



Executive Summary Report

1. Project Description & Strategic Case

Project Name	Phillippi Stadium Upgrade
Location	City of Cape Town
Sector	Social
Department	Department of Cultural Affairs and Sport
Project Owner	Lyndon Bouah
Project Manager	Michael Hendrickse

1.1 Project Scope

The Phillippi Stadium Upgrade Project entails a comprehensive rehabilitation and compliance initiative to transform the existing dilapidated facility into a safe, functional, and inclusive multi-purpose venue. The scope includes structural investigations and repairs to condemned stands, reinstatement of essential services such as lighting, electrical supply, ablutions, and irrigation systems, and implementation of vandal-proof finishes. It further covers perimeter security enhancements, phased redevelopment aligned with SASREA compliance, and integration of a master plan for long-term precinct development. Community participation will be embedded throughout, engaging local contractors, youth, and SMEs to foster ownership and sustainability. The project will be delivered in three phases--short-term functional recovery, medium-term structural rehabilitation, and long-term precinct expansion--ensuring alignment with Western Cape Infrastructure Strategy 2050 and Panoptic Principles for equitable development, resilience, and social inclusion.

1.2 Justification

Phillippi Stadium, built over 40 years ago, was originally envisioned as a regional football venue and community sports hub. However, since 2021, the facility has experienced severe vandalism and structural deterioration, including stolen plumbing and electrical systems, stripped finishes, and corrosion of reinforced concrete. Structural engineers have condemned both the East and West stands due to cracking, delamination, and roof instability, making the site unsafe and non-compliant with the **Safety at Sports and Recreational Events Act (SASREA)**.

The justification for this upgrade lies in its potential to address urgent safety concerns while delivering long-term social and economic benefits. Located in one of Cape Town's most densely populated and economically challenged areas, the stadium's revitalisation will correct historic infrastructure imbalances, provide a safe and inclusive space for youth development, and stimulate local economic growth through job creation and SME participation. Without intervention, the stadium risks becoming a permanent symbol of exclusion and failed service delivery; with investment, it can become a catalyst for social cohesion, crime reduction, and community pride.

1.3 Sector Specific Analysis

• Other Sector Specific Analysis Methods

Sport and Recreation Infrastructure

1.4 Market Size And Demand Analysis

1.4.1 Total Addressable Market (TAM)

- **Data sources**
 - **Geographic**
 - **Economic**
 - **Demographic**

1.4.2 Served Available Market (SAM)

- **Location**
- **Capacity**
- **Which of the following criteria is being used to support this analysis in terms of Segmentation?**
 - **Income**
 - **Region**
 - **Service level**

1.4.3 Demand Forecasting

2. Project Status & Implementation

2.1 Regulatory & Environmental Approvals

2.1.1 National Level

2.1.2 Provincial and Local Levels

2.1.3 Other Relevant Entities

2.2 Identify Key Stakeholders

2.2.1 Government

- Department Of Infrastructure
- Local Government
- Department of Police Oversight & Community Safety
- Department of Cultural Affairs and Sport
- Western Cape Government

2.2.2 State-Owned Entities

2.2.3 Private Sector

- Construction Companies
- Engineering Firms
- Financial Institutions

2.2.4 Civil Society

- Civil society organizations advocating for community needs

2.2.5 Other Stakeholders

3. Governance, Policy & Enabling environment

3.1 Legal and Regulatory Framework

3.1.1 Procurement and Supply Chain Management

- Preferential Procurement Policy Framework Act (PPPFA)
- Western Cape Procurement Regulations
- Use of the Western Cape Supplier Evidence Bank (WCSEB)
- Compliance with tender procedures and transparency requirements

3.1.2 Environmental and Land Use Planning

- Western Cape Land Use Planning Act (LUPA)
- Environmental Impact Assessment (EIA)

3.1.3 Public Finance and Governance

- Public Finance Management Act (PFMA)
- Provincial Treasury Instructions and Budget Guidelines

3.1.4 Economic Development

- Enterprise development

3.1.5 Environmental Compliance

- Requires Environmental Impact Assessments (EIAs) for certain developments
- Must comply with waste management and biodiversity regulations

3.2 Governance policies

- National Development Plan (NDP)
- Strategic Infrastructure Projects (SIPs)
- Relevant Integrated Development Plans (IDPs)
- Infrastructure South Africa (ISA)
- Budget Facility for Infrastructure (BFI)

3.3 Investment Needs

3.3.1 Infrastructure Development

- Sport & Recreation Facilities

3.4 Policy Incentives

3.3.1 Sector-Focused Incentives

- Inclusive Infrastructure Development
- Gender-Responsive Procurement
- Youth Empowerment
- Public-Private Partnerships (PPP)
- Green Economy: Incentives for renewable energy, water efficiency, and waste-to-energy projects.
- Economic Inclusion

4. Financial requirements & Funding strategies

4.1 Cost-Effectiveness Analysis (CEA)

Project Component	Intervention Type	Estimated Cost (ZAR)	Expected Outcome	Effectiveness Metric	Timeframe
Sports & recreation stadium upgrade	Upgrade	R 40,000,000	Sports & recreation stadium upgrade	Value for money	5 year

4.2 Cost-Benefit Analysis (CBA)

Estimated Duration		10 Year(s) & 0 Month(s)						
Item / Activity	Type	Category	Timeframe	Description	Amount	Discount Amt	Present Value (PV)	Net Benefit
Estimated Costs	Cost	Capital	Year 1	Phase 1 (Interim Work Package): (Security, lighting, ablutions, irrigation, perimeter fencing)	R 5,000,000	R 0	R 5,000,000	R 5,000,000
Estimated Costs	Cost	Capital	Year 5	Full Structural Rehabilitation: (East & West stands, compliance upgrades, masterplan development)	R 35,000,000	R 0	R 35,000,000	R 35,000,000

4.3 Risk Evaluation

Risk Category	Likelihood	Impact Severity	Risk Score	Timeframe
Technical	5	5	25	Planning
Financial	3	4	12	Planning

Environmental	3	4	12	Planning
Security	4	4	16	Planning
Social	4	4	16	Planning
Operational	3	3	9	Operation
Compliance	3	4	12	Planning

4.4 Economic Multipliers

Sector / Scenario	GDP Impact	Employment Impact	Key Drivers	Notes
Social Infrastructure (Scenario 3)	Moderate	High	Construction, manufacturing	High demand for materials and labor
Operational Phase Multiplier	Moderate	Moderate	Sport & Recreation	Indirect impact via consumption
Social Impact Multiplier	High	Moderate	Education, health	Indirect impact via consumption

4.5 Macro-Economic Benefits

Benefit Category	Estimated Impact	Sectoral Relevance	Policy Alignment
Employment Creation	Improved employment and service access	Social Infrastructure	National Development Plan (NDP)
GDP Growth	Improved employment and service access	Utilities, Social Infrastructure, Construction	Economic Reconstruction and Recovery Plan (ERRP)
Tourism and Events	Increased private investment	Social Infrastructure	Economic Reconstruction and Recovery Plan (ERRP)
Property Value Appreciation	0.3% GDP increase	Economic	Economic Reconstruction and Recovery Plan (ERRP)
Crime Reduction and Social Stability	Strategic alignment with national goals	Social Infrastructure	National Development Plan (NDP)

5. Financial requirements & Funding strategies

5.1 Project Guestimate

Estimated Cost	R 40M
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5.2 Total Project cost breakdown

5.2.1 Capital Expenditure (CAPEX)

Description	Estimated Cost (ZAR)	Notes
Land Acquisition & Site Prep	R 0	existing
Design & Engineering	R 0	
Construction & Civil Works	R 5,000,000	
Equipment & Materials	R 0	
Utility Connections	R 0	
Contingency	R 0	

5.2.2 Development Costs

Description	Estimated Cost (ZAR)	Notes
Feasibility Studies	R 0	
Legal & Regulatory Compliance	R 0	
Stakeholder Engagement	R 0	
Project Management	R 0	

5.2.3 Operational Expenditure (OPEX)

Description	Estimated Cost (ZAR)	Notes
Staffing & Operations	R 0	
Maintenance & Repairs	R 0	
Utilities & Consumables	R 0	
Insurance & Monitoring	R 0	

5.2.4 Financing Costs

Description	Estimated Cost (ZAR)	Notes
Interest During Construction	R 0	
Financial Fees	R 0	

5.2.5 Lifecycle & Decommissioning

Description	Estimated Cost (ZAR)	Notes
Asset Replacement	R 0	
Decommissioning	R 0	

5.2.6 Inflation & Escalation

Description	Estimated Cost (ZAR)	Notes
Adjustments based on Treasury guidelines	R 0	

5.3 Funding sources

[Funding Strategy Guide for Infrastructure Projects](#)

5.4 Revenue Model

Revenue Model Category	Description	Specify
Traditional Municipal Revenue Models	Conventional sources of municipal income including service charges and government transfers.	Property rates and taxes

5.4 Innovative financing mechanisms

[Innovative Financing Mechanisms for Infrastructure Projects](#)

6. Project feasibility, approvals & infrastructure planning

6.1 Technical Feasibility

Project Feasibility

Feasibility studies for stadium upgrades typically assess:

Technical & Structural Viability

- **Condition Assessments:** Structural integrity, drainage, lighting, and seating.
- **Upgrade Scope:** Compliance with FIFA, PSL, and CAF standards.
- **Legacy Use:** Multi-purpose design to avoid “white elephant” outcomes.

Financial Feasibility

- **Cost Estimates:** Benchmarked against projects like Moses Mabhida Stadium's R236–R240 million refurbishment.
- **Revenue Forecasts:** Based on multi-stream models (events, leasing, sponsorship).
- **Return on Investment (ROI):** Community upliftment, job creation, and tourism impact.

Social & Environmental Impact

- **Community Engagement:** Local consultations to ensure buy-in and relevance.
- **Environmental Compliance:** Green building practices and energy-efficient systems.

Approvals & Regulatory Pathways

Stadium upgrades in South Africa require multi-tiered approvals:

Municipal & Provincial Approvals

- **City Council Endorsement:** As seen in Durban's Moses Mabhida Stadium upgrade.
- **Integrated Development Plan (IDP):** Alignment with local government priorities.
- **Zoning & Land Use:** Compliance with spatial planning frameworks.

National Oversight

- **Department of Sport, Arts & Culture:** Strategic alignment and funding eligibility.
- **National Treasury:** Approval for large-scale public expenditure or PPPs.

Compliance & Licensing

- **Environmental Impact Assessment (EIA):** Required for major construction.
- **Construction Permits:** Issued by local planning departments.
- **Safety Certification:** Fire, crowd control, and accessibility standards.

Infrastructure Planning

Effective planning ensures long-term usability and community integration:

Phased Development Strategy

- **Phase 1:** Core upgrades (pitch, seating, lighting).
- **Phase 2:** Commercial zones, training facilities, and digital infrastructure.
- **Phase 3:** Tourism features, green spaces, and transport integration.

Smart & Sustainable Design

- **Modular Construction:** Flexibility for future expansion.
- **Green Infrastructure:** Solar panels, rainwater harvesting, and LED lighting.
- **Digital Systems:** E-ticketing, crowd analytics, and smart security.

Transport & Accessibility

- **Public Transit Links:** Integration with MyCiTi and minibus taxi routes.
- **Parking & Pedestrian Zones:** Safe access for all users.
- **Universal Design:** Facilities for people with disabilities.

6.2 Master plan integration

6.3 Alternative Evaluation

6.4 Infrastructure Planning Prioritization

7. Delivery Mechanism & procurement strategy

7.1 WCG Sector Priorities

Outcomes	Social	Energy & Water	Economic	Technology	Ecological
Investment in social infrastructure improves access to health, education, social development, and recreation opportunities	Short Term 1-5 YRS				

7.2 Community Participation

7.3 Procurement methods

• Procurement Strategy

Procurement Strategy

South Africa's **Standard for Infrastructure Procurement and Delivery Management (SIPDM)** and ISO 22058 guidelines provide the framework for public infrastructure procurement.

Preferential Procurement

- Align with **Broad-Based Black Economic Empowerment (BBBEE)** goals
- Prioritize **local contractors and suppliers**
- Include **community benefit clauses** (e.g. youth employment, training programs)

• Bidding Process

Key Procurement Phases

Planning & Packaging

- Define scope and objectives
- Break down work into manageable packages (e.g. civil works, electrical, hospitality fit-out)

Contracting Strategy

- Use **targeted procurement** to promote local SME participation
- Apply **performance-based contracts** for operations and maintenance

Tendering & Evaluation

- Issue Requests for Proposals (RFPs) and Requests for Quotations (RFQs)
- Evaluate based on price, technical capability, local empowerment, and sustainability

Award & Contract Management

- Transparent award process with public disclosure
- Ongoing monitoring of deliverables, timelines, and budget adherence

• Supplier Selection

South Africa's **Standard for Infrastructure Procurement and Delivery Management (SIPDM)** and ISO 22058 guidelines provide the framework for public infrastructure procurement.

Award & Contract Management

- Transparent award process with public disclosure
- Ongoing monitoring of deliverables, timelines, and budget adherence

7.4 Risk sharing mechanisms

Risk Management & Oversight

- **Risk Allocation:** Clearly defined between client, contractor, and operator
- **Contingency Planning:** Budget reserves for unforeseen delays or cost escalations
- **Oversight Mechanisms:** Regular audits, stakeholder reviews, and performance scorecards

Risk Mitigation

- Address historical mistrust through consistent engagement and transparency
- Avoid "white elephant" outcomes by ensuring community-driven programming
- Respond to concerns proactively, especially around displacement, noise, or access

8. Special (eg. gender) procurement actions and social impact

8.1 Social Benefits

8.1.1 Inclusive Economic Development

- Supports SMMEs, women- and youth-owned enterprises
- Encourages job creation through public procurement and infrastructure projects

8.1.2 Public Participation and Equity

- Ensures community involvement in planning and decision-making
- Promotes equitable access to services and opportunities

8.1.3 Expanded Public Works Programme (EPWP)

- Provides short-term employment and skills development
- Targets vulnerable groups including youth, women, and persons with disabilities

8.2 Sustainability And Environmental Compliance

8.2.1 Environmental and Land Use Planning

- Western Cape Land Use Planning Act (LUPA)
- Environmental Impact Assessment (EIA)