

Special Council (OPEN) Meeting

22 November 2024

Addendum 1:

10.

SECTION 3: CORPORATE SERVICES			
ITEM NO	SUBJECT	FIL REF	PG
C/3/257/11/24	REPORT ON POLICY AND ENFORCEMENT REGARDING SPAZA SHOPS AND RELATED BUSINESSES	17/2/1/1	3

SECTION 3
CORPORATE SERVICES

Section 3: Corporate Services

ITEM C/3/257/11/24

REPORT ON POLICY AND ENFORCEMENT REGARDING SPAZA SHOPS AND RELATED BUSINESSES

Portfolio Comm: Finance & Corporate Services

File Ref: 17/2/1/1

Demarcation: All Wards

Delegation: Council

Attachments

Annexure “A”: Spaza shop enforcement Report

Annexure “B”: Statement on Spaza shops

Annexure “C”: Classification of a National Disaster in terms of Section 23 of the Disaster Management Act (Act No 57 of 2002) Food Borne Illness

Report from: **Director: Corporate Services**

Author: Manager Communication, Intergovernmental Relations and Public Participation

Date: 20 November 2024

PURPOSE OF THE REPORT

This report aims to evaluate the sufficiency of the current municipal policies and by-laws related to spaza shops, street vendors, and food-handling businesses. It outlines compliance and enforcement strategies to align with the President's directive, which mandates compliance within 21 days. Municipalities play a critical role in ensuring that the directive from the President is being implemented effectively.

BACKGROUND / DISCUSSION

A meeting was convened on 18 November 2024, involving various stakeholders, including Town Planning, Local Economic Development (LED), Law Enforcement, and SAPS, among others. Apologies were received from the Garden Route Municipality. The discussions focused on existing policies' adequacy, the need for tailored policies, and actions for compliance enforcement to meet the 21 days deadline.

Key points discussed include;

1. Adequacy of current policies

The Bitou Municipality Home Shop Policy and Land Use Management By-Law, supported by the Immigration Act 13 of 2002 and the Foodstuffs, Cosmetics, and Disinfectants Act of 1972, are deemed robust for compliance management.

Section 3: Corporate Services

2. Tailored policies for Spaza Shops

While the Municipality have approved policy on Spaza Shop. The need for specific area in the policy addressing the unique operational challenges of spaza shops and vendors was identified particularly when it relates to the role of landlord and their accountability thereof, with a recommendation to update policies in line with the forthcoming COGTA Standard Draft By-Law.

3. Actionable steps

Immediate actions include compliance enforcement, business license registration, public awareness campaigns, and collaborative stakeholder engagement. Additionally, a media statement will be issued by the Executive Mayor outlining the steps that the municipality will follow in ensuring that spaza shop compliance is fast tracked and enforced.

FINANCIAL IMPLICATION

N/A

EXECUTIVE SUMMARY

The review found current municipal policies adequate for enforcing compliance among spaza shops, street vendors, and food businesses, provided these are implemented rigorously. Immediate steps taken, including license registration, stakeholder engagement, and enforcement checks, are underway to meet the 21-day compliance deadline. The collaborative efforts of municipal departments and stakeholders aim to ensure smooth execution and enhanced operational oversight. Recommendations include sustained collaboration, regular policy reviews, and consistent communication with stakeholders.

RELEVANT LEGISLATION

- **Bitou Municipality Home Shop (Spaza) Policy**
- **Land Use Management By-Law**
- **Immigration Act, 2002**
- **Foodstuffs, Cosmetics, and Disinfectants Act, 1972**
- **Standard Draft By-Law on Township Economies (upcoming)**

RECOMMENDED BY THE MUNICIPAL MANAGER

1. That Council takes note of the progress status report on compliance enforcement related to Spaza Shops.
2. That Council takes cognizance of the Classification of a National Disaster in terms of Section 23 of the Disaster Management Act (Act No 57 of 2002) Food Borne Illness.
3. That Council note the statement that will be issued by the Executive Mayor detailing the commitment from the Council to ensure that spaza shop compliance is fast tracked and enforced according to the relevant legislative framework.



REPORT ON POLICY AND ENFORCEMENT REGARDING SPAZA SHOPS AND RELATED BUSINESSES

ABSTRACT

This report provides an overview of the policy and enforcement framework for spaza shops, street vendors, and food-handling businesses within Bitou Municipality, following a meeting held on 18 November 2024. The adequacy of current regulations, including the Home/Spaza Shop Policy, Land Use Management By-Law, Immigration Act, and Foodstuffs, Cosmetics, and Disinfectants Act, was assessed, with conclusions highlighting their sufficiency for compliance and enforcement. Key outcomes included action plans for business license registration, compliance enforcement, foreign permit verification, and public awareness campaigns.

Mpakamisi Mac Mbali

SENIOR OFFICER: Intergovernmental
Relations (IGR)

Introduction

A meeting was convened as requested on 18 November 2024, to address the sufficiency of current municipal policies and by-laws, their applicability to spaza shops, street vendors, and food-handling businesses, and to review compliance and enforcement strategies. This report outlines the outcomes of the meeting, the sufficiency of existing regulations, and the agreed-upon action and steps taken.

Meeting participants

The meeting was attended by representatives from the following departments and entities:

- **Town Planning**
- **Local Economic Development (LED)**
- **Law Enforcement**
- **Public Participation**
- **Communications**
- **Community Development Workers (CDWs)**
- **SAPS (Kwano, Kurland, and Plett Clusters)**

Apologies were received from the Garden Route Municipality.

Key discussions and findings

1. Adequacy of existing policies and by-laws

It was concluded that the current Home/Spaza Shop Policy and Land Use Management By-Law are adequate to enforce compliance and address operational challenges. These regulations, complemented by the Immigration Act 13 of 2002 and the Foodstuffs, Cosmetics, and Disinfectants Act (FCDA) of 1972, provide a robust framework for managing compliance and enforcement.

2. Need for specific policies for spaza shops and food vendors

Specific policies for spaza shops and food vendors are deemed necessary, given that existing policies sufficiently address operational, and compliance needs when enforced effectively.

3. **Review of policies**

After reviewing the provided policies and by-laws, the team agreed that inclusion of the role of landlords in the Home/Spaza Shop Policy. The Home/Spaza Shop policy should be reviewed once the COGTA Standard Draft by-law on township Economies comes into effect.

Agreed actions

1. **Business license registration rollout**

- The LED department will manage business license registration.
- Application submissions are due by **27 November 2024**.

2. **Compliance enforcement**

- Town Planning will issue compliance notices to all spaza shops based on their mapping database.
- Notices and application forms will be distributed immediately, starting **19 November 2024**, through CDWs and the Expanded Public Works Programme (EPWP).
- Businesses that fail to comply by **7 December 2024** will be closed.
- Garden Route Municipality to verify all foodstuff certification
- Law Enforcement and SAPS are expected to close all Non-Compliant Shops from 7 December 2024.

3. **Verification of foreign permits**

- Compliance checks will include permit verification in collaboration with SAPS and the Immigration Unit.

4. **Public awareness and stakeholder engagement**

- The Public Participation team will conducted stakeholder meetings with shop owners and landlords from **20 November to 27 November 2024** to raise awareness.
- Ward Councillors and Ward Committees will disseminate information in their respective wards.

Immediate actions taken

Public Awareness and stakeholder Program is being rolled out in all affected wards

Ward 1 Kurland and Witterdrift

20 November 2024



Ward 3 Pinetrees, Bossisgef and Qolweni

Ward 4 Newhorizon

21 November 2024

Ward 5/6 Kwanokuthula

26 November 2024

Ward 7 Kranshoek

27 November 2024

A multi-stakeholder checkup was conducted in Kurland and 6 shops were temporally on the 19th November 2024 for cleanliness and surface dangers. Shops are namely:

Save Savemore Supprette, Amla Shop, Midway Shop, Lalibela Supermarket, Obama Shop, and Happy Shop.



Compliance mapping

Mapping Overview

Town planning conducted a survey which resulted in mapping each shop with a live mapping which indicate surveyed shops per area.

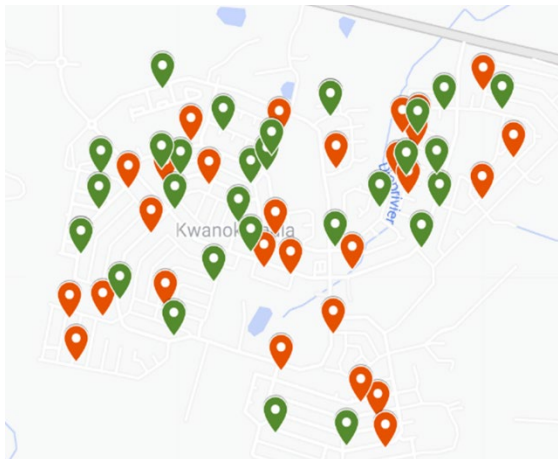
Active spaza shops with consent use applications marked with green waypoints.

Approved shops to receive reference number, certificate, and watermark sticker for compliance identification. They will also be loaded on the live maps.

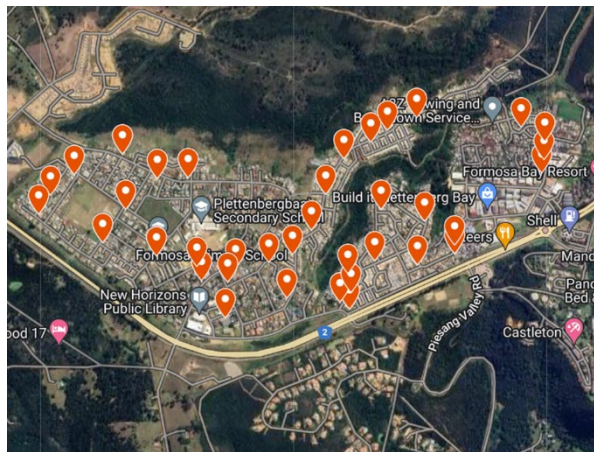
Area	Shops No Applications (RED)	Applications Submitted (Green)
Kwanokuthula	28	28
New Horizon/Bossisgef	37	0
Kranshoek	12	12
Kurland	15	4
Greenvalley	4	1
TOTAL:	96	45

Key findings by area

Kwano



Newhorizon/Bossisgef



Note: The applications submitted where done before the announcement by the President. Currently all shops are required to submit applications for business licence through LED (Business registration) section.

Conclusion

The review of municipal policies and by-laws indicates that the current frameworks, such as the Home/Spaza Shop Policy, Land Use Management By-Law, and relevant national acts, are adequate for managing compliance and enforcing regulations in spaza shops, street vendors, and food-handling businesses. These frameworks, if consistently enforced, provide a robust basis for operational oversight. Immediate actions, including compliance mapping, public awareness programs, and a coordinated business license registration rollout, demonstrate a commitment to enhancing regulatory enforcement and transparency. Stakeholder engagement and interdepartmental collaboration have been instrumental in ensuring the effectiveness of these initiatives.

Recommendations

- Ensure sustained interdepartmental collaboration for regular monitoring and enforcement of compliance among spaza shops and related businesses.
- Conduct regular evaluations of the adequacy of existing policies to address emerging challenges and refine policies where necessary.
- Maintain consistent communication with stakeholders, including shop owners, landlords, and community representatives, to promote transparency and foster voluntary compliance.
- Provide training for enforcement teams and stakeholders to strengthen their ability to manage compliance effectively.

Prepared by

Mr. Mpakamisi Mbali

Team Lead



MEDIA STATEMENT ON SPAZA SHOPS

19 NOVEMBER 2024

Annexure B

The Municipal Zoning Scheme By-Law outlines the permitted uses for properties. Using a property in a way that conflicts with its zoning is unlawful. Therefore, if a property is not zoned for a spaza shop, operating one there is illegal.

According to the Business Act, a Business Licence from the Municipality is required for any spaza shop (or hawker/informal trader) selling meals, takeaways, or perishable food. Normally, a Business Licence will not be issued unless the property's zoning permits a spaza shop.

The Foodstuffs, Cosmetics and Disinfectant Act mandates that spaza shops (and hawkers/informal traders selling food) must obtain a Certificate of Acceptability from the Health Department of the Eden District Municipality. This certificate will only be issued if the Municipality has already granted a Business Licence.

Currently, many spaza shops in the Bitou Municipal area do not meet these requirements and risk closure.

In his address on 15 November 2024, the President stated that any unregistered spaza shop that does not meet health standards within 21 days (by 6 December 2024) will be closed.

To comply with the President's directive and assist spaza shop owners/operators, the Municipality will implement the following process:

- Spaza shop owners/operators must apply for a Business Licence by 12:00 PM on Wednesday, 27 November 2024. These licences will be issued temporarily, with the condition that the owner/operator must obtain the necessary zoning approval within six months. If zoning approval is not obtained, the Business Licence will lapse. Late applications will not be accepted, and any spaza shop without a Business Licence by 6 December 2024 will risk closure.
- Once a Business Licence is granted, the owner/operator must immediately apply to the Eden District Municipality for a Certificate of Acceptability. Any spaza shop without this certificate by 6 December 2024 will risk closure.

For assistance, contact:

- Business Licence: Mr. J Lottering (Bitou Municipality) - Tel: 079 883 2365, Email: jlottering@plett.gov.za
- Certificate of Acceptability: Babalwa Mfecane (Eden District Municipality) - Tel: 044 501 1600, Email: babalwa@gardenroute.gov.za
- Zoning Matters: Ms. O Yonke (Bitou Municipality) - Tel: 044 501 3317, Email: oyonke@plett.gov.za

This statement is issued by Mr. Andile Namntu, Manager of Corporate Communications, Intergovernmental Relations, and Public Participation, on behalf of Bitou Executive Mayor, Cllr. Jessica Kamkam.



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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE

NO. 5557

19 November 2024

DISASTER MANAGEMENT ACT, 2002 (ACT NO. 57 OF 2002)**CLASSIFICATION OF A NATIONAL DISASTER IN TERMS OF SECTION 23 OF THE DISASTER MANAGEMENT ACT (ACT NO. 57 OF 2002): FOODBORNE ILLNESS**

I, Dr Bongani Elias Sithole, in my capacity as the Head of the National Disaster Management Centre, after considering reports from various organs of state, and after assessing the magnitude and severity and potential magnitude and severity of the foodborne illness that emanates from or may still emanate from poor food safety practices in the country, which have resulted in the loss of life or illness, and may result in further illness or loss of life if not mitigated, hereby give notice that with effect from 18 November 2024, the foodborne illness is classified as a National Disaster in terms of section 23(1)(b) of the Disaster Management Act, 2002 (Act No. 57 of 2002) (the "Act").

Emanating from the classification of this foodborne illness as a National Disaster, in terms of section 26, read with section 23 of the Act, the primary responsibility to coordinate and manage this disaster, in terms of existing legislation and contingency arrangements, which may be augmented by regulations or directions issued in terms of section 27 of the Act if a national state of disaster is declared, is designated to the National Executive.

In addition, I hereby –

- (a) in terms of section 15(2)(aA), read with section 23(8) of the Act, call upon organs of state to further strengthen their support to the existing structures to implement their contingency arrangements and legislative mandates to ensure that measures are put in place to enable the National Executive to effectively deal with the effects of this disaster; and
- (b) in terms of section 22(a) of the Act, –
 - (i) read with section 20(2) of the Act, encourage organs of state, the private sector, communities and individuals to improve their practice of risk avoidance behaviour through their adherence to food safety legislation, standards and procedures;
 - (ii) read with section 20(2) of the Act, encourage individuals to comply with the applicable business registration legislation, standards and procedures;
 - (iii) read with sections 25(1)(c), 39(1)(c), 39(2)(k), 53(1)(c) and 53(2)(k) of the Act, and other applicable legislation, recommend that the National

- Executive, the respective Provincial Executives and the respective Municipal Councils, implement a multisectoral relief and rehabilitation plan to deal with the effects of the disaster; and
- (iv) read with section 21(a)(ii), recommend that each organ of state prepare and submit progress reports, in line with the requirements of the National Disaster Management Centre, to monitor the response initiatives by organs of state, non-governmental organisations and communities.

Furthermore, all affected organs of state must prepare and submit reports, as required by the National Disaster Management Centre and as outlined in section 24(4) to (8) of the Act.

The revocation of the classification of this disaster is set out in the Schedule hereto.

Elias Sithole
Dr Bongani Elias Sithole

Head: National Disaster Management Centre

Date: 18/11/2024

Schedule

The National Executive dealt with the national disaster in terms of existing legislation and contingency arrangements without declaring a national state of disaster in terms of section 27(1) of the Act.	The classification is revoked by the Head: National Disaster Management Centre when the occurrence can no longer be regarded as a disaster in terms of the Act upon reassessment by the NDMC.
The National Executive dealt with the national disaster in terms of existing legislation and contingency arrangements as augmented by regulations and/ or directions following the declaration of a national state of disaster in terms of section 27(2) of the Act.	The classification of a national disaster is automatically revoked when the national state of disaster is terminated or lapses in terms of section 27(5) of the Act.

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