

An impact assessment of the implementation of SPLUMA at local government level – resulting in the failure to address the triple challenges of unemployment, poverty and inequality.

A case study: City of Tshwane

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Policy / Legislation Overview

National Development Plan

Integrated Urban Development Framework

SPLUMA

- **Spatial Transformation**
- **Spatial Justice**
- **Urban growth - sustainable growth of compact, connected and coordinated cities and towns.**

Research Study

- **16 Personal Interviews during 2018 amongst Town-Planning consultants based in the City of Tshwane**
- **Compare the impact of the land use approval processes in terms of the Transvaal Town-Planning and Townships Ordinance, 15 Of 1986 and the City of Tshwane Land Use Management By-Law**
- **Objective = compare the approval time of land use applications as well as costs for the applicant, consultants, developers and Tshwane.**
- **Our hypothesis was that the land use processes in terms of the Tshwane Land Use Management By-Law will reduce inequality, poverty, unemployment**

Research Findings

- Tshwane's primary focus = **rigid** compliance with the By-law
- Ignoring actual spatial planning + the impact on property development
- **Compliance** with the By-law appears to be held in much higher regard
- **Administrative** processes are significantly more important than value created by property development
- By-Law eroded a substantial portion of the **economic value** generated by property developments

Research Findings

- **Negative** effect on job creation in the construction sector as well as revenue for the City in the form of property taxes.
- One of the key outcomes = a **mind-set** with officials that considers consultants and developers as the “opposition or enemy” stimulating a constant conflict environment.
- Quote from a consultant - “WE ARE NOT THE ENEMY”
- By-Law system eliminated several **small developers**
- Conclusion, land use applications are more expensive to prepare, application fees are higher, extended approval times and includes additional promulgation fees.

Objective of Land Use Application

The fundamental intention of a land use application to ensure:

- Compliance with the town-planning scheme and municipal **policies**
- Provision of **services** to the development
- Updating and maintenance of the service delivery **network**
- Public **participation** and consultation by the immediate community
- **Updating** of the land use scheme and property valuation role

Impact Assessment

APPLICATION PROCESS IMPACT

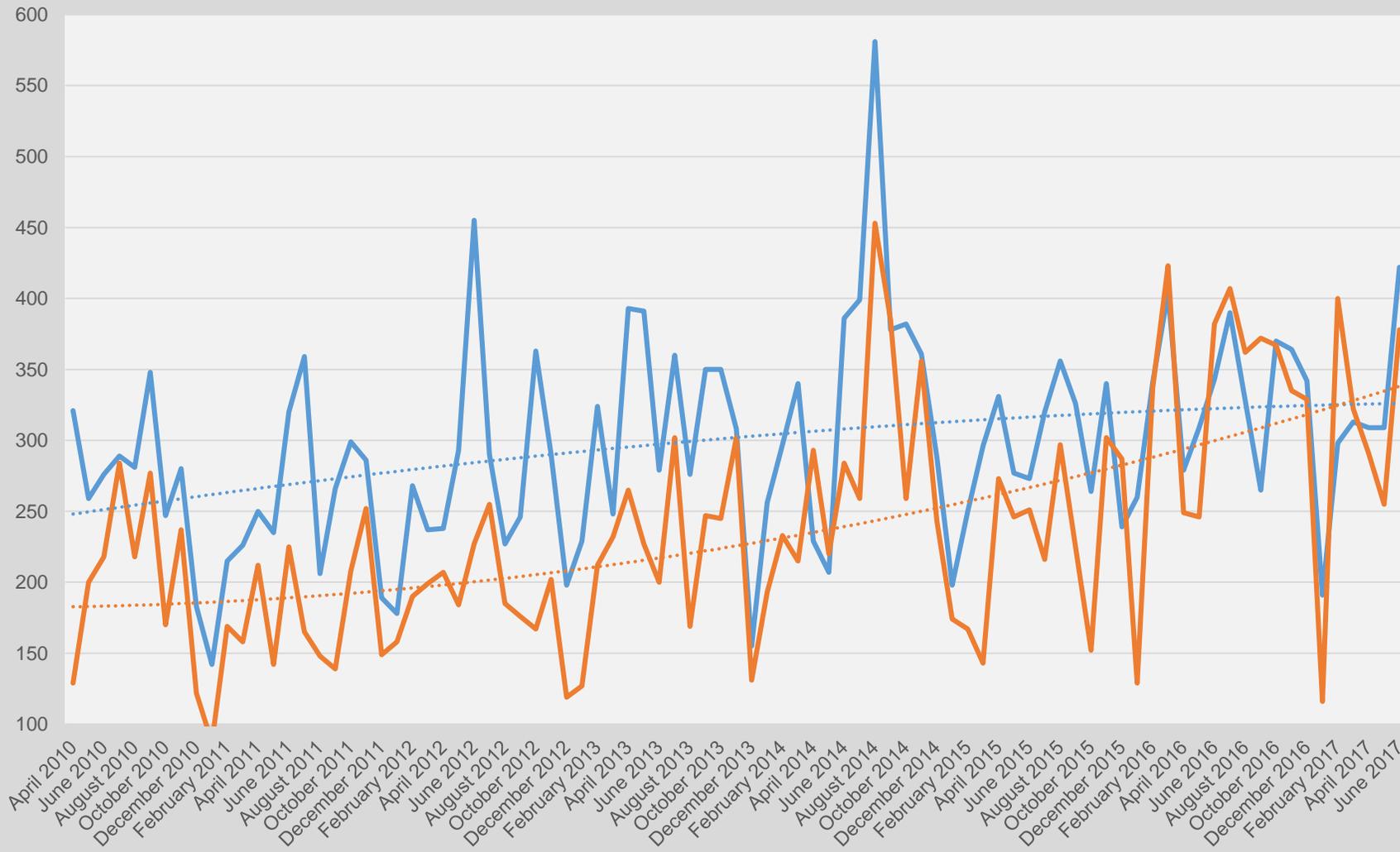
- Tshwane created an “Industry” = substantial income for various professions and City - focused on either submitting and approving applications or objecting and rejecting applications.

APPLICATION AFFORDABILITY IMPACT

- Why application fees?
- Officials are employed to perform public service and paid by tax payer money.
- Consent use application - R1 750
- Permission one additional dwelling house – R875
- Rezoning application – R8 370 + R2 300.

Impact Assessment

APPLICATION SUBMISSION IMPACT



Land Use Applications

**Decline:
600 pm in 2014
to
450 pm in 2016**

**Blue – received
Orange - Approve**

Impact Assessment

UNEMPLOYMENT IMPACT

Quarterly Labour Force Survey (QLFS) - 29 October 2019

Employment rate in Q3 of 2019 increased to 29,1%.

**Job Declines = Manufacturing (30 000), Construction (24 000),
Trade (21 000) and Utilities (18 000)**

Job loss in the Construction sector can be attributed to the slow approval of land use applications on a national level.

By delaying land use and building plan approvals, municipalities are directly contributing to unemployment

Impact Assessment

POLITICAL IMPACT

Amendment to Section 25 of the Constitution to ensure land or spatial transformation.

Literature reviewed emphasised the importance of spatial transformation to eradicate the Apartheid legacy.

Inability of local authorities to implement legislation that promotes spatial transformation as intended by Parliament stimulates frustrations amongst politicians

BUSINESS REGISTRATION IMPACT

Electronic business registration portal = www.Bizportal.gov.za intended to register a business within hours.

15 to 30 months approved Zoning in Tshwane

Conclusions

- **Hypothesis - By-Law: rejected**
- **Consultants in Tshwane described By-Law as a rigid administrative system to ensure legal compliance in every step of the application process.**
- **Drastic reduction in land use applications submitted 2014 to 2016 – since introduction of the By-Law.**
- **Reduction in property development – consequence increase in unemployment.**
- **Land Use applications and Spatial Policies have a direct impact on unemployment, poverty and inequality.**

Conclusions

- **SPLUMA never intended to institute a rigorous application administrative system.**
- **SPLUMA intended “to overturn the proverbial apple cart” of the Apartheid spatial landscape.**
- **By-Law ensure that the “overturned apple cart” be restored to the historical rigid control approach to land use administration**
- **Despite the rigorous By-Law and spatial planning policies, entrepreneurs proceed regardless. “Planners plan and the World goes on.”**

Recommendations

- **We recommend that SPLUMA be amended to include the following:**
- **Plan with and for communities – include Informal Sector.**
- **Simplified and affordable land use application procedure**
- **The cancelation of application fees**
- **Investor friendly / development facilitation application procedure**
- **Drastic reduction of the bureaucratic red tape**
- **Guidelines to assist cities to implement the 5 principles**
- **Link local authorities' budgets to compliance with SPLUMA**

Planners Plannnn while the world goes on



