National Development Plan: Vision for 2030

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Background:

The President appointed the Commission in May 2010 to draft a vision and plan for the country. The Commission is advisory - only Cabinet can adopt a development plan.

On 9 June 2011 we released a diagnostic document and elements of a vision statement; and on 11 November, we release the vision statement and the plan to the country for consideration.

Values of our Constitution are entrenched in the plan, such as:

- Social solidarity and pro-poor policies
- Non racialism, non-sexism (SA belongs to all who live in it)
- The need to redress the ills of the past

Thandi’s life chances:

Thandi is an 18-year old girl who completed matric in 2010. Let us look at her life chances:

There is a 13% chance that Thandi will get a pass to enter university. BUT she is an African female so, for Thandi, the chance of getting a university pass is actually 4%.

Let us assume that Thandi passed matric but did not go to university:

- Her chances of getting a job in the 1st year are 13%
- Her chances of getting a job in the first 5 years out of school are 25%
- Her chances of earning above the median income (about R4 000 a month) are 2%
- Chances are that Thandi will not get a job in the 5 years after school, and for the rest of her life she will receive periodic work for a few months here and there
- Chances are that Thandi will remain below the poverty line of R418 a month for her entire life until she finally gets a pension.
1. The Diagnostic:
2. The Plan:

The broad diagnostic in the NPC was carried forward into a more specific diagnostic in relation to spatial arrangements which is structured around five story lines.

**Transform urban and rural spaces:**

- Move from directly providing houses to:
  - Fixing the gap in the housing market
  - Strengthening local and community-based planning capacity
  - Facilitating provision of a full range of housing types
- Ramp up public transport infrastructure significantly
- Support local incentives to move jobs to townships
- Shift more resources to upgrading informal settlements
- Introduce a mechanism to capture part of the increased value of public investment for the public good
- Facilitate security of tenure (especially for women) in rural areas
- Address fragmentation in spatial planning

**Five story lines in relation to space:**

1. Spatial dislocations at a national scale
2. The challenges facing towns and cities
3. The uncertain prospects of rural areas
4. Challenges of providing housing and basic services and reactivating communities
5. Weak spatial planning and governance capabilities
1. **Spatial dislocations at a national scale:**
   - A relatively well balanced spatial structure in one respect but deeply dysfunctional in another
   - Entrenched spatial patterns that require multi-dimensional responses
   - Some shifts since 1994 (e.g. the rising prominence of Gauteng)
   - The environmentally destructive nature of spatial development patterns
   - Urban-rural dependencies

2. **The challenges facing towns and cities:**
   - Complex trends – centralisation and decentralisation (opportunities at all scales)
   - Slower urban growth
   - The ‘ring of fire’ around the metros
   - Little progress in reversing apartheid geography
   - The major shift to public transport is yet to happen
   - Ecological limits to growth emerging
   - Towns and cities are not productive enough (even metro growth is disappointing)

3. **The uncertain prospects of rural areas:**
   - The importance of rural areas understated in the national accounting system
   - South Africa’s peculiarity – a very small percentage actively involved in agriculture
   - Agriculture’s prospects in the short to medium term uncertain but rural areas cannot indiscriminately be written off as significant growth dynamics and potentials in certain areas
   - Key spatial issues include: rural differentiation, infrastructure type and location, spatial dimensions of land reform, Local systems of food production and distribution

4. **Challenges of providing housing and basic services and reactivating communities:**

   Since this story line relates specifically to the theme of the workshop, it is elaborated below in more detail than the others.

   **Citizens in South Africa do engage the state in various ways, including through democratic process, the use of the media, and the now common ‘service delivery protests’. However, the model for service delivery entrenched after 1994 has not incentivised active participation in all areas of development and runs the risk of producing a dependent and inactive citizenry.** Households and communities have become passive recipients of government delivery. Many It is fair to say that many households are no longer actively seeking their own solutions or finding ways to partner with government to improve their neighbourhoods. Although
government has a clear responsibility to provide services, **alternative policies of service provision are needed that satisfy popular expectations, while building active citizenship and expanding citizen capabilities.**

**The problem of dependency is most severely represented in housing.** Many households have benefited from houses provided by the capital subsidy programme, but the harsh reality is that the housing backlog is now greater than it was in 1994. New approaches are needed, with individuals and communities taking more responsibility for providing their own shelter. But with the state still playing an active role in supporting household initiative and in developing the public environments and the public infrastructure that is needed to produce sustainable neighbourhoods.

**The capital subsidy programme has had unintended consequences and re-enforced apartheid geography.** Financing has mostly focused on individual houses and ignored public spaces. To stretch limited subsidies, public and private developers often sought out the cheapest land, which is usually in the worst location. The capital subsidy regime has also generally resulted in uniform housing developments, which do not offer a range of housing and tenure types to support the needs of different households. It has also failed to meet the needs of a large segment of the population that requires rental houses, forcing many into backyard shacks on private properties.

**The commission is of the view that public funding should therefore be directed towards the development of public infrastructure and public spaces that would significantly improve the quality of life of poor communities who cannot afford private amenities.** Increasingly, government should take on an enabling role in relation to housing. Some form of subsidy may still be required, as the vast majority of South Africa’s population is unable to access private financing, but this subsidy should also support community and individual initiatives and the development of well located sustainable communities.

**The commission acknowledges the positive direction that human settlement policy has taken since the introduction of the Breaking New Ground policy in 2004.** The policy suggested “utilising housing as an instrument for the development of sustainable human settlements, in support of spatial restructuring”. Breaking New Ground argued forcefully for better located housing projects, more diverse housing forms, informal settlement upgrading, accrediting municipalities for housing delivery, and linking job creation and housing. This approach was reinforced recently with the creation of a Department of Human Settlements and with the President’s Delivery Agreement on ‘Sustainable Human Settlements and Improved Quality of Household Life’ (Outcome 8).

Particularly important elements of Outcome 8 are: the commitment to upgrade 400 000 households in well located informal settlements with the assistance of the National Upgrading Support Programme (NUSP); the emphasis on affordable rental accommodation; and, the mobilization of well located land (especially state-owned land) for affordable housing. **The commission believes that the full implementation of Outcome 8 will make a major contribution to shifting housing delivery from its focus on providing a single form of accommodation to meeting**
a diversity of housing needs.

However, there are further shifts that are needed and there are urgent matters relating to implementation that must be resolved:

- Target setting in municipalities and provinces still focuses mainly on delivering numbers rather than dealing systematically with the deficiencies in the implementation system and producing viable human settlements.
- The capital subsidy remains a very limited instrument for achieving objectives of human settlement strategy, especially the need for better located settlements with a diverse range of housing and tenure types, and high quality public environments.
- Despite the new focus on informal settlement regularization and upgrading at national level, there is still a high level of ambivalence towards informal settlements across spheres of government, and the capacity and implementation mechanisms to achieve the national objectives are still poorly developed locally.
- Despite a BNG emphasis on affordable inner city housing as part of a broader urban renewal strategy, municipalities have continued to focus attention on housing developments on ‘greenfields’ where targets are more easily met. Inner cities have continued to develop as a mix of slum-lording for the low income sector and exclusive developments for the wealthier in scattered pockets of urban regeneration.
- Financing and regulatory arrangements have hindered household mobility, fixing residents within specific places at a time when the spatial circumstances of households (e.g. places of work and schooling) change regularly.

5. Weak spatial planning and governance capabilities:

- South Africa’s intergovernmental system of spatial planning has been slow to develop and coordination has often been poor
- Impossible to undertake cross-border planning
- Spatial planning is dispersed across national ministries
- Provincial land-use management functions overlap with municipalities, creating confusion and conflict
- Ambiguity and contest around the developmental role of traditional authorities
- Sound spatial governance requires strong professionals and mobilised communities

Six major proposals

1. PROPOSAL 1: Develop a national spatial framework
2. PROPOSAL 2: Strengthen the spatial planning system
3. PROPOSAL 3: Start a national conversation about cities, towns and villages
4. PROPOSAL 4: Bolder measures to make sustainable human settlements
5. PROPOSAL 5: Support rural spatial development
6. PROPOSAL 6: Build an active citizenry to rebuild local place and community
1. Develop a national spatial framework:
   - A national spatial fund
   - A national observatory for spatial data assembly and analysis.
   - An interdepartmental spatial coordination committee in the Presidency
   - An approach premised on spatial differentiation
   - Spatial targeting

   **SPATIAL TARGETING**
   - National competitiveness corridor
   - Nodes of competitiveness
   - Rural restructuring zones
   - Resource critical regions (ecosystem lifelines)
   - Special intervention areas:
     - Job intervention zones
     - Growth management zones
     - Green economy zones

2. Strengthen the spatial planning system:
   - A major system review followed by legislation (by 2016) to resolve the current fragmentation in the planning system
   - Translate plans into spatial contracts
   - Provision for cross-boundary plans
   - City-region wide co-ordination of planning
   - Possible regionalisation of planning and service delivery

3. Start a national conversation about cities, towns and villages:
   - ‘Unleashing citizen’s popular imagination, creative thinking and energies is fundamental to tackling the formidable challenges and opportunities that settlements face’.
   - ‘To achieve this, the media (radio, television, newspapers and new social media) and civil society organisations could stimulate a conversation at
national and local levels about neighbourhoods, towns and cities’.

‘Broad debates around urban and rural futures should be complemented with focused conversations on specific issues’.

4. Bolder measures to make sustainable human settlements:
   ◦ A coherent and inclusive approach to land
   ◦ Radically revise the housing finance regime
   ◦ Revise the regulations and incentives for housing and land use management
   ◦ Recognise the role played by informal settlements and enhance the existing national programme for informal settlement upgrading by developing a range of tailored responses to support their upgrade
   ◦ Support the transition to environmental sustainability

Some of the more specific measures may include:

   ◦ Move from directly providing houses to:
     ▪ Fixing the gap in the housing market
     ▪ Strengthening local and community-based planning capacity
     ▪ Facilitating provision of a full range of housing types
     ▪ Ramp up public transport infrastructure significantly
     ▪ Support local incentives to move jobs to townships
     ▪ Shift more resources to upgrading informal settlements
     ▪ Introduce a mechanism to capture part of the increased value of public investment for the public good
     ▪ Facilitate security of tenure (especially for women) in rural areas

5. Support rural spatial development:
   ◦ Guiding principles for provision of infrastructure in rural areas
   ◦ Land reform programmes should reflect the importance of location and connectivity for farm viability.
   ◦ Investigate and respond to shifting settlement patterns
   ◦ Small town development strategy
   ◦ Spatial interventions to support agricultural development

6. Build an active citizenry to rebuild local place and community:
   ◦ Properly funded, citizen-led neighbourhood vision and planning processes
   ◦ Public works programmes should be tailored to community building and local needs
   ◦ Citizenship education and training to strengthen community organisation, planning and project management skills and competences
   ◦ Local arts, culture and heritage precincts
   ◦ Forums for dialogue and liaison should be established at neighbourhood and municipal levels (e.g. to address migrant exclusion)

Conclusion

These proposals are contained in a draft plan that has been presented to the public and will be the basis of intense dialogue with stakeholders. We have an opportunity over the next few months to improve the analysis and improve the plan, and we request all individuals and agencies that have an interest in spatial transformation and human settlement to make comments. We need to get this right.