



*Zulu Kingdom. **Exceptional***

**Baseline Status Determination Report –
Accommodation Stock in Durban**

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2013**

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1. Introduction

In October 2012, the KwaZulu-Natal Tourism Master Plan, commissioned by the provincial department of Economic Development and Tourism, was signed off by the provincial legislature. It was to represent a road map for tourism development for the province of KwaZulu-Natal (KZN). The Tourism Master Plan was a document the implementation and success of which depended upon a wide range of stakeholders including the Department of Economic Development and Tourism, Tourism KwaZulu-Natal, Trade and Investment KwaZulu-Natal and private sector tourism businesses.

The Tourism Master Plan (TMP) was, however, incomplete, in that it still required a significant number of baseline research studies to be undertaken in order to be able to understand the status quo of a particular tourism indicator, be able to set targets, and be able to implement plans for development in that particular area. In that regard, Tourism KwaZulu-Natal (TKZN), and, in particular, the Research Division, undertook to do the requisite research and complete one appropriate baseline study per year.

Accommodation and its provision is one of the absolutely fundamental aspects of tourism, and certainly of tourism success, anywhere. For that reason, and also due to the fact that at least some of the data are readily available, it was decided that the first of the baseline studies would be on the status of accommodation in the Durban area according to type as noted per the second indicator, 'Durban is THE PLACE to be' in the TMP. The main objective of this indicator is to increase the number of both day visitors and overnight tourists to Durban. In order to create a baseline, research is required to ascertain the total accommodation stock by type, and subsequently to develop targets, followed by a plan to develop new accommodation stock, as well as upgrade and maintain existing stock. Durban was selected as it is the primary city of the province as well as the gateway city to the interior of the province and the country from the east. The province is most recognized by the city of Durban, and it is thus of critical importance that the accommodation sector of the tourism economy in that city is of an acceptably high standard in terms of its nature and its size.

2. Background

Accommodation, in terms of tourism, consists of many different types and variations, and is provided in many different forms. TKZN began developing a tourism asset database of all tourism amenities in the province, including accommodation, in 1999. Since then, that data base has been updated constantly, added to, refined, and defunct assets removed. The TKZN database categorized the assets in 19 main categories, most with a number of sub-categories. Accommodation, for example, was a main category, with sub-categories for B&Bs, guest houses, lodges (bush/country), hotels/motels/inns, bush camp, caravan and camping, cave/rest/trail hut, children's holiday camp, youth or backpacker hostel, self-catering and time share. The main category attempted to cover any type of paid accommodation available through the use of all of these sub-categories.

TKZN also noted the legality of each of these establishments, in terms of whether or not they were registered with the provincial tourism authority – TKZN – as required by the provincial tourism regulations.

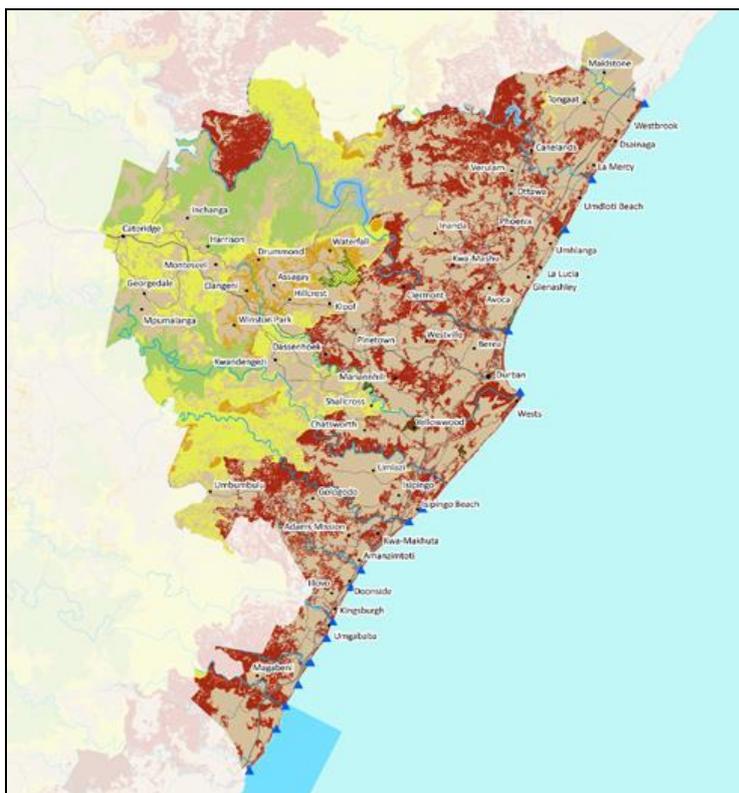
According to the Tourism Grading Council of South Africa (TGCSA), however, such accommodation is classified slightly differently, according to the following categories: hotels, backpacker and hostelling, bed and breakfast, caravan and camping, country house, self-catering, guest house and lodge. The TGCSA also grades conference venues (known as MICE – or meetings, incentives, conferences and events), but these will not be considered here.

The TGCSA uses a five-star grading system, in line with international best practice and recognizable global standards. This report provides an indication of three aspects of accommodation in the Durban area – the amount of accommodation in terms of numbers of establishments and numbers of rooms, the types of establishments, and the star gradings of those which are graded. It also provides an indication as to the number of establishments which are operating legally, or, in other words, those which are fully registered with the provincial tourism authority, as required by the provincial tourism regulations (see appendix 1).

3. Study Area Defined

In the Durban area, which is defined officially as being the city limits, almost the entire accommodation range is represented, from B&Bs to 5-star hotels, and from backpacker establishments to self-catering flats. However, the location, ‘Durban’, in the minds of many South Africans, extends northwards up the coast to include Umhlanga Rocks, and southwards almost to the site of the old Durban Airport. The delineation of the study area is thus a bit more complicated than the official city limits. Data obtained from STR Global on hotel occupancy, for example, provides this for Durban in two sets. One set deals with Central Durban, and the other deals with ‘Greater Durban’. For the purposes of this study, then, the Greater Durban area will be used.

Figure 1: Map of the Greater Durban area – Ethekewini Metropolitan District



4. Available Accommodation by Type

At the time of this report (March 2013), the accommodation available consisted of 657 accommodation establishments, according to the TKZN database. These can be divided into accommodation categories, thus:

Table 1: Accommodation Type – Greater Durban Area

Accommodation Type	Number	%
Backpackers lodge	15	2.3
B&B	272	41.4
Bush Camp	2	0.3
Caravan and camping	11	1.7
Country House	2	0.3
Guest House	133	20.2
Hotel/motel/inn/lodge	83	12.6
Lodge (bush/country)	19	2.9
Self-catering	117	17.8
Youth accommodation	2	0.3
Time share	1	0.2
Total	657	100

Source: TKZN 2013

As is clear from the table above, small accommodation establishments in the form of B&Bs (3 rooms or less) dominate the accommodation landscape in the Durban area, affording over 40% (41.4%) of the total stock. Self-catering options contribute another 18% (17.8%). Formal hotels do not make up even 13% of the total (12.6%). It is not surprising that bush camps and country houses form a very small part of accommodation supply in the Durban area as these are more commonly found further from urban areas.

In terms of room numbers, however, the supply situation is somewhat different.

Table 2: Accommodation Size – Greater Durban Area

Accommodation Type	Number of Rooms	%
Backpackers lodge	282	2.6
B&B	1485	13.6
Bush Camp	11	0.1
Caravan and camping	412	3.8
Country House	1	0.0
Guest House	942	8.6
Hotel/motel/inn/lodge	5573	50.9
Lodge (bush/country)	177	1.6
Self-catering	1975	18.0
Youth accommodation	60	0.5
Time share	41	0.4
Total	10959	100

Source: TKZN 2013

It must be noted here that the data provided is not a complete record as many of the establishments on the database have not supplied the number of rooms they offer. Nevertheless, the table above makes it quite clear that the room numbers on offer in the Durban area are largely those offered by hotels, self-catering establishments and, in third place, B&Bs. These frequently very small operations abound in the region, satisfying tourists' desires for a more personal, intimate, and cosy experience. Furthermore, they are far less expensive to set up, initially, and are thus attractive options to new entrants into the tourism sector and new entrepreneurs.

The TKZN database is, however, not the only source of accommodation data. The TGCSA also has a database of accommodation although the classes of accommodation type are slightly different. It is nevertheless useful to consider the status quo as per the TGCSA's records. This is amplified further in the section below.

5. Status of Accommodation - Registration and Grading

In the province of KZN, provincial regulations (see appendix 1) require that all accommodation establishments, no matter the size, be registered with the provincial tourism authority. The regulations made it mandatory that they all be registered with Tourism KwaZulu-Natal (TKZN) in order to be legal operators. Until 2012, TKZN carried out all of the administration dealing with registration, but the administration of registration was then taken on by the provincial Department of Economic Development and Tourism as TKZN is not a policing or enforcement entity, nor did it have the requisite manpower to do this.

The grading of accommodation establishments, using the TGCSA's 5-star grading system, is an optional action throughout South Africa, including in KZN. Grading provides for substantial levels of confidence as regards the standard of a particular establishment, and the understanding that, for example, a 3-star environment should be of the same standard anywhere in the country. Nevertheless, large numbers of accommodation establishments choose not to be graded citing a range of reasons, from the cost, to the time, to the lack of a need.

To be clear then, registration of an accommodation establishment is mandatory in KZN, but grading is, however, optional. This section of the reports provides an outline or snapshot of the current (and in some instances the past) situation as regards both registration and grading in the province.

5.1 Grading

The status of the accommodation as regards registration and grading is also some cause for concern. In tracking the situation for the past three years, difficulties were encountered as the TGCSA implemented a new computer system as well as new grading criteria during that time. In any event, the situation as regards grading, as reported by the TGCSA through the past few years, was as follows:

Table 3: Graded Accommodation in KZN

Non-Hotel Accommodation	March 2010	March 2011	Oct 2012	March 2013
Backpacker & Hostelling	4	9	9	9
Bed & Breakfast	349	230	258	260
Caravan & Camping	24	11	11	9
Country House	31	24	17	17
Self-Catering	215	190	186	150
Guest House	81	164	156	57
Lodge	386	62	66	190
Non-Hotel Accommodation Total	1 090	690	703	692
Hotel Total	77	64	107	108
Accommodation Grand Total	1 167	754	810	800

Source: TGCSA 2013

As can be clearly seen in the table above, there were a large number of establishments which were graded in or by 2010, linked very closely to the idea that there would be substantial income to be had from the projected arrival numbers for the 2010 FIFA World Cup. When these did not materialize, and in subsequent times, many of those accommodation establishments ceased operating. This is clear in the decreasing numbers of non-hotel accommodation in the table above, where it is also clear that the number of hotels, in fact, increased. In part, this is also the reason for the large decline in the total number of establishments graded in 2011. Another factor was the global economic crisis, the effects of which were still being felt in 2012.

5.2 Registration

The registering of a range of tourist businesses with the provincial authority was another initiative aimed at improving service quality and standards overall. Some aspects of this have, however, also proved to be somewhat challenging, and not the least as KZN is the only province in which the registration of tourism businesses other than accommodation is also, in some categories, mandatory. From the outset, educational roadshows were held throughout the province to advertise the parameters of the provincial regulations. Even the regulations, though, provided to be difficult, in some respects. For example, although there were punitive measures for non-compliance noted in the regulations, such as the fines of up to R10 000, there was no indication as to who would monitor the state of registration of businesses, nor who would administer the fines, nor collect them. The regulations simply failed to make that clear.

At present, there is an overhaul of the provincial regulations including those governing registration, taking place, but until the legislation is reviewed and the reviewed version accepted, the province and tourism businesses are bound by the existing regulations. These state that it is mandatory for all accommodation establishments to be registered with TKZN in order to operate legally and not be subject to a fine if found not to be registered.

The pool of accommodation options appears to be in a fairly constant state of flux, with operations opening and closing all the time due to business pressures, economic fluctuations or successful marketing operations, amongst other influences. The table below presents the picture of accommodation registration as of mid-October 2012. It is abundantly clear that a significant proportion of accommodation establishments continue to operate illegally and are not registered.

The state of registration as of that date was as follows:

Table 4: Accommodation registration status in KZN

Accommodation Type	Total	Registered	%
Backpackers	36	11	31
B&B	672	201	30
Bush Camp	6	2	33
Caravan & camping	92	13	14
Cave	3	0	0
Country House	5	0	0
Guest House	296	81	27
Hotel	224	54	24
Lodge	169	46	27
Self-catering	610	136	22
Time share	2	1	50
Youth accommodation	4	1	25
	2119	546	25.6%

Source: TKZN 2013

Just on a quarter of the accommodation establishments known to exist are registered with the provincial tourism body and are thus operating legally. This situation is cause for some concern as it raised a very serious question regarding the standards which non-registered accommodation establishments offer. Because of the requirements of registration such as the production of a business license, the necessity of having insurance and so on, registered establishments are assured of meeting the basic minimum standards of safety and comfort which could be expected. Those which are not registered provide no such assurance. Furthermore, there is no real legal comeback against an illegal operator.

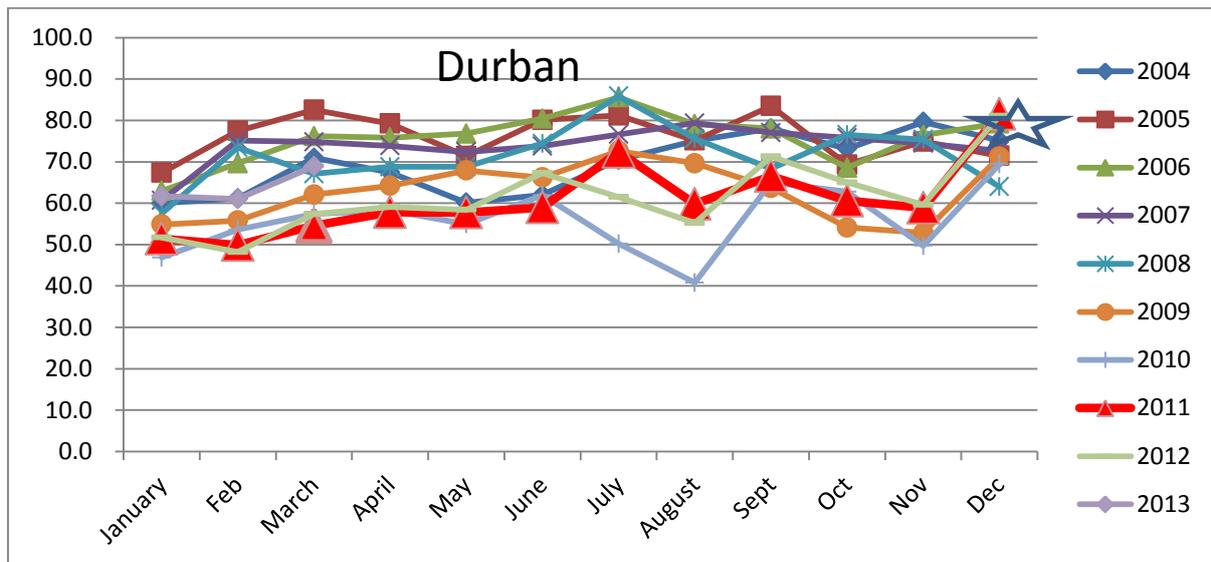
5.3 Occupancy

One more aspect of the accommodation sector in Durban requires consideration and that is occupancy. After all, there would be little point in planning to build a number of new hotels in the area if the present hotels were attempting to operate with very low occupancy levels all round, on average.

TKZN subscribes to the hotel occupancy data provided by an international company, STR Global, who supply these data on a monthly basis. Not all hotels in KZN, nor even in Durban, participate in this project and supply their accommodation statistics to STR Global, but a sufficient number do so, and certainly the large hotel chains do, so as to enable a fairly clear picture to be formed of hotel occupancies in Durban through time. TKZN pays for a number of data sets in this respect – for South Africa, Gauteng, the Western Cape, KZN, Durban Central, Greater Durban, Cape Town and the Eastern Cape. TKZN is thus able to track how the city and province perform through time as well as compared with the country, and with other major competitors.

If we look at long-term tracking data, from 2004 to present, the graph is thus:

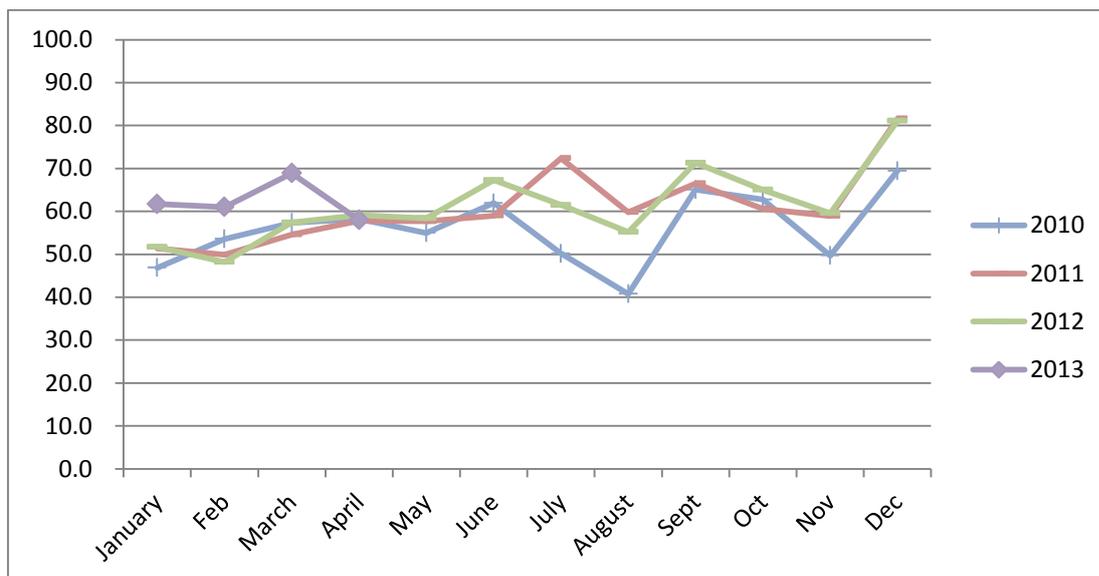
Figure 2: Average Hotel Occupancy in Durban 2004 – 2013



Source: STR Global

If, however, we only look at the data from 2010 to the present, the graph is less cluttered and a little clearer:

Figure 3: Average Hotel Occupancy in Durban 2010 – 2013



Source: STR Global

The graph above gives a very clear picture of the recovery in progress during the first quarter of 2013 in terms of hotel occupancy, which is also an indicator of the health of the tourism sector. This follows on from a fairly successful four months at the end of 2012 with March 2013 heading close to 70% occupancy for the hotels in Durban. The high figures were aided by Easter falling into March this year. The figures in 2013 are almost back to those of the successes of 2005, seen in figure 1 above.

6. Conclusions

Durban and surrounds is very well serviced by the accommodation sector, not only in terms of the number of accommodation establishments and the number of rooms, but also in terms of the variety of types of establishments which provide a wide choice for visitors to Durban. What is of concern, however, is the low percentage of registered, and thus legally operating, accommodation establishments. At present, only about a quarter of the listed establishments are in fact legal operators. If an establishment is not registered, there is absolutely no guarantee that even the basic minimum standards of health or safety are being met. This intimates that the standard of accommodation in the Durban area is high questionable.

A very strong recommendation in this regard is two-fold. In the first instance, the legislation review must be completed as soon as possible. In the reworked provincial regulations governing accommodation establishment registration, there needs to be a new section inserted providing very clear direction as to who is responsible for actually writing up the fines for non-legal establishments, how this will be processed and by whom, as well as for how much, ie the gradations in terms of transgressions. Secondly, it is equally important that the regulations be enforced as well as widely and constantly advertised until anyone in the sector is absolutely clear as to their responsibilities. Road shows need once again to be undertaken to spread this information as widely as possible. Working through existing structures such as local tourism bodies would make the associated logistics markedly easier.

A further area of concern is the very small percentage of accommodation establishments which are graded. As grading is a measure of the standards offered by any establishment, and provides a measure of confidence to tourists in what they can expect from a particular establishment in terms of standards for their star grading level, the grading of accommodation establishments is of critical importance to a tourism destination. Grading is, however, optional. It may well be that the low levels of graded establishments in the province are due to a lack of understanding of the benefits of grading, and to the perceived high costs of getting an establishment graded. It may also, to some extent, be due to the perceived complications of the process of grading.

Again, it is strongly suggested that a concerted effort be made by the TGCSA to increase the levels of awareness and the depth of understanding on the issue of grading in KwaZulu-Natal.

It should also be noted that there is no single establishment with accommodation consisting of 1 000 rooms or more. In a destination such as Durban, which is home to an International Convention Center and a provincial conference bureau which consistently brings in conferences with delegate numbers in the thousands, such a lack is even more evident. The newly-redesigned and refurbished Elangeni Maharani hotel which combines the accommodation offerings of both hotels, of almost 800 rooms, almost under one roof, will go some way to addressing this lack, but the mega-hotel still has a place.

Durban is still the preferred and most popular domestic holiday destination, attractive to families, couples, groups and single explorers and thus needs to offer a range of accommodation options varied in both size and price. With annual international tourist numbers of around 900 000 and domestic trips of around 7 million, Durban presently has just sufficient accommodation space. However, in looking to the future, what exists at present is unlikely to suffice as tourism grows,

globally, and global tourists seek new destinations, while domestic ones return to what they enjoy, and new domestic tourists possibly head to the coast to see the sea for the first time.

7. References

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Jackson, Michael (2012) Regional Manager, Tsogo Sun, Durban, pers comm.

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South African Tourism (2013) downloaded from <http://www.southafrica.net/>

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Tourism Grading Council of South Africa (2013) downloaded from <http://www.tourismgrading.co.za/>

Tourism KwaZulu-Natal (2013) Product Management System, Durban.

Appendix 1 – Provincial Tourism Regulations

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM REGULATION NOTICE

No. 6263, 2 April 2004

KWAZULU-NATAL TOURISM (REGISTRATION OF TOURISM ESTABLISHMENTS AND TOURISM OPERATORS) REGULATIONS, 2004

I hereby make the regulations contained in the Schedule hereto under section 32(f) and (i) of the KwaZulu-Natal Tourism Authority Amendment Act, 2002 (Act No. 2 of 2002), after consultation with the Portfolio Committee of the KwaZulu-Natal Provincial Legislature, in order to regulate the registration of tourism establishments and tourism operators.

Given under my Hand at Durban this day of, Two thousand and Four.

R BURROWS

Member of the Executive Council of the Province of KwaZulu-Natal
responsible for tourism

SCHEDULE

CHAPTER 1 DEFINITIONS

Definitions

1. In these Regulations, “the Act” means the KwaZulu-Natal Tourism Authority Amendment Act, 2002 (Act No. 2 of 2002), and any word or expression to which a meaning is assigned in the Act and the KwaZulu-Natal Tourism Act, 1996 (Act No. 11 of 1996), bears the meaning so assigned to it, and, unless the context otherwise indicates –

“**certificate of registration**” means a certificate issued by the Authority in terms of regulation 9(2) to a tourism establishment or tourism operator to confirm registration with the Authority;

“**community tourism organisation**” means an independent local organisation registered with the Authority, responsible for the promotion of tourism establishments and tourism operators within a local area, within the Province;

“**Registrar**” means the provincial Registrar of tourism establishments and tourism operators contemplated in regulation 5(1).

CHAPTER 2 PROCEDURE FOR REGISTRATION AND DEREGISTRATION OF TOURISM OPERATORS

Application of regulations

- 2.(1) These regulations apply to all tourism establishments and tourism operators.
- (2) These regulations do not apply to the Provincial Parliament and Tourists Guides.

Compulsory registration

3.(1) A tourism establishment and a tourism operator listed in columns 1 and 2 of Appendix 1 to these regulations must, subject to regulation 11, apply for registration with the Authority within six months of the commencement of these regulations.

- (2) To be registered with the Authority, a tourism establishment or tourism operator must –
 - (a) be a member of at least one Community Tourism Organisation if it is

necessary to the marketing of its service;
(b) have a business or trading licence; and
(c) have public liability insurance.

Voluntary registration

4. A tourism establishment or a tourism operator listed in columns 1 and 2 of Appendix 2 to these regulations may, if they meet the requirements referred to in regulation 3(2), voluntarily register with the Authority at any time after the commencement of these regulations.

Appointment of Registrar

5.(1) The Authority must, in consultation with the Minister, appoint a provincial Registrar of tourism establishments and tourism operators on such terms and conditions as it may determine from time to time.

(2) The Registrar must –

- (a) establish and maintain a consolidated register of all tourism establishments and tourism operators;
- (b) perform any duty delegated to him or her by the Authority; and
- (c) be accountable to the Authority.

(3) The register referred to in subregulation (2)(a) must, subject to the provisions of the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), be accessible to the public.

Registration of tourism establishments and tourism operators

6.(1) A tourism establishment or tourism operator referred to in regulation 3(1), may not provide services in the tourism industry unless registered with the Authority.

(2) The Authority must develop, record and maintain a database of all tourism establishments and tourism operators registered by it, to form a central provincial database which must include –

- (a) the trading name of the tourism establishment or tourism operator;
- (b) the description of the form of the enterprise;
- (c) in the case of a registered company, the registered name of the tourism establishment;
- (d) the nature of the services provided by the tourism establishment or tourism operator;
- (e) the geographical area of operation of the tourism establishment or tourism operator;
- (f) the market served by the tourism establishment or tourism operator; and
- (g) any other information, which the Authority may require.

Contents of application for registration as tourism establishment or tourism operator

7.(1) The information supplied in the application for registration must be in accordance with Appendix 3 and must contain, the information referred to in regulation 6(2) including –

- (a) the physical address of the applicant's main office and branch office, including other addresses where the tourism establishment or tourism operator conducts business;
- (b) particulars of the contact person or persons submitting the application on behalf of the applicant;
- (c) the number of categories of services to be rendered by the tourism establishment or tourism operator;
- (d) where applicable, proof of registration for PAYE, VAT, business levies and a valid tax clearance certificate from the relevant authorities;
- (e) proof of all permits required and relevant to the tourism establishment or tourism operator's area of operation as specified in Appendix 1;
- (f) a full description of the extent to which and means through which the applicant is in compliance with Appendix 1;
- (g) the description of the tourism establishment; and

(h) any other information that may be required by the Registrar or the Authority.

(2) The Authority, members of staff of the Authority, the Board and individual members of the Board are not be liable for any loss or damage suffered by any person as a result of the disclosure, in good faith, to any person of information supplied to the Authority.

Application for registration

8.(1) An application for registration must be substantially in the form as set out in Appendix 3 to these regulations.

(2) The application for registration must be accompanied by –

- (a) the annual subscription fee determined by the Minister from time to time;
- (b) a signed copy of the Code of Conduct appearing in Appendix 4;
- (c) a declaration substantially in the form as set out in Appendix 3, signed by the owner, director and officer of the tourism establishment, where applicable;
- (d) a declaration that the applicant is in good standing and complies with all laws, regulations and by-laws applicable to the business operation of the tourism establishment operator or tourism establishment, as the case may be;
- (e) a declaration that the applicant undertakes to comply with all prescribed norms and standards regulating the provisions of the services and the industry as may be legally required from time to time; and
- (f) a declaration that the information supplied to the Authority is accurate in all respects.

(3) In the event that the application does not comply with these regulations, the Authority may –

- (a) refer the application to the applicant for rectification and indicate in which respects the applicant does not so comply; or (b) refuse the application.

Effect of registration

9.(1) Upon registration the applicant becomes entitled to be entered into the central provincial database of tourism establishments and tourism operators.

(2) Upon acceptance of the application the Authority must issue a certificate of registration to the tourism establishment or tourism operator.

(3) A certificate is valid for a period of 12 months, from the date of issue thereof and may, upon application, be renewed.

(4) A tourism establishment or tourism operator must display the certificate at its business premises, subject to any directions by the Authority as to the use of the Authority's logo and other requirements.

(5) The Authority may, either itself or through an appointed agent, inspect any service and premises of a registered tourism establishment or tourist establishment operator to ensure compliance with provincial tourism policy and directives.

(6) Tourism establishments and tourism operators are entitled to free listing of their services in the Authority's publications, information and website.

(7) Registration of a tourism establishment or tourism operator with the Authority does not render the Authority liable for any obligation or liability of the tourism establishment or tourism operator, and the tourism establishment or tourism operator indemnifies the Authority from all claims against the tourism establishment or tourism operator howsoever arising.

Duty to provide information to Authority

10.(1) A tourism establishment or tourism operator must provide to the Authority, within thirty 30 days of receipt of a written request by the Authority, information relating to the nature and

manner of services provided by the tourism establishment or tourism operator and the target market.

(2) A tourism establishment or tourism operator must, within one month prior to the change of its business name or operational address, give notice to the Authority of such change.

(3) A notice in terms of subregulation (2) is also required in the case of a tourism establishment or tourism operator being wound up, and after receipt of such notice, the Authority must de-register the tourism establishment and remove it from the central provincial database.

(4) After receipt of the notice contemplated in subregulation (2) by the Authority, the Authority must –

(a) enter the new business in the appropriate register and issue a certificate of registration in the new name of the tourism operator;

(b) remove the old name from the register and cancel the earlier certificate of registration; and

(c) send the new certificate of registration to the tourism establishment or tourism operator.

(5) The registration of the new business takes effect from the date of issue of the certificate.

(6) In the event that a tourism establishment or tourism operator resolves to amalgamate with any other registered tourism establishment or tourism operator, the amalgamated tourism establishment or tourism operator must, upon amalgamation, apply to the Authority for registration despite the fact that the tourism establishment or tourism operator concerned was previously individually registered.

(7) The provisions of these regulations apply to any amalgamated tourism establishments or tourism operators referred to in subregulation (6), and removal of the individual tourism establishment or tourism operator from the register takes effect from the date of the registration of the amalgamated tourism establishment or tourism operator.

(8) A tourism establishment or tourism operator must ensure that the information supplied to the Authority is accurate in all respects.

Condonation of late application for registration

11. The Authority may, on good cause shown, extend the six month period referred to in regulation 3(1).

Cancellation of registration

12. The Authority may cancel the registration of a tourism establishment or tourism operator who –

(a) fails to comply with the provincial tourism policy and directives;

(b) fails to pay any subscription, charge or levy payable in terms of regulation 7(1)(d);

(c) fails to provide the Authority with the information as contemplated in regulation 10;

(d) has furnished the Authority with false information; or

(e) has been found guilty of any wrongdoing by the Authority, subject to regulation 14.

Deregistration process and procedures

13.(1) Upon receipt by the Authority of a complaint about the failure of a tourism establishment or tourism operator to comply with these regulations, the Authority must –

(a) give notice to the tourism establishment or tourism operator of the alleged nature of the contravention;

(b) call upon the tourism establishment or tourism operator to make written or oral representations in response to the complaint lodged;

(c) make a finding in relation to the complaint lodged after due consideration of the tourism establishment's or tourism operator's response; (d) in the event of finding that the complaint is justified, call upon the tourism establishment or tourism operator to rectify the problem within a specified period; and

- (e) inform both the complainant and the tourism establishment or tourism operator of the outcome of the finding within five days of such finding.
- (2) If at the expiry of the period specified by the Authority for rectification, the tourism establishment or tourism operator has not rectified the problem, the Authority must de-register that tourism establishment or tourism operator, and must within seven days inform the tourism establishment or tourism operator in writing of such de-registration.

Appeals

- 14.**(1) If a tourism establishment or tourism operator disagrees with a decision made by the Authority in a matter dealt with in terms of these regulations, it must within 21 days of becoming aware of that decision, lodge a written appeal to the Minister, setting out reasons why the Minister should vary or set aside that decision.
- (2) The Minister may, after considering the appeal and the Authority's reasons for the decision, confirm, vary or set aside that decision.

Penalties in respect of Chapter 2

- 15.** Despite regulation 12, any tourism establishment or tourism operator that has been found guilty by the Authority of having contravened these regulations may be liable –
- (a) to a fine not exceeding R10 000;
 - (b) to a suspension of registration for a period not exceeding three years; or
 - (c) to both such fine and suspension of registration.

CHAPTER 3 GENERAL AND SUPPLEMENTARY PROVISIONS

Delegation

- 16.**(1) The Minister may in writing –
- (a) delegate to the Head of Department or an officer of the Department any power conferred upon the Minister by these regulations;
 - (b) authorise the Head of Department or an officer of the Department to perform any duty imposed upon the Minister by these regulations.
- (2) The Head of Department may in writing –
- (a) delegate to any officer of the Department any power delegated to him or her in terms of subregulation (1)(a);
 - (b) authorise any officer in the Department to perform any duty which he or she has been authorised to perform in terms of subregulation (1)(b).
- (3) The Authority may in writing –
- (a) delegate to any officer of the Authority any power conferred upon the Authority by these regulations;
 - (b) authorise any officer of the Authority to perform any duty imposed upon the Authority by these regulations.
- (4) Any person to whom a power has been delegated or who has been authorised to perform a duty in terms of subregulations (1), (2) or (3), must exercise that power or perform that duty subject to the conditions determined by the person who effected the delegation or granted the authorisation.
- (5) Any delegation of a power or authorisation to perform a duty under subregulation (1), (2) or (3) –
- (a) does not prevent the person who effected the delegation or granted the authorisation from exercising that power or performing that duty himself or herself;

(b) may at any time be amended or withdrawn in writing by the person who effected the delegation or granted the authorisation.

General provisions in respect of offences and penalties

17. A person is guilty of an offence if he or she –
- (a) contravenes or fails to comply with any provision of these regulations for which a penalty has not been specifically prescribed in these regulations;
 - (b) hinders or obstructs an officer or employee of the Authority in the exercise of his or her powers, functions or duties;
 - (c) fails to comply with a lawful instruction, directive or request made by an officer of the Authority under the Act or these regulations; or
 - (d) intentionally gives false or misleading information in response to a question or request by an officer of Authority, and is, on conviction, liable to a fine or imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

Short title

18. These Regulations are called the KwaZulu-Natal Tourism (Registration of Tourism Establishments and Tourism Operators) Regulations, 2004.

APPENDIX 1

REGISTRATION OF CATEGORIES AND SUB-CATEGORIES OF FACILITIES AND SERVICES FOR COMPULSORY REGISTRATION OF TOURISM ESTABLISHMENTS AND TOURISM OPERATORS WHOSE PRIMARY OBJECT IS TO PROVIDE SERVICES AND FACILITIES TO TOURISTS IN THE PROVINCE OF KWAZULU-NATAL

(Regulation 3(1))

Category of facility or service	Sub-category of facility or service
1. Accommodation	1.1 Accommodation Booking Agent 1.2 Bed and Breakfast 1.3 Caravan and Camping 1.4 Guesthouse 1.5 Hotel/ Motel/ Inn/ Lodge 1.6 Self-catering 1.7 Youth hostel/ Backpacker Lodge
2. Conference Venues and Conference Organisers	2.1 Conference Organiser 2.2 Civic Club 2.3 Club 2.4 Country House 2.5 Country Lodge 2.6 Dedicated Venue 2.7 Farm Venue 2.8 Guest Lodge 2.9 Hotel 2.10 Municipality 2.11 Museum 2.12 Restaurant 2.13 Showground 2.14 Theatre 2.15 Training Centre 2.16 Turf Club University/Technikon