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**MINISTRY OF TOURISM**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY:**

**QUESTION FOR WRITTEN REPLY:**

**Question Number: 316**

**Date of Publication: 19 July 2019**

**NA IQP Number: 6**

**Date of reply: 2019**

**Mr H S Gumbi (DA) to ask the Minister of Tourism:**

(1) What are the relevant details of the (a) breakdown of the total remuneration package received by on-site graders employed by the Tourism Grading Council of South Africa (TGCSA) and (b)(i) various income brackets and (ii) criteria that need to be met in order to qualify for the various income brackets;

(2) what (a) number of days does it take the TGCSA to grade a place of accommodation once an application is received and (b) is the average cost for receiving the grading;

(3) what are the relevant details of the criteria that needs to be met in order to receive a star grading from the lowest to highest grading? NW1282E

 **Reply:**

1. (a) Total remuneration package for on-site graders
* The Grading Assessors are remunerated on a commission-only basis.
* Accredited Assessors are not permanent staff and are contracted for 36months with specific deliverables and duties governed by Service Provider Agreements.

(b) (i) various income brackets

Should an assessor have between 0 – 100 properties in his/her portfolio, they will invoice the TGCSA 50% of the establishments’ grading fee. If they have more than 100 properties, they will invoice 55% of the grading fee. If more than 200 properties, they will receive 60% of the grading fee. Over 300 properties, the Assessor will be paid 65%. The commission is only paid out if the assessor has submitted properties to the Monthly Property Approvals EXCO Meeting.

The Assessors are required to cover the costs of transport and communication from the fee paid for the assessment.

 (ii) Criteria to be met in order to qualify for various income brackets

* Only individuals who hold a hospitality qualification and have suitable experience in the application of hospitality operating standards are considered for contracts.
* An assessor needs to have undergone training and achieved an 80% pass rate before the TGCSA enters into a Service Provider Agreement. The Grading Assessor must also ensure that they are registered on the National Treasury’s Central Supplier Database (CSD);
* If an assessor has a property portfolio of less than 200, they need to ensure that they grade a minimum of 24 new properties annually until they get to a minimum portfolio of 200.
* Where an assessor has a portfolio of 200 or more properties, they need to ensure that they achieve a minimum of 95% of their establishments renewals.
* To ensure that establishments are allocated to Assessors fairly, and to ensure that Assessors are not inundated with establishments to assess and to ensure service delivery standards are maintained, the assessor’s portfolio monitored carefully and may be limited in size.

(2) (a) Numbers of days to grade a accommodations once the applications is received

* The assessment of an establishment after receiving the application thereof is reliant on a number of factors i.e. application process; Tourism Incentive Programme (TIP)funding; payment of outstanding invoice. The Establishment Assessment can only be done once an Establishment is assigned to an Assessor; the Assessor must then schedule assessment appointment and update Grading System:
	+ The Assessment must be scheduled within 5 calendar days of assignment of Establishments to the Assessor;
	+ The Assessor must conduct the grading assessment within the prescribed time frames:
		- For new applications – As soon as possible but not longer than 4 calendar months from the date of the invoice payment reflecting on Grading System;
		- For renewals – from the date of the invoice payment reflecting on Grading System and Establishment assigned to the Assessor but before the Monthly Property Approvals EXCO Meeting within the month of expiry;
		- If Assessors do not adhere to the stipulated times, the properties will be retrieved from their system and reallocated to other Assessors to ensure that business processes are followed.

(b) Average cost to grade

Grading fees are determined by three (3) variables, namely number of rooms, category of the establishment and the average room rate the said property charges its’ client. The average cost to grade a small accommodation establishment is approximately R3 500.00 should no discount be applied for by the property.

1. What is the detail of the criteria to be met to receive a star grading from the lowest to the highest grading

There is lengthy set of Core Requirements and Quality Standards that are utilised by the Assessors when conducting assessments. These Requirements and Standards cover specific areas of assessments which are clearly outlined in the published Grading Criteria. A copy can be provided but are also available on the TGCSA Website for reference.

Establishments are assessed according to the type of accommodation they provide. There are currently 7 category groupings of the 13 types of establishments:

 1. Formal Accommodation

 1.1 Hotel

 1.2 Small Hotel

1.3 Boutique Hotel

1.4 Apartment Hotel

 2. Guest Accommodation

 2.1 Bed & Breakfast

 2.2 Guest House

 2.3 Country House

 3. Self-Catering

 3.1 Self- Catering Exclusive

 3.2 Self- Catering Shared

 4. Backpacker and Hostelling

 5. Caravan and Camping

 6. Venues

 7. Game and Nature Lodges

Each of the above category has its core requirements and quality standards and the grading criteria to be met in order for an establishment to be successfully accredited.

**STAR LEVELS**

A brief description of what each star level represents is as follows:

|  |  |  |
| --- | --- | --- |
| **NO. OF STARS**  | **POINT ALLOCATION**  | **OUTCOME**  |
|   | 880 – 1000 | Outstanding quality and luxurious accommodation matching the best international standards. 5 Star Premium is reserved for properties who far exceed core requirements and quality standards in the five star sector. |
|   | 740 – 879 | Excellent quality in the overall standard of facilities, furnishings, service and guest care.  |
|   | 580 – 739 | Very good quality in the overall standard of facilities, furnishings, service and guest care.  |
|   | 440 – 579 | Good quality in the overall standard of facilities, furnishings, service and guest care.  |
|   | 300 – 439 | Acceptable basic quality in the overall standard of furnishings, service and guest care.  |