

10. CONCLUSION

Feedback from the many meetings, workshops and conference presentations reveal much of the WCPSDF is generating widespread support. In some cases where new strategies are required people appear unsure of how they might be implemented but the benefits are becoming increasingly understood and generally supported.

10.1 ADDRESSING RISKS TO THE IMPLEMENTATION OF THE WCPSDF

There are also areas where some resistance is likely to be expected. These occur where socio-economic change is contemplated or business models need to be revised. These comprise areas of risk for the WCPSDF. Risk refers either to resistance that may be experienced from certain groups within the community or to areas where technical solutions may be impossible or impractical or may still need to be identified.

Seven areas of risk can be identified:

- Municipal finances
- Insufficient recognition of employment creation needs and dynamics
- Certain aspects of the property development industry
- Industry lobbyists
- Public and private sector professionals
- Heritage resources
- Slow approval procedures

10.1.1 Municipal Finances

A number of municipalities are faced with severe revenue constraints and mounting arrears that make it increasingly difficult for them to contribute to capital programs, and in some cases, even meet operational expenditure requirements. The councillors and senior officials in these municipalities often require for **short term** additional sources of revenue, whether they be bulk contributions to services, development levies that may be imposed on new projects or increases in rates income. Selling public land to the highest bidder is also seen as a short term remedy to this process. WCPSDF proposals that could be construed as threatening these potential short term sources of revenue are likely to meet direct or indirect resistance from councillors and officials.

This resistance is likely to be due for two reasons:

(i) **Insufficient understanding of the weaknesses of the current municipal finances model**

The current municipal finance model is generally not based on an input-output model based on geographical sub-districts but on an historical municipal finances model. (Accounting procedures are based on costs at the time they are paid rather than the accrual of expenses as and when they are incurred using the double entry system as used by the private sector). It is based on historic cost forecasting and revenue generation dependent on increasing the rates base either through raising property valuations or from new middle and high income property development.

Municipalities also derive income from selling services either their own or on-sold from utilities such as ESKOM and DWAF. These financial models are structured in such a way that their long term financial sustainability depends on increasing consumption. This model is obviously in fundamental contradiction to the principle of environmental sustainability which promotes reduced, rather than increased, consumption of land and services.

Research is needed to fully understand the contradictions to sustainability inherent in current municipal finance models. This will allow an informed debate with councillors and officials as to the unsustainable nature of the current municipal finance model and its problematic impact on current urban development trends.

If this is not done resistance to WCPSDF proposals that are perceived as possibly undermining short term municipal funding sources may be expected from District and Local Municipalities.

(ii) **An understandable desire to support certain aspects of the Status Quo**

Most people are resistant to change. In a transforming society it can be expected that this resistance will be particularly in strong in those areas

that provide stability and comfort, especially in the physical environment where people are reluctant to see change to familiar urban spaces and views, and with the preservation of wealth, especially in property. People see municipalities and the power they wield through development control and other mechanisms as a way of protecting these anchors. Middle and upper income communities can be particularly strong lobbyists in this regard and often enjoy close relationships with elected representatives. These sectors of the communities comprise significant voting blocs in municipal elections as well as being considerable funding sources.

It can be difficult for local councillors to support projects that intend to address urban restructuring when they are likely to generate a considerable number of objections. It is at this point that strong provincial support at the political level is required to sustain restructuring processes. This support may have to be sustained for a two to three year period. If this support is not provided and projects that attempts to change the status quo are rejected important opportunities to restructure urban environments will be lost. Each time this occurs the more the status quo will be entrenched and the more difficult embarking on a path towards sustainable development and urban restructuring will be.

Recommendation:

An ongoing provincial forum, linked to the Premier's office, at which attendance of councillors and senior officials is compulsory, is needed to communicate:

First, the need for change; and,

Secondly, to initiate an ongoing commitment to provincial political support for local initiatives that promote urban restructuring and environmental sustainability in the face of what may be considerable public resistance.

10.1.2 Insufficient Understanding of Economic Growth and Employment Creation Needs and Dynamics

Some have agreed that the PSDF is not providing sufficient attention to employment creation and economic growth.

These claims are often raised when urban development projects outside of the Urban Edge are motivated. One of the main arguments for these

projects, and often the primary one in the face of negative impacts such as increased traffic generation, socio-economic exclusivity, destruction of bio-diversity and intensive agricultural resources, visual impact, etc., is the projects potential contribution to economic growth and employment creation. These benefits are often motivated with great emotion but only partial evidence.

The evidence is partial in that information generally provided only on benefits and little information is given on direct or indirect costs. Other ways of providing similar economic growth and employment benefits, e.g. alternative investments located within the nearest town are not discussed, although an applicant would be understandably reluctant to provide evidence of the advantages of an alternative project to their own. Evidence is seldom given of the developers own benefits that would accrue from the project as this is regarded as confidential. However, developers are very quick to raise the issue of viability should conditions be imposed that are considered to make the project not viable although evidence is seldom given in this regard.

This state of affairs raises two concerns that the WCPSDF should address. First, the WCPSDF should address the issue of how rigorously to evaluate employment generation and economic growth when appraising projects.

Secondly, more local research in the field of urban spatial economics regarding the economic and employment generation characteristics of small towns is required and the impact of "out-of-town" projects. Questions on the relationship between the number of jobs and economic growth it development projects create need to be answered. Resources intended for an out-of-town project could often be better spent inside the town. Arguments that not approving out-of-town projects condemns a settlement to poverty and unemployment must be substantiated.

Thirdly, monitoring of the extent promises regarding economic growth and employment creation actually occur after out-of-town projects have been implemented and they must be monitored and evaluated.

Recommendation:

1. That research is conducted in order to evaluate financial and economic benefit arguments made by municipalities and applicants in

respect of approving out-of-town development projects. This should include procedures for conducting financial assessments;

- 2. Background research is commissioned to investigate this situation in the Western Cape so that a rigorous base for assessing this aspect of applications is created; and,**
- 3. As part of this process a review of existing projects should be undertaken so that a body of experience is built up to assist with evaluating the claims made in this regard.**

10.1.3 Certain Sectors of the Property Development Industry

There are certain sectors of the property development industry which may consider their business models threatened by the WCPSDF.

There is much in the WCPSDF that is supportive of appropriate development and should be closely aligned with, and indeed, could accelerate positive trends in, those sections of the property development industry engaged in inner town and city medium and high density mixed income housing inside the Urban Edge.

The only issue with the inward focus of these trends is the overreaction of the pendulum swing that appears to characterise this economic sector, whereby if four storey buildings are viable then there is a push to six and then eight, then 10 and so on with little regard for environmental issues such as overshadowing, the preservation of views, etc. Pressure for these trends continues until that part of the market niche is exhausted. With regard to building height, there would seem to be a strong case for it to be unnecessary to develop buildings generally in the Province over 4 storeys in height. The urban restructuring and densification targets can be achieved with buildings in a limited number of accessible locations to a maximum of three to four storeys.

The sectors of the property market most likely to consider themselves threatened by the WCPSDF proposals are the out-of-town (outside of the Urban Edge) developers, professionals, estate agents and property brokers who focus on facilitating new residential estates, often with a golf course, agricultural, tourism or ecological theme or regional shopping centres, office parks and industrial estates. These stakeholders are generally well connected with other key stakeholders in the regions in which they operate, particularly at local government level. They have, in some cases,

considerably refined their motivations so as to highlight the extent to which these projects contributing to government's socio-economic integration and upliftment and environmental sustainability objectives. Schemes are also motivated as part of providing a major part of the solution to addressing municipal budgeting shortfalls in capital and operating expenditure as was covered in Section 10.1.

During the consultative process concerns regarding co-opting of community interests, marginalising and excluding less privileged sectors of the community, environmental degradation in spite of undertakings to the contrary and economic and employment projections were widely raised. These apparently new forms of out-of-town development still fundamentally, in fact, amount to urban sprawl and thereby, continue to contribute to all the problems associated with this form of urban growth. These include excessive need to travel, expensive servicing costs and resource consumption, scenic and architectural blight, and destruction of high value arable land and bio-diversity.

Recommendations:

- i. Out-of-town development projects that have effectively and meaningfully addressed issues of socio-economic inclusion and integration and environmental sustainability including impacts on the use of non-renewable building materials, off-grid energy and water demand, visual impact, minimising the need to travel, provision of low and middle income housing, and impacts on municipal finances are included in the MEDS strategy.**

A number of candidate projects for such research should be identified. The team conducting such research should include professionals with expertise in municipal finances, environmental assessment practitioners with both social anthropological and natural environmental backgrounds, urban planners with skills in urban restructuring and the management of urban sprawl, landscape architects to assess visual impact, and resource economists. The methodology employed by this research team should be like that of a Strategic Environmental Assessment (SEA) similar to that conducted on the 2004 Olympic Bid proposals.

The approach to be embodied in these projects should support a bottom-up grassroots approach that has been generally considered a success by most commentators, e.g. the Stutterheim (Eastern Cape) Development Forum.

10.1.4 Industry Lobbyists

Many of the WCPSDF policies are aimed at re-orientating lifestyle patterns particularly with respect to transport modes, water and energy consumption, waste generation and sewage treatment. These policies have been made in response to critical problems; approaching breakdown levels in some instances, as is currently being experienced with the consumption of resources and disposal of wastes. These problems can be addressed to a certain extent by the re-patterning of the urban fabric as proposed in the urban restructuring section of the policies, objectives 6 and 7, but successfully addressing other aspects will require change to many of the current industrial business models. Policies impacting on lifestyle change is likely to encounter fierce resistance from affected industries, for instance, as happened with the packaging industry when changes to plastic bags were proposed by the National Department of Environmental Affairs and Tourism. There are likely to be many industries affected indirectly by the WCPSDF proposals but those most likely to be directly affected include:

- Motor vehicle industry except for those producing resource efficient vehicles, e.g. Toyota Prius;
- Energy industry, especially Eskom's current investment priorities and the oil industry;
- Water industry, especially municipal water departments and DWAF;
- Building materials supply industry;
- Packaging and manufacturing industries and municipal solid waste management departments.

In all cases there are new industries, currently developing renewable technologies, which are about to emerge are being fringe industries with minimal political lobbying power compared to the established industries.

Labour's concerns are likely to arise if it is felt that jobs may be threatened by changes to these industries. However, recent research from the Energy for Development Institute at UCT revealed that switching to more

sustainable technologies in the energy sector would lead to more job creation per kilojoule than conventional industries, rather than less. This principle may also apply to other resource conservation industries.

Recommendations:

Many of the proposals aimed at lifestyle change that will impact on the stakeholders mentioned above will be addressed in the Sustainable Development Implementation Plan and therefore it will be through this plan that discussions regarding changes in production and resource use with stakeholders will be held. It is essential that discussions are held to prevent undermining the proposals' intent and effectiveness.

10.1.5 Public and Private Sector Professionals

Much of the work of public and private sector professionals is geared to facilitating urban development processes according to existing business models as currently practised in South Africa and the Western Cape. Thus, many professionals tend to be more skilled at facilitating greenfields, relatively low density development in and beyond the urban edge than inner city or town urban renewal processes. This state of affairs extends to much of the construction industry and property development industries with which the design professions, planners, engineers, architects, and project managers are closely linked.

In general the WCPSDF argues that, for the short to medium term, urban development processes should be encouraged inwards into existing urban areas. Such processes tend to be more complex due to existing zonings, cadastres, services, an familiar spatial environment and surrounding communities which is often more sensitive to change than one that has been less altered.

Urban renewal projects tend to be much smaller and therefore less accessible to large development consortiums who maximise economies of scale, are able to pay large fees and bring other short term advantages.

Many public and private sector professionals, while acknowledging the need for urban restructuring and preventing urban sprawl, are concerned about inward orientated urban restructuring proposals because of perceptions that:

- Outward urbanisation is natural and inevitable;
- Inward urbanisation is too difficult and expensive, especially with regards to property prices;
- High, medium and low income communities do not like densification; and,
- Inward urbanisation is less conducive to economic growth and employment creation than out-of town development projects.

It appears that there is a shortage of skills, resources and inclination to be focussed on inward as opposed to outward urbanisation among many public and private sector professionals, notwithstanding recent inner urban initiatives in the City of Cape Town and Stellenbosch municipality.

Recommendations:

Courses or programmes promoting inward orientated urbanisation processes for both high and low income development should be introduced to public and private sector planners through conference and seminar presentations and continuing professional development (CPD) courses that could be offered as an offshoot of the proposed training program at the provincial training college.

10.1.6 Heritage Resources

Certain sectors of the Heritage profession have voiced concern that inward orientated urban development processes could be damaging to existing heritage resources in that these could be destroyed through inappropriate development.

In general, the WCPSDF densification proposals can be achieved through a relatively modest change in urban form, i.e. not more than two to three storeys perimeter block development confined to the most accessible parts of urban settlements only. This is similar to the urban form and layout found in the historic core of most towns and the City of Cape Town. Thus, there is a potential synergy between urban restructuring and heritage conservation.

Recommendations:

Briefings should be held with the heritage sector on the potential impact of WCPSDF's policies on how they might impact heritage resources.

10.1.7 Slow approval procedures

One of the largest threats to achieving new appropriate patterns in urban and rural development in the Province is if such projects should be subject to the same lengthy approval processes as are currently experienced. At present, even if projects comply with all requirements, it generally takes a year or often much longer for them to be approved. If there is to be no distinction in the time taken to approve projects considered appropriate in terms of the WCPSDF as compared to those that are not, this will represent a significant stumbling block to achieving new development forms.

Recommendations:

There should be interaction with the Integrated Law Reform project to establish to what extent implementation of the WCPSDF policies can be aligned and assisted by the proposals from this project. In particular, the statutory basis for the WCPSDF in terms of current and future legal dispensations must be clarified.

The extent to which administrative procedures can be streamlined and fast tracked should be established and implemented where necessary. To this end there should be close liaison with the forward planning and development control sections of the DEADP. This investigation should then be extended into the municipalities and other government departments.

10.2 OVERALL RECOMMENDATION

The WCPSDF represents a bold and sincere attempt to facilitate the restructuring of urban and rural space to reflect the aspirations of the new South Africa in the Western Cape Province.

Spatial legacies tend to be much more enduring than social, economic or political factors which either have short life spans or are highly mobile in terms of people moving to places of greater economic opportunities.

Without focussed and effective intervention the spatial legacy of the past will prevail.

To facilitate this restructuring the WCPSDF must firstly, engage and be the spatial expression of the PGDS.

Secondly, it should guide municipal and district IDPs and SDFs and their oversight forums. Most importantly, the WCPSDF must guide the alignment of the activities of other Provincial departments, national government and local municipalities.

Finally, and very importantly is the need to establish predictability so that there is clarity as to where development should or should not be located.

It is important to note that while it may be necessary to discourage inappropriate development in environmentally sensitive areas, in general the WCPSDF seeks to enthusiastically encourage development in appropriate locations. To this end it supports the streamlining of approvals for appropriate projects.

Focussing and spatially guiding investment must be extended to the private sector as well so as to accelerate the development of strategic sites.

The effectiveness of the WCPSDF will only be experienced over time. Many of the paradigm shifts it seeks to promote will become evident as investment programs and projects are implemented.

Recommendations:

This report be approved by the Provincial cabinet of the Western Cape and submitted to the Premier for his authorisation in terms of the Land Use Planning Ordinance and subsequent legislation.

10.3 THE CHALLENGE OF CHANGE

Many aspects of the background research of the WCPSDF and in particular the recently completed report on global climate change, (CSIR, 2005) have shown that the current lifestyles of the Province, particularly of the middle class and wealthy, are creating environmental, economic and

social crises that will be increasingly difficult to resolve even within the next decade. The research also revealed that there are already tried and tested solutions to address almost every one of these problems but, to date, these have not progressed much beyond pilot projects. In addition to highlighting these problems the WCPSDF seeks to combine these myriad of small scale solutions into main stream strategies. It is herein that the WCPSDF's greatest challenge lies because it is precisely at the point of mainstreaming alternative solutions that the status quo perceives its interests as threatened.

Thus, the WCPSDF is an ambitious project, attempting to simultaneously address objectives of social justice, economic efficiency and environmental sustainability. It describes policies intended to remedy gaps in action and implementation at the regional scale. It also provides guidelines for action in those areas of local municipal planning where there are important national objectives but little local action, for example, the restructuring of apartheid urban settlements. Issues of halting urban sprawl and reducing the consumption of all natural resources, from water and agricultural land through to scenic landscapes are also addressed.

The proposals seek to facilitate fundamental change, in particular with policies to break down the racial patterns of the suburbs and townships and, at the same time, contribute towards creating a more balanced socio-economic mix using walking distance as the fundamental measure of accessibility.

The policies will require a wide range of support :

- from local, provincial and national government which needs to align its the activities of its various departments; and,
- from business , labour and civil society.

The 2004 November Summit held at the Cape Town International Convention Centre, which many representatives from these sectors attended, was unanimous in its support for a lifestyle based on equality of opportunity, sustainable development and public and non-motorised transport as different from one based on mass conspicuous consumption and the private motor vehicle. At the end of the conference most of the delegates then got into their private or hired motor vehicles and returned to the suburbs or townships around the Province in which they lived, still

mainly according to their skin colour, before returning to work the next morning.

This reality raises the question of the challenge of translating goals and objectives into action. The WCPSDF has made considerable progress in the action plans attached to each policy, as well as with the general implementation recommendations in detailing what needs to be done. At the provincial level these need to be integrated with the business plans of the other lead iKapa Elihlumayo strategies which are responsible for the bulk of the provincial funding. This will be a considerable undertaking for which there will need to strong political will and innovative and practical thinking by officials.

A large part of the task lies with mobilising and coordinating the local municipalities, that much closer to the coal face of implementation and therefore often more challenged by attempts to change the status quo than those sitting in the relative remoteness of provincial and national office.

These challenges are exacerbated by the unevenness of the Western Cape society in which change is trying to be achieved. This unevenness exhibits itself socially and economically as well as politically. Main stream community, business, professional or political interests are likely to attempt to maintain the status quo for as long as possible. In the end it is likely to be the awareness and activism of small, civic minded groupings, within townships, suburbs and rural areas, and with leadership from government, labour and business acting in concert who will provide the necessary checks and balances to ensure that the WCPSDF policies, once approved, are actually implemented.

"Never doubt that a small group of thoughtful committed citizens can change the world. Indeed it is the only thing that ever has."

Margaret Mead.