Implementation Support Strategy for Municipal Projects to Recognise and Enhance the Operation of Socially-dominated Land Markets

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1. Introduction

This document is the final report of a three month research project undertaken by Isandla Institute in collaboration with Urban LandMark. The project builds on the findings of the study "The Operation of the Urban Land Market: How the Poor Access, Hold and Trade Land" which was completed in 2007. The project aims to develop a set of practical proposals for municipal interventions that make urban land markets work better for the poor, and in particular, recognise and enhance socially-dominated (or "informal" or "extra-legal") land markets. The practical proposals are directed at municipal interventions that will be aimed at:

- Recognising socially-dominated land markets
- Achieving better integration between financially (or "formal") land markets and socially-dominated land markets
- Achieving better performing socially-dominated land markets, and
- Other reforms which address the manner in which the financially-dominated land markets operate.

This implementation support strategy sets out three project proposals. The first is intended to generate greater awareness amongst municipal planning and housing decision-makers about the operation of the urban socially-dominated land market. The project also aims to generate a coherent model for conceptualising, understanding and engaging with the urban informal land market towards supporting the poor. The second project seeks to support, document and distil useful lessons from one municipality's efforts to link its longer strategic planning with land use management processes. The third and final proposal is for a project that will provide technical support to a municipality to devise a housing plan for its Integrated Development Plan (IDP) that takes into account and responds to the dynamics of the urban informal land market.

2. Background

This project is the second phase of an Urban LandMark project on understanding how urban land markets work for the poor. Phase one consisted of research to build an empirical base of knowledge around how urban informal land markets work. This culminated in the "Operation of the Urban Land Market" report. Phase two builds on the first phase by developing proposals for how urban land markets can be made to work better for the poor. This phase will lay the basis for a third phase of the project, which will entail the implementation of one or more of the proposals generated in phase 2.

The research conducted in phase 1 provided new insights into how urban informal land markets work and how poor people engage in these markets. The findings clearly pointed to the reality that there is a housing market within low income areas, with the rate of land transactions being especially high in informal settlements and backyard shacks. This market is, however, typically dominated by social relationships rather than the purely price related considerations of the formal financial market, although it is clear that informal land markets are intricately linked to formal land markets, for example in the way that the financial value of land accessed by the poor is determined.

Importantly, the research revealed that the informal land market offers the poor a quick, relatively cheap and efficient means of acquiring land. The study also showed that, contrary to the view that informality reflects the absence of the state in the market, informal transactions respond to current state urban policy and practices. For instance, once people have accessed land through informal processes they are absorbed into processes of development that are dictated and determined primarily by the state. The presence of the state can be seen in, for example, processes to register shacks. Another significant finding was that in some cases state policies and interventions serve to conflate poor people's accessing land in the city with their future land needs. By conferring some kind of right to future development to those living in informal settlements the state effectively ties people to specific locations. The result is that both the state and poor people become locked into developing marginal or peripheral land, which means that the poor are unable to leverage any wealth out of the land. Of importance here was the recommendation that poor people's residence in informal settlements be de-linked from their position in the queue for state land and housing benefits.

A further key finding was that there is currently insufficient differentiation within land markets to enable poor people to generate wealth. The research found that poor people do not perceive there to be significant qualitative differences between living in an informal settlement, an RDP housing project or a backyard shack. Public investment in land, in the form of the provision of facilities such as schools, was found to be an important lever for generating greater differentiation between different settlement types.

3. Research process

The research design for this second phase of the project consisted of three interlinked research processes. The first was a survey of a sample of municipalities to gauge current practice around informal land markets. The survey took the form of an emailed questionnaire that was sent to eleven municipalities, which included selected municipalities in the Cape Town Functional Region as well as some of the metropolitan municipalities, in January 2008. Four municipalities participated in the survey – three metropolitan municipalities, namely the City of Cape Town, City of Johannesburg and eThekwini Municipality, and one local municipality, Overstrand Municipality in the Overberg District, Western Cape.

The second research process was a seminar on 7 February 2008 which brought together senior municipal planners and housing practitioners from three metropolitan municipalities, namely the City of Cape Town, the City of Johannesburg and eThekwini Municipality, as well as two Western Cape-based local municipalities – Saldanha Bay Municipality and Witzenberg Municipality. The purpose of the seminar was fivefold: firstly, to generate greater awareness amongst municipal practitioners about the operation of the informal land market, based on the findings of the empirical study conducted in phase one; secondly, to generate key issues in relation to urban land access and municipal interventions to make land markets work better for the poor; thirdly, to explore existing interventions and practices within municipalities in relation to informal land markets; fourthly, to discuss the challenges and opportunities that municipalities face in this regard; and finally to develop areas for proposal development. The seminar was followed up with telephonic interviews with selected participants to elaborate further on identified areas for proposal development.

The third research process was a strategic discussion on 19 February 2008 with key experts engaged in urban land issues. The participants in the meeting were Edgar Pieterse, Sue Parnell, Felicity Kitchin, Frank Meintjies, Lauren Royston and Mirjam van Donk. The purpose of the session was to develop practical proposals for making markets work better for the poor, with a specific focus on recognition and enhancement of socially-dominated land markets, as well as to then prioritise and collect input to develop an implementation support strategy for one or more of these proposals.

4. Research findings

The following research findings are drawn primarily from the seminar with senior municipal planning and housing officials. The survey conducted beforehand was less useful in providing the richness of information we were looking for. It did, however clearly reveal that amongst municipalities there are different, and in some instances quite misunderstood, conceptions of what is meant by the informal or socially-dominated land market. The survey also indicated a general lack of, or not clearly defined, policy mechanisms within municipalities for dealing with informal land markets. Where policies were mentioned they dealt largely with informal settlement interventions, such as a zero tolerance approach to the emergence of new settlements, or upgrading of existing settlements. Some municipalities mentioned that they have processes underway to identify and register informal dwellings, as a first step in conferring some form of tenure security for occupants.

4.1 Existing policies and interventions

All of the municipalities that participated in the seminar reported that they do recognise informal land markets in one way or another, although the sense was that they could be doing more to proactively intervene in these markets. The representative of the City of Cape Town indicated that the city uses all available legal mechanisms to enforce an approach of zero tolerance towards land invasions. Through conducting fly over counts every two years the city has noticed that informal settlements are becoming denser as people continue to migrate into the

city. The City of Cape Town is in the process of mapping all shacks and registering them using cadastral satellite pinpointing. Occupants are issued with a card, which is the first step towards granting some kind of tenure right. The City is also in the process of revising its zoning schemes and as part of the new schemes there is allowance for incremental zoning, which will give recognition to informal housing.

The City of Johannesburg has conducted a complete audit of all informal settlements and has identified those which are suitable for upgrading. The densification of informal settlements was a trend also noted in Johannesburg, where it is estimated that the number of dwellings within these settlements is increasing by 7% annually. The City recognises informal settlements by providing services, but again the approach is to manage new growth. There is a need to look at alternative ways of providing shelter. The City is also looking at the possibility of proactively releasing land for site and service incremental housing development.

One of the participants from eThekwini Municipality reflected that the City knows that the informal market exists and there is an acceptance that the informal market is the quickest and most effective way for people to access land. At the same time, however, the City's approach appears to be to actively discourage the informal market without providing advice or adequate support to those engaged in the informal market. The absence of a consistent policy framework was pointed out as a gap that needs urgent attention. In KwaZulu-Natal there is a rental tribunal, which appears to be quite effective in dealing with rental disputes. Like the City of Cape Town, eThekwini Municipality is in the process of identifying shack dwellers and capturing them on a database. One representative of the City stated that up to 80% of her work is dealing with informal issues. It was observed that whereas in the past people seemed to get assistance from local traditional leaders (and the erstwhile R293 township managers), they now come directly to the municipality for help. The representative admitted that they "don't give much constructive advice" to those seeking assistance.

The main policies being used in eThekwini Municipality for engaging with informal land markets are in-situ upgrading, greenfields housing project development and social housing. The City has found that where they have conducted homeowner education, communities appear to have been more successful in obtaining title deeds to their new homes. A concern was, however, raised about the value of title deeds, as few homeowners appear to be using them to leverage other resources, such as bank loans. Instead the deeds appear only to be used when requesting something or in situations where disputes arise. A question was posed whether this is the right kind of "formality" and whether there are other ways of providing secure tenure besides title deeds.

Another observation from eThekwini was that relationships that have a bearing on land issues often tend to be socially-dominated. This is not only the case in informal land markets but had also been observed in formal residential areas as well. Problems arise where these social relationships break down and there is a need for disputes to be resolved with the assistance of an outside party.

An important point raised by one participant was the critical link between land registration processes and the rates bases of municipalities. In cases where formal land registration systems have broken down (Nairobi was used as an example) municipalities have lost control of rates collection, which has impacted disastrously on their capability to generate revenue locally.

It was noted that part of the value of housing as a livelihood asset derives from the services and facilities that come with housing, such as schools, clinics etc. A contradiction was observed in national housing policy, whereby housing is emphasised as an asset, while at the same time the pre-emptive sale clause introduced with the Breaking New Ground policy restricts how people can use their housing assets.

A question was raised by one participant about how we formalise the informal market: do we force the informal market actors to comply with the rules of the formal market, or do we change the rules of the formal market to enable the informal actors to comply? This is a question about on whom the burden for change should fall - on the poor within the informal market, or the government as the regulator of the formal market?

4.2 Key challenges in engaging with informal land markets

The following is a synopsis of the key challenges the municipalities that participated in the seminar were reported to be encountering as they seek to intervene in informal land markets.

Legal framework

The legal framework governing land use management was cited as the biggest constraint faced by municipalities in managing informal land processes. Virtually all legislation is geared around occupants having title deeds, and without them there is little municipalities can do. One participant stated that the only solution was to formalise informal land markets through legal registration processes. Another participant made the point that it is a matter of semantics and that by "informal" we are really talking about "illegal" and this means that the only way to bring informal land processes into line with legal frameworks is to formalise them.

Overburdened formal land use management system

Participants expressed concern that formal land use management processes are so rigorous and inflexible that municipalities are struggling to maintain the standards required. There appears to be no middle ground between the highly regulated formal system and the informal land market which exists outside of any legal controls. One suggestion was to take a "stepped" approach to tenure, which can allow for different kinds of title deeds. Thus there could be a scale with, on one end, occupational tenancy, through to full ownership on the other. It was pointed out that there are currently legal mechanisms that allow for something similar, for example, "initial ownership" in the Development Facilitation Act.

Formal versus informal land development processes

On a related point, a number of participants shared a frustration around the duality that exists between the formal, legal process of acquiring and developing land, and the informal, often illegal means that are used to acquire land. There are two land development processes – one formal, which requires the legal acquisition of land, an environmental impact assessment to be carried out, servicing of the land, and finally occupation, which can take a long time (2-3 years). On the other hand, there is the informal process, whereby there is an orchestrated land takeover, at which point the PIE Act comes into force, and it takes a long time to relocate people from the land. A number of participants expressed frustrations with the PIE Act, which was seen to be a major barrier to municipalities' capacity to manage land for new housing development. In the City of Cape Town, Temporary Relocation Areas (TRAs) have been introduced in order to try and avoid land invasions as people wait for subsidised housing to be built.

Land-legal capacity

A number of the participants spoke about the institutional challenge of insufficient human resource capacity within their municipalities to follow land formalisation processes through to the point where all occupants receive title deeds. In response the eThekwini Municipality is piloting a dedicated public sector housing unit with all the required capacity to deal exclusively with public housing development.

Fragmentation of planning processes

There is a challenge around planning responsibilities residing with different spheres of government. It was suggested that it would be better if one sphere (local government) had complete authority over all planning decision-making.

In Witzenberg Municipality, a challenge noted was the lack of co-operation between the planning and housing functions *within* the municipality, which had lead to some poor decision-making around the location of new housing. The IDP process was seen as an important mechanism for ensuring greater co-ordination and synergy between the plans of different internal departments.

Intergovernmental relations

It was noted that departments within other spheres of government have land available which could be used by municipalities for housing development but it is not being accessed because of a lack of intergovernmental coordination and co-operation.

Legal status of townships

A challenge raised by the representative of the City of Johannesburg was around normalising land use in the townships, where the City faces problems such as not being able to recognise certain land uses or completing township establishment processes such as allocating street names because there is no general plan. The need for effective and relevant enforcement of by-laws in the townships was also alluded to. Towards this end, the City is currently looking at different regulatory responses to different categories of settlements.

Land prices

An issue that was discussed at some length was the impact of the free market on land prices and the effect this is having on the scope for developing low-income housing on well-located land. It was suggested that what is needed is the political will to develop RDP housing on well-suited land, even where this may be an actual or perceived threat to house prices of more affluent homeowners in the area.

Red tape in housing development

A challenge on the supply side was the red tape that delays and complicates new housing development, which means that housing projects take a long time.

Negative attitudes towards informal settlements

An attitudinal constraint faced by municipalities is the generally negative perception of the public (and even some within municipalities themselves) towards informal settlements, with the dominant solution tending to be seen as eradication of informal settlements, rather than recognising their value and role in securing poor people access to the city.

Finding the right skills for informal settlement upgrading

A particular challenge was noted by the representative of the City of Cape Town that the City is struggling to find professionals within the built environment field who can understand and adapt to the challenges posed by informal settlement upgrading. It was noted that engineers and other professionals tend to want to do things the way they know how, rather than adapt to doing things differently and more appropriately for the needs of upgrading informal settlements.

Different conceptualisations of land ownership

It was noted that different communities sometimes have vastly different ways of understanding land ownership. The traditional view of communally owned land sometimes clashes with the modern notion of privatised land ownership, and leads to misunderstandings and conflicts over the allocation of land use development rights.

Housing seen as an unfunded mandate

A frustration raised by the representative of Saldanha Bay Municipality, and supported by the other participants, was that housing continues to be seen as a provincial/national function and an unfunded mandate of local government. It takes time for housing policies from national and provincial government to filter down to municipalities and for them to get the assistance they need. Hence municipalities sometimes feel that they are "fighting a losing battle." The metros complained about not being granted accreditation for housing development which, they argued, they have the capacity for and which would greatly speed up housing delivery processes and remove the constraint about housing being seen as an unfunded mandate.

Queue jumping

One of the biggest concerns with the informal land market raised by participants is the tendency for those acquiring land via the informal market to displace other deserving beneficiaries on formal housing waiting lists.

National Home Builders Registration Council requirements

A number of participants agreed that the requirements of the National Home Builders Registration Council (NHBRC) are problematic in that they make it very difficult for gap housing to be built incrementally on vacant erven by owners since banks can't give loans unless builders are registered with the NHBRC. This is creating a greater divide between bondable and non-bondable housing. In eThekwini the Municipality is trying to get around this by tendering out the construction of infill starter homes and then doing the marketing and sales in-house. However, this has proved to be a lot of extra work.

Conveyancing

Conveyancing was raised as one of the challenges which is out of municipalities' control since the legal profession has a monopoly over conveyancing. It was suggested that if some aspects of conveyancing could be done in-house by municipalities it would unblock some of the barriers to people in the informal market not complying with formal market regulations.

4.3 Practical proposals to make urban land markets work better for the poor

The following were the suggestions made by participants at the seminar for municipal interventions that could be used to make urban land markets work better for the poor:

- Dispute resolution processes (e.g. some form of tribunal)
- Legal recognition to afford those transacting in the informal market some level of protection
- Land-legal section in housing departments to wrap up township establishment (transfer title deeds)
- Conveyancing done in-house by municipalities
- Special zoning for social housing and informal land uses
- Mechanisms to facilitate deceased estates
- Promotion of inclusionary housing
- Releasing land proactively for informal settlement and guided settlement
- Pilot proper in-situ upgrading of an informal settlement and regularising of tenure
- Piloting DFA initial ownership provision
- Experimenting with alternative systems of registering land rights

These proposals were discussed in the strategic discussion with key experts and were repackaged and prioritised into the three possible project proposals that are detailed below. A fourth project, which would seek to unpack the nature of the dysfunctionality within the backyard rental market and how this market could be expanded to provide more rental housing options for the poor, was also proposed during the strategic discussion but has not been expanded in this proposal. Should this be something Urban LandMark is particularly interested in, a proposal around this topic could be developed.

5. Project proposals

5.1 Awareness raising and conceptual model development

Purpose

This project is intended to generate greater awareness (recognition and a deep shared understanding) amongst key municipal stakeholders responsible for planning and housing decision-making (such as planners, IDP managers, housing practitioners, councillors and selected academics) and other key role-players, including the planning profession more broadly, about the operation of the urban informal land market and what kinds of interventions can support poor people who operate within this market. The project is also meant to generate a coherent model for conceptualising, understanding and engaging with the urban informal land market as part of a progressive agenda of supporting the right to land of poor people. The project will seek to generate a compelling logic to underpin local government's role in relation to the urban informal land market, in other words, to "make the case" for progressive local government interventions that serve to make markets work better for the poor, in line with Urban LandMark's overall mission.

Geographical focus

The project will be national in its scope and will draw 'planning leaders' from selected municipalities around the country, with a focus on the metropolitan municipalities and the secondary cities. Besides municipal officials, other individuals with expert knowledge in the field will also be drawn into the project.

Objectives/results

The project aims to achieve the following two main objectives:

- 1. Deeper understanding and shared recognition is built amongst targeted participants about the existence of the informal land market (i.e. recognition), the dynamic interactions between the formal and informal markets, and ways of engaging with land markets, and specifically informal land markets, that strengthen the position of poor people in the market.
- 2. A conceptual model is developed which assists municipal role-players and other actors to recognise, understand and engage with informal land markets in ways that make them work better for the poor.
- 3. Create a space for sharing insights, experiences and good practice among municipalities and other stakeholders.

Key parties to the project

The project will involve the following parties:

- Urban LandMark
- Service provider
- Senior municipal officials ('planning leaders'), such as IDP managers, heads/executive directors of housing, planning and land use management/building control departments.
- Municipal councillors, such as heads of relevant portfolio committees.
- Professional associations of planners, including the South African Planning Institute, the Association of (Municipal) Town Planners and the Association of Consulting Town and Regional Planners
- Selected academics from leading tertiary planning schools in South Africa

Activities

The first project activity will be to prepare a 5-10 page concept paper that will lay the conceptual foundation for the project. The concept note will provide an understanding of informal land markets and the relationship between the informal and formal land markets, as well as frame an approach to analysing how municipalities can intervene to enhance the recognition and functionality of informal markets. The paper will draw on the existing state of knowledge from previous research in South Africa as well as useful insights from innovative international experience. Part of the analysis will look at the different stages through which the poor incrementally establish a presence in the city, starting with gaining an initial foothold in the city via an informal settlement (i.e. access), to livelihood maintenance and expansion (security and location) and finally asset consolidation and expansion. For each stage, the municipal response will be different, which requires institutional flexibility. A small reference group (4-5 individuals) consisting of leading practitioners and academics in the field will be assembled to guide the development of the concept paper. Provision is made for one meeting of the reference group.

The next set of activities will be the convening of a series of three one-day roundtables involving about 12 municipal 'planning leaders' - senior municipal officials responsible for planning and housing processes. These planning leaders will be carefully selected to ensure that they are senior, knowledgeable and experienced practitioners. Each roundtable will take place as a facilitated dialogue between participants, through which they will be able to share their experiences with, and deepen their understandings of, the dynamics of informal land market processes. Through a tightly facilitated process, participants will also work towards the refinement and application of a conceptual model for progressive local government engagement with urban informal land markets.

Recognising the need to bring the academic/training community into closer contact with practitioners, selected academic planners (6-7 individuals) will be invited to sit in and observe the roundtables, where their primary role will be to document the discussions and generate and analyse case studies that will culminate at the end of the project in the production of a special issue of the journal *Urban Forum* on formal/informal land market issues. At the end of the first roundtable, there will be a briefing session with the academics where they will be asked to commit to the writing of the case studies for the special issue. Guidance in terms of possible options for case studies will also be presented at the briefing. Potential case studies may be drawn from other Urban LandMark projects that have been completed or are underway. Initial enquiries with the editor of Urban Forum have yielded a positive response. Provision has been made in the project budget to enable the co-editor of Urban Forum, Chris Rogerson to participate as an observer in the roundtables. It is envisaged that the papers would be ready for a special edition to be published around April 2009. It should be noted that the project budget does not make provision for funding for the academics.

After the three roundtables with senior municipal practitioners, a special one-day seminar will be organised with senior municipal political leaders from 12 – 15 municipalities with the purpose of raising their awareness around informal land market issues and lobbying support for a progressive local government approach to promote access to land for poor people.

A second seminar will be convened which will give an opportunity to the academics to present their case study papers for comment and input. This seminar will involve all participants in the project and other identified stakeholders. A report on the seminar will be published for public consumption.

A separate but related process will be undertaken with representatives of the county's professional planning associations. The process will start with initial meetings with each, culminating in a one-day seminar involving representatives from all three associations where key inputs from the process with municipalities (incl. the conceptual model) will be presented and discussed. The purpose of the seminar will be to inculcate a deeper appreciation of informal land market issues amongst the agencies representing the planning profession, as well as to lobby them to take forward a progressive agenda around informal land markets in their work with their members. One means of disseminating knowledge around informal market issues that can be explored will be the use of the newsletters and websites of these associations. These options will be discussed during the initial meetings with the planning associations. Please note that we have not made provision in the budget for flights/accommodation for representatives of the planning bodies to participate in the process.

Outputs

The expected outputs of the project will be:

- the concept paper
- status reports to Urban Landmark on the three roundtables, as well as the three seminars
- a seminar report based on the public seminar where academics will present their case study research
- a synthesis report for public consumption at the end of the project which will include the conceptual paper, a summary of the engagement processes and outcomes (Note: we have not included funds for reproduction of a report in the budget)
- A summary booklet/brochure, which will encapsulate the conceptual model and the outcomes of the discussions and which is intended as a tool to shift the thinking of municipal planning and housing officials about informal land markets

 a special issue of *Urban Forum* which captures the discussions and case studies from the roundtables and consolidates the conceptual model.

Key assumptions

The major assumption underlying the successful implementation of the project is that there will be sufficient interest and availability of the targeted participants. It is also assumed that the service provider will be successful in securing a special issue of *Urban Forum* for the project.

Timeframe

It is envisaged that the three roundtables with municipal planners would take place approximately every six week (i.e. they would take six months to complete). The three seminars (with municipal councillors, planning bodies and all participants) would take place in the seventh and eighth months of the project. With the production of the special edition of *Urban Forum*, it is expected that the project would take a total of nine to ten months to complete, although it should be noted that the timeframe for publication of the special issue will be contingent on the publishers and may therefore take place outside of the planned project timeframe.

Inputs required

The project will require the following inputs:

- Seasoned process facilitator/s for roundtables
- Venues and catering for three roundtables and three seminars
- Travel and accommodation for participants
- Service provider time for organising processes, writing concept note, background research for case study
 options, writing up roundtable and seminar discussions and arranging *Urban Forum* special issue.

Estimated costs

Expenses	Unit	# units	Unit rate (R)	Total cost (R)
Professional fees				
Preparation of concept paper	Person days	6	3850	23 100
Convening reference group meeting	Person days	1.5	3850	5 775
Preparation & convening 3 roundtables	Person days	6	3850	23 100
Status reports on 3 roundtables	Person days	3	3850	11 550
Preparation & briefing of academics	Person days	3	3850	11 550
Preparation & convening 3 seminars	Person days	6	3850	23 100
Seminar report	Person days	3	3850	11 550
Synthesis report	Person days	5	3850	19 250
Summary booklet/brochure	Person days	3	3850	11 550
Input to Urban Forum special issue	Person days	2	3850	7 700
Facilitator for roundtables	Person days	6	4750	23 100
Intern	Per month	7	2000	14 000
Reference group stipends	Per person	6	2500	15 000
Sub-total professional fees				200 325
Disbursements				
Venue and catering:				
3 roundtables	Per person	70	260	18 200
3 seminars	Per person	75	260	19 500
Reference group meeting	Per person	10	40	400
Air travel				
Reference group meeting	Per person	5	2500	12 500
Roundtables and seminars	Per person	70	2500	175 000
Editor of Urban Forum to attend roundtables	Per person	3	2500	7 500

Facilitator	Per person	3	2500	7 500
Meetings with planning	Per person	2	2500	5 000
associations				
Shuttles	Per person	40	300	12 000
Car Hire	Per vehicle/day	2	250	500
Accommodation	Per person	15	850	12 750
Summary booklet production &			25 000	25 000
printing				
Materials				5000
Sub-total disbursements				300 850
Sub-total (professional fees + disbursements)				501 175
Project management/ administration fee (10%)				50 118
VAT (14%)			_	77 181
Total				628 474

5.2 Linking strategic planning and land use management

Purpose

This project seeks to support, document and distil useful lessons from one municipality's attempt to link its longer term strategic planning processes to its land use management processes. The project is based on a recognition that informal settlements and informal land markets are usually completely absent from long range plans at local government level. In such cases the ideal of eradicating informal settlements leads, wrongly so, to a failure to plan for the reality of informality in broader and longer term spatial strategies and in scenario planning. What is needed instead is to link short-term strategic concerns (as reflected in IDPs) to longer term city developmental strategies in a clear and substantial way. Whether planners and policymakers think informal settlements and informality is a good thing or not should not preclude them from dealing with the realities – even in the long term future – of how the poor access and hold land. If municipalities do not do so, it renders longer term plans deeply inadequate; it also squanders opportunities to intervene in a proactive way in the future and in a manner that will assist informal land markets to work better, to foster integration in the formal land markets, to create better opportunities for regularisation and to facilitate infrastructure supply to informal communities. Because of significant overlap in their foci, it would make sense for the first project and this project to be carried out by the same implementing agent.

Geographical focus

The project will be undertaken as a case study of the City of Cape Town. The City of Cape Town was selected because it is one municipality that is known to be grappling with these issues in terms of current processes to develop new zoning schemes and could potentially benefit from a supported process to help guide as well as profile and document its approach and emerging learnings for the benefit of other municipalities. The City was also chosen because of its existing partnership with the African Centre for Cities which is also concerned with addressing policy responses to informal land markets. While the project will be implemented in the City of Cape Town, it is recognised that Urban LandMark may also wish to replicate it in other metros, especially where conditions appear favourable to successful replication, such as in the City of Johannesburg. For this reason we have included the development of a methodology for conducting similar projects in other metros as part of the proposal. Apart from municipal role-players from the City of Cape Town, we also propose to involve a few external experts from other municipalities and institutions so that the project benefits from shared learning and exposure to lessons from other municipalities.

Objectives/results

The project seeks to achieve the following objectives:

- Greater awareness across different departments with the City of Cape Town about the need to link strategic and spatial/land use management planning processes
- The City's process is informed by lessons from other urban (metropolitan) municipalities (through their participation in relevant meetings/events as resource persons)
- A coherent model for how this can be achieved in practice
- Support is provided to the City to develop and refine a methodology for implementing the model
- The experience and lessons from the project are documented and disseminated

Key parties to the project

The following parties will be involved in the project:

- Urban LandMark
- Service provider
- The City of Cape Town
- The African Centre for Cities (the Centre's role will be primarily an advisory role, however, it is expected that through the Centre the project will be able to draw on a wide range of expertise on urban land issues.)

Activities

The project will entail the following activities, organised into two phases:

Phase 1:

- 1. The writing up of a conceptual model for linking strategic planning and land use management in the form of a 5-10 page concept note. This paper will also consolidate the learning from research about land use management and integrate reflections on international experience. The paper will draw on some of the core messages in the concept paper developed as part of the first project proposal but will have a more localised, specific focus on the City of Cape Town context. To guide the project a reference group of 5-6 experts will be constituted. It is anticipated that the reference group will meet 3-4 times during the course of the project.
- 2. A series of meetings to secure buy-in from relevant role-players across different departments and units within the City of Cape Town, which will also include senior councillors in the City.
- 3. A series of three half-day events with City of Cape Town role-players (senior planners, land and housing officials) to explore the model and specifically to understand the barriers the City of Cape Town would face in implementing the model and to identify strategic levers for unblocking some of these barriers.
- 4. The writing up of the process in a report, with recommendations on steps to be taken by the City
- 5. Follow-up meetings with different role-players to further refine the recommendations
- 6. A follow-up one-day workshop with all City stakeholders to present and discuss the recommendations and proposed steps to be taken by the City
- 7. A possible separate meeting with relevant politicians within the city to present and solicit input on the recommendations
- 8. A public seminar to present and solicit input on the model and proposed interventions by the City
- 9. Write up of the seminar and further inputs to the proposed way forward
- 10. Development of a methodology for implementation of projects in other metros.

Phase 2:

- 1. Ongoing technical support to the planning department within the City to implement the proposed interventions arising out of phase 1 (over a period of six months)
- 2. The writing up of a final report on the project

Outputs

- Concept paper
- Meeting minutes
- Workshop reports
- Recommendations report
- Seminar report
- Final project report

Key assumptions

The key assumption upon which the success of the project is contingent is the full buy-in to the project by the City of Cape Town. It is expected that there will be an initial process of negotiation with the City of the terms of the project, which may result in certain aspects of the activity plan being revised.

Timeframe

The project will be carried out over a one year timeframe. It is expected that the project will require intensive work for the first five months (phase 1), followed by regular meetings thereafter for six months (phase 2).

Inputs required

- Researcher working full-time on the project for the first 5 months, to be responsible for organising and facilitating all processes and writing reports and thereafter part-time for six months to conduct on-going technical assistance.
- One or two experts who could serve as resource persons at the workshops (including senior officials from other municipalities e.g. eThekwini/City of Johannesburg)
- Venues for workshop/meetings/seminar
- Travel and accommodation for out of town resource persons

Estimated costs

Expenses	Unit	# units	Unit rate (R)	Total cost (R)
Professional fees				
Full time senior researcher	Months	6	20000	120 000
Senior facilitator	Person days	15	4500	67 500
Resource persons	Person days	5	4000	20 000
Intern	Months	5	2000	10 000
Reference group stipends	Per person	24	2500	60 000
Sub-total professional fees				277 500
Disbursements				
Catering:				
Workshops	Per person	40	100	4 000
Seminar	Per person	50	260	13 000
Air travel	Per person	20	2500	50 000
Shuttles	Per person	20	300	6 000
Accommodation	Per person	8	850	6 800
Layout, design and printing:				
Seminar report				50 000
Popular report				20 000
Sub-total disbursements				149 800
Sub-total (professional fees + disbursements)				427 300
Project management/ administration fee (10%)				42 730
VAT (14%)				65 804.20
Total				535 834.20

5.3 Housing plans within IDP

Purpose

This project will seek to provide hands-on technical support to a municipality to devise a housing plan for its IDP that takes into account and responds to the dynamics of the urban informal land market. The housing plan will also be closely aligned to the Spatial Development Framework of the municipality. It is envisaged that the project will develop a best practice in terms of housing plans within IDPs.

Geographical focus

The project will be implemented with one municipality to be selected using the following criteria:

- it should be a small but growing municipality with a significant urban base
- it should have capacity within its planning function
- there should be a good possibility of embedding a progressive approach to informality within the municipality

Some of the possible locations for the project are Buffalo City Municipality (East London), Msunduzi Municipality (Pietermartizburg) or uMhlathuze Municipality (Richards Bay)

Objectives/results

The two key outputs expected from this project are:

- A housing planning process within the municipality that impacts on the housing market in ways that creates opportunities for poor people to access the market and hold and trade land.
- A housing plan/chapter within the IDP that appropriately responds to informal land markets.

Key parties to the project

- Urban LandMark
- Service provider (consultant)
- Selected municipality

Activities

The project will involve a series of meetings (possibly 3-5) with key municipal officials and councillors within the selected municipality to orientate them to the Urban LandMark informal land markets perspective and to provide hands-on technical input ,advice and recommendations/proposals to the municipality on how to formulate an appropriate and supportive response to informal market dynamics within its housing plan. At the end of the project the consultant will write a report on the process and outcomes of the project. The outcomes of the project will be disseminated via a public seminar.

Outputs

The three envisaged outputs of the project are:

- Good practice housing plan within the IDP of the selected municipality
- Consultant's interim report (halfway through the project)
- Consultant's end of project report

Key assumptions

The key assumption that will have a bearing on the success of this project is the buy-in of the selected municipality. The completion of the project is entirely contingent of the municipality integrating the input from the consultant and revising the housing plan within the IDP.

Timeframe

The project will take approximately six to eight months to complete.

Inputs required

- Consultant with high level skills in land/housing issues
- Transport and accommodation for consultant
- Venue for seminar

Estimated costs

Expenses	Unit	# units	Unit rate (R)	Total cost (R)
Professional fees				
Consultant	Person days	20	4000	80 000
Sub-total professional fees				80 000
Disbursements				
Venue and catering for seminar	Per person	30	260	7 800
Air travel	Per person	5	2500	12 500
Car hire	Per person	10	250	2 500
Accommodation	Per person	5	850	4 250
Sub-total disbursements				27 050
Sub-total (professional fees +				107 050
disbursements)				
Project management/				10 705
administration fee (10%)				
VAT (14%)				16 485.70
Total				134 240.70