





How to open a cleaning services business in the Western Cape

A practical guide for new businesses in the Western Cape

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Introduction and instructions

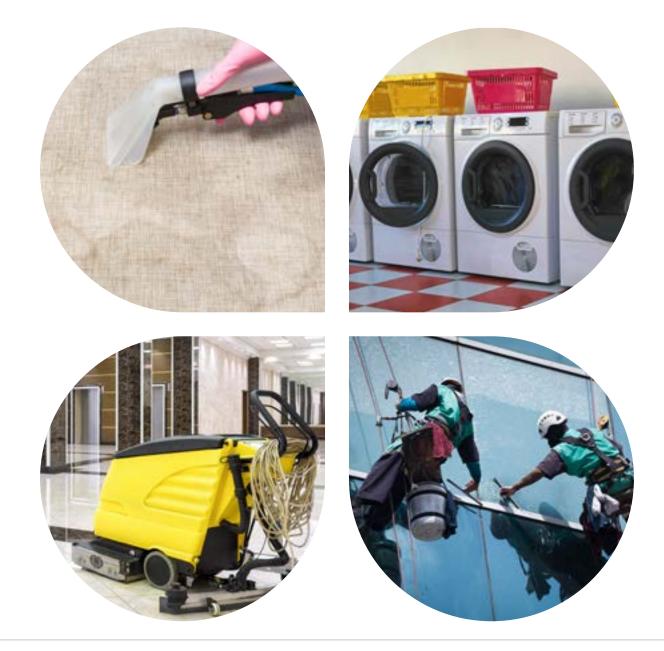
Objective

This guide provides a set of suggested steps to be taken towards the opening and operations of a compliant cleaning services business in the Western Cape. The intent of providing this information is to assist entrepreneurs, create jobs and grow the local economy.

About the EODB initiative

The Western Cape Government has put Ease of Doing Business as a central priority towards growing our economy. We want to simplify processes, and to reduce the complexity, time and cost in transaction with the Government in South Africa, be that a Department or Agency in the National or Provincial Government, or Local Municipality. <u>Find out more about us.</u>

If you have any queries, please contact the EODB (Ease of Doing Business) initiative via <u>email</u> or by completing <u>this form</u>.

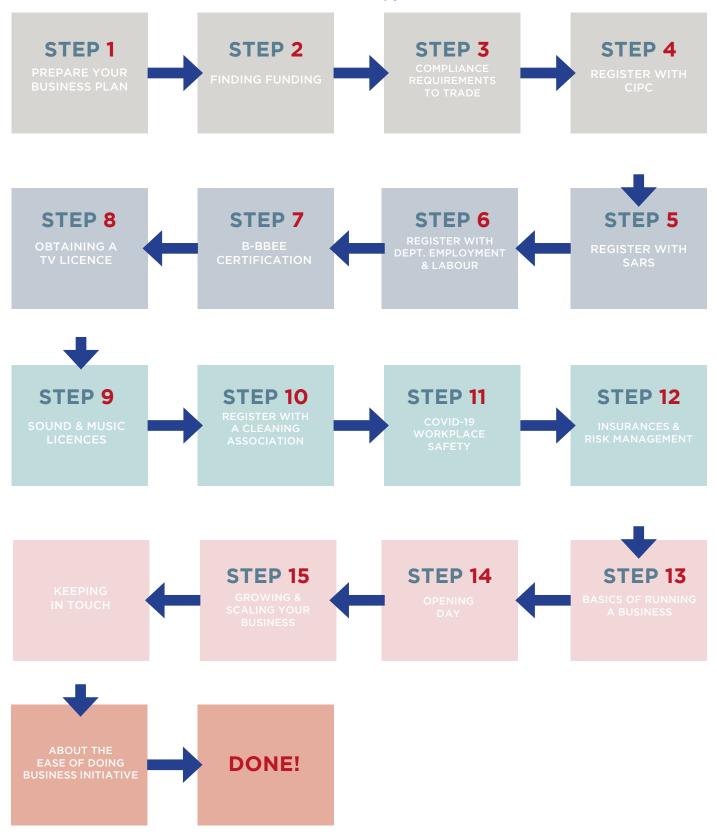




Steps to guide your success

These are the suggested steps to opening your cleaning services business in the Western Cape. Some of these steps are optional and some can be run in parallel, depending on the nature of your business.

Click on the relevant step icon ¹ to skip to that step. On each page you can select the steps-guide icon **i** to return to this steps-guide homepage.



Step 1: Prepare your business plan

Why this is important.

Your business plan is a very important tool for business success. It's a document that states clearly how you plan to achieve your business goals. It covers the what, how, when and why of your business, giving you a 'compass' and making it attractive to investors.

Include details like:

- Your business name
- The best structure for your business: sole proprietorship, a partnership or company?
- Transport or logistics considerations, etc.

Defining your service offering

Be clear about what kind of cleaning your business will offer e.g. carpet cleaning, window washing, janitorial services, general premises cleaning. It is entirely your choice - but if you know your budget, your workforce skills needs and who the competition is, you will make a more informed decision.

Know your market group

Consider which market group you are targeting, i.e.

- consumer cleaning of domestic homes or
- commercial cleaning serving business premises.

You could focus on both, or start with one and then progress to the second. Your business plan should outline your approach in reaching your target market.

Your equipment

Your equipment could include sweeping or vacuuming machines, brushes, mops and cloths, cleaning detergents and soaps, disinfectants or sanitization and safety equipment. You could consider renting equipment for the first few weeks as opposed to buying it; that way you can test whether it's right for your business. These costs and other factors need to be considered when determining your pricing strategy.

Your rates vs. competitors' rates

Research what competitors are charging and calculate what it will cost for you to provide the service. Consider the cost of transport, cleaning staff, equipment and supplies and the cost of advertising or marketing.

You can negotiate prices with each client, but it is advisable to have a minimum figure in mind so that your business can make a profit and cover all the overheads.

There are many free business plan templates to use, or you can use the services of a professional consultant.



The process to follow:

Once you've done the necessary research and prepared a business plan, you should:

• Decide where to run your

business: from home, or at separate premises, which you own or rent?

• Bear in mind that each land unit has a specific zoning i.e. residential, commercial, agricultural, etc. <u>(*Find out*</u>)

more in Step 3 'Compliance requirements to trade').

 If you intend joining a franchise of cleaning services chains, ensure that you understand all aspects of the franchise agreement.





COSTS: RO-R5000 TIME: 1-3 Months

Articles and links

- <u>Starting Your Own Small</u> <u>Business</u>
- Finding your ideal business premises
- How To Write A Cleaning
 Business Plan
- Information on franchising
- <u>The Business Hub</u>

Video links

How To Write A Business
 Plan

Documents required

- Business plan
- Identity document
- Financial projections
- Letters of reference
- Market research

Step 2: Finding funding



Why this is important.

Funding is your business's lifeline and your choice of funding will depend on where you are in the life cycle of your business. There are many sources of financial support, loans, grants and incentives.

Your funding may come from savings, friends & family, an angel investor, a venture capitalist or a business accelerator. It may pay for supplies, technology, premises or staff, so ensure you have the funding you need in order to grow and move in the right direction.

The process to follow:

Do thorough research to decide on the best financing options, and understand what the qualifying criteria are. You may need to complete several forms, and to develop and present a convincing business plan and strategy - a 'pitch deck' presentation - to the funder or investor you approach. The aim is to convince them to back your business. Remember: you only have one chance to make a first impression.





COSTS: Variable **TIME:** 1-6 Months

Articles and links

- <u>Getting Funding In A Digital</u> <u>World</u>
- <u>The hitch-hikers guide to</u> <u>funding readiness for SMMEs</u>
 Finfind
- Guide to creating a pitch deck

Video links

• Making a startup pitch

Documents required

- Business plan
- Pitch deck
- Financial projections
- Letters of reference or support

Step 3: Compliance requirements to trade

Why this is important.

It's vital to choose the correct location for your business, because the right location will attract customers and employees.

Remember:

Different rules apply in different areas as each municipality has its own by-laws.

Make sure you know the zoning of your business premises and the regulations that control the development and usage of land for reasons such as noise levels and impact on the surrounding environment, etc.

The nature of your business means that a business licence or Certificate of Acceptability (COA) is not required. However, using hazardous chemicals and dangerous machinery or equipment requires a safe working environment and staff with the right skills and training. It is crucial to invest in precautionary measures like fire extinguishers, first aid kits and fast response procedures in the case of emergencies such as fire or injuries.

The process to follow:

Know the rules

If you familiarise yourself with the following Acts you can ensure your business adheres to the regulations and avoids any potential penalties:

Consumer Protection Act (CPA)

This <u>Act</u> aims to promote fair, accessible and sustainable marketplaces for consumer products and services, making provision to protect the rights of consumers.

Occupational Health and Safety (OHS) Act

This <u>Act</u> aims to protect the health and safety of staff and anyone accessing the workplace. The various <u>Regulations</u> provide specifications and requirements in the areas that they govern, such as health, electrical, and machinery.

A dedicated OHS representative

It is the employer's responsibility to provide a safe and healthy work environment. If you employ more than 20 staff, a dedicated OHS representative is required to perform duties such as assistance with managing health and safety risks, conducting site inspections and investigating incidents.

Train employees and support awareness

A Risk Assessment is needed to identify all possible risks and mitigations in the business – ideally to be reviewed every 2 years. The Health and Safety policy should be documented, and employees need to be trained on it. You may want to place health and safety notifications around the premises to support awareness and compliance.

Short course for OHS representative

The OHS representative could be yourself (as owner) or someone in your business that you deem suitable. The OHS representative would need to attend a related course (short learning programme) and these duties can be performed in addition to their main functions.

There is the option to approach organisations that offer Occupational Health and Safety services that





Articles and links

- <u>City of Cape Town</u> zoning map
- Information on running a business from home
- Health & Safety information

Video links

- Basics of CPA
- <u>Overview of OHS Act</u>
- <u>Health and Safety</u>
 <u>Representatives</u>

Documents required

• Enquire with your local municipality

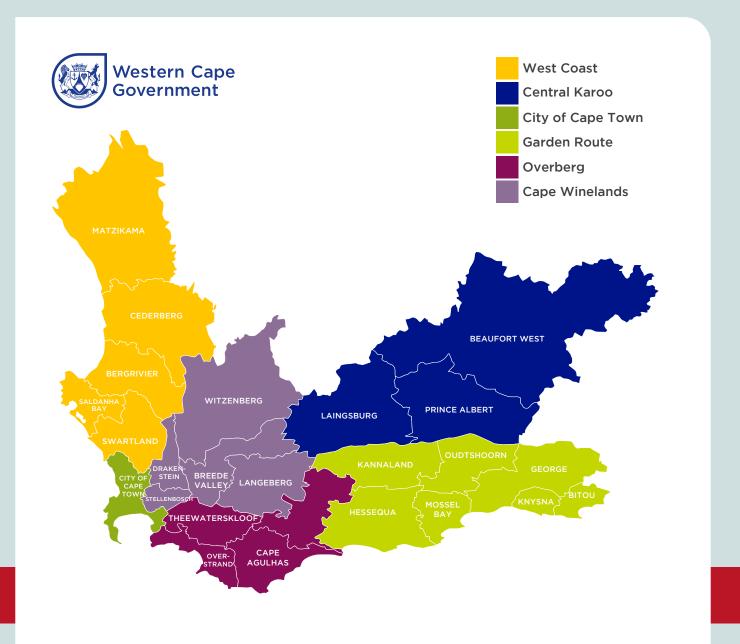
can assist you with practical solutions specific to the health and safety needs of your business. Search online, or ask friends and family or other businesses in the area for recommendations.

Approach your local municipality

Your local municipality is responsible for many functions your business needs, such as electricity delivery, sewage and sanitation. Approach the municipality in the area you plan to run your business and enquire about the zoning or guidance on procedures to avoid or handle emergencies in the case of health and safety risks for staff and customers.

To access the compliance and contact information for the municipality in your business area see the <u>MUNICIPAL INFORMATION</u> pages at the end of this guide.

You can also go directly to your municipality's information section by clicking on the relevant district on the map below.



Step 4: Register with CIPC



Why this is important.

Tax benefits

If you want your business to transact with government and the formal sector, or wish to access certain types of government support, it is recommended that you register your business with the Companies and Intellectual Property Commission (CIPC). There may also be tax benefits, as registered businesses have a lower tax rate than individuals.

BizPortal services

CIPC's BizPortal provides additional services such as the option to register your business with SARS (South



COSTS: R175 **TIME:** 1-3 Working days

African Revenue Service) and other SARS services, apply for B-BBEE certificates, Compensation Fund and UIF registration, company (domain) name registrations and changes.

The process to follow:

Company registration can be done through one of the following options:

1. The BizPortal www.BizPortal.gov.za

2. The CIPC app available from Google Play Store

3. Via new eServices

- 4. Visit the Cape Town service centre, Shop 03, Norton Rose House, Thibault Square, Riebeek Street, Cape Town
- 5. First National Bank (FNB and Nedbank branches/ websites.

Your CIPC login credentials must be used to transact with CIPC.

Articles and links

- <u>CIPC BizPortal</u>
- <u>CIPC website</u>
- <u>New eServices</u> (CIPC portal)
- <u>CIPC enquiries</u>

Video links

- <u>CIPC BizPortal video</u>
- <u>CIPC eServices video</u>

Documents required

- ID number (online registration)
- Identity document (walk-in centre)

Step 5: Register with SARS

Why this is important.

Incentives that help

As a new business you are required to register with **SARS** (South African Revenue Service), file a tax return and make payments timeously.

The most common types of business taxes are VAT (Value Added Tax), PAYE (Pay As You Earn), UIF (Unemployment Insurance Fund) and SDL (Skills Development Levy).

There are tax incentives (benefits) available that were designed to reduce the tax burden and liability for small businesses that qualify, such as **Turnover Tax** (TOT), **Small Business Corporation Taxes** (SBC) and **Employment Tax Incentive** (ETI).

A simplified tax system

Turnover Tax is a simplified tax system based on the taxable annual turnover (R1 million per annum or less) of a business, where qualifying businesses can pay a single tax instead of various other taxes. It's your choice to make use of it or not. For more information on SBC and ETI, please visit the SARS website.

Provisional tax for companies

Companies are required to submit and pay a Provisional Tax every six (6) months from the start of their financial year, and to submit a Company Income Tax return of their finances every twelve (12) months after the end of their financial year.

Compulsory company returns

Companies need to submit a return even if they were not trading, and/or immediately apply for deregistration if they are not planning to trade in the future.

Failure to comply with your tax obligations will make you and your business subject to penalties.

The process to follow:

If you register a company with CIPC (Companies and Intellectual Property Commission), SARS will automatically generate a Company Income Tax (CIT) reference number for you. Alternatively, you can register directly with SARS online via eFiling. Taxpayers registered for eFiling can engage with SARS online for the submission of tax returns, payments of taxes, and the registration of other taxes such as VAT and PAYE.

To register for e-Filing, visit **www.sarsefiling.co.za**

Click on each tax type link below to find out more:

- <u>VAT</u>
- <u>PAYE</u>
- <u>UIF</u>
- <u>SDL</u>
- Other possible <u>taxes</u>

Assistance

Should you require more information call **080 000 7277**, select option 6 or make an appointment via the SARS website <u>www.sars.gov.za</u> to visit a branch.



Video links

• <u>Making use of a SARS</u> <u>service guidance</u>

Documents required

• <u>Supporting documents</u> <u>for registration</u>

Step 6: Register with the Department of Employment and Labour

Why this is important.

Unemployment relief for workers

If you are going to employ one or more employees, be they part-time, temporary or permanent, then as an employer you are required to register, declare and pay UIF contributions to the **Unemployment Insurance** Fund (UIF) which was established under section 4 of the Unemployment Insurance Act (Act no. 63 of 2001). The purpose of this fund is to provide short-term relief to workers (subject to certain conditions) when they become unemployed, or are unable to work because of illness, maternity or adoption leave.

Wage cover for injury or disability to workers

The <u>Compensation for</u> <u>Occupational Injuries and</u> <u>Diseases Act 1993 (COIDA)</u>

also requires that you register with the Department of Employment and Labour (DOEL) when you employ staff. Levies are paid by the employer into the Compensation Fund (CF) to cover employees' loss of wages in the case of an injury or disability (temporary/ permanent) sustained at work.

If your business has multiple branches, you would need to register each one separately. As an employer you are obligated by the Act to take out insurance to be protected against civil claims.

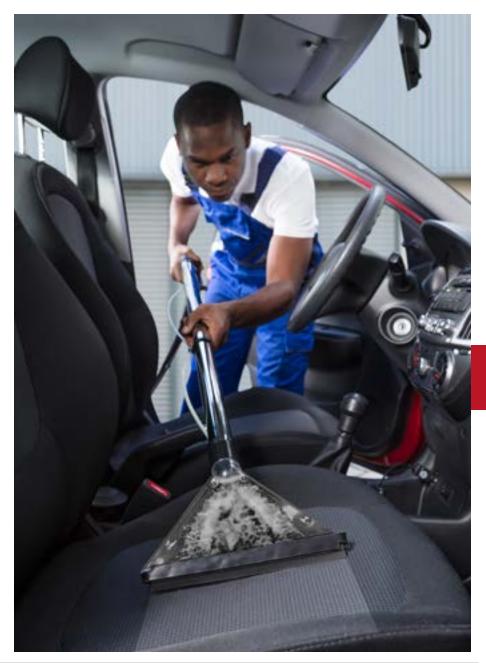
Fair labour practices

In the spirit of good employment practices, ensure you understand the contents of the <u>Basics of Employment</u> <u>Act 75 of 1997</u>, as it sets out fair labour practices to protect employees' rights and clarify employers' obligations and responsibilities in the workplace.

The process to follow:

Registration

If you have registered for UIF via CIPC or SARS directly, you will receive a registration number. However you are still required to declare your employees on the uFiling system through the process detailed below. If you have not registered for UIF via CIPC or SARS, then follow the registration steps below.



UIF registration

You can register online using the uFiling system www. ufiling.co.za. To register manually, complete and deliver the UI.8 and UI.9 forms, together with copies of your CIPC registration (if applicable), business owner's ID and employee's IDs, to the nearest DOEL office. Expect an email from the Department of Labour with your UI number once the registration application has been processed successfully.

The cost of contributions

The total cost of contributions is 2% of the payroll, i.e. the worker contributes 1% (usually deducted from their monthly remuneration) and the employer contributes 1%.

Submit your declaration

Submit a declaration electronically in the form of the monthly payroll systems or through the uFiling system.

Make payments

Pay the contributions

monthly (via uFiling, EFT or SARS) before or on the 7th of every month. A penalty may become due for overdue or underpaid contributions. **Note:** Employers can choose to pay the total contributions annually in advance.

Remember to update employer and employee details when needed, including salary and employment details. UFiling will automatically prepare and populate your monthly declarations for review before you submit.

Compensation fund registration

Register as a user via <u>https://cfonline.labour.gov.</u> <u>za/ OnlineSubmissions/?1</u>

The levies due require payment annually and are calculated on a formula using assessment tariffs depending on the nature of your business and the associated risks.

Dates

The CF Return on Earnings (ROE) online system opens on 1 April each year and the assessment year runs from 1 March to end February (the following year).

Submit an annual ROE (reflecting earnings paid and total number of employees during assessment year) to trigger an assessment which will provide an invoice for the amount due and payment details. You can do this online via the CF portal or complete the W.As8 form and manually submit it to the nearest DOEL office. Note: A penalty may become due if the payment remains outstanding after the due date.

Claims

In the case of a claim, report the incident timeously and make use of the electronic claim management system via <u>https://compeasy.labour.</u> gov.za/fiori





COSTS: Variable TIME: Immediate

Articles and links

- Basic guide to UIF
- uFiling guide
- COIDA service book
- <u>How-tos & basic guides</u>
- <u>Basic conditions of</u> employment guide

Video links

- <u>COID registration</u>
 & letter of good standing
- Adding a new employer on uFiling

Documents required

- <u>W.As.2</u>
- <u>W.As.8</u> ROE form

Step 7: B-BBEE certification

Why this is important.

Stimulating economic growth

Broad-based Black Economic Empowerment (B-BBEE) is a legislative framework for the promotion of black economic empowerment which targets historic inequality in the South African context, and is seen to be a strategy to grow the economy and reduce unemployment.

The Broad-Based Black

Economic Empowerment Amendment Act 46 of 2013 and Codes of Good Practice regulate the implementation of this initiative.

Join the database

If you want to do business with the Western Cape Government and apply for any tenders (contracts and RFQs), your business will need B-BBEE certification. For information on how to join the Western Cape Supplier Database (WCSD) see <u>Step 15 'Growing & scaling</u> your business'.

Private sector

Having B-BBEE certification is also advantageous when doing business with private sector organisations and supports their compliance with B-BBEE in their supply chain.

The process to follow:

The process will vary depending on the turnover of your business:

Micro and smaller businesses are exempt

If your business has an annual total revenue of R10 million or less, it qualifies as an Exempted Micro-Enterprise (EME) and is only required to obtain an affidavit signed by a Commissioner of Oaths. An enterprise with an annual total revenue of between R10 million and R50 million qualifies as a Qualifying Small Enterprise (QSE) and is only required to obtain an affidavit



signed by a Commissioner of Oaths.

QSE black ownership

A QSE whose level of Black Ownership is less than 51% is only required to obtain a B-BBEE certificate from a Verification Agency accredited by SANAS. Only directors of companies or members of close corporations can apply for this certificate. Verification Agencies and organisations such as <u>CIPC</u> generally assist businesses with this process to ensure validity.

Supporting documents

The Verification Agency you select can tell you which supporting documents are required, e.g. a copy of ID, proof of business address, financial statements, etc.

B-BBEE scorecard

A code of good practice framework measures B-BBEE compliance using a scorecard with specific elements (each with a weighting) and points are allocated accordingly based on how close you are to the points target for each. The scorecard elements include: Ownership, Management Control, Skills Development, Enterprise and Supplier Development and Socio-economic Development.

Level contributors

These scores contribute to your B-BBEE level contributor - which ranges from Level 1 (100+ points) through to Level 8 (30-39 points). This helps to benchmark businesses and support them with formulating strategies to improve areas where required.

EME recognition levels

An EME is deemed to have a B-BBEE Status of Level 4 Contributor and a B-BBEE recognition level of 100%. An EME which is 100% Black Owned qualifies for elevation to a Level 1 Contributor and a B-BBEE recognition level of 135%. An EME which is at least 51% Black Owned qualifies for elevation to Level 2 Contributor and a B-BBEE recognition level of 125%.

QSE recognition levels

A QSE which is 100% Black Owned qualifies for a Level 1 B-BBEE recognition and a QSE which is at least 51% Black Owned qualifies for Level 2 B-BBEE recognition level.

Affidavit validity

The affidavits are valid for 12 months and therefore required to be provided on an annual basis.

B-BBEE level review

You can approach your Verification Agency at any time to review your business's B-BBEE level for possible improvement. Many businesses choose to display their B-BBEE certificates on their website.

The B-BBEE Commission is responsible for monitoring and enforcing compliance with the Act and Codes of Good Practice.





COSTS: Variable **TIME:** Variable

Articles and links

- <u>Department of Trade,</u> Industry and Competition
- Affidavit template

Video links

 <u>CIPC B-BBEE certificate</u> application process

Documents required

• Enquire with verification agency

Step 8: Obtaining a TV licence



Why this is important.

A business TV licence for each TV set

If you are planning on installing a TV set for your business, you will require a business television licence to secure legal viewing. Firsttime applicants pay the full annual fee in advance and are required to renew this each year. This fee is required for each TV set in the business, i.e. two TV sets will mean two licence payments.

The process to follow:

You will need to complete the application form and send it to the email address mentioned on the form. Your account will be created and an invoice will be sent to you for payment.

Hospitality discount

Some Hospitality Associations have established relationships with the SABC to ensure compliance with TV licence regulations and their members enjoy a 25% discount on their annual TV licence payments (conditions apply). Examples include FEDHASA and GHASA.

Payment options

You can pay in one of these ways:

- A debit order
- A physical pay point such as certain banks, post office branches and some retailers
- At Easypay outlets
- A direct EFT
- At an SABC branch

Ensure that you renew your licence before it expires each year.



COSTS: R265 p/a **TIME:** Instant on payment

Articles and links

- Business TV licence information
- <u>TV licence regulations</u>
- List of paypoints

Documents required

<u>Business TV licence application form</u>

Step 9: Sound and music licences

Why this is important.

Copyright

If you are planning on playing music in the course of conducting your business and it is not written, created, performed, published and recorded by you, then it belongs to the music creator (Copyright Act 98 of 1978). As a music user, you need a licence.

Music apps

Playing music through music apps is for personal usage and does not override the need for a licence to play music in the workplace. Music is essentially the creator's product and by virtue of your usage of their product, it is fair that they are duly compensated.

Royalties for artists

The licencing process is managed by <u>SAMRO</u> (South African Music Rights Organisation) and <u>SAMPRA</u> (South African Music Performance Rights Association). SAMRO collects licence fees from music users which are paid to the creators as royalties. SAMPRA collects licence fees from music users on behalf of recording artists and record labels.

Notify SAMRO and SAMPRA

If you are going to play music through the radio stations or music channels on a TV set in your business - ensure you notify <u>SAMRO</u> and <u>SAMPRA</u> during the application process.

The process to follow:

The licence application process for each organisation is provided below.

SAMRO:

- 1. Complete the online application or manual application (S1 form).
- 2. A resolution letter will be required should you appoint someone else to act on or sign SAMRO documents on your behalf.
- 3. You will be sent an invoice on receipt of the application.
- 4. The licence will be issued following payment of the invoice.

SAMPRA:

- 1. Complete the online application or manual application.
- 2. You will be sent a cost estimate on receipt of the application.
- 3. Once you accept the cost estimate, you will be sent an invoice.
- 4. The licence will be issued following payment of the invoice.

Displaying these licences publicly is optional. Alternatively, you can choose to store them in a safe place for future reference and where any authorised consultants want to see them during unannounced inspections. The licence fees are due annually in advance.



Articles and links

- <u>SAMRO online registration</u>
- SAMRO resolution letter
- SAMPRA online registration
- SAMPRA manual registration
- SAMPRA tariffs

Video links

How SAMRO licensing works

Documents required

• <u>S1 form</u>

COSTS: 7-14 Working days **TIME:** Variable

Step 10: Register with a cleaning association

Why this is important.

Membership of a cleaning association is optional and provides benefits to your business in the following ways:

- Support in terms of relevant information and assistance with contractual, labour or operational issues.
- Representation for SMMEs in the cleaning industry at Government and collective bargaining forums.
- Empowering SMMEs through training (skills development) and communication.
- Promote and maintain acceptable cleaning services levels and standards.
- Customers have the reassurance and confidence that members are professional, qualified and competent to carry out the work required.

If you are planning to apply for any tenders (contracts and RFQs), then being a member of an industry association will be an advantage when joining the Western Cape Supplier Database (WCSD) to become eligible to do business with the Western Cape Government.

You can find out more about the WCSD process from <u>Step 15 'Growing & scaling your business'</u>.

The process to follow:

It is recommended that you approach a cleaning association directly and avoid third

parties. <u>The National Contract Cleaners</u> <u>Association</u> (NCCA), <u>BEECA</u> and the <u>Cleaning</u> <u>Association of South Africa</u> (CASA) are the main cleaning authorities to consider. Research what each has to offer and find the right fit for your business.

To apply for membership, the general process includes the following steps:

- Complete the application form (manual or online).
- Include the required supporting documents which may differ per association.
- Provide proof of payment of the once-off admin fee (non-refundable).
- The application will be reviewed, and you will be advised on whether it has been approved or not.
- A compliance audit may be conducted at application stage (may differ per association).
- If your application is approved, an invoice will be raised to pay the remaining fees. This includes a membership fee and monthly levy. The amounts are based on how many cleaning employees you have.
- Once all payments are received, you will be issued with a certificate or proof of membership.

Annual fees

The membership fees are due annually and an annual compliance audit may be required. You can choose to display the proof of membership in your business or store it for safe keeping.



Articles and links

- <u>The National Contract</u> <u>Cleaners Association</u>
- BEECA
- <u>Cleaning Association</u> of South Africa
- BEECA Application form
- NCCA's application form
- <u>NCCA's proof of account</u> for payments

Documents required

- Proof of NBC Provident Fund registration
- Letter of good standing
- Copy of Public Liability insurance policy
- Tax clearance certificate

Step 11: COVID-19 workplace safety

Why this is important.

Reduce the spread

Employees and customers are at risk of spreading and catching the COVID-19 virus, so it is in your best interest to protect everyone accessing your business as far as reasonably possible. If you implement and monitor the required protocols, you will help to reduce the spread of the virus while protecting your staff and customers as well as keeping your business open.

Understanding the regulations

The Department of Employment and Labour issued directives entitled <u>'CONSOLIDATED</u> <u>DIRECTIONS ON OCCUPATIONAL HEALTH</u> <u>AND SAFETY MEASURES IN CERTAIN</u> <u>WORKPLACES'</u> on 11 June 2021 (superseding previous regulations). There are various additional regulations and guidelines that provide guidance on the various lockdown levels and how they impact living and working. It is your responsibility as a business owner to ensure that you understand these requirements as non-compliance could lead to penalties or business closure.

The process to follow:

There are suggested measures you can put in place to screen staff and customers for virus symptoms, ensuring masks are always worn correctly, sanitizing hands and regularly cleaning the premises, as well as social distancing, to mention a few.



STEP 11 at a glance:



COSTS: Variable **TIME:** Immediate

Articles and links

- <u>COVID-19 resources for the</u> workplace
- <u>COVID-19 workplace</u> <u>safety guide</u>

Video links

 <u>Vaccine ambassador</u> <u>awareness webinar</u>

Documents required

• Refer to directive 11 June 2021

Step 12: Insurances and risk management



Why this is important.

Protection for business, staff and customers

As a business owner, you should be thinking about any potential risks of damage or destruction to your business or harm to your customers. Any such incidents will cost time and money to resolve, and will disrupt business operations.

There are many types of risks, such as physical risks (fire/hazardous material), security risks (theft/fraud), liability risks (injury/illness), technology risks (power outages/faulty equipment) and others. The best approach is to put certain prevention measures in place from the start and consider insurances that can provide the financial assistance when needed.

The process to follow:

- Look at any potential risks by identifying the chances of something negative happening, often referred to as a risk assessment.
- Analyse these risks, prioritise them and consider the best way to treat the risk. This would be best documented in a risk management plan.
- Ensure the correct safety measures are in place,

that your staff are trained on what should be done in emergencies and that you have any necessary equipment and signage on the premises.

• Monitor your risk plan and review it regularly, as things can change. There are many risk management professionals who can assist you.



Articles and links

- <u>Risk management for</u> <u>small business</u>
- Identifying and managing business risks
- <u>Risk management for a</u> <u>small business</u>
- <u>'Insure your future' feature</u> on Jump
- Risk management plan template

Video links

- Small business insurance
- <u>Risk management process</u>

Documents required

- Risk management plan
- Requirements differ per insurance provider

Step 13: Basics of running a business

Why this is important.

Building a sustainable business

This is essentially putting your business plan into action. Your entrepreneurial mindset, together with great dedication, good habits and a great team will enable you to build a sustainable business.

There are a few basic skills and practices that can help you run a new business. They include basic accounting, managing cashflow and operations, hiring the right staff and marketing your product or service. Ensure you have a defined brand, and that you are constantly promoting, advertising and marketing your business and always aim to provide excellent customer service.

The elements of running your business can be something you learn to master through gaining knowledge and skills or using digital productivity tools such as Wave, Monday. com or Hootsuite. Alternatively you could consider using professionals such as tax consultants or accountants.

The process to follow:

Business gap analysis

If it is not intuitive to you which areas of running a business you need information on or assistance with, then consider completing an online business self-assessment. Many of them are offered at no cost, so search for the most credible options. For example the 'JumpStart' feature on the Jump platform offers a free business health check to determine where there are potential gaps in your business, and guidance on how to address them.

Building knowledge

Keep learning and adding to your 'business toolkit' by attending short courses, reading books and articles and watching videos or webinars. Many of these are free and online for your convenience.

Business bank account

Consider opening a business bank account – it is easier to track income, expenses and manage your business finances separate from your personal life. Business banking packages can also provide more valueadd services, preferential banking fees and credit options. Having a business bank account provides a clearer record of all business transactions and makes any auditing and tax requirements easier to manage. You can research and compare what different banks offer and decide which works best for you.

Record keeping

Good record keeping practices are key from the start. Find a way to securely store and record all the important things such as sales invoices, receipts of payments, bank deposit slips, credit notes, supplier documents and VAT documents. Read and understand any contracts before you sign them.

Professional advice

Many organisations provide free professional advice on these matters, and others charge a fee for their service. In the case of paying for any services, ask about the option to select a once-off use/payment or ongoing access to expert advice through a monthly subscription.

Testimonials

Testimonials are key – they build customer confidence and attract new business. Your services and staff need to be trustworthy and excellent customer service should always be a top priority.





COSTS: Variable **TIME:** Daily

Articles and links

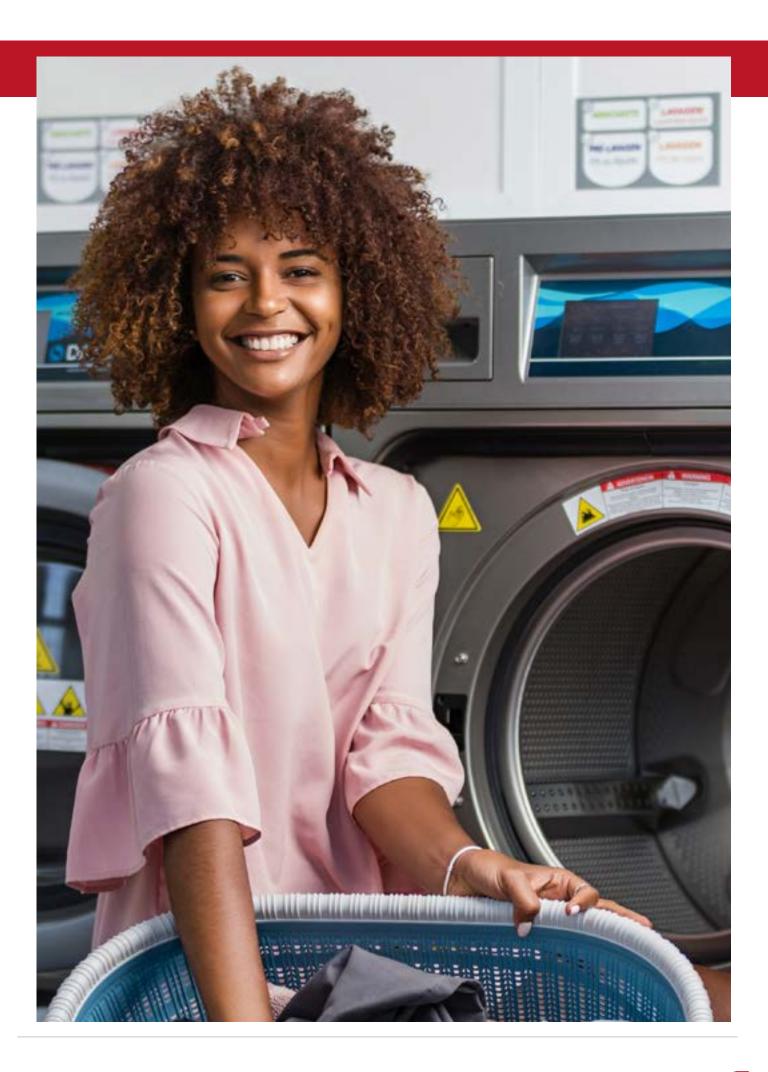
- <u>Essential entrepreneurial</u> <u>skills</u>
- Basics of business success
- Work smarter using digital productivity tools
- <u>Customer relationship</u> management
- Learning online

Video links

- Best advice to small businesses
- How to create a company

Documents required

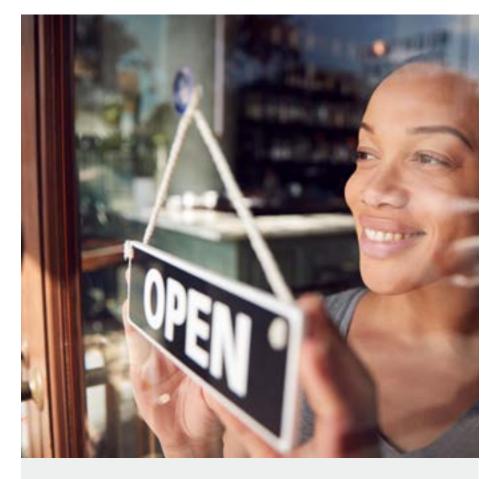
• Based on services you select



Step 14: Opening day

Why this is important.

This is the moment when all your hard work, planning, preparing and putting all the steps in place to realise your business dream come together and your business is launched! This is the time to be creative and make a big fuss for a grand opening. Let your business shine and create great first impressions on customers. You could even extend this to more than one day or longer trading hours for more customers



to experience what your business offers.

The process to follow:

- Set a budget up front and then start planning well ahead.
- Consider decorating the premises, offering opening specials or even including special guests or the local media to draw attention to your business. Approach your suppliers for potential sponsorships.
- Put the signage up and advertise the big day as much as possible through your networks, social media or printed collateral.
- Ensure your business is ready. It must be clean and set up with the correct layout and equipment.
- Your staff need to be properly trained and should understand their roles and responsibilities in making this a memorable day for customers.





COSTS: Budget dependent **TIME:** 1 Day-1 Month

Articles and links

- How to be successful on your first day
- Planning a grand opening
- Tips for a successful opening day
- Grand opening ideas

Step 15: Growing and scaling your business

Why this is important.

There will come a time when turning your attention to your business growth plan over the medium to long term is needed. Perhaps you want to tap into new markets (more stores), create new products or other services?

While there are many organisations, resources and tools that can assist you, these could provide a good starting point:

1. Western Cape Supplier Database (WCSD). Only

suppliers actively registered on the WCSD are eligible to do business with the Western Cape Government (WCG) and apply for tenders and RFQs (requests for quotations) from various Government departments.

2. #GoDigital initiative.

There are various options available on digital topics providing basic foundations to learn digital tools and practices to help your business trade and operate online. Gain valuable insights and views from thought leaders and practitioners in the industry. Selling online and using online services opens new markets and improves competitiveness to grow a sustainable business.

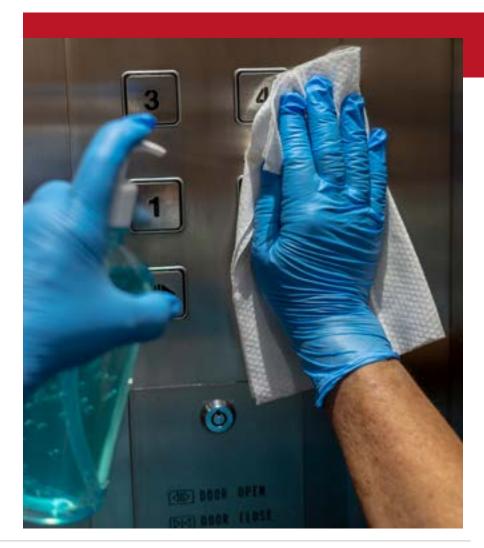
3. Jump. A business support toolkit in the palm of your hand, offering various resources and tools to assist with starting, growing and scaling a business.

- 4. Small Enterprise Development Agency (SEDA). An agency of the Department of Small Business Development offering to develop, support and promote small enterprises throughout the country, ensuring their growth and sustainability.
- 5. South African Bureau of Standards (SABS). The SABS is a statutory body (Standards Act No. 8 of 2008) mandated to develop, promote and maintain South African National Standards (SANS), thereby promoting quality in products and services and assurance of the

effects on customers and the environment.

6. South African National Standards (SANS).

SANAS is responsible for carrying out accreditations in respect of conformity assessments mandated through the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice <u>Act</u> (Act 19 of 2006). Should you want to expand into making and distributing cleaning products and chemicals, this organization will assist with obtaining the accreditation needed.



The process to follow:

WCBD - There are 8 steps to getting registered on the WCBD and you only need to register once. Remember to update any business information should it change from time to time. It is important to note that registration is simply a compulsory requirement to doing business with the WCG It does not guarantee that a supplier will get any work.

#GoDigital - Go to the link on this page and see the list of webinars, articles and training to find the topic you need information or guidance on. You can view them online or download them at your convenience. **Jump** - Download the Jump app (search Jump for Entrepreneurs) from the Google Play Store or App Store, or go to the link on this page, and tap into these powerful resources.

SEDA - To make contact with the office closest to you and enquire about the various programmes on offer, click on the link on this page.

SABS - Click <u>HERE</u> to send an enquiry to the SABS to find out more and determine the assessment process for the cleaning services sector.

SANAS - Click <u>HERE</u> to follow the process to apply for accreditation.







Articles and links

- Western Cape Supplier Database (WCSD) registration
- <u>#GoDigital initiative</u>
- Jump for entrepreneurs
- <u>Small Enterprise Development Agency (SEDA)</u>
- Franchise Association of South Africa

COSTS: Variable **TIME:** Variable

Videos

<u>7 Strategies to grow your business</u>

Keeping in touch

Your success in business is important to us. Please use the contact form to let us know how you are progressing with the opening of your cleaning services business.

Should you encounter any issues with processes, excessive delays, unhelpful officials or other, please notify us. Our Ease of Doing Business initiative will open a case and see if and how we can assist.

Let us know what you think

We value your views on this document and would like to know what has worked for you, and any suggestions or feedback you have will help us improve our processes. Please take a few minutes to complete the questionnaire by clicking on the feedback icon.

Click to Send Feedback

Click to Contact Us

?

About the Ease of Doing Business initiative

Who we are

Starting, operating, growing and scaling a business in South Africa is complex. There is a myriad of national, provincial and local regulations that must be navigated at each of these stages.

The terms 'ease of doing business' and 'red tape reduction' are often conflated and used interchangeably. Strictly speaking, the former is a narrow index developed by the World Bank that measures key elements within a country's bureaucracy. In contrast, the latter is about removing unnecessary bureaucracy that hampers business establishment and growth. The Western Cape Government has adopted the definition of ease of doing business (EoDB) as: improving the business environment through interventions that address (a) red tape in government and its agencies, (b) systemic challenges and (c) binding constraints and blockages, that inhibit business development and growth.

The Business Facing Government Services

(BFGS) priority focus area (PFA) comprises interventions that are aimed at simplifying, streamlining and optimising functions of the Western Cape Government that have an impact on businesses. Some are direct, others more indirect, but all have the ultimate goal of leading to an improved business climate in the province, leading to more functioning and profitable companies absorbing labour, creating meaningful jobs and contributing to the national fiscus.

BFGS aims to improve the efficiency of government business-facing services as measured by:

- increased convenience of application processes of Provincial Government business-facing services (through e.g. online applications), and/or
- a reduction in the evaluation time of applications related to Provincial Government's business-facing services.



| Logo | CAPE WINELANDS DISTRICT | |
|-----------------|--------------------------------------|----------------------------------|
| Local Authority | Cape Winelands District Municipality | Breede Valley Local Municipality |
| Website | www.capewinelands.gov.za | www.bvm.gov.za |
| Contact Details | Tel: 086 126 5263 | Tel: 023 - 348 2600 |



| Logo | | LANGEBERG |
|-----------------|--------------------------------|------------------------------|
| Local Authority | Drakenstein Local Municipality | Langeberg Local Municipality |
| Website | www.drakenstein.gov.za | www.langeberg.gov.za |
| Contact Details | Tel: 021 - 807 4500 | Tel: 023 - 615 2219 |

Logo



| Logo | | WITZENBERG |
|-----------------|---------------------------------|-------------------------------|
| Local Authority | Stellenbosch Local Municipality | Witzenberg Local Municipality |
| Website | www.stellenbosch.gov.za | www.witzenberg.gov.za |
| Contact Details | Tel: 021 - 808 8111 | Tel: 023 - 316 1854 |



| Local Authority | Central Karoo District Municipality | Beaufort West Local Municipality |
|-----------------|-------------------------------------|----------------------------------|
| Website | www.skdm.co.za | www.beaufortwestmun.co.za |
| Contact Details | Tel: 023 - 449 1000 | Tel: 023 - 414 8100 |

Logo



| Logo | | |
|-----------------|-------------------------------|----------------------------------|
| Local Authority | Laingsburg Local Municipality | Prince Albert Local Municipality |
| Website | www.laingsburg.gov.za | www.pamun.gov.za |
| Contact Details | Tel: 023 - 551 1019 | Tel: 0800 123 4567 |



| | "Onic working" | DISTRICT MUNICIPALITY |
|-----------------|--------------------------------------|------------------------------------|
| Local Authority | City of Cape Town Metro Municipality | Garden Route District Municipality |
| Website | www.capetown.gov.za | www.gardenroute.gov.za |
| Contact Details | Tel: 0860 103 089 | Tel: 044 - 803 1300 |



| Logo | Bitar | GEORGE |
|-----------------|--------------------------|---------------------------|
| Local Authority | Bitou Local Municipality | George Local Municipality |
| Website | www.bitou.gov.za | www.hessequa.gov.za |
| Contact Details | Tel: 044 - 501 3000 | Tel: 044 - 801 9111 |





| Logo | THYS A 3 | MODERE RAN Exten Extensi Fernani |
|-----------------|---------------------------|-------------------------------------|
| Local Authority | Knysna Local Municipality | Mossel Bay Local Municipality |
| Website | www.knysna.gov.za | www.mosselbay.gov.za |
| Contact Details | Tel: 044 - 302 6300 | Tel: 044 - 606 5000 |



Logo



| Logo | | OVERSTRAND |
|-----------------|---------------------------------|-------------------------------|
| Local Authority | Cape Agulhas Local Municipality | Overstrand Local Municipality |
| Website | www.capeagulhas.gov.za | www.overstrand.gov.za |
| Contact Details | Tel: 028 - 425 5500 | Tel: 028 - 313 8000 |



| Local Authority | Swellendam Local Municipality | Theewaterskloof Local Municipality |
|-----------------|-------------------------------|------------------------------------|
| Website | www.swellenmun.co.za | www.twk.org.za |
| Contact Details | Tel: 028 - 514 8500 | Tel: 028 - 214 3300 |





| Logo | | |
|-----------------|----------------------------------|-------------------------------|
| Local Authority | West Coast District Municipality | Bergrivier Local Municipality |
| Website | www.westcoastdm.co.za | www.bergmun.org.za |
| Contact Details | Tel: 022 - 433 8400 | Tel: 022 - 913 6000 |



| Logo | | matzikama |
|-----------------|------------------------------|---------------------------------|
| Local Authority | Cederberg Local Municipality | Matzikama Local Municipality |
| Website | www.cederbergmun.gov.za | www.matzikamamunicipality.co.za |
| Contact Details | Tel: 027 - 482 8000 | Tel: 027 - 201 3300 |



| Logo | Subanutation | |
|-----------------|---------------------------------|------------------------------|
| Local Authority | Saldanha Bay Local Municipality | Swartland Local Municipality |
| Website | www.sbm.gov.za | www.swartland.org.za |
| Contact Details | Tel: 022 - 701 7000 | Tel: 022 - 487 9400 |





NOW YOU'RE READY TO GET YOUR BUSINESS STARTED!

