



# Project Prefeasibility Report

## 1. Project Details

|                 |                                          |
|-----------------|------------------------------------------|
| 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 Background & Justification

Philippi 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.

### 1.2 Project Scope

The Philippi 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.

## 2. Objectives & Key Focus Areas

| Objective                                        | Key Focus Area                                                                                                                                |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Promote Youth Empowerment and Skills Development | <ul style="list-style-type: none"><li>Enhancing Private Sector Partnerships</li><li>Innovation &amp; Futures Planning</li></ul>               |
| Enhance Community Infrastructure                 | <ul style="list-style-type: none"><li>Prioritising Infrastructure for Maximum Impact</li><li>Strengthening Municipal Infrastructure</li></ul> |

| Objective                           | Key Focus Area                                                                                                                                                                                                                                                                                         |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stimulate Local Economic Growth     | <ul style="list-style-type: none"><li>• Enhancing Private Sector Partnerships</li><li>• Innovation &amp; Futures Planning</li></ul>                                                                                                                                                                    |
| Increase Event Hosting Capacity     | <ul style="list-style-type: none"><li>• Prioritising Infrastructure for Maximum Impact</li><li>• Strengthening Municipal Infrastructure</li><li>• Enhancing Private Sector Partnerships</li><li>• Innovation &amp; Futures Planning</li><li>• Addressing Climate Change &amp; Sustainability</li></ul> |
| Foster Public-Private Collaboration | <ul style="list-style-type: none"><li>• Enhancing Private Sector Partnerships</li></ul>                                                                                                                                                                                                                |
| Ensure SASREA Compliance and Safety | <ul style="list-style-type: none"><li>• Prioritising Infrastructure for Maximum Impact</li><li>• Strengthening Municipal Infrastructure</li><li>• Addressing Climate Change &amp; Sustainability</li></ul>                                                                                             |

3. Project Timeline & Cost

|                      |                         |
|----------------------|-------------------------|
| Estimated Duration   | 10 Year(s) & 0 Month(s) |
| Estimated Start Date | 01 Jan 2026             |
| Estimated Cost       | R 40M                   |

4. Project Stage-0 Submission & Approval

|              |  |
|--------------|--|
| Submitted By |  |
| Submitted On |  |
| Signed By    |  |
| Approved On  |  |

5. Environmental & Social Considerations

5.1 Environmental Considerations

- Proper waste management to reduce pollution and health risks
- Sustainable water management to protect quality and prevent scarcity
- Preservation of ecosystem services like clean air, water, and climate regulation

5.2 Social Considerations

- Respect for human rights including labor, land, and indigenous rights
- Assessment of community impacts such as displacement and livelihood loss
- Protection of health and safety from environmental hazards
- Promotion of social equity and fair distribution of development benefits
- Engagement with stakeholders throughout the project lifecycle
- Fair labor practices including wages, hours, and working conditions

6. Regulatory & Environmental Approvals

6.1 National Level

6.2 Provincial and Local Levels

6.3 Other Relevant Entities

7. Identify Key Stakeholders

7.1 Government

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

7.2 State-Owned Entities

7.3 Private Sector

- Construction Companies
- Engineering Firms
- Financial Institutions

7.4 Civil Society

- Civil society organizations advocating for community needs

7.5 Other Stakeholders

8. 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 |                |          |            |            |

9. Infrastructure Type

9.1 Hard

Social Infrastructure - Sport and Recreation Facility

- Designed to serve as a **multi-purpose stadium** for football, community events, and cultural activities.
- Classified as **public-use infrastructure** with compliance requirements under SASREA for safety at sports and recreational events.
- Includes **structural rehabilitation**, **utility reinstatement** (lighting, plumbing, electrical), and **precinct development** for long-term sustainability.
- Integrated with **Western Cape Infrastructure Strategy 2050** principles for equitable development, resilience, and social inclusion.

9.2 Soft

9.3 Critical

10. Project Stage-1 Submission & Approval

|              |  |
|--------------|--|
| Submitted By |  |
| Submitted On |  |

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|-------------|--|
| Signed By   |  |
| Approved On |  |

### 11. Geo Location

|              |  |
|--------------|--|
| Geo Location |  |
| Latitude     |  |
| Longitude    |  |

### 12. Procurement Planning

- Decentralized Preference Criteria - Municipalities
- Designated Groups
- Local Content and Production
- Broad-Based Black Economic Empowerment (B-BBEE)

### 13. Procurement Action

- E-Procurement Solution (ePS)
- Western Cape Supplier Evidence Bank (WCSEB)
- Procurement Planning
- Preferential Procurement Regulations (2022)
- Sustainable Public Procurement (SPP)

### 14. Social Impact

- Inclusive Economic Participation
- Environmental Sustainability
- Skills Development and Job Creation
- Community Empowerment
- Ethical and Transparent Governance
- Health and Well-being
  - Promotes physical activity and wellness programs for all age groups.
  - Improves mental health outcomes by providing safe spaces for social interaction.

### 15. Property Availability

Has the land for the site been identified?: Yes  
 Remarks: Existing facility

### 16. Project Stage-2 Submission & Approval

|              |  |
|--------------|--|
| Submitted By |  |
| Submitted On |  |
| Signed By    |  |

## 17. Background & Justification

Philippi 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.

## 18. Economic and Social Justification

- **Job creation**
- **Poverty reduction**
- **Inclusive growth**
- **Reducing inequality**
- **Improving access**

## 19. Geographic Coverage

### 19.1 Regions

- City of Cape Town

### 19.2 Municipalities

| District          | Municipalities    |
|-------------------|-------------------|
| City of Cape Town | City of Cape Town |

### 19.3 Communities

| District          | Communities      |
|-------------------|------------------|
| City of Cape Town | Mitchell's Plain |

## 20. Sector-specific analysis

### • Other Sector Specific Analysis Methods

Sport and Recreation Infrastructure

## 21. Approval Bodies

### 21.1 Provincial Government Departments

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

- Western Cape Government

## 22. Environmental Considerations

## 23. Social Considerations

### 23.1 Inclusive Economic Development

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

### 23.2 Public Participation and Equity

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

### 23.3 Expanded Public Works Programme (EPWP)

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

## 24. Investment Needs

### 24.1 Infrastructure Development

- Sport & Recreation Facilities

## 25. Policy Incentives

### 25.1 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

## 26. Scale And Complexity

### 26.1 Total Addressable Market (TAM)

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

### 26.2 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

### 26.3 Demand Forecasting

### 26.4 Size

|              |             |
|--------------|-------------|
| Project Type | New Project |
|--------------|-------------|

|              |                                  |
|--------------|----------------------------------|
| Project Size | Large - Total of 30 Mill or more |
|--------------|----------------------------------|

## 27. Challenges

### 27.1 Financial Complexity

#### Financial Complexity

- 1. High Rehabilitation Costs**
  - Interim work package estimated at **±R5 million** for basic functionality.
  - Full structural remediation projected at **±R40 million**, excluding future precinct development.
- 2. Phased Funding Requirements**
  - Three-phase implementation (short, medium, long term) requires staggered budget allocations.
  - Risk of delays if funding is not secured for subsequent phases.
- 3. Escalation and Contingencies**
  - Cost escalation due to inflation, procurement delays, and vandalism during construction.
  - Additional contingency allowances needed for unforeseen structural repairs.
- 4. Compliance-Driven Costs**
  - SASREA compliance adds significant expense for access roads, parking, and safety infrastructure.
  - Environmental approvals and sustainability measures increase upfront costs.
- 5. Revenue Model Uncertainty**
  - Long-term financial viability depends on event hosting, sponsorships, and commercial leasing.
  - Risk of underutilization if demand projections are not met.
- 6. Public-Private Partnership Complexity**
  - Requires negotiation of blended finance models and risk-sharing agreements.
  - Balancing public accountability with investor expectations.
- 7. Governance and Oversight**
  - Strict adherence to PFMA/MFMA regulations can slow procurement and disbursement.
  - Auditor-General's emphasis on avoiding fruitless expenditure adds compliance layers.

### 27.2 Operational Complexity

#### Operational Complexity

- 1. Multi-Use Functionality**
  - Stadium designed for sports, concerts, festivals, and community events requires flexible scheduling and infrastructure adaptability.
  - Balancing diverse user needs while maintaining compliance with SASREA safety standards.
- 2. Maintenance and Asset Management**
  - High risk of vandalism and theft post-construction demands robust security and maintenance protocols.
  - Need for a long-term Operations & Maintenance (O&M) strategy, including digital monitoring and preventive maintenance.
- 3. Safety and Compliance**
  - Continuous adherence to SASREA and Occupational Health & Safety regulations during events.
  - Emergency response planning and crowd management for large gatherings.
- 4. Revenue Generation**
  - Operational sustainability depends on consistent event hosting, sponsorships, and commercial leasing.

2. Requires active marketing and stakeholder engagement to ensure utilization.

#### 5. Human Resource Requirements

1. Skilled personnel needed for stadium management, event coordination, and technical maintenance.
2. Training programs for local staff to ensure operational efficiency.

#### 6. Technology Integration

1. Incorporating smart systems for lighting, security, and ticketing within an older infrastructure framework.
2. Digital solutions for performance monitoring and climate adaptation.

#### 7. Community Engagement

1. Ongoing involvement of local stakeholders to maintain trust and prevent vandalism.
2. Structured governance model for shared accountability between government, private partners, and community.

### 27.3 Technical challenges

#### Technical Challenges

##### 1. Structural Integrity Issues

1. Severe corrosion of reinforced concrete in cantilever beams and columns.
2. Large cracks and delamination in roof structures, requiring advanced engineering solutions.
3. Unknown extent of reinforcement deterioration—necessitates core sampling and phenolphthalein tests.

##### 2. Aging Infrastructure

1. Stadium built over 40 years ago; concrete nearing end-of-life.
2. Carbonation and acid rain damage reducing structural strength.

##### 3. Complex Compliance Requirements

1. Full SASREA compliance involves structural upgrades, access control, and emergency egress beyond current site boundaries.
2. Integration of modern safety standards into outdated design.

##### 4. Utility Restoration

1. Complete reinstatement of electrical and plumbing systems stripped during vandalism.
2. Need for vandal-proof fittings and finishes to prevent future damage.

##### 5. Design Limitations

1. Existing layout restricts parking and access—requires additional land or redesign.
2. Incorporating floodlighting and broadcast capacity within old structural framework.

##### 6. Environmental Adaptation

1. Upgrading to energy-efficient systems and climate-resilient materials within legacy infrastructure.
2. Managing drainage and irrigation for sports field sustainability.

##### 7. Engineering Investigations

1. Detailed structural analysis required before rehabilitation can begin.
2. Potential need for reinforcement scanning and redesign based on latest codes.

### 28. Phases

### 29. Project Stage-3 Submission & Approval

|              |  |
|--------------|--|
| Submitted By |  |
| Submitted On |  |

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| Signed By   |  |
| Approved On |  |