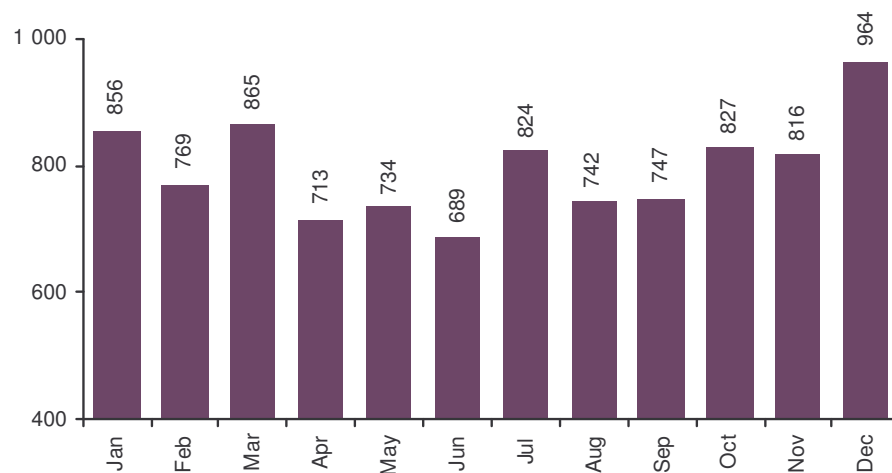
Figure 2.3: Total Foreign Visitors to the Western Cape ('000)



Source: SA Tourism

Figure 2.4 provides an indication of the seasonality of foreign tourist arrivals during 2008. As expected, foreign arrivals to South Africa were at their highest in December and January, and at their lowest in the month of June.

Figure 2.4: Foreign Arrivals to South Africa by Month 2008 ('000)



Source: SA Tourism

2.2.3 Source Markets

Table 2.1 provides a breakdown of the foreign arrivals to South Africa during 2008. Land arrival source markets are defined as those countries where at least 60% of all arrivals are by means of road transport. Arrivals from these countries accounted for 73,9% of the total arrivals, while arrivals from Europe accounted for 14,7%.

Lesotho (22,6%), Zimbabwe (12,8%), Mozambique (12,8%) and Swaziland (11,3%) were the major source markets of foreign visitors. Of the overseas countries, residents from the United Kingdom (“UK”) made up 5,1% of all foreign arrivals, followed by the United States of America (“USA”) (3,0%) and Germany (2,5%).

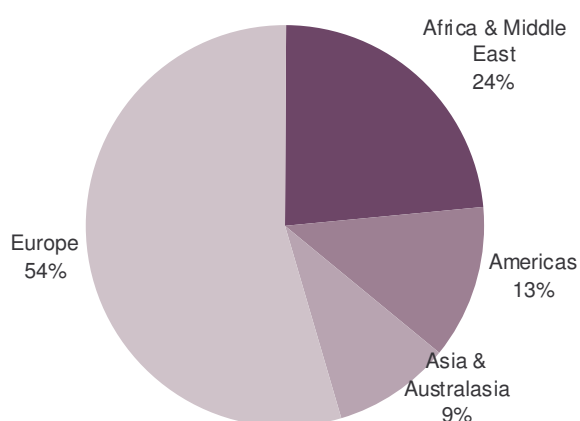
Table 2.1: Source Markets for Foreign Arrivals to South Africa (2008)

Source Markets by Region	
Africa Air	3.2%
Africa Land	73.9%
Americas	4.2%
Asia & Australasia	3.4%
Europe	14.7%
Unspecified	0.6%
Source Markets by Country	
Africa	
Lesotho	22.6%
Mozambique	12.8%
Zimbabwe	12.8%
Swaziland	11.3%
Botswana	8.4%
Overseas	
UK	5.1%
USA	3.0%
Germany	2.5%
Netherlands	1.3%
France	1.3%

Source: SA Tourism

The source market profile of foreign visitors to the Western Cape is very different to that of the country as whole. Europeans accounted for 54,5% of all visitors to the province during 2007 (the latest available data) followed by Africans (23,7%) and North and South Americans (12,5%) (Figure 2.5).

Figure 2.5: Source Markets of Foreign Visitors to the Western Cape 2007

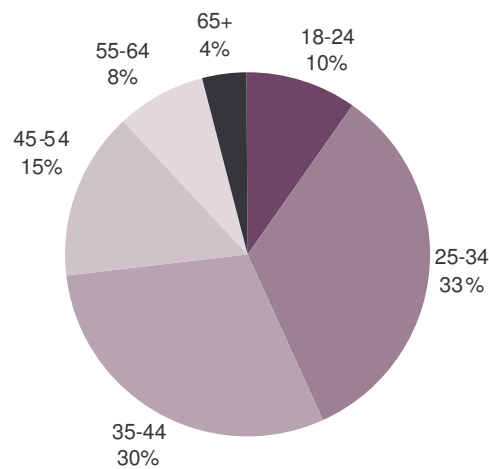


Source: SA Tourism

2.2.4 Visitor Profile

As shown in Figure 2.6, 33% of all foreign visitors to South Africa in 2007 were between 24 and 34 years old, while 30% were between 34 and 44 years old. Only 10% of foreign visitors were 24 or younger.

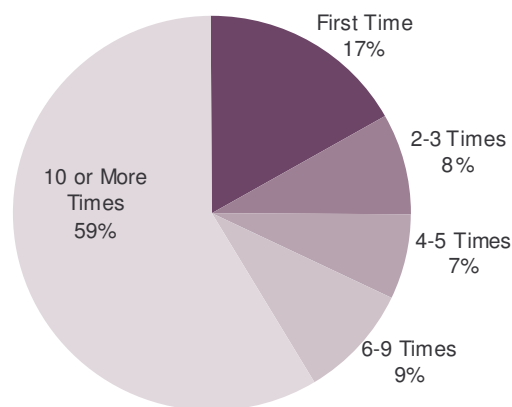
Figure 2.6: Age Profile of Foreign Visitors to South Africa 2007



Source: SA Tourism

58% Of all foreign visitors to South Africa in 2007 were visiting for the tenth time or more. These visitors were mostly cross border arrivals from South Africa's neighbouring countries. First time visitors accounted for 17% of foreign arrivals (**Figure 2.7**).

Figure 2.7: Repeater Rate of Foreign Visitors 2007

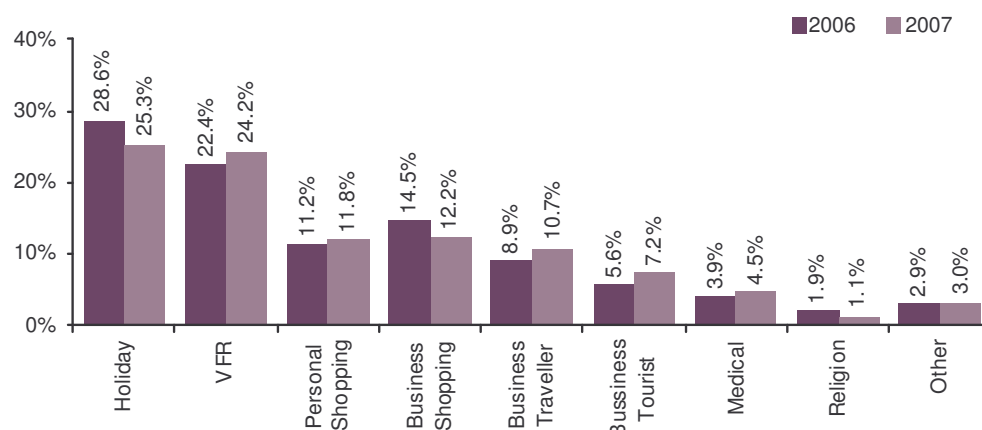


Source: SA Tourism

2.2.5 Purpose of Visit

Figure 2.8 shows the purpose of visit of foreign visitors to South Africa during 2006 and 2007. Holiday was the primary reason for travel with 25,3% of foreign visitors travelling for this purpose in 2007. This was followed by 24,2% of foreigners travelling to visit friends and relatives (“**VFR**”) and 12,2% travelling for business shopping purposes.

Figure 2.8: Purpose of Visit of Foreign Visitors to South Africa



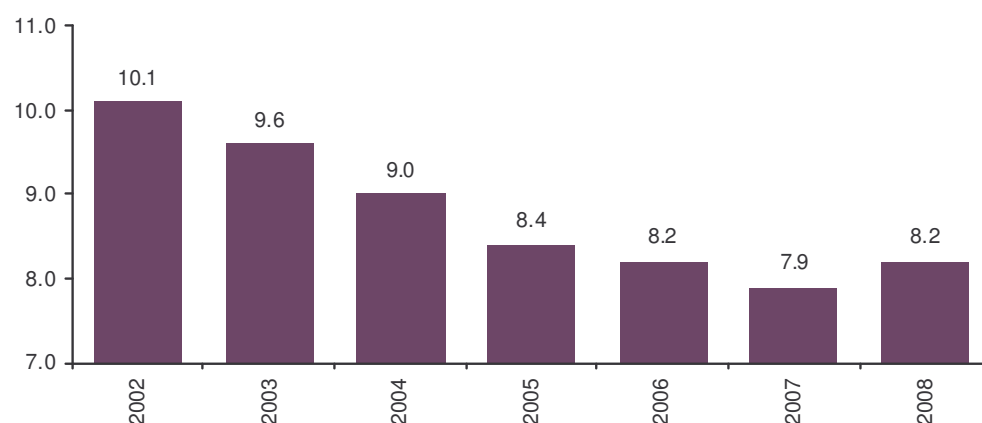
Source: SA Tourism

The CTRU survey indicated that 76% of all foreign tourists to the Western Cape visit for holiday and leisure purposes.

2.2.6 Length of Stay

There has been a steady decline in the length of stay of foreign visitors in South Africa over recent years, with the average length of stay having decreased by a total of 1,9 nights between 2002 and 2008 (**Figure 2.9**). Foreign arrivals to South Africa spent an average of 8,2 nights in the country during 2008. The average length of stay of land arrivals to South Africa during 2007 was 4,7 nights, while the average length of stay of foreign arrivals was 16,3 nights. The most common length of stay for air arrivals was 6 nights, while the most common length of stay for land arrivals was 2 nights.

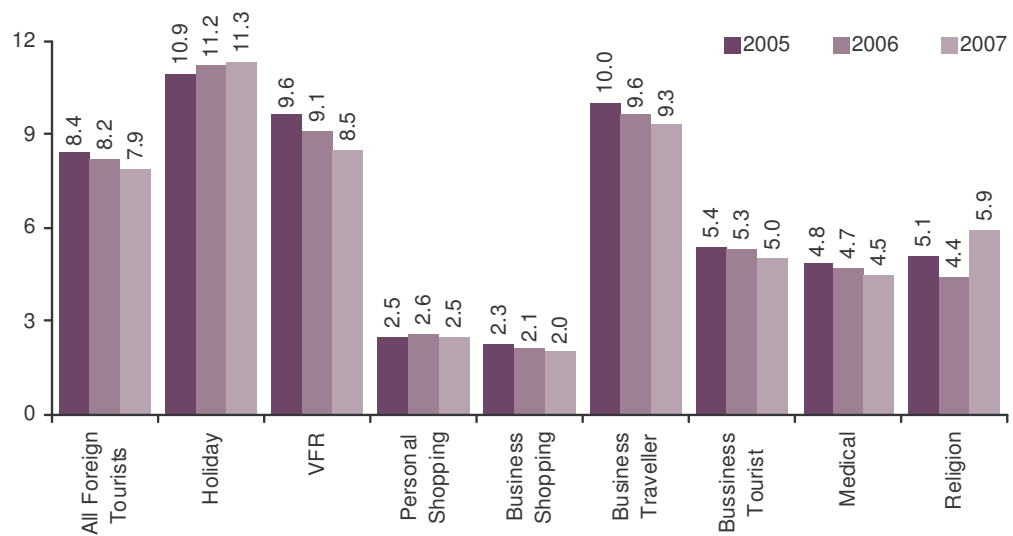
Figure 2.9: Average Length of Stay of Foreign Visitors to South Africa (Nights)



Source: SA Tourism

Holiday travellers spent an average of 11,3 nights in the country, while business travellers spent 9,3 nights (**Figure 2.10**). The average length of stay of holiday and religious visitors has increased over the last 3 years, while the average length of stay of all other categories of visitors has declined.

Figure 2.10: Average Length of Stay of Foreign Visitors by Purpose of Visit (Nights)



Source: SA Tourism

The average length of stay of foreign visitors was the longest in the Western Cape with 13.5 nights, followed by the Eastern Cape with 10,0 nights (**Figure 2.11**). Foreign visitors spent the shortest amount of time in the North West (3,3 nights).

Figure 2.11: Average Length of Stay of Foreign Visitors by Province (Nights)



Source: SA Tourism

As shown in **Figure 2.12**, the average length of stay in the Western Cape has increased by 2,5 nights over the last 5 years. This trend is the opposite of that being experienced by the country as a whole.

Figure 2.12: Average Length of Stay of Foreign Visitors to the Western Cape (Nights)

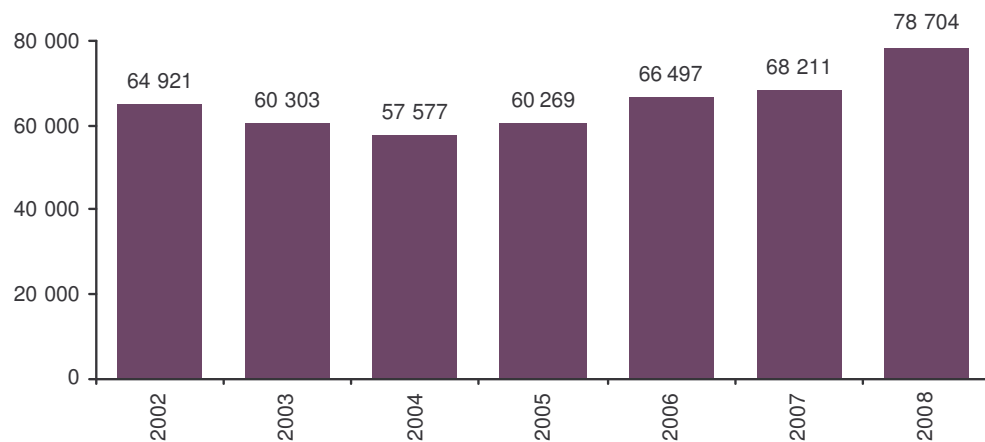


Source: SA Tourism

2.2.7 Bednights

In 2008, foreign tourists spent 78,7 million bednights in South Africa, an increase of 15,4% when compared to 68,2 million spent in the country during 2007 (**Figure 2.13**).

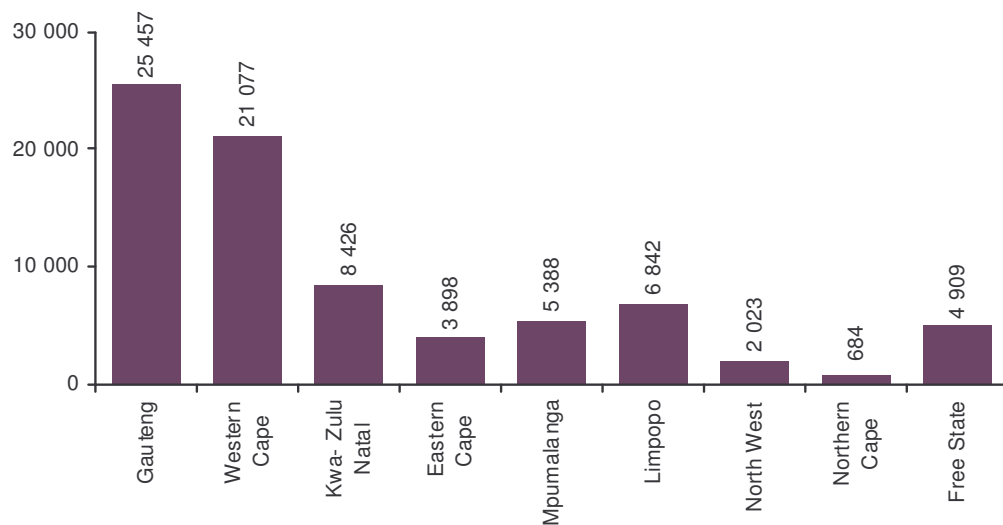
Figure 2.13: Foreign Bednights Spent in South Africa ('000)



Source: SA Tourism

Foreign tourists spent 25,5 million bednights (32,3%) in Gauteng, followed by 21,1 million bednights (26,8%) in the Western Cape. The Northern Cape received the smallest share accounting for only 684 000 of the foreign bednights (**Figure 2.14**).

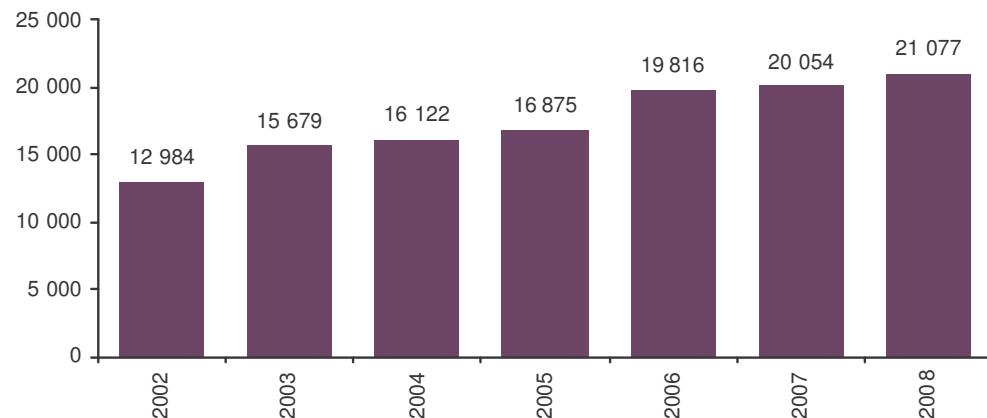
Figure 2.14: Foreign Bednights Spent in South Africa by Province 2008 ('000)



Source: SA Tourism

The Western Cape experienced an annual compound bednight growth rate of 8,4% between 2002 and 2008 (Figure 2.15).

Figure 2.15: Foreign Bednights Spent in the Western Cape ('000)



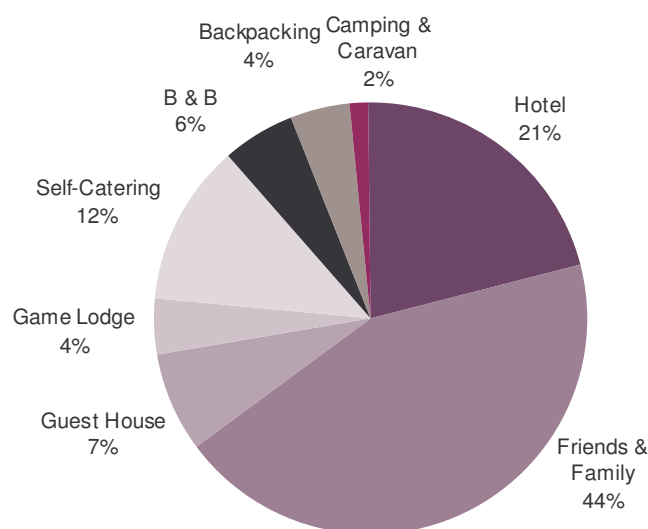
Source: SA Tourism

2.2.8 Type of Accommodation Used

From 2005 to 2007, staying with friends and family was the most popular type of accommodation used by foreign arrivals to South Africa. In 2007, 43,1% of foreign visitors stayed with friends and family. This was followed by hotels (21,1%), self-catering accommodation (12,1%), guest houses (7,4%), bed and breakfast accommodation (5,6%) and backpackers (4,1%) (Figure 2.16).

It is interesting to note that between 2005 and 2007, bednights at self-catering accommodation and guest houses experienced compound annual growth rates of 17,4% and 12,4% respectively. During the same period, bednights at hotels remained relatively stagnant with a compound annual growth rate of only 2,1%.

Figure 2.16: Type of Accommodation Used by Foreign Visitors 2007

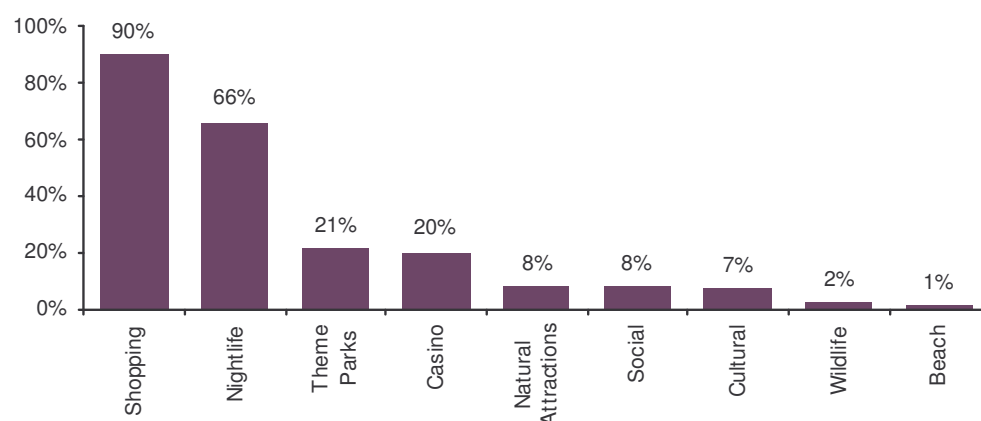


Source: SA Tourism

2.2.9 Activities Undertaken

Shopping, followed by nightlife activities, were the activities most frequently undertaken by foreigners during their stay in South Africa (Figure 2.17).

Figure 2.17: Activities Undertaken by Foreign Visitors to South Africa 2007



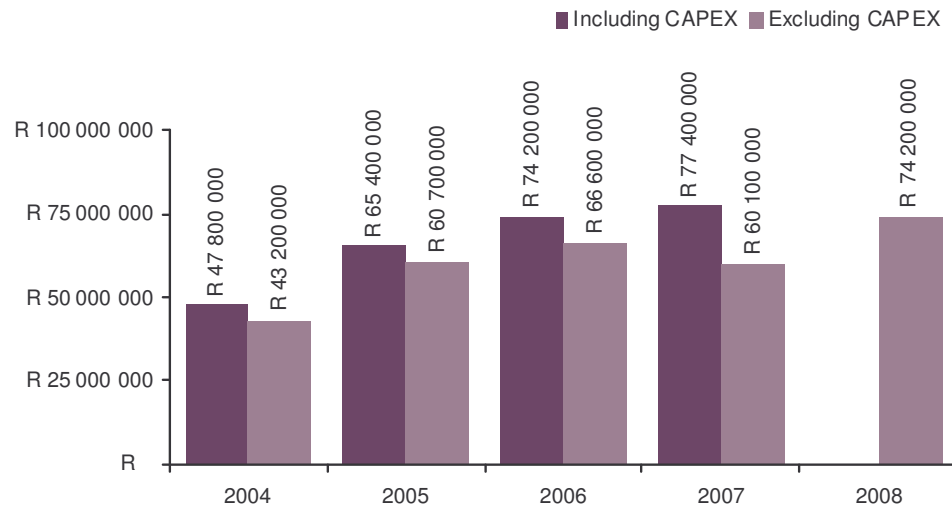
Source: SA Tourism

2.2.10 Spend

According to SA Tourism, total foreign direct spend (“TFDS”) excluding capital expenditure (“CAPEX”), reached a record high of R74,2 billion in 2008. This figure is 23,5% (or R14,1 billion) higher than the R60,1 billion spent in 2007 (Figure 2.18). However, it must be noted that this increase is off a very low base and that the 2007 TFDS excluding CAPEX had declined by 9,8% or R6,5 billion from 2006 levels. TFDS including CAPEX amounted to R77,4 billion during 2007 (the latest available data).

On average, foreign tourists each spent R880 per day (excluding CAPEX) in South Africa during 2007 (the latest available data), down from R1 000 per day in 2006.

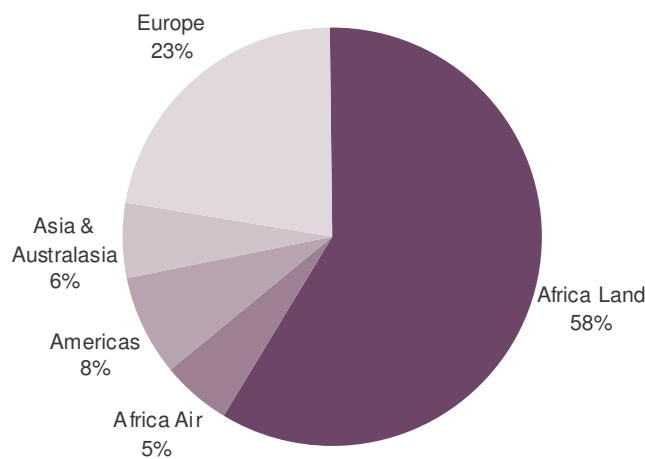
Figure 2.18: Total Foreign Direct Spend excluding CAPEX ('000)



Source: SA Tourism

Figure 2.19 provides a breakdown of TFDS excluding CAPEX by source market region for 2008. Overland visitors from Africa accounted for 58,6% of the total spent (despite accounting for 73,9% of total visitor numbers), while visitors from Europe accounted for 22,5% of the TFDS.

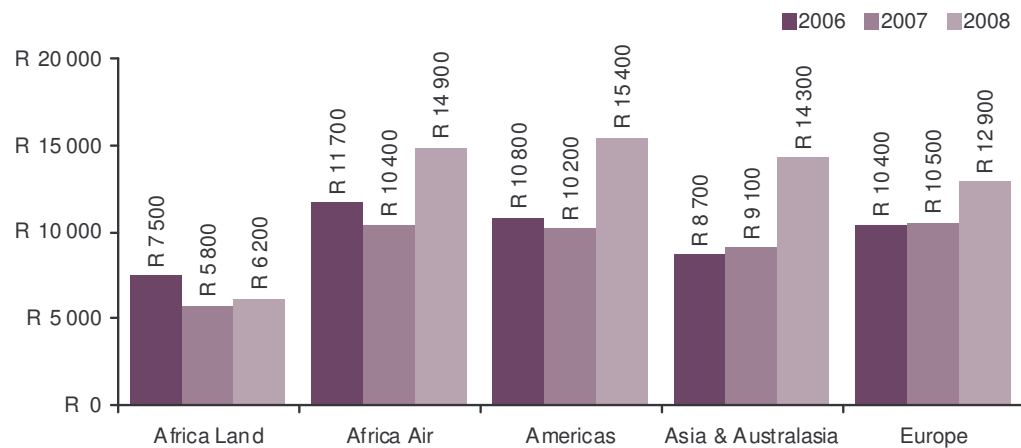
Figure 2.19: TFDS excluding CAPEX by Region 2008



Source: SA Tourism

As shown in **Figure 2.20**, visitors from Europe are the biggest foreign spenders in South Africa, each spending an average of R12 900 per trip during 2009. The average spend per trip by overland visitors from Africa was the lowest at R6 200.

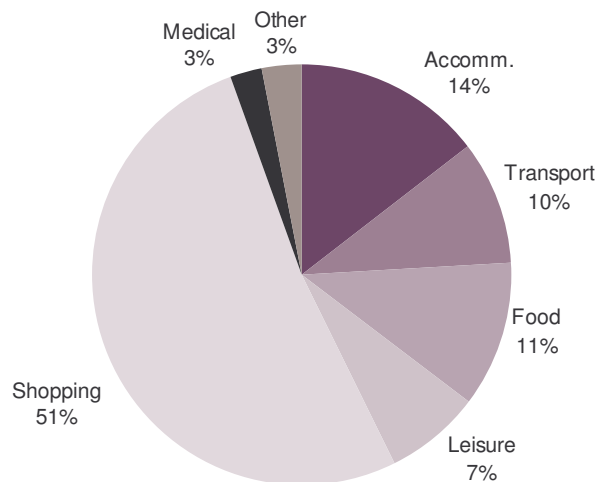
Figure 2.20: Average Visitor Spend by Source Market Region



Source: SA Tourism

Shopping accounted for R30,9 billion or 51,7% of the TFDS excluding CAPEX during 2007 (the latest available data), and accommodation for R8,8 billion or 14,7% (Figure 2.21).

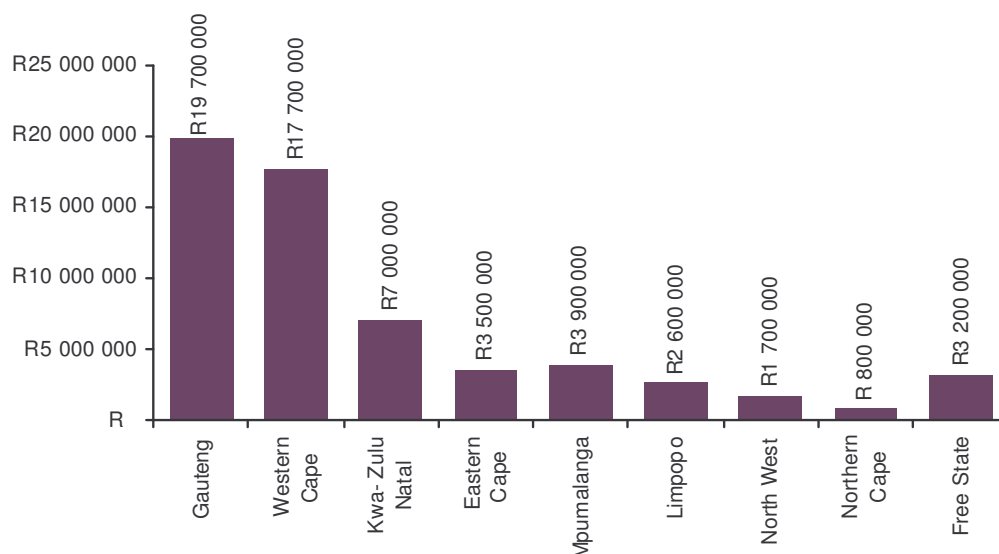
Figure 2.21: TFDS excluding CAPEX by Category 2007



Source: SA Tourism

The foreign direct spend excluding CAPEX during 2007 was the highest in Gauteng, with R19,7 billion being spent in the province. This was followed by the Western Cape with R17,7 billion. The total spent by foreign tourists in the Northern Cape was the lowest at R1,2 billion.

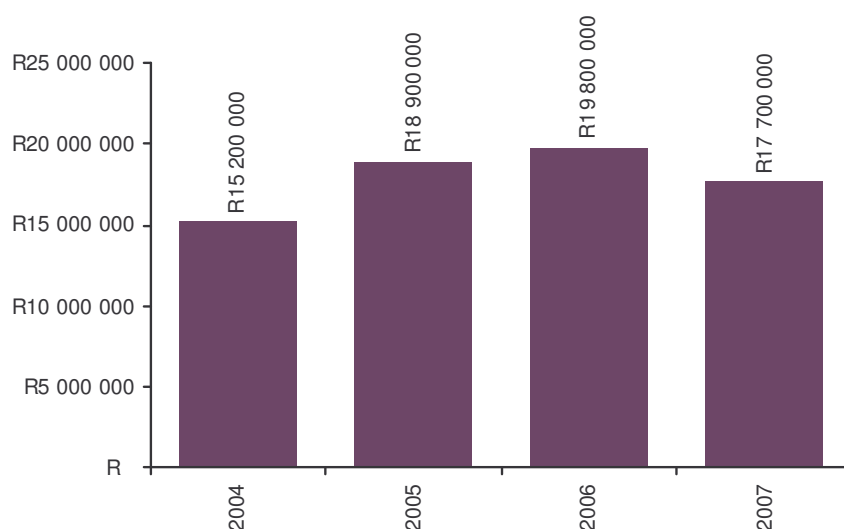
Figure 2.22: Foreign Direct Spend excluding CAPEX by Province 2007 ('000)



Source: SA Tourism

The foreign direct spend in the Western Cape declined by 10,6% (or R1,1 billion) to R17,7 billion during 2007 after previously having experienced 3 years of positive growth (**Figure 2.23**).

Figure 2.23: Foreign Direct Spend excluding CAPEX in the Western Cape ('000)



Source: SA Tourism

2.3 Domestic Tourism in South Africa and the Western Cape

2.3.1 Introduction

In this section we analyse the domestic tourism market in South Africa and the Western Cape. This analysis serves to provide the Client with an overview of the current trends that are being experienced in the domestic market. Our analysis makes use of the following sources of information:

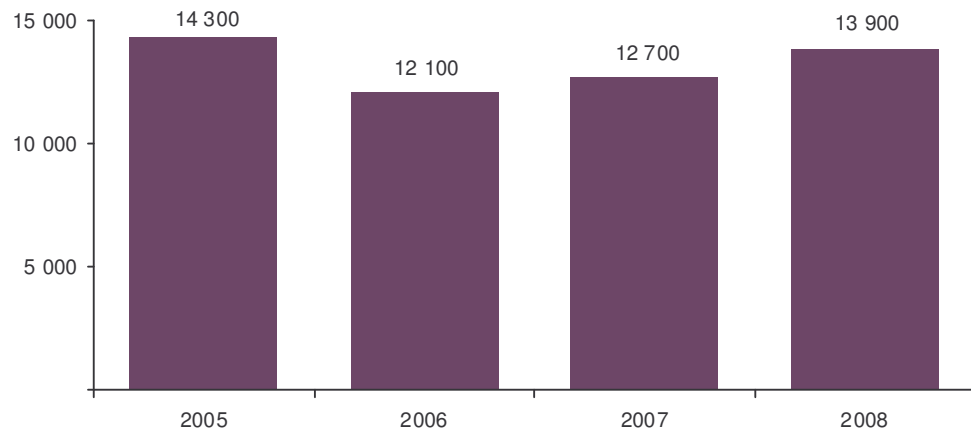
- The SA Tourism 2005 Annual Domestic Tourism Report;
- The SA Tourism 2006 Highlights of Tourism's Performance Report;
- The SA Tourism 2008 Highlights of Tourism's Performance Report; and

- The SA Tourism Domestic Tourism 2008 Performance presentation.

2.3.2 Number of Domestic Tourists

According to SA Tourism, approximately 13.9 million adult South Africans (46% of the adult population) took a domestic trip during 2008, a 9.4% increase from the 12.7 million during 2007 (**Figures 2.24**).

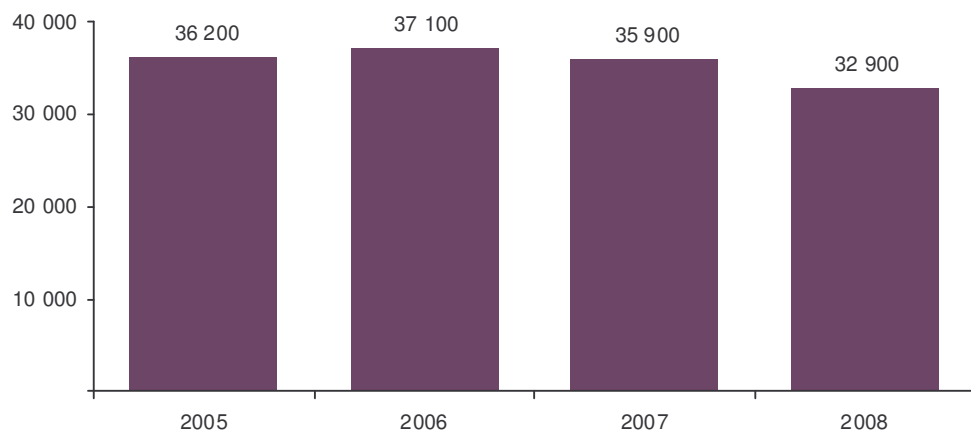
Figure 2.24: Number of Domestic Travellers in South Africa ('000)



Source: SA Tourism

A total of 32.9 million domestic trips were taken during 2008, a decrease of 8.4% from the 35.9 million trips taken during 2007 (**Figures 2.25**).

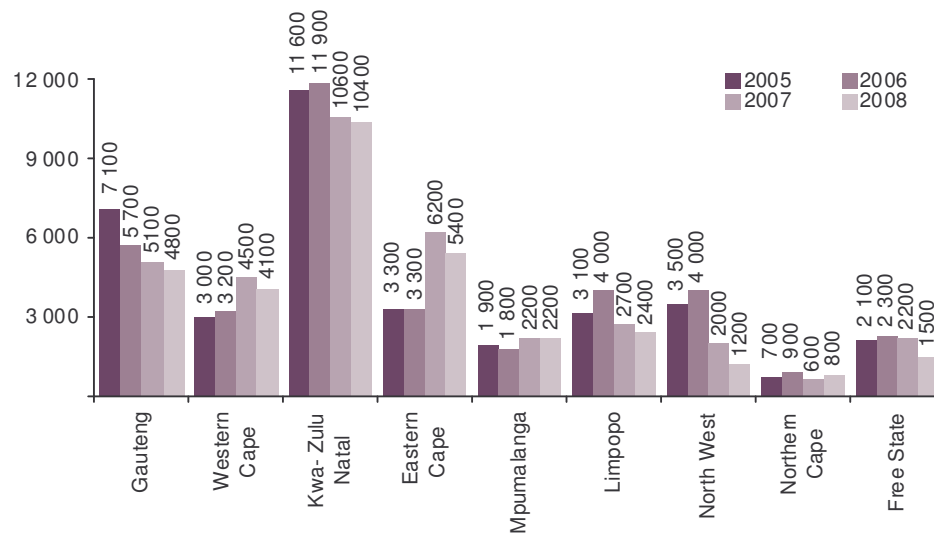
Figure 2.25: Number of Domestic Trips Taken in South Africa ('000)



Source: SA Tourism

The most visited provinces during 2008 (the latest available data) were Kwazulu-Natal and Eastern Cape, with 10.4 million (32%) and 5.4 million (17%) trips respectively. The least visited province was the Northern Cape which received a mere 800 000 (3%) of the total domestic trips. There were 4.1 million trips taken to the Western Cape during 2008, 12% of the total domestic trips in South Africa (**Figure 2.26**).

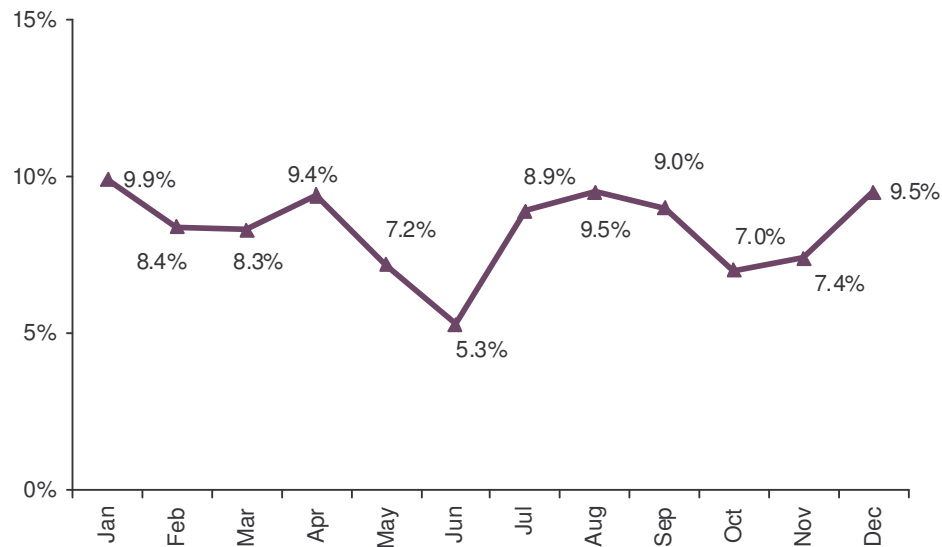
Figure 2.26: Domestic Trips Taken to Provinces in South Africa ('000)



Source: SA Tourism

As shown in **Figure 2.27**, domestic tourism patterns in South Africa are driven by school holidays, with peaks in April (which included the Easter holidays in 2008), July and December.

Figure 2.27: Percentage of Total Domestic Trips Taken in South Africa by Month 2008

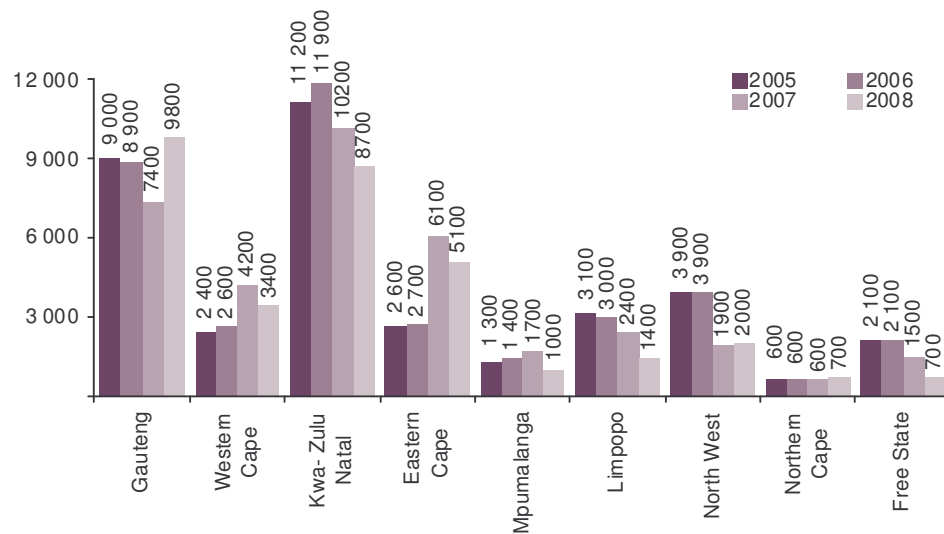


Source: SA Tourism

2.3.3 Source Markets

Of the 32.9 million domestic trips taken during 2008, 9.8 million visitors (30%) were from Gauteng, 8.7 million (26%) were from KwaZulu-Natal and only 3.4 million (10%) were from the Western Cape (**Figure 2.28**).

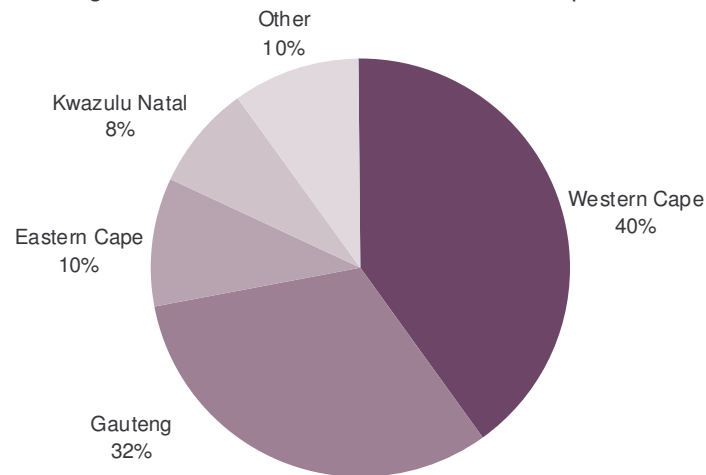
Figure 2.28: Origin of Domestic Tourists in South Africa ('000)



Source: SA Tourism

According to CTRU data, 40% of the domestic visitors to the Western Cape during 2006 were from other parts of the Western Cape, while 32% of visitors to the province were from Gauteng (Figure 2.29).

Figure 2.29: Origin of Domestic Tourists to the Western Cape 2006

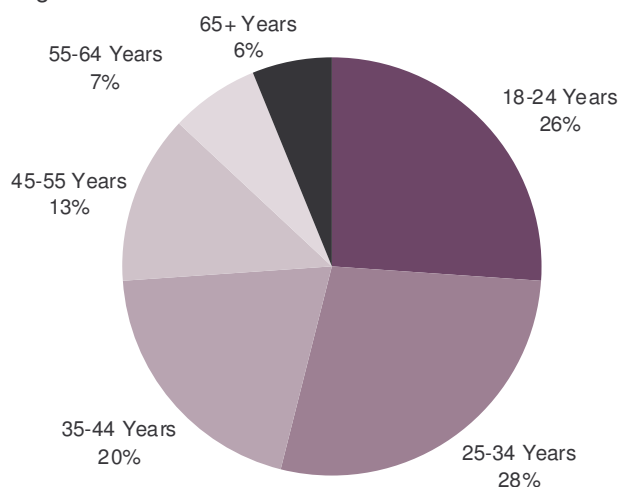


Source: SA Tourism

2.3.4 Domestic Tourist Profile

According to SA Tourism, 27.4% of all domestic tourists in 2005 (the latest available data) were between 25 and 34 years old, while 26.2 % were between 18 and 24 years old (Figure 2.30).

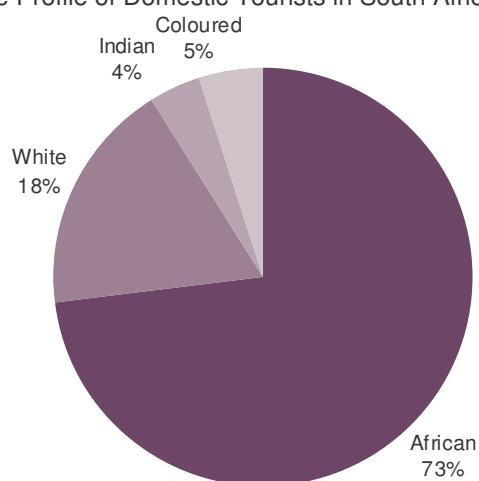
Figure 2.30: Age Profile of Domestic Tourists in South Africa 2005



Source: SA Tourism

Of the domestic trips taken during 2005, 72.8% were taken by Africans, 18.4% by Whites, 4.2% by Indians and 4.6% by Coloureds (**Figure 2.31**).

Figure 2.31: Race Profile of Domestic Tourists in South Africa 2005

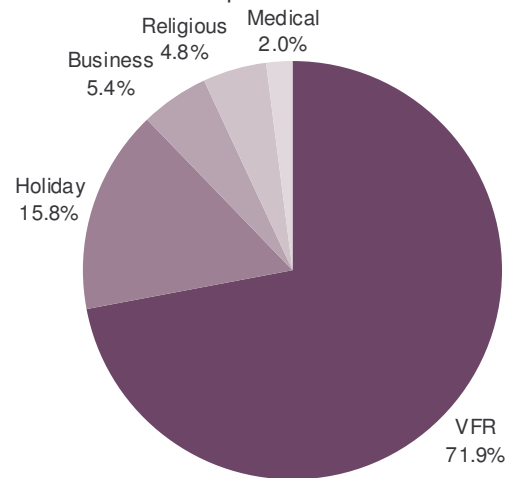


Source: SA Tourism

2.3.5 Purpose of Travel

Visiting family or relatives (VFR) accounted for 71% of all domestic trips taken in South Africa during 2008. This was followed by holiday trips with 16%, and religious and business trips each with 5% (**Figure 2.32**).

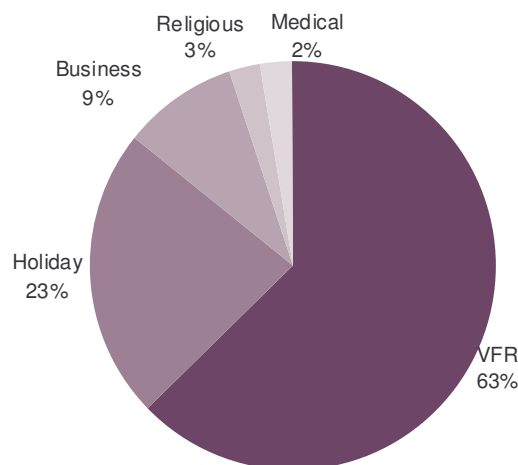
Figure 2.32: Purpose of Domestic Trips Taken in South Africa 2008



Source: SA Tourism

Figure 2.33 indicates that the main purpose of domestic trips taken to the Western Cape during 2005 (the latest available data) was to visit family or relatives (63%) followed by holiday (23%). Subsequently there is a much higher incidence of trips in the Western Cape being undertaken for holiday purposes as compared to South Africa as a whole.

Figure 2.33: Purpose of Domestic Trips Taken to the Western Cape 2005

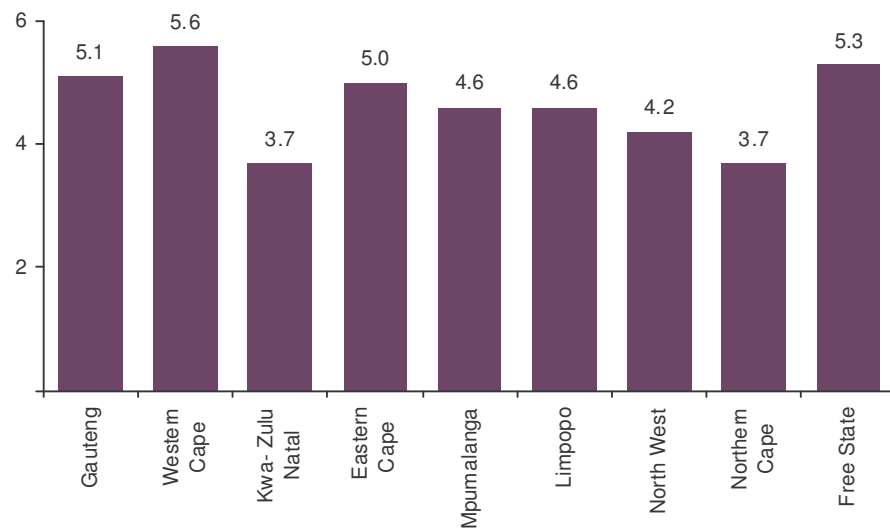


Source: SA Tourism

2.3.6 Length of Stay

The average domestic trip during 2008 lasted 4,5 nights, up from 4,4 nights during 2007, and the most common length of stay was 2 nights. During 2008 (the latest available data), trips to the Western Cape lasted the longest at an average of 5,6 nights, followed by the Free State with 5,3 nights (see **Figure 2.34**).

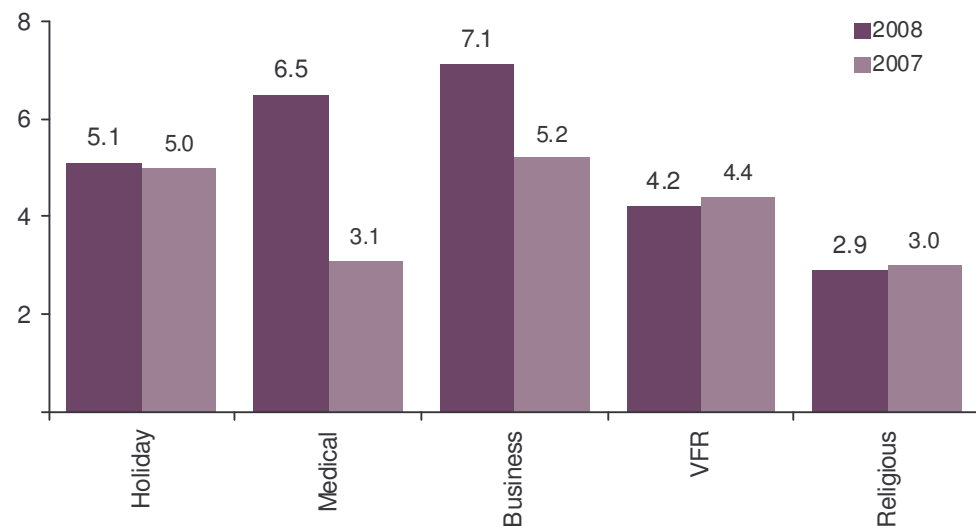
Figure 2.34: Average Length of Stay of Domestic Tourists by Province 2008 (Nights)



Source: SA Tourism

During 2008, business trips accounted for the longest average length of stay with 7.1 nights, and religious holidays for the shortest with 2.9 nights (Figure 2.35).

Figure 2.35: Average Length of Stay of Domestic Tourists by Trip Purpose 2007 vs 2008

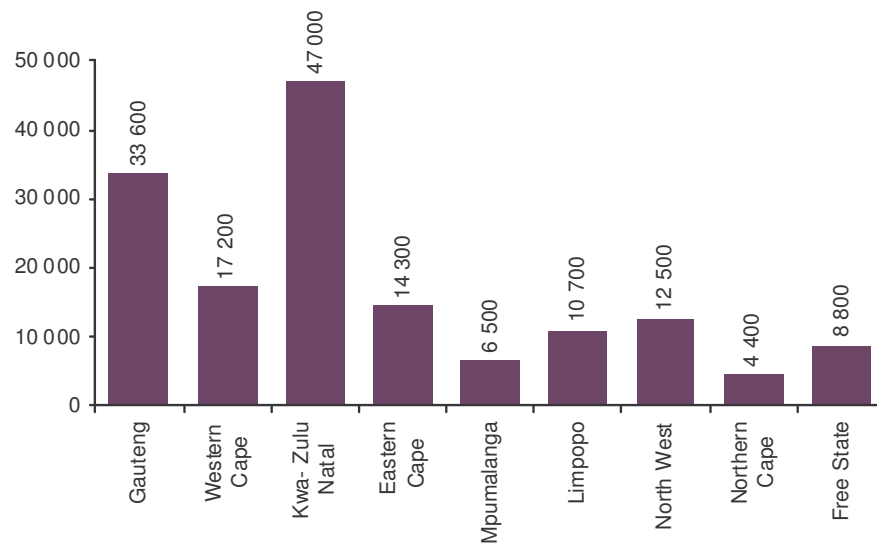


Source: SA Tourism

2.3.7 Bednights

South African domestic tourists spent a total of 152 million nights away from their usual place of residence during 2008, down 3,8% from 158 million during 2007. During 2005 (the latest available data), 47 million nights (30,9%) were spent in Kwazulu-Natal, 33,6 million (22,2%) in Gauteng, and 17,2 million (11,3%) in the Western Cape (Figure 2.36).

Figure 2.36: Bednights Spent in South African Provinces by Domestic Tourists 2005 ('000)

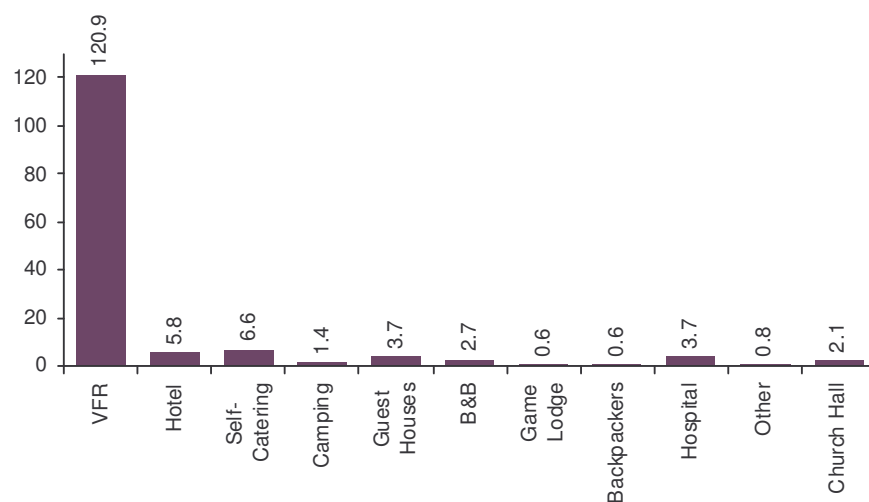


Source: SA Tourism

2.3.8 Type of Accommodation Used

Out of a total of 152 million nights away from their usual place of residence during 2008 (the latest available data), domestic tourists spent 120.9 million nights (81%) at the homes of friends and relatives (VFR). This was followed by self-catering accommodation with 6.6 million nights (4%) and hotels with 5.8 million bednights (4%) respectively during 2005 (**Figure 2.36**). Income generating accommodation only accounted for 20% of all domestic tourist bednights.

Figure 2.37: Bednights of Domestic Tourists by Accommodation Type 2008 ('millions)

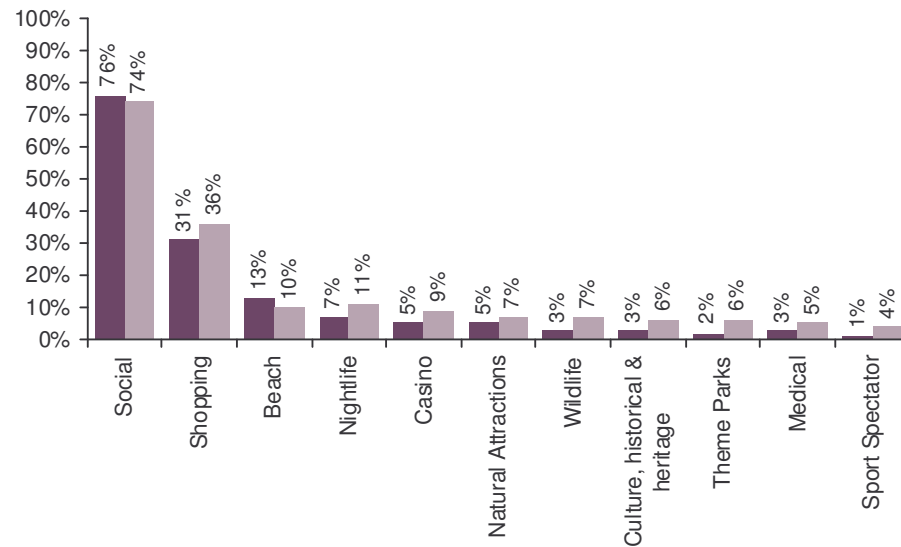


Source: SA Tourism

2.3.9 Activities Undertaken

Figure 2.38 shows that in 2008, the activities most undertaken by domestic visitors were social activities (74%) and shopping (36%). This trend can be attributed to the high number of domestic tourists that travel to visit friends and relatives.

Figure 2.38: Activities Undertaken by Domestic Tourists 2007 vs 2008

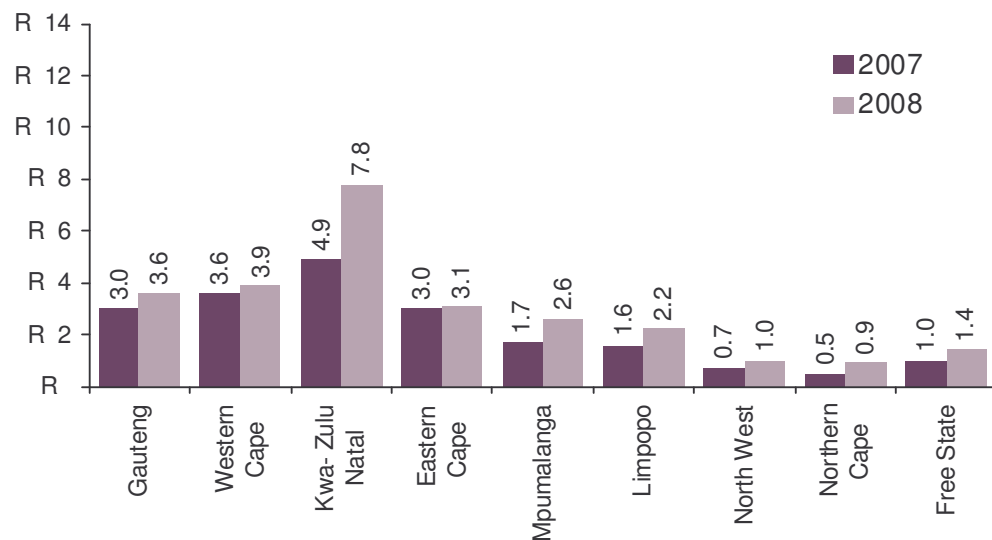


Source: SA Tourism

2.3.10 Spend

The total spent on domestic trips increased by 29% from R20 billion in 2007 to R25.8 billion in 2008. The total revenue received from domestic tourism in 2005 (the latest available data) was highest in Kwazulu-Natal at R7.8 billion (30%), followed by Western Cape with R3.9 billion (15%) (see **Figure 2.39**).

Figure 2.39: Total Domestic Tourism Revenue by Province 2007 vs 2008 (‘millions)



Source: SA Tourism

The average amount spent by a domestic tourist per trip was R780 in 2008, down 41% from R550 in 2007.

2.4 Backpacking

In this section we provide an overview of backpacking and youth travel in South Africa in order to further assess the viability of this niche market as a target market for the Client's resorts. We have included findings from the following sources:

- The Department of Trade and Industry's ("DTI") report on Backpacking and Youth Travel in South Africa (2007);
- Backpacking South Africa's ("BSA") 2007 Business Plan.

2.4.1 Overview

A backpacker is generally defined as "a visitor who stayed at least one night in backpacker/hostel accommodation during travel in a country". Backpackers are normally associated with the following qualities:

- They have a desire to experience places;
- They are cost conscious;
- They tend to travel independently and have flexible travel schedules;
- They prefer budget accommodation;
- They place emphasis on meeting other travellers;
- They travel for longer periods than other types of travellers;
- They are keen on informal and participatory holiday activities.

According to recent research conducted by the World Youth Student and Education ("WYSE") Confederation, backpacking and Youth Travel is the fastest growing tourist segment in the world representing over 20% of all international tourists and generating about \$109 billion annually.

South Africa had an estimated backpacking and youth travel market of 90 000 in 2006, and there are approximately 425 backpacker accommodation establishments across the country.

2.4.2 Relevance to South Africa

Numerous studies have shown that the backpacking market encourages pro-poor tourism because:

- Backpackers typically spend their money on locally produced products and not on luxury imported goods;
- Backpackers pioneer remote rural destinations thereby assisting poor rural communities to enter the mainstream tourism economy;
- Backpacker lodges usually employ local, unskilled workers;
- Backpackers represent the youth of the world who are globally conscious of poverty, inequality, climate-change and sustainable development.

Backpacking has the potential to contribute to the alleviation of poverty in South Africa's rural communities through the development of small, micro and medium enterprises ("SMME") which would employ and train significant numbers of unskilled workers. The low capital and skill requirements associated with this form of accommodation establishment make it the ideal point of entry for emerging entrepreneurs into the tourism sector.

2.4.3 Source Markets

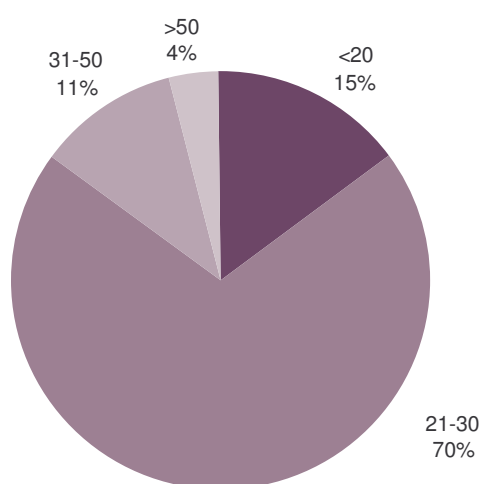
More than half of the backpackers to South Africa hail from Western Europe. Australasia and North America are also important source markets. These countries also correlate with high levels of

literacy and educational proficiency, coupled with a greater portion of the population that would fall into a higher income brackets.

2.4.4 Visitor Profile

Backpackers are generally young professionals and students with a high education level and 68% of all backpackers have a post-graduate education. **Figure 2.40** provides a breakdown of the age profile of foreign backpackers to South Africa in 2006. 70% Of these travellers were between 21 and 30 years old. Backpackers tend to assimilate and enjoy the company of other “backpackers” on their trip. Hence they are attracted to areas and places where there are already high numbers of backpackers, the social aspect and sharing of similar experiences with like minded people that have a similar outlook on life ranks highly in determinants of backpacker travel.

Figure 2.40: Age Profile of International Backpackers to South Africa 2006



Source: DTI

2.4.5 Length of Stay

Foreign visitors spent a total of 2,8 million nights in backpacker accommodation across South Africa during 2007. Domestic tourists spent approximately 1,0 million nights in this form of accommodation during 2005. 72% Of the international backpackers spent more than 15 days in South Africa and 51% stayed for more than 22 days. The most common length of stay is between 22 and 31 days.

The average international backpacker visits 3,84 of the country’s nine provinces. The provincial average length of stay is approximately 6-7 nights in the Western Cape, 2 nights across the Eastern Cape, Kwazulu-Natal, Gauteng and Mpumalanga and 1-2 nights in other areas. From this we can ascertain that the Western Cape is regarded within a South African context as a popular destination for this market. However this does also almost mirror the ratio of nights that a normal tourist would spend in the Western Cape compared to the other provinces.

2.4.6 Spend

The average total spend per backpacker in South Africa is R10 294 per trip, and the average daily spend is R388. Sources point to a differing of priorities regarding this spend, backpackers tend to have a higher proficiency for spending money on activities and place a lesser importance on “comfort” when it comes to accommodation. These two can often offset each other and, coupled

with their increased lengths of stay, the backpacker can be seen as economically attractive if one can cater to their needs.

2.4.7 Mode of Transport

Figure 2.41 provides a breakdown of the transport modes used by international backpackers in South Africa. 54% Make use of a rental vehicle, 36% travel on the “Baz Bus”¹, 21% travel in a private car and 18% make use of a backpacker hostel shuttle.

Figure 2.41: Transport Used by International Backpackers to South Africa 2006

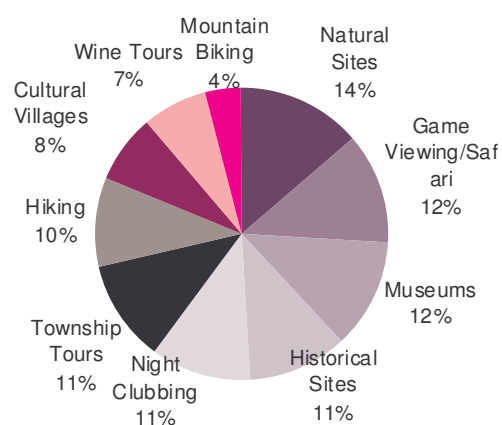


Source: DTI

2.4.8 Activities

A breakdown of the activities which backpackers partake in when in South Africa is shown in **Figure 2.42**. The most popular activities for these travellers include visiting natural or historical sites, visiting museums, going on safari, night clubbing, township tours and hiking.

Figure 2.42: Backpacker Activities in South Africa 2006



Source: DTI

¹ The Baz Bus is a collection of mini buses that travel along a set route throughout South Africa offering independent travellers a hop-on hop-off travel service.

2.4.9 Penetrating the Backpacker Market

The following key requirements must be considered if an accommodation establishment wishes to successfully and sustainably penetrate the backpacker market in South Africa:

- Convenient and affordable transport linkages are required to and from the backpacker establishment as well as between the backpacker establishment and key attractions in the area;
- A reliable and fast internet connection is required at the establishment;
- The establishment must offer basic, clean and well maintained facilities at affordable prices;
- The establishment or surrounding areas must offer backpackers a variety of activities;
- The establishment must be affiliated with BSA; and
- The establishment must be marketed through trusted backpacker information sources such as the Lonely Planet Travel Guide, BSA, Cape Town Tourism, etc.

2.5 Conclusion: Relevance to the Study

2.5.1 Tourism in South Africa

The following key findings were presented regarding **foreign tourism** in South Africa:

- There were 9,6 million foreign arrivals to South Africa in 2008;
- The compound annual growth rate of foreign arrivals between 2002 and 2008 was 7,6%;
- The foreign tourism market is highly seasonal with November to February being the busiest period;
- Overland arrivals from other African countries accounted for 73,9% of foreign arrivals to South Africa in 2008;
- Holiday was the purpose of travel of 25,3% of the foreign visitors in 2007, followed by VFR with 24,2%;
- The average length of stay of foreign visitors during 2008 was 8,2 nights;
- Foreign visitors spent 78,7 million bednights in South Africa during 2008;
- 12,1% Of the foreign bednights were spent in self-catering accommodation during 2007;
- 4,1% Of foreign bednights were spent in backpacker accommodation during 2007;
- The TFDS excluding CAPEX was R74.2 billion in 2008.

The following key findings were presented regarding **domestic tourism** in South Africa:

- There were 32.9 million domestic trips taken in South Africa during 2008;
- Domestic tourism is very seasonal with peak months coinciding with school holidays in March, July and December;
- 72% Of trips taken during 2008 were for the purpose of VFR;
- The average length of stay of domestic tourists during 2008 was 4,5 nights;
- Domestic travellers spent 152 million bednights away from their usual place of residence during 2008;
- Domestic tourists spent a total of 6,6 million bednights (4%) in self-catering accommodation during 2008;
- Domestic tourists spent a total of 1.4 million bednights (1%) camping and caravanning during 2008; and
- The total amount spent by domestic tourists was R25.8 billion during 2008, up from R20 billion in 2007.

2.5.2 Tourism in the Western Cape

The following key findings were presented regarding **foreign tourism** in the Western Cape:

- There were 1,8 million foreign visitors to the Western Cape during 2007;

- Of all foreign arrivals to the Western Cape, 54,5% were from Europe;
- 76% Of foreign visitors to the province in 2007 visited for holiday and leisure purposes;
- The average length of stay of foreign visitors to the Western Cape during 2008 was 13,5 nights;
- Foreign visitors spent 21,1 million bednights in the Western Cape during 2008; and
- The TFDS excluding CAPEX in the Western Cape was R17,7 billion in 2007.

The following key findings were presented regarding **domestic tourism** in the Western Cape:

- There were 4.1 million domestic trips taken to the region during 2008;
- The main purpose of domestic trips to the province during 2005 was VFR (63%), followed by holiday (23%), and business (9%).
- The average length of stay of domestic trips to the western Cape was 5,6 nights;
- Domestic travellers spent 17,2 million bednights (11,3% of the total) in the province during 2005;
- The total spend by domestic tourists in the region was R3.9 billion in 2005.

Section 3: Resort Analysis

3.1 Introduction

In this section we consider the existing facilities, conduct a SWOT analysis, identify the target markets and make recommendations for each of the Client's resorts. We have identified the following potential markets for the resorts:

- **Domestic Leisure Market:** South African residents who travel further than 40km on holiday;
- **Domestic Business Market:** Residents who would make use of conference facilities;
- **Foreign Leisure Market:** Foreign visitors to South Africa;
- **Foreign Backpacker Market:** Foreign backpackers and youth travellers to South Africa; and
- **Local Community Market:** People who reside within a 40km radius of the resort as well as school groups, church groups etc who may originate from outside this area.

3.2 Silwerstroom

3.2.1 Existing Facilities

The Silwerstroom resort is a beach resort located approximately 15 km past Melkbosstrand on the West Coast. The area has been identified by the City of Cape Town as a mixed use high density coastal node in the longer term. The resort is unique when compared to the other city-owned properties as it is the only offering on the West Coast.

The facilities at this resort consists of a day visitor area with a large pavilion, as well as a overnight visitor area with 44 electrified caravan sites, several tented camping sites, communal ablution facilities and 6 chalets. The resort's road infrastructure is good, and although the day visitor pavilion is in an acceptable condition, the day visitor ablution facilities require a significant amount of work.

On the overnight visitor side of the resort, the chalets and ablution facilities are in an extremely poor condition. The general maintenance and landscaping of the resort is extremely poor and needs attention. The resort would not qualify for TGCSA grading without significant capital investment.

Table 3.1: Silwerstroom Key Information

Item	Comment
Caravan sites	44 Non-electrified
Chalets	6 Eight-bed units
Ablution blocks	10
Road infrastructure	Good
Grading	None
Current market	Community
Occupancy of overnight accommodation	Low
Number of day visitors per annum	Medium
Income per year	Losses of between R0 and R500 000 per annum

Item	Comment
Tariff non-electrified caravan site (per night including VAT)	R 96,90 in season and R 71,80 out of season
Tariff camping site (per night including VAT)	R53,60 all year round
Tariff chalets (per night including VAT)	R167,60 in season and R156,20 out of season
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.2.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in **Table 3.2**.

Table 3.2: SWOT Analysis of Silwerstroom

Strengths	Weaknesses
Only City owned resort on the West Coast	Significant distance from Cape Town
Stunning beach	State of overnight visitor facilities e.g. chalets, ablution etc.
Good road infrastructure	Poorly kept (garden, landscaping etc.)
Large pavilion for day visitors	Seasonality
Remote West Coast feel	
Opportunities	Threats
Large Atlantis and Mamre communities in close proximity	Ou Skip caravan park in Melkbosstrand
West Coast location provides a destination and marketing opportunity	Melkbosstrand and Yzerfontein as alternative West Coast accommodation options and holiday destinations
The area has been identified as a potential long term mixed use coastal development node	

Source: Grant Thornton

3.2.3 Existing and Potential Markets

We do not believe that this resort will appeal to the domestic or foreign leisure markets due to the strong competition from superior facilities in surrounding West Coast villages and towns (e.g. Melkbosstrand, Yzerfontein and Langebaan). We do however feel that a demand exists from the **local community market** for both the day visitor and overnight accommodation at this resort.

3.2.4 Recommendations

We recommend that the day visitor facilities (e.g. ablution blocks, braai areas, pavilion etc.) be repaired and maintained to cater for the strong seasonal demand. We recommend that a concession for a food and beverage facility at the pavilion (including Halaal food options) be offered to the private sector.

In our opinion a demand exists for a total of approximately 20 basic self-catering chalets. We therefore recommend that an additional 14 basic self catering chalets be developed in the area of the existing electrified caravan sites, and that the existing 6 chalets and all ablution facilities be repaired. These chalets should have a distinct West Coast village theme/feel to benefit from the prime beach front location. In addition, some form of shop providing basic amenities such as bread, milk, soft drinks, fire wood etc. would be required to cater for the guests at these facilities.

Beach activities such as community touch rugby or beach soccer competitions could be used to drive both the day visitor and overnight visitor areas of the resort.

3.3 Soetwater

3.3.1 Assessment of Existing Facilities

Situated close to Kommetjie on the Cape Peninsula, this beach resort is located in the Table Mountain National Park. It consists of 61 electrified caravan sites, 59 non electrified camping sites, a small meeting or conference facility (currently under construction), an educational centre and an area which has been identified for a potential restaurant concession. The resort consists of the following areas:

- Madusa caravan park;
- De Anker tented camping area;
- A day visitor area;
- Parmalat educational centre;
- A second tented camping area; and
- A possible restaurant concession area.

Although the resort's ablution facilities are in need of refurbishment and the Parmalat educational centre is run down, the remainder of the resort appears to be well kept. The caravan park would currently be graded as a 2-star facility by the TGCSA and could have the potential to be a 3-star facility if the ablution facilities were refurbished.

Table 3.3: Soetwater Key Information

Item	Comment
Caravan sites	61 Electrified, 158 non-electrified
Chalets	0
Ablution blocks	13
Road infrastructure	Good
Grading	None (2/3-star potential)
Current market	Community
Occupancy of overnight accommodation	Low
Number of day visitors per annum	High
Income per year	Turnover R712 859 (1 Mar 07 to 28 Feb 08) - losses of between R0 and R500 000 per annum
Tariff electrified caravan site (per night including VAT)	R 137,90 in season and R 84,40 out of season
Tariff camping site (per night including VAT)	R53,60 all year round
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.3.2 SWOT Analysis

Table 3.4 presents an analysis of the strengths, weaknesses, opportunities and threats of the resort.

Table 3.4: SWOT Analysis of Soetwater

Strengths	Weaknesses
Good revenue generation	Safety and security due to large area open to the beach
Strong demand from local community in holiday season	State of ablution facilities
Good road infrastructure	Seasonality
Beach	
Situated in the Table Mountain National Park	
Large area available to cater for large volumes	

Opportunities	Threats
Nature reserve and eco-tourism	Safety and security
Restaurant concession	Baboons
Day visitors, schools, team building educational facility	
Tidal pool	
Meetings and conferencing	
Fishing	

Source: Grant Thornton

3.3.3 Existing and Potential Markets

A demand exists from the **local community market** for both the day visitor and tented camping areas, and from the **domestic leisure market** for the caravan park area. In addition, the resort could potentially target eco-adventurers from the **foreign leisure markets** due to its location along the beach as well as in the Table Mountain National Park.

The Parmalat educational centre could potentially attract school groups which could help with the seasonality issues experienced by a beach resort. The new conference facility should be actively marketed in order to attract **small conferences and meeting groups**.

3.3.4 Recommendations

It is important that the Parmalat educational centre and conference facilities are maintained in order to attract school groups and possible meeting groups or team building excursions. In addition, a restaurant concession opportunity has been identified at the resort and we would advise that this option be pursued by the Client. This opportunity should be offered to a private party so as to negate the capital cost and management requirements of the city. An informal beach restaurant serving fresh seafood (similar to “Die Strandloper” in Langebaan) has the potential to attract tour buses of foreign visitors and should be actively marketed by the private concessionaire.

In our opinion, a demand also exists for approximately 25 self-sustained self-catering eco-chalets. We envisage wooden solar powered eco-chalets supported on 4 poles so as to reduce the footprint of the buildings on the natural environment.

The resort should be driven by numerous eco-tourism based activities such as hiking, diving, fishing, triathlon etc. We also recommend that the Client subdivides and fences off areas of the resort so as to make the security of the resort more manageable.

3.4 Millers Point

3.4.1 Assessment of Existing Facilities

Miller’s Point is situated just outside of Simon’s Town en-route to Cape Point. It consists of 17 electrified caravan sites, a well maintained ablution block, as well as 22 mobile homes which are leased on a monthly basis. The landscaping is immaculate and the resort is one of the best in the city. If additional water taps were provided to the caravan sites, the caravan park can be graded as 3-star.

Table 3.5: Millers Point Key Information

Item	Comment
Caravan sites	17 Electrified
Chalets	22 Mobile homes (monthly lease)
Ablution blocks	4
Road infrastructure	Good

Item	Comment
Grading	None (2/3-star potential)
Current market	Domestic and foreign leisure
Occupancy of overnight accommodation	Medium
Number of day visitors per annum	Medium
Income per year	Losses of between R500 000 and R1 million per annum
Tariff electrified caravan site (per night including VAT)	R 137,90 in season and R 84,40 out of season
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.4.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in Table 3.6.

Table 3.6: SWOT Analysis of Millers Point

Strengths	Weaknesses
Location near boulders	Size (maximum 17 caravan sites)
Sea views and access	Limited revenue from the mobile homes
Well maintained	Seasonality
Good ablution facilities	Low rentals received from mobile homes
Black Marlin restaurant	
Opportunities	Threats
Foreign and domestic tourists to boulders	Oatlands resort
Foreign and domestic tourists to the Black Marlin	
Foreign and domestic tourists to the Simon's Town, Kalk Bay area	
Backpacker market	

Source: Grant Thornton

3.4.3 Existing and Potential Markets

The caravan park has an existing **domestic leisure market** which utilises the park on weekends and during the school holidays. We believe that Millers Point could also potentially target the **foreign leisure market** (more specifically independent travellers) and **foreign backpackers** due to its prime location close to both Cape Point and local penguin park “Boulders”.

3.4.4 Recommendations

The major limitation on the revenue generating capacity of Millers Point is the limited number of caravan sites available at the resort. Due to the limited space available, we do not believe that the resort could accommodate additional caravan sites. We do however feel that due to the limited sites available, higher fees can be charged for camping at the resort. Dedicated backpacker accommodation in the form of 10 dedicated twin rooms should also be provided and marketed to this niche tourism sector.

The rental income that the Client is currently receiving from the mobile homes at the resort is well below market value. We recommend that 3-star holiday chalets should be developed to replace the mobile homes in order to improve the revenue generating potential of the resort. If for example, the 30 chalets were hired out to holiday makers at R500 a night per chalet, and they achieved annual average occupancies of 50%, additional revenue of R2,7 million a year would be generated by the resort.

The Black Marlin restaurant appears to be well run and it attracts foreign tour buses to the resort. We therefore recommend that the private concession of this restaurant is continued, and that the lease includes a turnover based element in the rental agreement. By linking the rental of the restaurant to turnover the City of Cape Town is assured to benefit from the success of the restaurant. It also ensures that the rental is reduced when if the restaurant were to experience tougher trading conditions, which should assist the restaurant's cash flow during this time.

3.5 Fish Hoek

3.5.1 Assessment of Existing Facilities

This resort is located between the Fish Hoek beach and the Fish Hoek train station. It consists of 31 electrified caravan sites and one ablution block. The resort is well maintained and would currently qualify for a 2-star grading from the TGCSA. It has the potential to be graded as a 3-star facility if the ablution facilities were to be refurbished.

Table 3.7: Fish Hoek Key Information

Item	Comment
Caravan sites	31 Electrified
Ablution blocks	1
Road infrastructure	Good
Grading	None (2/3-star potential)
Current market	Domestic leisure
Occupancy of overnight accommodation	Medium
Income per year	Losses of between R0 and R500 000 per annum
Tariff caravan site (per night including VAT)	R137,80 in season and R 84,40 out of season

Source: City of Cape Town and Grant Thornton

3.5.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in Table 3.8.

Table 3.8: SWOT Analysis of Fish Hoek

Strengths	Weaknesses
Located close to Fish Hoek train station on the Southern Line	Size (maximum 31 caravan sites)
Beach	Wind and seasonality
Well maintained	
Opportunities	Threats
Wyo restaurant is a tourist attraction and many tour buses stop in the area	Safety and security
The Southern Line is marketed as a tourism attraction and Fish Hoek station is within walking distance of the resort	
Backpacker market	

Source: Grant Thornton

3.5.3 Existing and Potential Markets

There is an existing demand for the caravanning facilities of this resort from the **domestic leisure market**. A potential growth market could be the **foreign backpacker market** due to the resort's location and convenient transport linkages. Backpacker accommodation facilities would however have to be developed in order to attract this market to the resort.

3.5.4 Recommendations

The small number of caravan sites at the resort limits the revenue generating capacity of the facility. There is however space available for expansion towards the yacht club and due to the fact that the ablution facilities are large enough to accommodate additional guests, the capital cost of an additional 19 sites (thereby increasing the resort capacity to 50 sites) should be limited.

In order to address the issue of seasonality in the caravan park, we would recommend that a concession be offered to the private sector to develop and manage a 10 twin room backpacker establishment within a predefined set of specifications.

3.6 Zandvlei

3.6.1 Assessment of Existing Facilities

Situated alongside Marina da Gama in Muizenberg, Zandvlei has 105 electrified caravan sites, 12 chalets, a community hall, ablution facilities, laundry facilities and a day visitor braai area. The day visitor area has direct access and views across the lagoon. The caravan park however is separated from the lagoon by a fence and road.

The caravan park, ablution facilities and chalets are in an acceptable condition. The day visitor area is un-kept and the trees need to be cleaned out and the grass cut. The resort would qualify for 2-star grading from the TGCSA.

Table 3.9: Zandvlei Key Information

Item	Comment
Caravan sites	105 Electrified
Chalets	6 One-bed units and 6 two-bed units
Ablution blocks	4
Road infrastructure	Good
Grading	None (2-star potential)
Current market	Domestic leisure
Occupancy of overnight accommodation	Medium
Number of day visitors per annum	Low
Income per year	Losses of between R0 and R500 000 per annum
Tariff electrified caravan site (per night including VAT)	R 137,90 in season and R 84,40 out of season
Tariff chalets (per night including VAT)	R391,00 in season and R335,20 out of season
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.6.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in Table 3.10.

Table 3.10: SWOT Analysis of Zandvlei

Strengths	Weaknesses
Alongside a lagoon	Caravan park is separated from lagoon
Muizenberg is a popular tourism destination	Day area is poorly maintained
Ablution and laundry facilities are acceptable	Seasonality
Chalets are in decent condition	
Secure area	

Opportunities	Threats
Community hall could be used to house indoor activities or to host conferences	Houses overlooking the day area might object to the development of a restaurant or any facilities
Possible restaurant concession overlooking the lagoon	
Non-motorised water sports	

Source: Grant Thornton

3.6.3 Existing and Potential Markets

Demand from the **domestic leisure market** exists for the caravan park, chalets and day visitor facilities at this resort. Due to the community hall at the resort, **school groups and day conferences and meeting groups** are also potential target markets.

3.6.4 Recommendations

We recommend that a concession be offered to a private party to develop and manage a conference centre and restaurant directly alongside the lagoon with views over the water. We believe that this concession together with the grass of the day visitor facility has the potential to develop into a lakeside park area where families can picnic, partake in events or have a meal. An informal art/organic type market could also be allowed to develop in this area, providing families with another reason to visit the park. Direct access will be then required from the caravan park to this area.

Regarding the existing facilities, we recommend that indoor activities such as pool, table tennis, darts etc. be hosted in the community hall in order to address the resort's seasonality. Team building activities or conferences in this hall could also be used to attract a corporate market and would further help to address seasonality. Activities such as non-motorised water sports on the lagoon can be offered in the summer season.

3.7 Blue Waters

3.7.1 Assessment of Existing Facilities

Located in Strandfontein, Blue Waters has been used as a refugee camp for the last year. The resort does not have direct beach however the "Blue Flag" Strandfontein beach is only a short drive away from the resort. The resort is divided into two separate areas, one catering for caravans and chalets, and the other for tented campers.

The resort is in an extremely poor condition and with the exception of approximately 8 new chalets, the facilities are derelict. The resort would not qualify for TGCSA grading without significant capital investment.

Table 3.11: Blue Waters Key Information

Item	Comment
Caravan sites	Unknown
Chalets	40 Chalets
Ablution blocks	7
Road infrastructure	Average
Grading	None
Current market	Refugees / Community if refugees evicted
Occupancy of overnight accommodation	Not applicable – refugee camp
Number of day visitors per annum	Not applicable – refugee camp
Income per year	Losses of between R500 000 and R1 million per annum
Tariff non-electrified caravan site (per night including VAT)	R 77,50 in season and R 71,80 out of season
Tariff camping site (per night including VAT)	R53,60 all year round

Item	Comment
Tariff chalets (per night including VAT)	R114,00 in season and R95,80 out of season
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.7.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in Table 3.12.

Table 3.12: SWOT Analysis of Blue Waters

Strengths	Weaknesses
A few new chalets	Most of the facilities are derelict
Surrounding nature reserve	Refugees currently located on premises
Blue flag beach within walking distance	Seasonality
Secure area	Large capital investment required to repair facilities
Opportunities	Threats
Blue Flag beach and associated marketing	Refugee settlement
Possible restaurant concession overlooking the lagoon	Safety and security

Source: Grant Thornton

3.7.3 Existing and Potential Markets

Following careful consideration of the various potential markets we do not believe that a demand exists for this resort. Given its location, the limited scenery and topography including being cut off from the beach and the relevant competition in close proximity to the resort (including resorts of the City of Cape Town) we do not believe that the resort could attract sufficient market demand in order to be viable.

3.7.4 Recommendations

If this resort were to be maintained as a community facility and if the City of Cape Town was able to evict the refugees, we would recommend that the two areas of the resort be consolidated into a single area (preferably where the chalets are currently located) so that the maintenance and running costs of the park could be reduced. Significant capital investment would then be required in order to bring the resort up to acceptable standards.

3.8 Monwabisi

3.8.1 Assessment of Existing Facilities

Situated adjacent to the Wolfgat Nature Reserve and Kayelitsha, this resort consists of 30 electrified caravan sites, 90 camping sites and 31 chalets. The resort has been divided into 3 separate areas:

- An overnight area with caravan sites, camping sites, chalets and a swimming pool;
- A day visitor braai area; and
- A public day visitor area with a pavilion and tidal pool.

The chalets and ablution facilities are derelict and require substantial refurbishment, and unless a significant amount of capital is invested, the resort will not qualify for TGCSA grading.

Table 3.13: Monwabisi Key Information

Item	Comment
Caravan sites	30 Electrified and 90 non-electrified
Chalets	14 Five-bed units and 19 six-bed units
Ablution blocks	2

Item	Comment
Road infrastructure	Good
Grading	None
Current market	Community
Occupancy of overnight accommodation	Low
Number of day visitors per annum	High
Income per year	Turnover of R191 453 (1 Mar 07 to 28 Feb 08) - losses of higher than R1 million per annum
Tariff electrified caravan site (per night including VAT)	R 90,10 all year round
Tariff non-electrified caravan site (per night including VAT)	R71,80 all year round
Tariff chalets (per night including VAT)	R 95,80 - R 132,20 all year round
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.8.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in **Table 3.14**.

Table 3.14: SWOT Analysis of Monwabisi

Strengths	Weaknesses
Surrounding nature reserve	Facilities are in poor condition
Tidal pool and beach	Seasonality
Significant infrastructure	
Resort covers a large area and can accommodate a large amount of people	
The subdivision of the resort helps with the control of safety and security	
Opportunities	Threats
Big community target market	Safety and security
Events	
Possible private concession interest due to large target market	
Conference centre / educational centre	
Food and beverage kiosks in pavilion area	
Possible R10 million available for upgrade	

Source: Grant Thornton

3.8.3 Existing and Potential Markets

We believe that the resort is very much driven by seasonal day visitors from the **local community market**. The day visitors could be supplemented by tented camping, as well as **school and church groups** form the same market. We do not believe that a market exists for caravanning at the resort.

3.8.4 Recommendations

Due to the large local community day visitor market which exists in the area, we believe that a portion of the funding available to upgrade this resort should be focussed on the day visitor facilities, and more specifically on creating sustainable revenue generating facilities such as food and beverage kiosks, activities etc. in this area of the resort. In order to address seasonality issues we would recommend that events and activities (e.g. community markets, craft markets, child minding services etc.) drive this section of the resort. We recommend that an event and activity schedule be developed and implemented to ensure that some type of event or activity occurs at the resort at least each weekend.

As stated previously, we do not believe that a market exists for caravanning at the resort. We do however feel that a market exists for school and church groups. To accommodate this market we recommend that the existing chalets and ablution blocks at the resort be refurbished and that an additional 29 self-contained chalets be built at the existing electrified caravan sites, bringing the total number of chalets to 60. The exterior of the chalets should be clad or themed in order to make the existing block-like exteriors more appealing to guests. To further accommodate these group markets, we recommend that a large community hall be built. This hall can serve as an educational facility, a mess hall for guests of the chalets, an indoor activity hall, or a meeting/conference area.

3.9 Macassar

3.9.1 Assessment of Existing Facilities

The Macassar resort consists of a day visitor area with a derelict pavilion and ablution block, as well as an overnight visitor area with 62 electrified caravan parks, 74 camping sites and 10 chalets. The area has been identified by the Client as a mixed use high density coastal node in the longer term.

The facilities at this resort are in complete disrepair and would not qualify for TGCSA grading without significant capital investment.

Table 3.15: Macassar Key Information

Item	Comment
Caravan sites	62 Electrified and 74 non-electrified
Chalets	10 Six-bed units
Ablution blocks	3
Road infrastructure	Average
Grading	None
Current market	Community
Occupancy of overnight accommodation	Low
Number of day visitors per annum	Low
Income per year	Losses higher than R1 million per annum
Tariff electrified caravan site (per night including VAT)	R 95,80 in season and R 84,40 out of season
Tariff non-electrified caravan site (per night including VAT)	R 77,50 in season and R 71,80 out of season
Tariff camping (per night including VAT)	R 71,80 in season and R 66,10 out of season
Tariff chalets (per night including VAT)	R 275,90 in season and R209,80 out of season
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.9.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in Table 3.16.

Table 3.16: SWOT Analysis of Macassar

Strengths	Weaknesses
Beach	Facilities are in an extremely poor condition
	Seasonality
	Poorly kept
Opportunities	Threats
Local community market	Safety and security

Source: Grant Thornton

3.9.3 Existing and Potential Markets

We do not believe that a market exists for caravanning in this area. At best a limited demand from the **local community market** could exist for tented camping or chalet accommodation.

3.9.4 Recommendations

We do not recommend investing significantly in this resort as we do not believe that it could be economically viable. Investigations by the City of Cape Town has indicated that the openings in the pavilion wall should be built up and derelict parts of the wall be removed. This will create a relative wind free area behind the wall that could be utilised for a play park/braai area. Part of the building may also be renovated as a life saving club, but this would depend on costs. The parking will be removed from the beachfront and the front dunes will be re-established.

A concession could be offered to a private party for the development of a Halaal food and beverage facility alongside the beachfront ablution facilities. This could be done on a “beach trading permit” basis to allow for more flexible trading in temporary facilities. The refurbishment of the ablution block could be a condition for awarding the restaurant concession and would be a way for the City to improve these facilities without investing a significant amount of capital.

3.10 Voortrekker Park

3.10.1 Assessment of Existing Facilities

Voortrekker Park is located in Strand and is within comfortable walking distance of the beach. The resort consists of 100 electrified caravan sites, 8 luxury chalets, 36 standard chalets, a small community hall as well as a separate area of privately leased wooden chalets.

With the repair and refurbishment of the ablution block, the caravan park could potentially be graded as a 2-star facility. The luxury chalets would currently be graded as 2-star however they have the potential to be a 3-star facility with a small amount of work. The 36 standard chalets would require a significant amount of reparation in order to be graded, and at best they could then achieve a 2-star grading.

Table 3.17: Voortrekker Park Key Information

Item	Comment
Caravan sites	100 Electrified
Chalets	4 Four-bed units, 40 six-bed units and 102 wooden houses leased out on an annual basis
Ablution blocks	3
Road infrastructure	Good
Grading	None (2/3 star potential)
Current market	Domestic leisure
Occupancy of overnight accommodation	Medium
Number of day visitors per annum	Not applicable
Income per year	Turnover of R1 730 208 - recording a profit per annum
Tariff electrified caravan site (per night including VAT)	R 137,90 in season and R 108,30 out of season
Tariff chalets (per night including VAT)	R 359,10 - R 563,20 in season and R 299,80 - R 502,70 out of season

Source: City of Cape Town and Grant Thornton

3.10.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in **Table 3.18**.

Table 3.18: SWOT Analysis of Voortrekker Park

Strengths	Weaknesses
Beach within walking distance	Seasonal
Sheltered from the wind	Inflexibility of permanent wooden holiday cottages
Well maintained facilities	36 Standard chalets require maintenance
Community hall	No direct beach access
Fixed annual revenue from holiday cottages	
Opportunities	Threats
Small conferences or meetings	Harmony Park
Caravan clubs	Hendon Park

Source: Grant Thornton

3.10.3 Existing and Potential Markets

We believe that a demand exists for both the caravan sites and chalets at this resort from the **domestic leisure market**. In addition, the resort should be able to attract local caravan clubs on weekends and the potential to host **small conferences or meeting** also exists.

3.10.4 Recommendations

It is necessary for the resort to pursue official TGCSA grading in order to attract the domestic leisure market. In order for the resort to achieve this, the ablution facilities and 36 standard chalets would need to be upgraded. We would also recommend that each caravan site be equipped with its own braai area as opposed to the existing communal braai area provided.

In order to attract overnight conferences or meetings, the luxury chalets should be upgraded to a 3-star level. Furthermore, we would recommend that each bedroom be provided with its own ensuite bathroom. This is often a minimum requirement for overnight conferences and will cater for multiple delegates sharing a chalet but each having their own room. Conferencing will help address seasonality at this resort.

3.11 Harmony Park

3.11.1 Assessment of Existing Facilities

Situated between Strand and Gordon's Bay, Harmony Park consists of 90 electrified caravan sites, 70 non-electrified camping, 8 chalets and a day visitor area with a pavilion.

The day visitor pavilion is currently undergoing refurbishment and the police will establish a permanent presence in the facility. The overnight resort facilities are all in poor condition and are in need of substantial upgrading if the resort is to even be considered for grading. If the significant upgrades were completed, the chalets and caravan park could be potentially 2-star graded.

Table 3.19: Harmony Park Key Information

Item	Comment
Caravan sites	90 Electrified and 70 non-electrified
Chalets	8 Six-bed units
Ablution blocks	2
Road infrastructure	Medium
Grading	None
Current market	Community
Occupancy of overnight accommodation	Low
Number of day visitors per annum	Medium
Income per year	Losses of between R500 000 and R1 million per annum
Tariff electrified caravan site (per night including VAT)	R 137,90 in season and R 90,10 out of season

Item	Comment
Tariff non-electrified caravan site (per night including VAT)	R 108,30 in season and R 84,40 out of season
Tariff chalets (per night including VAT)	R 454,90 - R 563,20 in season and R 335,20 - R 443,50 out of season
Tariff day visitors (per day including VAT)	R8 per adult and R4,60 per child

Source: City of Cape Town and Grant Thornton

3.11.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in **Table 3.20**.

Table 3.20: SWOT Analysis of Harmony Park

Strengths	Weaknesses
Views	No beach available
Location in Helderberg area	Seasonality and wind
Large day visitor area	Safety and security
	Facilities in poor condition
Opportunities	Threats
Day visitors	Voortrekker Park
The area has been identified as a potential long term mixed use coastal development node	Hendon Park

Source: Grant Thornton

3.11.3 Existing and Potential Markets

Harmony Park is located almost halfway between Hendon Park and Voortrekker Park, and the three parks are within a 5km radius of each other. Due to the fact that Hendon Park and Voortrekker Park have far better caravan and chalet facilities, we do not believe that Harmony Park can compete with these resorts for the domestic leisure market in the area. A demand from the **local community market** does however exist for the day visitor facilities at this resort.

3.11.4 Recommendations

The City of Cape Town has completed an Urban Design Framework for Harmony Park which should allow for the development of the site in the longer term. The City wishes to maintain greater control over the development process by making sites available to a variety of developers under strict guidelines. Over the longer term, the Urban Design Framework provides for development along Faure marine Drive/Beach Drive and the intention is to utilize the full front part of the site as a coastal urban park with maximum public access to the beachfront including the removal/relocation of the current caravan park/ chalets. In the short to medium term the City is investigating the possibility to utilise the existing buildings at the day visitor facilities as a community hall.

Furthermore, we recommend that the client considers a concession to a private party for a food and beverage kiosk at the day visitor pavilion in order to cater for the needs of a potentially large number of visitors to the area.

3.12 Hendon Park

3.12.1 Assessment of Existing Facilities

Situated directly adjacent to the beach in Gordon's Bay, Hendon Park is probably the most popular of the city owned resorts. The resort consists of 50 electrified caravan sites and an associated ablution facility, 30 non-electrified and unused camping sites and an associated derelict and vandalised ablution facility, 10 luxury apartments and 44 standard chalets and the privately leased Fleur Park.

The parks ablution facilities are in need of repair however the chalets and caravan sites are in good condition and if the ablution facilities were brought up to standard, the park could be graded as 3-star. The luxury apartments are currently of a 2-star standard, and have the potential to be 3-star graded with a limited amount of work. The standard chalets would be graded as 1-star by the TGCSA; but once again, with a limited amount of work have the potential to be 2-star facilities.

Table 3.21: Hendon Park Key Information

Item	Comment
Caravan sites	50 Electrified and 30 non-electrified
Chalets	9 Four-bed units and 45 six bed units
Ablution blocks	2
Road infrastructure	Good
Grading	None (2/3 star potential)
Current market	Domestic leisure
Occupancy of overnight accommodation	High
Number of day visitors per annum	High
Income per year	Records a profit per annum
Tariff electrified caravan site (per night including VAT)	R 137,90 in season and R 95,80 out of season
Tariff non-electrified caravan site (per night including VAT)	R 108,30 in season and R 84,40 out of season
Tariff chalets (per night including VAT)	R 754,70 - R 377,30 in season and R 502,79 - R 251,90 out of season

Source: City of Cape Town and Grant Thornton

3.12.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in **Table 3.22**.

Table 3.22: SWOT Analysis of Hendon Park

Strengths	Weaknesses
Beach	Non-electrified camping area and vandalised ablution facility
Location in Helderberg area	Seasonality and wind
Number of decent chalets	
Secure	
Close proximity to shops and restaurants	
Opportunities	Threats
Large domestic leisure market	Voortrekker Park
Existing midden	Harmony Park
Official 3-star grading possible	

Source: Grant Thornton

3.12.3 Existing and Potential Markets

A strong demand exists for the caravanning and chalet/apartment elements of this resort from the **domestic leisure market**.

3.12.4 Recommendations

The non-electrified camping area and associated derelict ablution block should be demolished as they detract from the overall good standard of the resort. We recommend that an additional 10 chalets be built in this area of the resort.

The resort could achieve an official TGCSA 3-star grading with a limited amount of capital investment. We recommend that this resort followed the process of being officially graded by in

order to make it an even more marketable and viable option for domestic tourists from other provinces.

Due to the proximity of Voortrekker Park where we have recommended the development of conference and meeting facilities we have not recommended the development of conference and meeting facilities at Hendon Park as we believe it would not be viable in market terms.

3.13 Kogel Bay

3.13.1 Assessment of Existing Facilities

The Kogel Bay resort is a unique offering due to its remote, rustic beachfront location and direct access to the Kogel Bay Biosphere Reserve and associated hiking trails. The resort consists of an overnight visitor area with 300 non-electrified camping sites as well as two separate day visitor areas.

The ablution facilities at this resort require significant refurbishment and the camping sites would not qualify for TGCSA grading due to the fact that they are not electrified. We do, however, believe that Kogel Bay has incredible potential.

Table 3.23: Kogel Bay Key Information

Item	Comment
Caravan sites	300 Non-electrified
Ablution blocks	15
Road infrastructure	Average
Grading	None
Current market	Domestic leisure
Occupancy of overnight accommodation	Medium
Number of day visitors per annum	Medium
Income per year	Losses of between R0 and R500 000 per annum
Tariff camping (per night including VAT)	R 95,80 in season and R 66,10 out of season
Tariff day visitors	R 8 per adult and R 4,60 per child

Source: City of Cape Town and Grant Thornton

3.13.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in Table 3.24.

Table 3.24: SWOT Analysis of Kogel Bay

Strengths	Weaknesses
Large area	Non-electrified
Biosphere and environmental reserve	Seasonality and wind
Mountains and beach	Distance to food and beverage outlets
	Ablution facilities in poor condition
Opportunities	Threats
Eco-tourism	Dangerous swimming in parts
Biosphere and hiking	
Food and beverage kiosk or restaurant	
Beach activities and events	

Source: Grant Thornton

3.13.3 Existing and Potential Markets

With the correct marketing strategy and rejuvenation of certain facilities, this resort would appeal to the **foreign backpacker** and **domestic leisure markets**. More specifically, this resort has the

potential to target **domestic and foreign eco-adventurers**. **School groups and day visitors** could also be attracted if a biosphere interpretation and educational centre were to be developed.

3.13.4 Recommendations

We believe that the fact that the resort is located between the untouched beach and biosphere reserve offers a unique opportunity to market and develop the resort as an eco-adventurer destination. The resort should therefore be marketed as a “Gateway to the Biosphere” and a complex consisting of an interpretation centre, conference venue and restaurant could all potentially be developed. This facility will help address seasonality by catering for school groups, conferences, day visitors and motorists en-route to areas further up the coast. Additional parking space would need to be developed in order to accommodate buses etc.

We would recommend that 10 permanent semi-luxury twin tents be erected to provide foreign travellers (backpackers and eco-adventurers) with eco-friendly, “light on the earth” accommodation and would require limited capital investment. We also recommend that 20 self-contained (solar powered), self-catering 3-star graded chalets be developed in the area above the road (currently used as an overflow area in peak season).

The resort should be event driven, and offer activities such as beach and mountain hiking trails, kids’ holiday programs, trampolines, surfing and kite surfing lesson’s etc.

3.14 Kuilsriver

3.14.1 Assessment of Existing Facilities

Situated in the heart of Kuilsriver, this resort consists of 86 electrified caravan sites, 2 ablution facilities and a community hall. The resort is well maintained and with some minor repairs to the ablution facilities it could potentially be graded as a 2-star caravan park by the TGCSA.

Table 3.25: Kuilsriver Key Information

Item	Comment
Caravan sites	86 Electrified
Ablution blocks	2
Road infrastructure	Good
Grading	None (2-star potential)
Current market	Domestic leisure
Occupancy of overnight accommodation	Medium
Number of day visitors per annum	Not applicable
Income per year	Records a profit per annum
Tariff electrified caravan site (per night including VAT)	R 90,10 in season and R 66,10 out of season

Source: City of Cape Town and Grant Thornton

3.14.2 SWOT Analysis

An analysis of the strengths, weaknesses, opportunities and threats of the resort are presented in **Table 3.26**.

Table 3.26: SWOT Analysis of Kuilsriver

Strengths	Weaknesses
Security	Permanent caravans
Facilities in good condition	Location on main road
Not as seasonal as beach resorts	
Location close to shopping centre	
Location close to Winelands	
Opportunities	Threats
Caravan clubs	
Community hall and possible interior activities	
Empty house	

Source: Grant Thornton

3.14.3 Existing and Potential Markets

A demand for the facilities at this resort exists from the **domestic leisure market**. Caravan clubs are a potential source market of regular business. In addition, the community hall facility should be marketed for **day conferences and meetings** as this could create additional revenue.

3.14.4 Recommendations

By all accounts this resort is well operated and we do not believe that a significant number of facilities could be added to this resort or that additional facilities would improve the market already utilising this resort. Our only recommendation is that apart from conferences and meetings, the community hall should also be used for indoor activities that could further help improve the seasonality of the resort.

Section 4: Overarching Recommendations

4.1 Introduction

General overarching recommendations which apply to each of the resorts regardless of location or existing facilities are presented in this section.

4.2 Standard of Facilities

4.2.1 Communal Areas

The following minimum recommended requirements should apply to the Client's resorts in order for the resort to be able to attract the potential market:

- The resort must be safe and secure. An environment must be created where it is safe for children to play within the confines of the resort without adult supervision;
- There must be an acceptable level of lighting at the resort;
- Food and beverage facilities of a small shop selling basic amenities should be provided where possible in order to cater for guests at the resort. These facilities could be operated during the peak season only if required;
- Day and overnight visitors should be separated where possible; and
- The resorts grounds must be clean and neat.

4.2.2 Chalets

The following minimum recommended requirements should apply to the chalets at the resorts in order to be competitive in the market:

- A mix of at least 2-and 3-star graded chalets is required in order to attract domestic tourists from other provinces;
- Chalets should be provided with undercover, sheltered patios fitted with a built in braai. Seating should be available around the braai area, which can take the form of permanent benches or garden furniture could be supplied;
- Chalets should be provided with a television with good reception of public channels;
- Chalets should be provided with glass sliding doors where applicable in order to create a feeling of open space;

- Chalets should have exterior aesthetics which will appeal to guests;
- Chalets should have interior aesthetics which appeal to their relevant target market (especially luxury units);
- Each chalet should be fitted with at least one bathroom. In order to attract overnight conference delegates who would share a chalet, one bathroom per room (ensuite) should be provided;
- Chalets should be fully furnished and supplied with bedding. Towels need not be provided;
- Chalets should have built in kitchens fitted with a stove, microwave oven, fridge and freezer; and
- Energy and water efficient devices (such as solar panels, etc) could be considered.

4.2.3 Caravan Sites

The following minimum recommended requirements should apply to the caravan parks at the resorts in order to be competitive in the market:

- As a starting point, all ablution, scullery and laundry facilities must be clean and in a good state of repair;
- The gardens, landscaping and grass areas of the resort must be well maintained;
- The caravan sites must be electrified in order to qualify for grading. In the case of Kogel Bay, the fact that the resort is not electrified adds to the charm of the eco-adventurer destination, and we would therefore recommend that this be an exception to the rule;
- At least one garbage bin and tap per site must be provided;
- The caravan park should be at least 2-star graded;
- Each caravan site should have its own dedicated braai area on the site in order to allow people to braai while remaining close to their possessions and families; and
- The use of solar energy and water saving devices for ablution blocks could be investigated.

4.2 Activities and Events

Activities and events help create a resort destination rather than simply an accommodation establishment. They are a means of attracting new people to a resort, improving a resort's seasonality as well as increasing the average length of stay of visitors at a resort. The activities and events that would suit a particular resort would be dependant on the resorts location, site (beach access etc.) and target market. The following are examples of possible resort activities and events:

- Trampolines;
- Kids' holiday club;
- Touch rugby tournaments (beach or grass);
- Kite-surfing;
- Beach soccer;

- Calypso (beach) cricket;
- Jumping castles;
- Archery and slingshot;
- Fun runs;
- Hiking trails;
- Table tennis, snooker and darts (where there are indoor facilities);
- Non-motorised water activities (e.g. canoes, paddle-skis, pedal boats etc.);
- Children’s play gyms;
- Horse riding;
- Mountain biking;
- Cultural/art informal markets; etc;
- Conference facilities;
- Restaurant/kiosk.

4.3 Marketing

In order to ensure that the resorts attract the recommended target markets it is necessary to market the resorts. A marketing plan should be developed for the resorts and sufficient marketing budget should be set aside to implement the marketing plan. As a first step the resorts should utilise the marketing machinery of the City of Cape Town including the services offered by Cape Town Tourism.

4.3.1 Marketing Channels

The following key marketing channels should be used to promote the resorts, and should offer direct links to the central booking system of the resorts:

- Cape Town Tourism: www.capetown.travel;
- Cape Town Routes Unlimited: www.ctruc.co.za;
- Backpacking South Africa: www.backpackingsouthafrica.co.za;
- The Baz Bus: www.bazbus.com;
- South Africa Venues: www.sa-venues.com; and
- Caravanparks.com: www.holidayresorts.co.za.

In addition, the Client should approach the Caravan Club of South Africa’s Western Cape Chapter with regards to the possibility of hosting the club’s weekend rallies at the Client’s resorts.

4.3.2 FIFA 2010 World Cup Strategy

With a certain degree of maintenance and repair the following resort facilities could potentially host fans travelling to South Africa during the FIFA 2010 World Cup:

- Oatlands chalets;
- Hendon Park chalets;
- Voortrekker Park luxury chalets;
- Zandvlei chalets;
- Fan “Tent Parks” can be hosted at Millers Point, Fish Hoek and Kogel Bay if permanent luxury tents are erected and the ablution facilities are upgraded.

In order to attract this market, the Client must register these resorts with Match – FIFA’s official accommodation agency and the relevant facilities would need to be officially graded in order to be listed with Match. Previously Match has only signed up hotels and guesthouses but due to the

shortage of accommodation, it has started to sign up other forms of accommodation. For example, Match has signed most of the SANParks accommodation inventory.

4.4 Human Resources

Although an operational review was not part of this assignment we do wish to mention that to ensure that the resorts are effectively managed and the standards are maintained, it is important to ensure that the correct people are employed to implement the formulated strategies and plans.

We recommend that the City of Cape Town ensures that the staff employed at the resorts has the correct skills and qualifications, which should include:

- Hospitality training including service excellence programmes such as SA Host;
- Marketing;
- Accounting;
- Business Management;
- Human resources; and
- Job specific skills such as security, gardening, etc.

4.5 Maintenance

The resorts should be well maintained and each resort should have a maintenance plan to indicate the maintenance schedule and cost. It is standard practise in the tourism industry to continuously replace certain soft furnishing such as bedding, towels, curtains, etc every 2 to 3 years as well as hard furnishings such as beds, tables, etc. every 5 to 7 years. The tourism industry also does a major refurbishment of their facilities every 7 to 10 years where the facilities are repainted, re-carpeted, retiled and fittings replaced to ensure the facilities do not look dated. This maintenance and refurbishment needs to be budgeted for and conducted on an ongoing basis.

4.6 Management Options

The management of the resorts can be conducted in various ways and **Table 4.1** provides a brief overview of the advantages and disadvantages of each management option.

Table 4.1: Management Options for Resorts owned by the City of Cape Town

	Self Management	Lease	Concessionaire
Description	The resort is completely owned and managed by the City of Cape Town	The resort is owned by the City of Cape Town but managed by a private party that pays a rental (usually fixed)	The resort is owned by the City of Cape Town but managed by a private party that pays a concession fee which is usually linked to the turnover of the resort
Advantage	The City maintains total control over the resort and how it is managed	<p>The resort is managed by a private party</p> <p>The budgeted lease payment is known in advance</p>	<p>The concession payment is usually linked to the performance of the resort which ensures that the City benefits if the resort is doing well and that the concessionaire has some relief if the resort is not doing well</p> <p>The concessionaire is responsible for the maintenance of the resort</p>

	Self Management	Lease	Concessionaire
Disadvantage	The City has to perform a function which is not part of its core services	The City has little control over the management of the resort	The City has little control over the management of the resort
		The lease payment is usually fixed which could lead to the lessee not being able to meet his/her commitment if the resort is not performing well	
		The City remains wholly responsible for maintenance of the resort	

Source: Grant Thornton

4.7 Fees and Tariffs

As part of the study, Grant Thornton conducted a benchmarking exercise of the tariffs being charged at similar resorts elsewhere in the Western Cape and South Africa. Resorts across the country use a variety of fee structures, most of which are based on low and high season rates. Some have a set rate throughout the year, while others identify as many as 4 different rates based on the demand for the resort at different times throughout the year. For the purpose of this exercise, we have benchmarked the rates according to the following seasons:

- **Peak Season:** From the middle of December until the middle of January, as well as all long weekends and school holidays falling within the High Season dates;
- **High Season:** From the middle of September until the end of Easter weekend, as well as all long weekends and school holidays falling within the low season dates; and
- **Low Season:** From after the Easter weekend until the middle of September.

It is important to note that while indicative tariff ranges are provided in the tables below, factors such as the location of the resort, the condition of the facilities, the activities on offer, etc. all significantly influence the rates charged and can result in a resort rates falling outside of these indicative bands.

The benchmark fees for caravan sites at resorts similar to the Clients' are presented in **Table 4.2**.

Table 4.2: Benchmark Caravan Site Rates

	Low Season	High Season	Peak Season
2/3 Star Graded Resorts	R 110 - R150	R 130 - R 220	R 250 - R 300
Non-Graded Resorts Targeting the Domestic Family Market	R 90 - R 110	R 110 - R 130	R 130 - R 150
Non-Graded Community Resorts	R 70 - R 80	R 80 - R 90	R 90 - R 100

Source: Grant Thornton

The benchmark fees for self-catering chalets at resorts similar to the Clients' are presented in **Table 4.3**.

Table 4.3: Benchmark Self-Catering Chalet Rates

	Low Season	High Season	Peak Season
2 Bed Chalets (or hired out to 2 people)			
2/3 Star Graded Resorts	R 300 - R 400	R 400 - R 500	R 500 - R 600
Non-Graded Resorts Targeting the Domestic Family Market	R 200 - R 250	R 250 - R 300	R 300 - R 350

	Low Season	High Season	Peak Season
4 Bed Chalets (or hired out to 4 people)			
2/3 Star Graded Resorts	R 400 - R 500	R 500 - R 600	R 600 - R 800
Non-Graded Resorts Targeting the Domestic Family Market	R 250 - R 300	R 300 - R 350	R 350 - R 400
6 Bed Chalets (or hired out to 6 people)			
2/3 Star Graded Resorts	R 500 - R 600	R 600 - R 800	R 800 - R 1200
Non-Graded Resorts Targeting the Domestic Family Market	R 300 - R 350	R 350 - R 400	R 400 - R 450

Source: Grant Thornton

The benchmark fees for day visitors at resorts similar to the Clients' are presented in **Table 4.4**.

Table 4.4: Benchmark Day Visitor Rates

	Child	Adult
Resorts Targeting the Domestic Family Market	R 10 - R 25	R 20 - R 40
Community Resorts	R 6 - R 10	R 8 - R12

Source: Grant Thornton

Section 5: Demand Analysis

5.1 Facilities and Target Markets

A summary of the existing accommodation facilities, recommended new facilities and identified target markets for each accommodation type (as described in Section 3) is shown in **Table 5.1**.

Table 5.1: Resort Facilities and Target Markets

Resort Name	Facilities	No.	Target Market
Silwerstroomstrand	Existing Caravan	44	No Market
	Existing Camping		Local Community
	Existing Chalets	6	Local Community
	New Chalets (Recommended)	14	Local Community
Soetwater	Existing Caravan	61	Domestic Leisure
	Existing Camping	59	Local Community
	New Chalets (Recommended)	25	Foreign Leisure
Millers Point	Existing Caravan	17	Domestic Leisure
	New Chalets (Recommended)	30	Domestic Leisure
	New Backpackers (Recommended)	20	Foreign Backpacker
Fish Hoek	Existing Caravan	31	Domestic Leisure
	New Caravan (Recommended)	19	Domestic Leisure
	New Backpackers (Recommended)	20	Foreign Backpacker
Zandvlei	Existing Caravan	105	Domestic Leisure
	Existing Chalets	12	Domestic Leisure
Bluewaters	N/A	N/A	No Market
Monwabisi	Existing Caravan	30	No Market
	Existing Camping	90	Local Community
	Existing Chalets	31	Local Community
	New Chalets (Recommended)	29	Local Community
Macassar	Existing Caravan	62	No Market
	Existing Camping	74	Local Community
	Existing Chalets	10	Local Community
Voortrekker Park	Existing Caravan	100	Domestic Leisure
	Existing Chalets	44	Domestic Leisure
Harmony Park	Existing Caravan	90	No Market
	Existing Camping	70	Local Community

Resort Name	Facilities	No.	Target Market
	Existing Chalets	8	Local Community
Hendon Park	Existing Caravan	50	Domestic Leisure
	Existing Chalets	54	Domestic Leisure
	New Chalets (Recommended)	10	Domestic Leisure
Kogel Bay	Existing Camping	300	Domestic Leisure
	New Chalets (Recommended)	20	Domestic Leisure
	New Backpackers (Recommended)	20	Foreign Backpacker
Kuilsriver	Existing Caravan	86	Domestic Leisure

Source: Grant Thornton

5.2 Domestic Demand

Based on statistics published in SA Tourism's Annual Domestic Tourism 2008 Performance presentation, a total of 152 million bednights were spent away from home in South Africa during the year. Of these nights, 1% was spent camping and caravanning and 4.3% were spent in self-catering accommodation. The 2008 data do not provide the number of bednights spent in the Western Cape in 2008 and accordingly we applied the growth in bednights spent in South Africa to bednights spent in the Western Cape in 2005. By applying these national ratios to the projected number of bednights spent in the Western Cape in 2008 the estimated total domestic demand for accommodation in the Western Cape during 2008 was:

- 154 488 bednights for caravan and camping accommodation; and
- 728 299 bednights for self-catering accommodation.

5.3 Foreign Demand

Based on statistics published in SA Tourism's Annual Foreign Tourism Report 2007 (the latest available data), a total of 68,2 million bednights were spent in South Africa during the year. Of these nights, 11,7% were spent in self-catering accommodation and 4,1% were spent in backpacker accommodation. By applying these national ratios to the number of bednights spent in the Western Cape (20,1 million nights according to the same report), the estimated total foreign demand for accommodation in the Western Cape during 2007 was:

- 2 346 080 bednights for self-catering accommodation;
- 821 603 bednights for backpacker accommodation.

By applying the estimated growth rate of foreign tourism during 2008 to these figures, the 2008 equivalent demand is:

- 2 462 148 bednights for self-catering accommodation;
- 862 250 bednights for backpacker accommodation.

5.4 Potential Market Share of Existing Facilities

If the existing resort facilities are simply brought up to standard, well managed and marketed (i.e. no additional accommodation facilities are built), they should achieve market-related average annual occupancies in the order of 10% to 15% for the caravan & camping market and around 50% for the self-catering market. Based on this, as well as on double occupancies of 100%, **Table 5.2** presents the resulting potential annual bednights that the resorts could sell as well as the corresponding market share that they would achieve.

Table 5.2: Potential Market Share of Existing Facilities

	Sites Sold / Year	Bednights Sold / Year	Market Share
Domestic Caravan & Camping Market	40 479	80 957	52.4%
Soetwater	4 380	8 760	5.7%
Millers Point	621	1 241	0.8%
Fish Hoek	1 132	2 263	1.5%
Zandvlei	3 833	7 665	5.0%
Voortrekker Park	14 600	29 200	18.9%
Hendon Park	1 825	3 650	2.4%
Kogel Bay	10 950	21 900	14.2%
Kuilsriver	3 139	6 278	4.1%

	Chalets per Year	Bednights	Market Share
Domestic Self-Catering Market	20 075	40 150	5.5%
Zandvlei	2 190	4 380	0.6%
Voortrekker Park	8 030	16 060	2.2%
Hendon Park	9 855	19 710	2.7%

Source: Grant Thornton

5.5 Effect of Additional Supply

A summary of the additional facilities which we recommend be developed as well as the effect of these additional facilities on the domestic and foreign source markets (assuming average annual occupancies of 50% and double occupancies of 100%) is shown in **Table 5.3**.

Table 5.3: Effect of Additional Facilities on the Market

	Additional Facilities	Additional Bednights Sold	% of Existing Demand
Domestic Caravan & Camping	19 Sites	2 081	1.3%
Domestic Self-Catering	60 Chalets	21 900	3.0%
Foreign Self-Catering	25 Chalets	9 125	0.4%
Foreign Backpacker Market	30 Rooms	10 950	1.3%

Source: Grant Thornton

We believe that demand exist for the additional facilities as per our recommendations since it is clear that if these facilities were to be added, and if they achieved market related occupancies, the maximum addition bednight supply to any of the individual markets would be 3%, which is less than the domestic and foreign tourism annual compound growth rates experienced between 2005 and 2008 of 4,5% and 9,0% respectively. In other words, the additional facilities could be filled by the organic growth in demand and the City of Cape Town would not need to develop or create this market demand.

Section 6: Regional Strategies

6.1 Introduction

In this section we consider the resorts in the context of the TDA in which they are located, and we investigate the possible linkages and synergies between these resorts which could be utilised to further improve the overall regional product offering.

6.2 Blaauwberg

The Client owns two resorts in the Blaauwberg TDA, namely: Ou Skip and Silwerstroomstrand. Ou Skip is privately leased (R381 144 p.a.) until 2013 and hence did not form part of this analysis. The resort appears to be well managed and has been graded as a 3-star resort by the TGCSA. We would therefore recommend that the existing lease agreement be continued and that the resort not be included in the overall regional strategy, marketing plan or management plan of the city-managed resorts.

As described in Section 3, the existing market for Silwerstroomstrand is the local community, and more specifically the communities of Atlantis, Mamre and Melkbosstrand. We do not feel that any transport services or dedicated marketing plan is required for this resort but do recommend that once the resort and its facilities have been refurbished and repaired, community events be used to attract guests to this resort.

6.3 Peninsula

The Client owns six resorts in the Peninsula TDA, namely: Imhoff, Soetwater, Millers Point, Oatlands, Fish Hoek and Zandvlei. Imhoff is privately leased (R172 328 p.a.) until 2012 and hence did not form part of this analysis.

Soetwater is an isolated offering due to its location on the West Coast of the Peninsula. The resort is also unique in the fact that it is located in the Table Mountain Nature Reserve as well as along a relatively untouched beach. We therefore recommend that this resort have its own management team which could either be part of the City of Cape Town or a concessionaire. Any marketing plan for this resort should be directly targeted towards the domestic leisure caravanning market as well as domestic and foreign eco-adventurers. If a private concession were to be awarded for a restaurant at the resort, we would recommend that this restaurant be actively marketed to tour operators who would then bring tour busses to the restaurant. Regarding transport linkages, Soetwater is not easily accessible from Cape Town due to the closure of Chapman's Peak. We therefore recommend that a transport service between Cape Town and the resort be provided for foreign visitors. This transport service can take the form of a dedicated shuttle owned and operated by the City of Cape Town or alternatively an agreement with an existing transport operator to transport foreign visitors.

Miller's Point, Oatlands and Fish Hoek have obvious synergies due to their location on or close to the scenic Southern railway line, as well as the fact that they are en-route to Cape Point. This railway line is actively marketed to foreign tourists and provides these resorts with a unique marketing opportunity and potential foreign backpacker market. We would therefore recommend that a collective marketing plan be developed for these 3 resorts to actively target the foreign backpacker market. Transport linkages for these backpackers should be offered (demand dependant) in the form of a single minibus which completes trips along the coastal M4 between Kalk Bay and Millers Point. The route would incorporate Fish Hoek, Simon's Town and the Boulders Penguin Colony and would negate the need for backpackers to arrange for private transport in the area.

Due to the fact that the Oatlands private lease has expired, we would recommend that a single management agreement be put in place to manage and market both the Oatlands resort and Millers Point. This will provide different accommodation options to a single target market and improve the TDA's product offering.

The primary target market for Zandvlei is the domestic leisure market and as such we would recommend that this resort be managed and marketed as a separate entity from the other resort offerings in the Peninsula area.

6.4 Cape Flats and Metro South East

The city owns and manages 3 resorts in the Cape Flats and Metro South East area, namely: Bluewaters, Monwabisi and Macassar. These resorts are driven by demand from the local communities in the area and we therefore recommend that the marketing plans for these resorts be focused on events and activities for this target market.. We do not recommend any transport linkages or services be offered to, from or between these resorts.

6.5 Helderberg Basin

The city owns and manages 4 resorts in the Helderberg Basin area, namely: Voortrekker Park, Harmony Park, Hendon Park and Kogel Bay. Demand for the facilities at Voortrekker Park is driven by the domestic leisure caravanning market, and the resort should therefore be marketed accordingly. Harmony Park is driven by the local community and we therefore recommend that the marketing plan focus on events and activities for this target market.

Hendon Park is driven by domestic tourists from the Western Cape and other provinces to the Helderberg area. Demand for Kogel Bay exists from the domestic leisure camping and eco-adventurer markets, as well as from the foreign backpacker, eco-adventurers and self-catering markets. We believe that a joint marketing plan should be developed to market Hendon Park and Kogel Bay to domestic tourists. Hendon Park will offer accommodation options to domestic leisure tourists who are in need of caravan or self-catering chalet accommodation, while Kogel Bay should be marketed as a destination for the more adventurous domestic eco-tourists and campers.

Due to its strategic location and unique environmental offering, Kogel Bay should also have a dedicated foreign tourism marketing strategy that targets foreign tourists and more specifically foreign backpackers and eco-adventurers.

In order to make the Hendon Park and Kogel Bay product offerings more attractive, transport linkages should be offered between this resorts and key surrounding attractions in the area such as; Gordon's Bay, Bikini Beach, the local rock pools, etc.

6.6 Tygerberg

The city has two product offerings in the Tygerberg region namely, Kuilsriver and Haardekraaltjie. Haardekraaltjie is privately leased and was not included in the scope of this project. However, the resorts are very similar product offerings and the demand for both is driven by the domestic leisure caravan markets. We would therefore recommend that the resorts be managed by the same party, and be marketed collectively to the domestic market and local caravan clubs.

Section 7: Conclusion

A situation and market analysis has been conducted for each of the Client's owned and managed resorts. Recommendations were made regarding resort grading, existing and potential target markets, as well as the development of additional facilities to cater for these markets. The following key target markets were identified:

- **Domestic Leisure Market:** Resident South Africans who travel more than 40km from their usual place of residence for holiday purposes. Market segments would include domestic leisure tourists who would stay in self-catering accommodation, the domestic caravan & camping market and eco-adventurers;
- **Domestic Business Market:** Resident South Africans who would make use of conference and meeting facilities;
- **Local Community Market:** Resident South Africans who reside within 40km of the resort as well as school & church groups; and
- **Foreign Leisure Market:** Foreign visitors to South Africa, and more specifically foreign backpackers and eco-adventures.

The market analysis conducted proved that sufficient demand does exist from organic growth in the target markets to support the existing and additional facilities. It would therefore not be necessary for the City of Cape Town to create an additional market for the facilities by trying to attract visitors who previously might not have visited the area, to the resort

For the resorts to successfully appeal to the identified target markets, we recommend that:

- The facilities at the resorts meet the basic requirements and standards that were identified in Section 4;
- Ongoing maintenance and refurbishment be done to ensure the standards are maintained;
- Staff be trained to ensure they have the relevant skills;
- Where applicable, and in accordance with our recommendations for each resort, the resorts be officially graded by the TGCSA; and
- Dedicated marketing plans are developed and implemented for each of the resorts, including utilising the services offered by Cape Town Tourism.

In **Table 7.1**, we have prioritised (as high, medium or low) the development of the various resorts in order to once again maximise the revenue generating capability of the resorts.

Table 7.1: Prioritisation of Recommended Resort Developments

Resort	Development Priority
Kogel Bay	High
Millers Point (and Oatlands)	High
Soetwater	High
Hendon Park	High
Voortrekker Park	Medium
Monwabisi	Medium
Zandvlei	Medium
Fish Hoek	Medium
Bluewaters	Low
Macassar	Low
Silwerstroomstrand	Low
Harmony Park	Low
Kuilsriver	Low

Source: Grant Thornton

Annexure A: TGCSA Recommendations

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20 June 2009 - Summary of Star Grading of Cape Town Metro Resorts

Resort	Existing	Potential
Silverstroom		
* Caravan Park	None	1/2 Star
* Chalets	None	2 Star
Soetwater		
* Caravan Park	1/2 Star	3 Star
Millers Point		
* Caravan Park	2/3 Star	3 Star
Fish Hoek Resort		
* Caravan	1/2 Star	3 Star
Zandvlei		
* Caravan Park	2 Star	3 Star
* Chalets	None	2 Star
Blue Water	Unable to access	None
Monwabisi		
* Caravan Park	None	None
* Chalets	None	None
Macassar Resort		
* Caravan Park	None	1 Star
* Chalets	None	None
Voortrekker Park		
* Caravan	None	1/2 Star
* Luxury Chalets	2 Star	3 Star
* Standard Chalets	None	2 Star

Resort	Existing	Potential
Harmony Park		
* Caravan Park	None	1/2 Star
* Chalets	None	1/2 Star
Hendon Park		
* Caravan Park	None	1/2 Star
* Luxury Chalets	2 Star	3 Star
* Chalets	1 Star	2 Star
Kogel Bay Resort		
* Caravan Park	None	1/2 Star (If Electrified)
Kuilsrivier		
* Caravan Park	1/2 Star	1/2 Stars

Annexure B: Resort Photos

B.1 Silwerstroom

Figure B.1: Aerial Photograph of Silwerstroom



Source: City of Cape Town / Grant Thornton

Figure B.2: Pavilion at Silwerstroom



Source: Grant Thornton

Figure B.3: Day Visitor Area at Silwerstroom



Source: Grant Thornton

Figure B.4: Caravan and Ablution Area at Silwerstroom



Source: Grant Thornton

Figure B.5: Chalets at Silwerstroom



Source: Grant Thornton

Figure B.6: Tented Camping Area at Silverstroom



Source: Grant Thornton

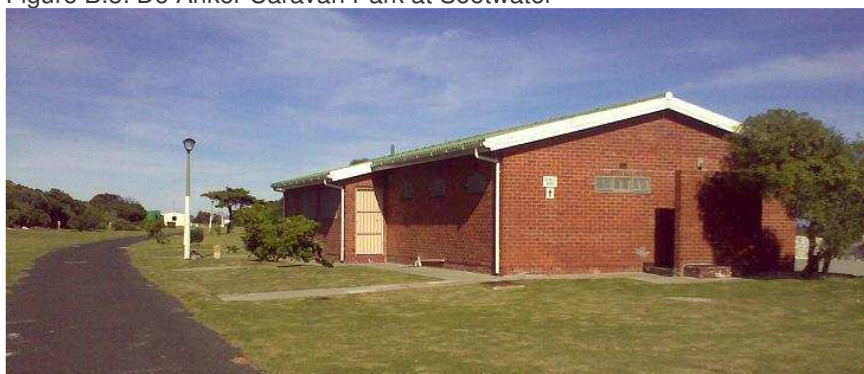
B.2 Soetwater

Figure B.7: Aerial Photograph of Soetwater



Source: City of Cape Town / Grant Thornton

Figure B.8: De Anker Caravan Park at Soetwater



Source: Grant Thornton

Figure B.9: Medusa Tented Camping Area at Soetwater



Source: Grant Thornton

Figure B.10: Day Visitor Area at Soetwater



Source: Grant Thornton

Figure B.11: Meeting Hall Area at Soetwater



Source: Grant Thornton

B.3 Millers Point

Figure B.12: Aerial Photograph of Millers Point



Source: City of Cape Town / Grant Thornton

Figure B.13: Caravan Park at Millers Point



Source: Grant Thornton

Figure B.14: Ablution Facilities at Millers Point



Source: Grant Thornton

Figure B.15: Mobile Homes at Millers Point



Source: Grant Thornton

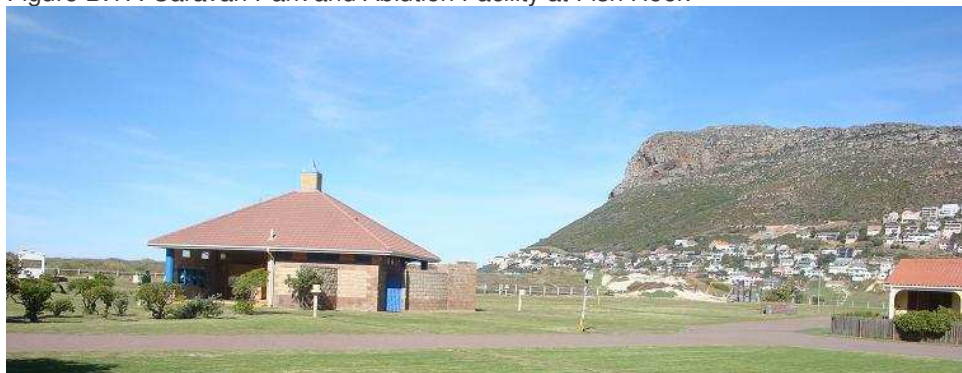
B.4 Fish Hoek

Figure B.16: Aerial Photograph of Fish Hoek



Source: City of Cape Town / Grant Thornton

Figure B.17: Caravan Park and Ablution Facility at Fish Hoek



Source: Grant Thornton

Figure B.18: Train Station at Fish Hoek



Source: Grant Thornton

B.5 Zandvlei

Figure B.19: Aerial Photograph of Zandvlei



Source: City of Cape Town / Grant Thornton

Figure B.20: Caravan Park at Zandvlei



Source: Grant Thornton

Figure B.21: Chalets at Zandvlei



Source: Grant Thornton

Figure B.22: Community Hall at Zandvlei



Source: Grant Thornton

Figure B.23: Day Visitor Area at Zandvlei



Source: Grant Thornton

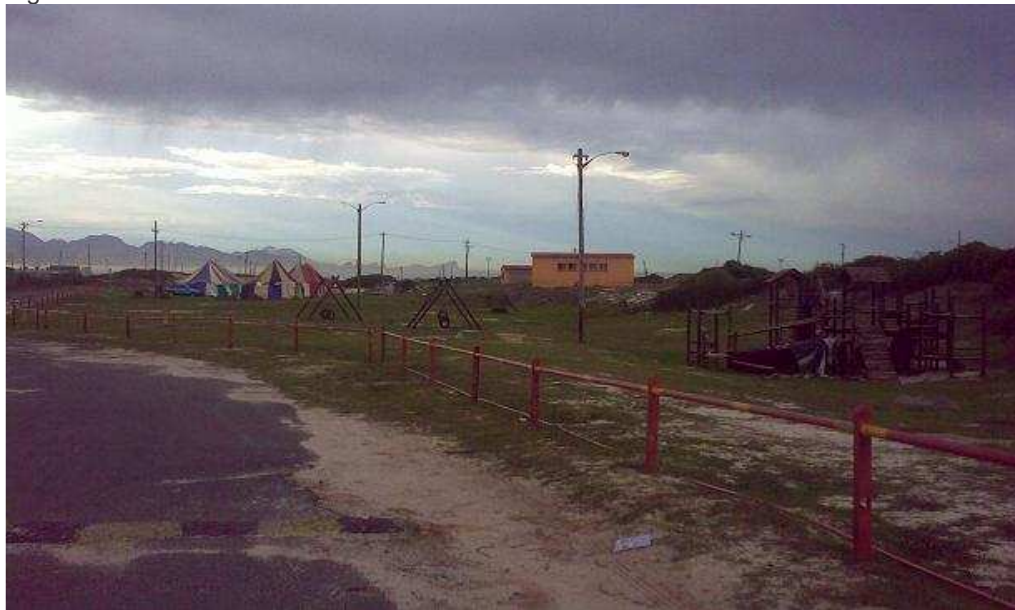
B.6 Blue Waters

Figure B.24: Aerial Photograph of Blue Waters



Source: City of Cape Town / Grant Thornton

Figure B.25: Caravan Park at Blue Waters



Source: Grant Thornton

Figure B.26: Old Chalet at Blue Waters



Source: Grant Thornton

Figure B.27: New Chalet at Blue Waters



Source: Grant Thornton

Figure B.28: Tented Camping Area at Blue Waters



Source: Grant Thornton

B.7 Monwabisi

Figure B.29: Aerial Photograph of Monwabisi



Source: City of Cape Town / Grant Thornton

Figure B.30: Camping Area at Monwabisi



Source: Grant Thornton

Figure B.31: Chalet at Monwabisi



Source: Grant Thornton

Figure B.32: Day Visitor Braai Area at Monwabisi



Source: Grant Thornton

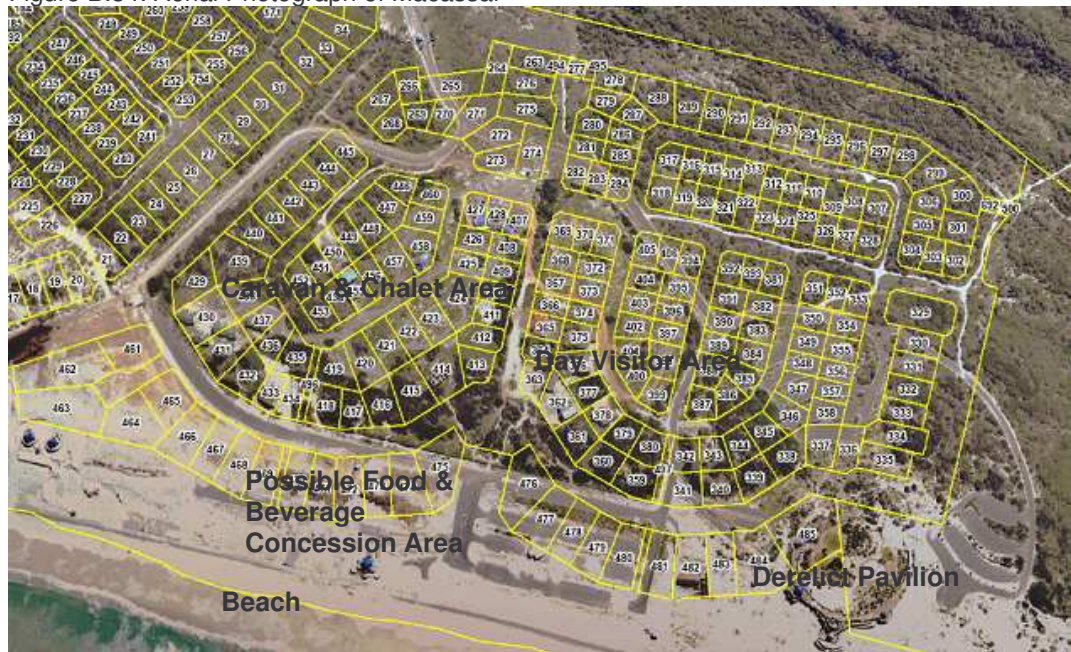
Figure B.33: Pavilion at Monwabisi



Source: Grant Thornton

B.8 Macassar

Figure B.34: Aerial Photograph of Macassar



Source: City of Cape Town / Grant Thornton

Figure B.35: Camping Area at Macassar



Source: Grant Thornton

Figure B.36: Chalets at Macassar



Source: Grant Thornton

Figure B.37: Beachfront Ablutions at Macassar



Source: Grant Thornton

Figure B.40: Luxury Chalets at Voortrekker Park



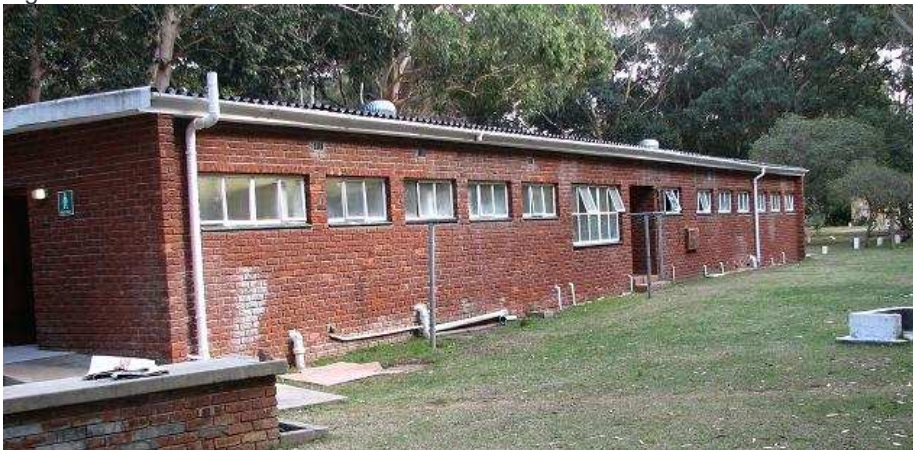
Source: Grant Thornton

Figure B.41: Standard Chalets at Voortrekker Park



Source: Grant Thornton

Figure B.42: Ablution Facilities at Voortrekker Park



Source: Grant Thornton

B.10 Harmony Park

Figure B.43: Aerial Photograph of Harmony Park



Source: City of Cape Town / Grant Thornton

Figure B.44: Camping Area at Harmony Park



Source: Grant Thornton

Figure B.45: Chalets at Harmony Park



Source: Grant Thornton

Figure B.46: Ablution Facilities at Harmony Park



Source: Grant Thornton

Figure B.47: Day Visitor Area at Harmony Park



Source: Grant Thornton

B.11 Hendon Park

Figure B.48: Aerial Photograph of Hendon Park



Source: City of Cape Town / Grant Thornton

Figure B.49: Luxury Chalets at Hendon Park



Source: Grant Thornton

Figure B.50: Standard Chalets at Hendon Park



Source: Grant Thornton

Figure B.51: Caravan Area at Hendon Park



Source: Grant Thornton

Figure B.52: Ablution Facilities at Hendon Park



Source: Grant Thornton

B.12 Kogel Bay

Figure B.53: Aerial Photograph of Kogel Bay



Source: City of Cape Town / Grant Thornton

Figure B.54: Camping Area at Kogel Bay



Source: Grant Thornton

Figure B.55: Kiosk and Ablution Facilities at Kogel Bay



Source: Grant Thornton

B.13 Kuilsriver

Figure B.56: Aerial Photograph of Kuilsriver



Source: City of Cape Town / Grant Thornton

Figure B.57: Caravan Area at Kuilsriver



Source: Grant Thornton

Figure B.58: Ablution Facilities at Kuilsriver



Source: Grant Thornton

Figure B.59: Community Hall at Kuilsriver



Source: Grant Thornton



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