

**MINISTRY FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTIONS FOR WRITTEN REPLY**

**QUESTION NUMBER 2017/1260**

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**Mr A R McLoughlin (DA) to ask the Minister of Cooperative Governance and Traditional Affairs:**

With reference to the (a) Loftus Versveld, (b) Free State, (c) Peter Mokaba and (d) Moses Mabhida stadiums, (i) (aa) how many and (bb) what events were held in each of the specified stadiums in each of the past three financial years, (ii) what were the total operational costs in each case, (iii) what was the total revenue generated in each case, (iv) what amount was spent on maintenance in each case and (v) what is the current operational status of each stadium?

NW1401E

**REPLY**

1. **LOFTUS VERSVELD STADIUM**

The Loftus Versveld Stadium is privately owned and managed by the Blue Bulls Rugby Union.

1. **FREE STATE STADIUM**
2. **(aa) and (bb) Number of events held in 2014, 2015, 2016**

|  |  |  |
| --- | --- | --- |
| 2014 | 2015 | 2016 |
| EVENT | **NUMBER** | **EVENT** | **NUMBER** | **EVENT** | **NUMBER** |
| PSL Soccer Matches | 9 | PSL Soccer Matches | 12 | PSL Soccer Matches | 1 |
| CHAN Soccer Tournament | 1 | Rugby Matches | 13 | Rugby Matches | 21 |
| Rugby Matches | 8 | Macufe Cup | 1 | Other | 2 |
| Macufe Cup | 1 | Other | 5 |  |  |
| Other | 1 |  |  |  |  |
| Events Total | **20** | **Events Total** | **31** | **Events Total** | **24** |

1. **Average Operational costs of Stadium per match**

|  |  |
| --- | --- |
| 2014 | R174 959.97 |
| 2015 | R188 956.76 |
| 2016 | R204 073.30 |

1. **REVENUE GENARATION**

As per the agreement with Mangaung Metropolitan Municipality no fees have been charged for rental of soccer or government events. This means that only operational costs has been paid and we have no record of income generated or the hosting of events.

Looking at the situation as explained above an event does not make any money and merely costs money.

1. **MAINTENANCE COSTS**

The yearly maintenance budget for the Stadium is currently **R6 million.** Currently the Free State Rugby Union is responsible for the maintenance, insurance and upkeep of the Stadium.

1. **OPERATIONAL STATUS OF THE STADIUM**

The stadium is used for various events, but since the maintenance and insurance of the stadium is taken care by the Free State Rugby Union, the stadium is mainly used for rugby matches as indicated by the number of rugby games played from 2014-12016.

1. **PETER MOKABA STADIUM**

The information was provided by the City of Polokwane.

1. **Number of events held in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2015 | 2016 | 2017 |
| BOWL | **NON BOWL** | **BOWL** | **NON BOWL** | **BOWL** | **NON BOWL** |
| 23 PSL matches | 129 Events hosted | 20 PSL matches | 88 Events hosted | 25 PSL matches | 144 Events hosted |
| 3 CUP matches |  | 7 CUP matches |  | 5 CUP matches |  |
| 1 National Team Match |  | 2 political rallies |  | 2 National Team matches |  |
| 1 Super Rugby Warm Up Match |  | 1 Super Rugby Warm Up Match |  |  |  |
| 2 political events |  | 1 Comrades Qualifier Marathon |  |  |  |
| 1 Gospel concert |  |  |  |  |  |
| Total 31 major events |  | Total 31 major events |  | Total 32 major events |  |

1. **Total operational costs in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2015 | 2016 | 2017 |
| OPERATIONS  | **OPERATIONS**  | **OPERATIONS**  |
| Standby operations: R352 500.00Team appearance fees (x2 teams): R8milTOTAL : R8,35mil | Standby operations: R388 500.00Team appearance fees (x1 team): R4,5milTOTAL : R8,88mil | Standby operations: 415 000.00Team appearance fees (x2 teams):R8milTOTAL : R8,41 mil |

1. **Revenue in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2014/15 | 2015/16 | 2016/17 |
| R 5 170 616.20 | R6 506 604.82 | R5 434 088.35 |

1. **Maintenance costs in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2014/15 | 2015/16 | 2016/17 |
| R10 821 453.58 | R14 976 803.00 | R11 605 709.96 |

1. The stadium is still well maintained using internal staff who are experienced in management and operations of the stadium, making it possible to host a variety of events, large and small. It continues to operate with limited resources but since 2010 has attracted a significant number of major events and activities, has been an anchor to some PSL clubs, Kaizer Chiefs, Supersport United, Free State Stars as well as permanent home ground for Polokwane City, Baroka FC and Black Leopards. The municipality is finalizing a model of commercialization that would assist the stadium to enhance revenue and move towards self-sustainability.
2. **MOSES MABHIDA STADIUM**

**Information provided by Ethekwini Metropolitan Municipality**

1. **(aa) and (bb) Number of events held in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2015 | 2016 | 2017 |
| BOWL | **NONBOWL** | **BOWL** | **NONBOWL** | **BOWL** | **NONBOWL** |
| 24 | 351 | 20 | 316 | 20 | 262 |
| PSL football matches, cup finals, international football matches, concerts, political events, church services. | Meetings, conferences, cocktail parties, dinners, fashion shows, music festivals, cycle races, triathlons, walks/ runs, TV shows, corporate family days, teambuilding etc.  | PSL football matches, cup finals, international football matches, concerts, political events, church services. | Meetings, conferences, cocktail parties, dinners, fashion shows, music festivals, cycle races, triathlons, walks/ runs, TV shows, corporate family days, teambuilding etc.  | PSL football matches, cup finals, international football matches, concerts, political events, church services. | Meetings, conferences, cocktail parties, dinners, fashion shows, music festivals, cycle races, triathlons, walks/ runs, TV shows, corporate family days, teambuilding etc.  |

1. **Total operational costs in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2014/2015 | 2015/2016 | 2016/2017 |
| R92 198 807  | R95 460 957 | R52 817 974 (to May 17) |

1. **Revenue in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2014/15 | 2015/16 | 2016/17 |
| R70 797 989 | R76 366 895 | R103 639 346 (to May 17) |

1. **Maintenance costs in 2015, 2016, 2017**

|  |  |  |
| --- | --- | --- |
| 2014/15 | 2015/16 | 2016/17 |
| R3 785 165 | R 5 927 168 | R4 081 279 (to May 17) |

1. Over time Moses Mabhida Stadium has built up an excellent reputation with a range of promoters and event organisers who love working with the stadium and city team. The city of Durban, KZN provincial government (along with KZN Tourism and Durban Tourism) and the stadium have secured a vibrant mix of major events over time eg Top Gear Festival, SA v India cricket match, PSL football fixtures, AFCON, international football fixtures eg Manchester United, Manchester City, Liverpool Legends, SA A v French Barbarians rugby match and a variety of concerts and music festivals for the stadium and People’s Park.

Other events hosted by this multi-purpose stadium include International U19 football tournament, Amashova and Tour Durban cycle races, triathlon, marathons, Jump City, Nitro Circus Live**,** Red Bull Unlocked skateboarding, craft beer festival, Shisanyama festival, Fact Durban Rocks, East Coats Radio Durban Day and Big Walk, I Heart Market, political rallies, church concerts and services, memorial services. Many of these events are hosted at the stadium on an annual basis some for more than 5 years now.

Usage is from three main sources as this stadium which is different in that it has a retail area and tourist attractions plus an adjacent park with kid’s playground and café which operate 7 days a week. This creates revenue streams as follows:
1. Bowl events in the stadium

2. Non-bowl events in other stadium venues and People’s Park

3. Retail tenant rental income and attractions income (SkyCar, Stadium Tours, Adventure Walk).

The stadium has a permanent staff compliment of 141 people in the following departments: Finance, Procurement, HR, Operations (Maintenance, Assets, Landscaping, Safety and Security) and Commercial (Retail, Marketing, Event Services). On event days we draft in temporary staff for cleaning, security and hospitality and create almost 10 000 job opportunities per annum.