

# Cost Analysis: Forming and Running a Ratepayers Political Party

## Registration Costs

### Party Registration (District/Metropolitan Level)

Item	Cost	Notes
IEC Registration Fee	R2,000	One-time fee for district/metro registration
Newspaper Notice	R1,500 - R5,000	Varies by newspaper; local newspaper required
Party Constitution Drafting	R0 - R10,000	Can be done internally or hire legal consultant
Logo Design	R0 - R3,000	Can be done internally or hire designer
Total Registration	R3,500 - R20,000	Minimum R3,500 if done internally

### Election Participation Costs (Per Municipality)

For Mossel Bay Local Municipality:

Item	Cost	Notes
Election Deposit (Local Council)	R2,000	Covers all ward and PR elections in local council
Ward Candidate Deposits	R1,000 per ward	Only if nominating ward candidates
Minimum to Contest	R2,000	PR list only, no ward candidates

Example: Mossel Bay Municipality

- Number of wards: Approximately 11 wards
- To contest ALL wards + PR list:  $R2,000 + (11 \times R1,000) = R13,000$

For Garden Route District Municipality:

Item	Cost	Notes
Election Deposit (District Council)	R1,000	Covers PR elections in district council

## Total Minimum Costs

Scenario 1: Minimal Entry (PR List Only)

- Party registration: R3,500 (minimum)
- Mossel Bay election deposit: R2,000
- Total: R5,500

Scenario 2: Full Local Participation (All Wards + PR)

- Party registration: R3,500 (minimum)
- Mossel Bay election deposit: R2,000
- Ward candidate deposits (11 wards): R11,000
- Total: R16,500

### Scenario 3: District-Wide Participation

- Party registration: R3,500 (minimum)
- Multiple local municipalities: R2,000 each × 7 municipalities = R14,000
- Ward candidates across district: R50,000+ (estimated)
- District council deposit: R1,000
- Total: R68,500+

## Campaign Costs (Estimated)

### Minimal Campaign

Item	Estimated Cost
Posters and flyers	R5,000 - R10,000
Social media advertising	R2,000 - R5,000
Candidate transportation	R3,000 - R5,000
Meeting venue hire	R1,000 - R3,000
Total Minimal Campaign	R11,000 - R23,000

### Professional Campaign

Item	Estimated Cost
Professional marketing materials	R20,000 - R50,000
Digital and print advertising	R10,000 - R30,000
Campaign manager/staff	R15,000 - R50,000
Vehicles and fuel	R10,000 - R20,000
Events and rallies	R10,000 - R30,000
Website and social media	R5,000 - R15,000
Total Professional Campaign	R70,000 - R195,000

## Ongoing Party Maintenance Costs

Item	Annual Cost	Notes
Annual confirmation of existence	R0	Must submit to IEC by end of January each year
Party administration	R5,000 - R20,000	Office supplies, communications, meetings
Website/social media maintenance	R2,000 - R10,000	Ongoing presence
Total Annual Maintenance	R7,000 - R30,000	

## Funding Sources

### Legal Funding Options

### 1. Membership Fees

- Voluntary contributions from party members
- Suggested: R100 - R500 per member per year
- 300 founding members × R200 = R60,000 potential

### 2. Donations

- Individual donations (must be disclosed if over threshold)
- Subject to Political Party Funding Act
- Must be disclosed to IEC quarterly

### 3. Public Funding

- Parties represented in councils receive proportional public funding
- Only available AFTER winning seats
- Administered by IEC

### 4. Fundraising Events

- Dinners, auctions, community events
- Must comply with funding disclosure requirements

## Prohibited Funding Sources

- Foreign governments or entities
- Organs of state
- Anonymous donations over R100,000

## Budget Summary for MPOA Ratepayers Party

### Phase 1: Registration (December 2025 - February 2026)

Item	Cost
Registration fee	R2,000
Newspaper notice	R2,000
Constitution drafting (internal)	R0
Logo design (internal)	R0
Administrative costs	R1,000
Phase 1 Total	R5,000

### Phase 2: Pre-Election Preparation (March - August 2026)

Item	Cost
Party building activities	R10,000
Candidate recruitment	R5,000
Initial marketing	R5,000
Phase 2 Total	R20,000

### Phase 3: Election Campaign (September 2026 - January 2027)

Item	Cost
Election deposits (Mossel Bay full)	R13,000

Campaign materials	R15,000
Advertising	R10,000
Events and rallies	R10,000
Transportation	R5,000
Contingency	R7,000
Phase 3 Total	R60,000

## **GRAND TOTAL: R85,000**

This represents a realistic budget for a well-organized local ratepayers party to register, build capacity, and run a competitive campaign in one local municipality.

## **Cost Reduction Strategies**

### 1. Volunteer-Driven Campaign

- Use member volunteers instead of paid staff
- Reduces campaign costs by 50-70%

### 2. Digital-First Strategy

- Focus on social media and WhatsApp groups
- Minimal print materials
- Reduces marketing costs significantly

### 3. Community Partnerships

- Partner with local businesses for venue space
- In-kind donations (printing, venues, etc.)
- Reduces overhead costs

### 4. Phased Approach

- Start with PR list only (saves R11,000 in ward deposits)
- Add ward candidates in strategic wards only
- Expand in future elections

## **Realistic Minimum Budget**

Absolute minimum to register party and contest PR list only:

- Registration: R5,000
- Basic campaign: R10,000
- Election deposit: R2,000
- Total: R17,000

This is achievable through membership fees from 300 founding members (R57 each) plus modest fundraising.