

The Mabopane-Centurion Development Corridor: A historical analysis of successes and constraints and proposals for improvement

CHAPTER FOUR

CONSTRAINTS EXPERIENCED IN THE MCDC

SECTION A: INTRODUCTION

The MCDC was initiated by means of the compilation of a number of multi-faceted growth and development strategies (see detail in Chapter 3). These strategies were either transformed into projects or incorporated into Integrated Development Plans, where further planning projects were conducted and initiated to adopt or even further refine the MCDC strategies.

However, irrespective of the progress with the implementation of the project strategies and projects, the MCDC-project is experiencing constraints which are hampering speedy delivery and the implementation of the corridor concept.

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#### SECTION B: NEGATIVE IMPACTS EXPERIENCED WITH THE IMPLEMENTATION OF THE MCDC-PROJECT

##### 1. Introduction

The MCDC-project is not only about successes, as discussed in Section D: (see page 144 for detail), but also represents a number of limitations and difficulties experienced that seriously hamper implementation and full-scale development. As part of a process to test the MCDC role-players' perceptions of the MCDC-project, especially with regard to the establishment of a development body for the MCDC-project (also refer to paragraph 2.6 on page 162 for detail), a number of constraints were detected. These are summarised and briefly elucidated in Table 7 below. The table also reflects the seriousness of the limitation, the potential effect if not addressed, as well as a brief proposed solution to overcome the limitation.

**Table 7: Typical limitations/difficulties experienced with the implementation of the MCDC-project**

| <b>Constraint</b>                                                               | <b>Seriousness</b>                                                                                                           | <b>Expected effect if not addressed</b>                                                      | <b>Proposal to address limitation/difficulty</b>                                                                                                                                                       |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lack of and need for a development body.                                        | Business plans for commercial activities can not be implemented as government can not get involved or fund such activities.  | Limited economic development will continue to exist.                                         | Get approval from local government to initiate as a joint venture with the private sector. The alternative, get private sector to establish the development body and then get local government buy-in. |
| Need for a detailed financial and investment co-ordination and management plan. | Lack of financial sources lead to low levels of success.                                                                     | Availability of funds can even further decrease.                                             | Compile plan as a joint venture with MCDC-stakeholders.                                                                                                                                                |
| Lack of interest and commitment.                                                | Political figureheads and senior officials are not fully committed to implementation processes as a result of own interests. | Lower levels of interests or even resistance can be experienced.                             | Lobby and convince political figureheads of potential. Mobilise communities and private sector to address politicians regarding need for the project.                                                  |
| Lack of implementation funding.                                                 | Extreme difficulties experienced to obtain funds for catalyst projects.                                                      | Further urban fragmentation, lack of social upliftment and poorer levels of economic growth. | Get all government spheres involved and influence budgets. Establish links with financial institutions. Concentrate on information distribution.                                                       |
| Need for special zoning regulations.                                            | Incentives to promote the development along the activity spines and at the urban nodes are lacking.                          | No innovation. Development trends of the past will continue.                                 | Innovative rezoning actions to stimulate small business development. Provide enabling infrastructure.                                                                                                  |

|                                                     |                                                                                                                             |                                                                                                    |                                                                                                                                                                                |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Need for innovative ideas.                          | A lack of innovative solutions exist to solve local problems.                                                               | The problem will continue to exist.                                                                | Promoting strategic thinking exercise amongst stakeholders. Involve public and private sector in finding solutions for experienced problems.                                   |
| Co-ordination levels too broad for one person.      | Too much project-sectors are being managed by a single project manager as a result of a supportive multi-disciplinary team. | Poor progress levels.                                                                              | Establish a multi-disciplinary project implementation team, supported by focused action groups and task teams to address specific project issues.                              |
| Bureaucracy during decision-making.                 | Long decision-making processes are handicapping speedy delivery.                                                            | Slow growth will continue.                                                                         | Formulate corridor specific policy and process measures to streamline decision-making.                                                                                         |
| Role-players' commitment levels differ.             | Uneven progress experienced amongst corridor sectors.                                                                       | The need for co-ordinated integrated development will increase.                                    | Continuously implement projects to prove government commitment.                                                                                                                |
| Limited successes from external sources of finance. | Social upliftment projects are limited.                                                                                     | The lack of integration will continue to exist.                                                    | Government to create an enabling environment through infrastructure and services provision, information provision, development facilitation and innovative pro-active actions. |
| Keeping a steady momentum.                          | A lack of obvious visual implementation activities are experienced.                                                         | Build-up momentum can be lost. Building new momentum will be extremely difficult as trust is lost. | Prove commitment. Communicate even limited progress continuously. Involve private sector in project implementation.                                                            |

(Afrosearch, 2000).

The above are further considered and more collective proposals are discussed in the paragraphs to follow.

## 2. Economic development and investment attraction

Although a number of new developments emerged since the launch of the MCDC-project in September 1997, an analysis of the MCDC-project indicated that the job creation targets determined in the economic development framework compiled for the MCDC-project (see Diagram 8 on page 122), are not being reached. To determine whether economic growth is indeed experienced in the MCDC area, the project succeeded during 2000 to develop a mechanism<sup>79</sup> to test growth in the different economic sectors. The results of the model were not known at the time of the compilation of this dissertation.

As a second alternative, the respective local authorities affected by the MCDC-project were requested to submit information regarding township establishment applications, rezoning and subdivision applications, as well as information on approved building plans (of those Planning Zones situated in the MCDC area). In the absence of "*raw economic data*", this information is in an indirect manner used as indicators determining the effect of economic growth in the MCDC area. The results thereof are captured in Table 8 below.

**Table 8: Development applications received in the MCDC area between the period 1996 and 2000**

| Applications received          | MCDC area                                       |      | 1996 | 1997 | 1998 | 1999 | 2000 |
|--------------------------------|-------------------------------------------------|------|------|------|------|------|------|
| <b>Township establishment</b>  |                                                 |      |      |      |      |      |      |
|                                | City Council of Pretoria                        | i.   | -    | 1    | 1    | 9    | 0    |
|                                |                                                 | ii.  | -    | -    | 2    | 2    | 0    |
|                                | Town Council of Centurion                       |      | 12   | 7    | 8    | 4    | 8    |
|                                | Northern Pretoria<br>Metropolitan Sub-Structure |      | 5    | 5    | 10   | 4    | 0    |
| <b>Rezoning</b>                |                                                 |      |      |      |      |      |      |
|                                | City Council of Pretoria                        | i.   | 92   | 51   | 52   | 33   | 18   |
|                                |                                                 | ii.  | -    | -    | -    | -    | 2    |
|                                | Town Council of Centurion                       |      | 26   | 36   | 32   | 22   | 26   |
|                                | Northern Pretoria<br>Metropolitan Sub-Structure |      | 4    | 3    | 13   | 13   | 11   |
| <b>Subdivisions</b>            |                                                 |      |      |      |      |      |      |
|                                | City Council of Pretoria                        | i.   | 37   | 33   | 41   | 20   | 18   |
|                                |                                                 | ii.  | -    | -    | -    | -    | 5    |
|                                | Town Council of Centurion                       |      | 75   | 87   | 62   | 27   | 36   |
|                                | Northern Pretoria<br>Metropolitan Sub-Structure | iii. | 12   | 7    | 6    | 10   | 3    |
|                                |                                                 | iv.  | 9    | 9    | 10   | 10   | 4    |
| <b>Building plans approved</b> |                                                 |      |      |      |      |      |      |
|                                | City Council of Pretoria                        |      | 4615 | 3928 | 4719 | 4096 | 4093 |
|                                | Town Council of Centurion                       | v.   | 975  | 1099 | 877  | 921  | 1255 |
|                                |                                                 | vi.  | 1025 | 1174 | 1102 | 1293 | 2054 |
|                                | Northern Pretoria<br>Metropolitan Sub-Structure |      | 1952 | 2015 | 1590 | 1075 | 1043 |

- i. West Moot area.  
 ii. Pretoria West.

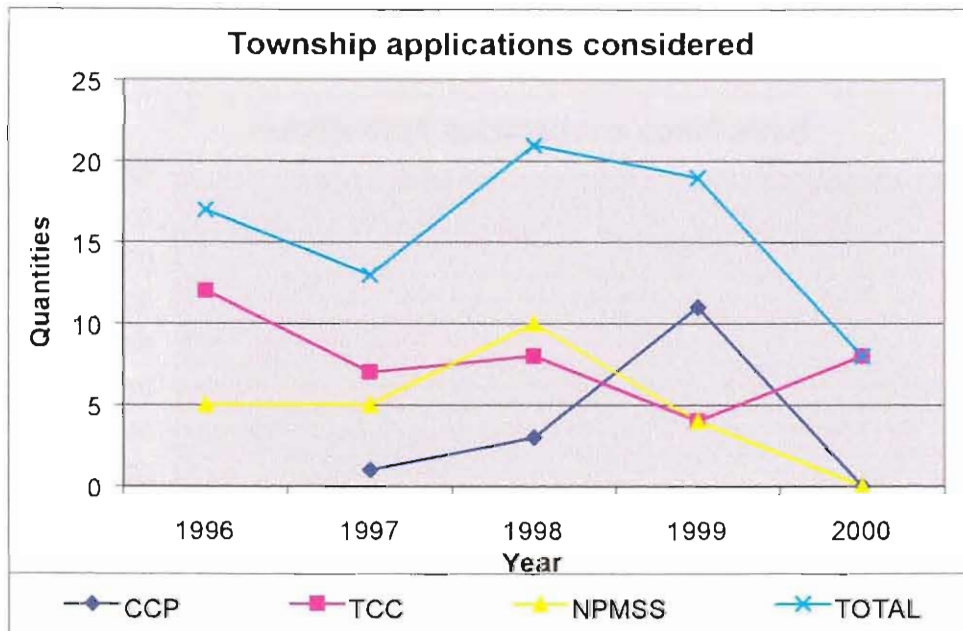
79 The mechanism is being referred to as the MCDC Economic Growth Monitoring Mechanism and consists of a computer programme specifically developed to evaluate economic growth, using base information from the levy databases of the former GPMC.

- iii. Subdivision of erven.
- iv. Subdivision of holdings.
- v. Building plans.
- vi. Building plans: units.

(Own interpretation of information received from the town planning offices of the former City Council of Pretoria, the former Town Council of Centurion and the former Northern Pretoria Metropolitan Sub-Structure)

The information from Table 8 above was taken and graphs formulated for each of the different types of development applications to visually illustrate the effect of the potential growth. These effects are illustrated in Graph 1 [Township establishment applications considered in the MCDC area (1996 – 2000)], Graph 2 [Rezoning applications considered in the MCDC area (1996 – 2000)], Graph 3 [Subdivision applications considered in the MCDC area (1996 – 2000)] and Graph 4 [Building plans approved in the MCDC area (1996 – 2000)].

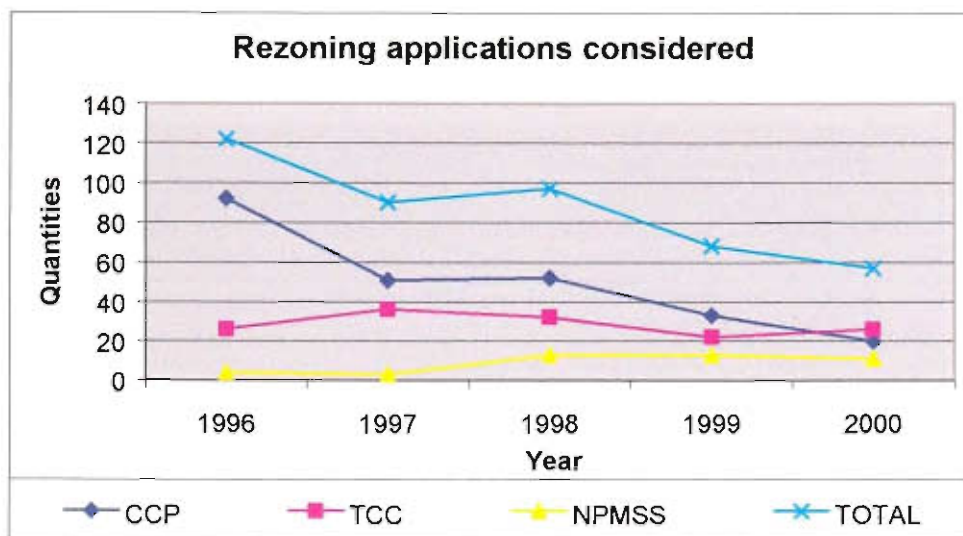
**Graph 1: Township establishment applications considered in the MCDC area (1996 – 2000)**



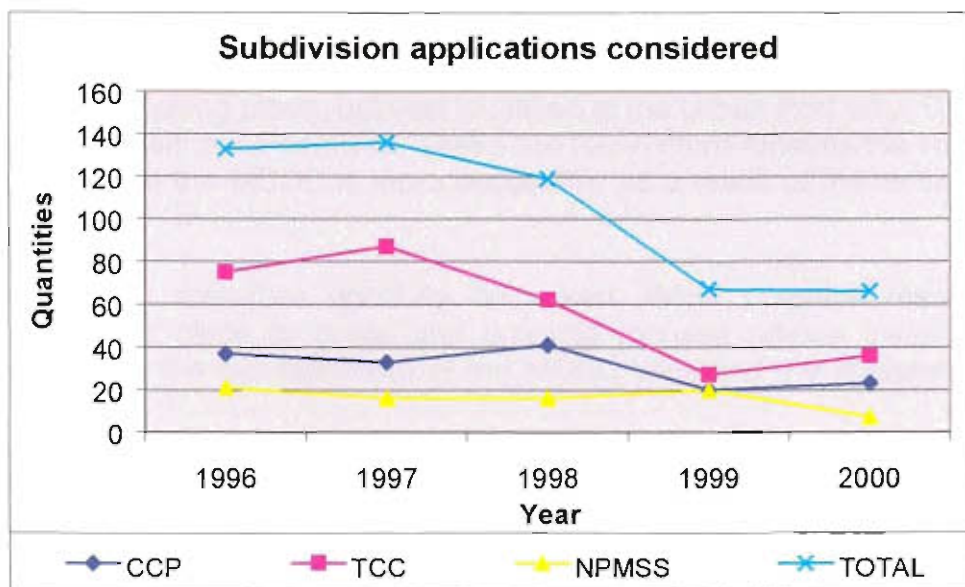
Graph 1 above indicates that there is a direct correlation between the launch of the implementation activities of the MCDC-project in 1997. But, it is also obvious that momentum to continue with the development trend was lost towards the year 2000.

Graph 2 below does not really reflect any correlation with the implementation activities of the MCDC-project as initiated in 1997, except for a stabilisation period between 1997 and 1998. However, it does indicate a general decline in the number of rezonings considered towards the year 2000. This situation stresses the need for serious intervention to promote economic development and job creation in the MCDC area, especially in the area of the former City Council of Pretoria, which experienced a serious decline in percentages.

**Graph 2: Rezoning applications considered in the MCDC area (1996 – 2000)**



**Graph 3: Subdivision applications considered in the MCDC area (1996 – 2000)**

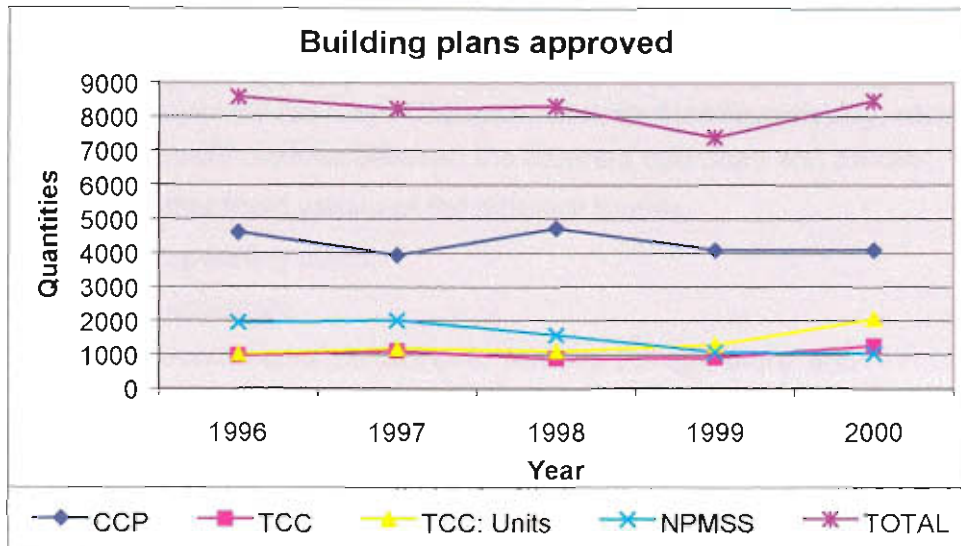


Graph 3 above indicates a decrease in the total number of considered subdivision applications up to the year 1999. Since then the number of applications considered, have stabilised. The graph also indicates that it is especially the former Town Council of Centurion, which experienced a serious decrease in subdivision applications received.

Graph 4 below indicates a stable flow of building plans approved over the period 1996 to 2000. Using approved building plans as an indicator for economic growth actually reflects that the economy in the MCDC area experiences a state of equilibrium, indicating that no real economic growth is being experienced in the MCDC area.

In total, using indicators such as township establishment applications, rezonings, subdivisions and approved business plans, the results reflect that the MCDC-project has not succeeded as yet in promoting economic growth and that serious intervention is needed to kick-start the identified catalyst projects of the MCDC-project, if the plan is to make a real impact in economic growth in the MCDC area.

**Graph 4: Building plans approved in the MCDC area (1996 – 2000)**



Furthermore, concluding from the applications received for an industrial land incentive in Rosslyn X2 (forming part of the proposed Urban Port for the MCDC area), some investment was attracted and taking place, but was localised at the Urban Port only. Other developments were taking place without incentives. These are found more towards the southern parts of the MCDC area, where the MCDC is more accessible as a result of the existing provincial road network.

The question can therefore rightfully be asked: What potential mechanism can local government put in place to guide and promote focused private investment at preferred localities, to boost the establishment of the MCDC area and the implementation of corridor principles?

The expected economic development along the proposed activity spine was also not taking place, even though certain sections thereof are in existence. To address this situation, committed local government officials should assist to facilitate processes amongst property owners to "kick-start" such development.

On the other hand, as Lategan acknowledged, economic development is critical to ensure the sustainability of the MCDC-project. It should, therefore, be pursued more aggressively (Lategan, 1999).

### **3. The lack of an integrated public transport system**

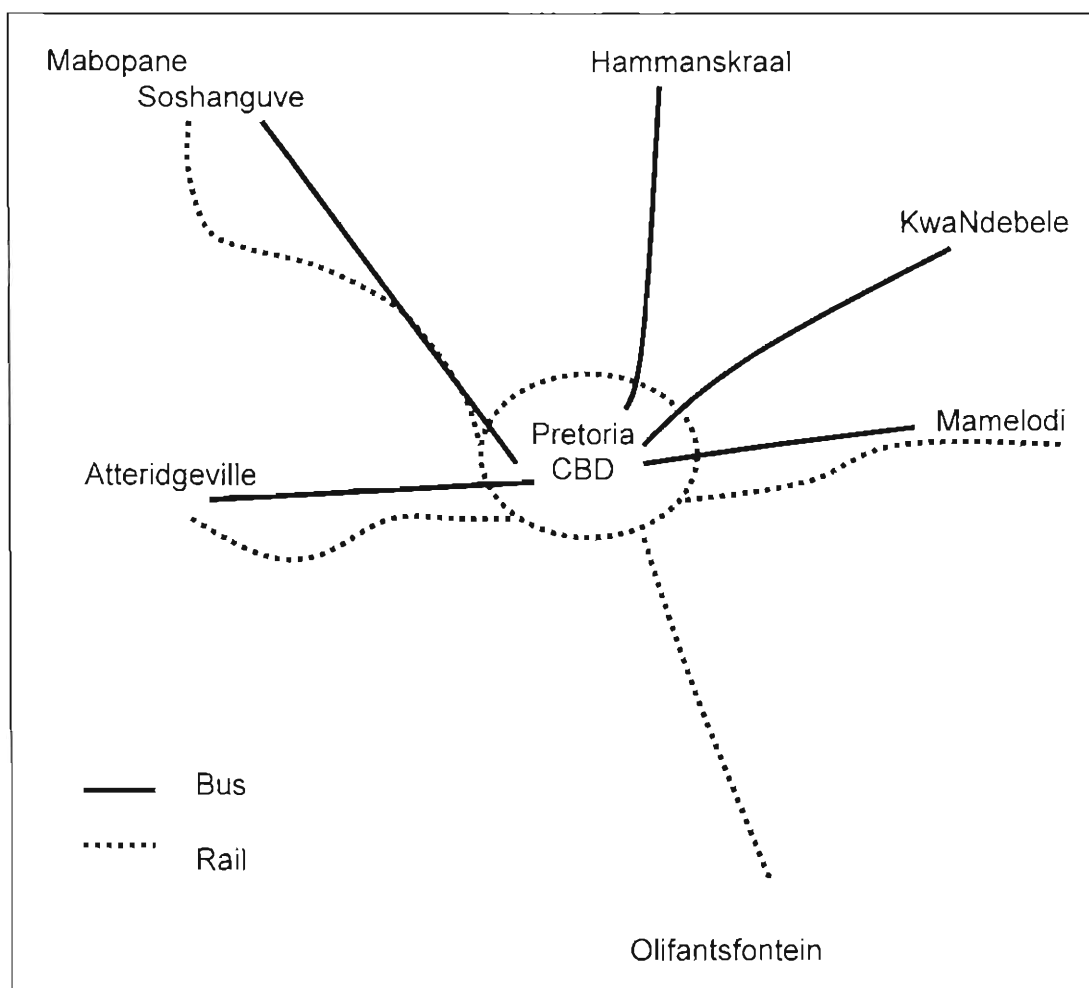
Although a number of separate public transport systems are found in the MCDC area (such as the dual bus/rail systems from both Soshanguve and Atteridgeville to the Pretoria central business district – see Figure 42 on page 174), the systems are not found throughout the entire MCDC area and is also not integrated with the proposed overall land-use development concept as yet. The reason seems to be that more emphasis is placed on the day-to-day operations of public transport as a result of a number of critical issues related to aspects such as the taxi-industry formalisation and rationalisation processes, taxi violence, as well as the

competition between the different modes (rail, bus and minibus taxis) of public transport found in the MCDC area. The fact that each mode operates through different operators, further contributed to a lack of movement towards mutual progress. Studying the minutes of the MCDC Steering Committee meetings revealed that the dominant issues playing a prominent role affecting the successful implementation of an effective and affordable public transport system not only within the MCDC area but also integrated into the entire public transport system for the City of Tshwane Metropolitan Municipality, seem to be the following:

- ◆ different profit motives between the different operators and modes;
- ◆ different threshold values of the different modes;
- ◆ different operating costs;
- ◆ different operators;
- ◆ lack of governmental control over some of the operators; and
- ◆ subsidisation of more than one mode on the same travel route.

The fact that public transport has not been developed optimally, is also considered to be a result of the dispersed cities and low density development (APS Plan Africa, 1999).

**Figure 42: A schematic illustration of the public transport system in the former GPMC area**





The Gauteng Spatial Development Framework also indicated that it should be a city's main objective to develop the most "...*appropriate spines of transport, in order to bring people closer to job opportunities and to create a more effective and efficient system*". Again, this objective correlates with some of the main objectives of the MCDC-project strategies related to the development of an activity spine, a public passenger transport system and inter-modal transfer nodes. This way, the advantages brought about by the development potential of an area can be optimised as a result of the intense movement of people, representing all, but especially local buying power.

Some of the obstacles encountered *vis-à-vis* speedy planning actions, include issues such as:

- ◆ new policy actions by national government which are being compiled and implemented with regard to the formalisation of the taxi industry;
- ◆ processes to contract bus routes;
- ◆ processes to identify a single mode for subsidisation purposes, so as to prevent more than one mode being subsidised on the same route;
- ◆ difficulties experienced by some communities to use public passenger transport; and
- ◆ difficulty of finding common ground between planning authorities to develop focused public transport strategies to facilitate and support mixed land-use development (Krynauw, 2000).

There is, however, no doubt that the need for an adequate public passenger transport system in the MCDC area will continue to exist until provided. This was confirmed by the results of the Access and Mobility study referred to in paragraph 2.8 (as discussed on page 149).

#### **4. Lack of development funding**

The MCDC stretches over a huge area of approximately 60 kilometres, with a vast variety of fragmented urban developments and communities with different needs and cultures. To establish the MCDC under these circumstances, simply implies that billions of rands are needed over a long period of time (say 30 years, as in the case of the Curitiba Development Corridor), to establish a continuous development corridor as planned for in the IGDIS-report.

Again, the involvement of different stakeholders (especially different local authorities), with different functions and responsibilities in the MCDC area, made it even more difficult to put together an overall budget for the MCDC-project. The MCDC-project, therefore, has to take whatever financial assistance/contribution it can get to stimulate its developmental processes.

This difficulty was also identified at a workshop held for stakeholders on 28 January 2000 (MCDC Steering Committee, 2000c). At this workshop the suggestion was made that a financial plan with dedicated responsibilities be compiled for inclusion in the local Integrated Development Plan processes. Although incorporated as a project in the Integrated Development Plan prepared for the former Greater Pretoria Metropolitan Council, it again could not materialise during 2000 as a result of budget cutbacks experienced in the former Greater Pretoria Metropolitan Council (Plan Practice Town Planners, 2000).

## 5. Lack of “*political will*”

One of the most prominent difficulties experienced by the MCDC-project, seems to be the lack of political commitment, or what can be termed, “*political will*”. The MCDC-project was executed within the framework of a comprehensive participation framework, which went hand-in-hand with continuous feedback to politicians through participation, information and presentation sessions. Feedback also included the distribution of marketing material and direct involvement as chairpersons of, for example, the MCDC development task teams, regular progress reports to council meetings, as well as to the national Department of Transport (Thebe Development Consultants, 1996a, 1997a and 1997b). Nevertheless, the overall political commitment, which the MCDC-project probably needs to promote social upliftment amongst the more than 95% poorer communities affected by the MCDC-project, is lacking. Determining the grounds for the lack of political will, is, however, not considered the purpose of this dissertation.

However, the fact remains that overall political commitment to enhance the implementation of the MCDC-project and principles was lacking thus far and it stays a crucial success factor for the successful establishment of any development corridor, as depicted in Chapter Two. A change of political structures (as experienced during the recent local government elections), also had a negative influence. New politicians represent new ideas, ideologies, own priorities and own urban planning structures, creating a situation where these newcomers need to be informed, empowered and convinced of the role the MCDC-project can play with regard to economic growth, land-use and transport integration and social upliftment.

## 6. Lack of commitment among officials

Another difficulty experienced within all government spheres, was to get officials from representative government institutions/departments to commit themselves to implement the goals and objectives which had been mutually negotiated and agreed upon. Only those officials on which the development of the MCDC area had a direct impact in terms of reaching the goals and objectives of its own institution, are committed to the MCDC-project.

Some reasons for this situation is reflected by the following:

- ◆ Priority differences: The priorities of the individual stakeholders differ from the priorities of the MCDC-project. The priorities of the institution represented were always placed first;
- ◆ Lack of capacity: Involved officials have a diverse range of responsibilities to execute and which are all measured in terms of the individual’s overall performance within his/her own organisation. The MCDC responsibilities, as a result, then became just another responsibility; and
- ◆ Lack of funding: A lack of funding for implementation was experienced at all spheres of government. In this scenario, even officials committed to the MCDC-project could not fulfil their responsibilities.

## 7. Lack of social development

Five prominent difficulties were experienced with regard to promoting social development in the MCDC area. These were:

- ◆ The number of social fields involved: The most common difficulty was the number of different social fields that are incorporated under the term "*social*". These included, amongst others, housing, health, welfare, arts and crafts, sports, museums, education and safety and security. Each of these also had its own unique but diverse needs and characteristics, which made co-ordination difficult;
- ◆ The lack of development funding: The MCDC area accommodates approximately 82% of the poorer communities situated in the area of jurisdiction of the former Greater Pretoria Metropolitan Council. In terms of the City of Tshwane Metropolitan Municipality, the MCDC-project has an influence on more than 95% of the poorer communities residing in its boundary. As a result, the MCDC-project identified an enormous demand for social facilities and amenities throughout all the social sectors. This demand and need for social facilities, also implied an even greater burden on scarce public funds. The simple fact of the matter was that there were just not enough funds to address all social needs.
- ◆ The lack of co-ordination between the social sectors: As a result of the number of social sectors involved in promoting social development to bring about social upliftment, the MCDC-project experienced a situation indicating that it is extremely difficult to bring these sectors together under one "*umbrella*" and to find common solutions for problems experienced by the individual sectors. This co-ordination proved so difficult, that the MCDC-project in January 2000, combined its Social Development Task Team activities with those of the Spatial Development Task Team. This measure was implemented so as to prevent losing those stakeholders who did experience benefits through the MCDC-project processes. In this regard, the MCDC task teams experienced that even the simple function of information sharing had tremendous benefits to help social institutions finding solutions and contacts for problem-solving activities;
- ◆ The lack of capacity: A general lack of capacity existed among the respective social institutions, especially with the government spheres involved in social sectors, to deal with the total real demand for social development and upliftment; and
- ◆ The lack of "*top management*" support: As a result of the overall lack of capacity dealing with social issues in the MCDC area, the MCDC Social Development Task Team proposed the appointment of a "*social development champion*". Although external funds were negotiated for this purpose, top management officials just resisted the idea without giving any reason. The result: no progress in terms of integrating the social sectors under one forum where real social issues could be discussed, ideas exchanged, solutions proposed and information shared.

## 8. Lack of overall project prioritisation at metropolitan level

The Integrated Development Plan (IDP) compiled for the former Greater Pretoria Metropolitan Area, incorporated the planning proposals, strategies and development guidelines done for a number of different areas and initiatives found within the area of jurisdiction of the Greater Pretoria Metropolitan Council, amongst others, the three city-wide Integrated Development Plans. The former Greater Pretoria Metropolitan Integrated Development Plan, therefore, included the identified MCDC concepts and strategies.

A list with projects<sup>80</sup> also appeared in the Integrated Development Plan. However, there were not sufficient funds available with local government to implement/execute all the listed projects. The lack of a comprehensive prioritisation system to determine the real benefits and need for the implementation of each listed project, resulted into a situation where the importance of the identified MCDC projects could not be assessed against the importance of other identified projects that appeared on the list. It therefore could not “*compete*” fairly against the other listed projects, as each department/directorate negotiated a fair share of the budget to implement their identified priorities (City of Tshwane Metropolitan Municipality, 2001).

## 9. Slow progress with business development

Although the MCDC-project is involved in a number of business development initiatives such as the initiation, administration, marketing and management of the Rosslyn industrial land incentive, the formulation of a bulk service contribution policy and the appointment of a business development specialist to identify and facilitate the development of business development opportunities, no real progress was made. The reasons for this are related to:

- ◆ Feasibility of possible opportunities: Preliminary surveys for potential business development opportunities were undertaken throughout the MCDC area. The pre-feasibility investigations of these opportunities revealed that most of them had high feasibility values. But a common problem prevails, viz. that of not providing sufficient security to maintain the opportunity in terms of getting external investment;
- ◆ Overall economic climate: Development of the MCDC economy was also strongly related to the economic growth of the country as a whole. Any influence on the national economy resulted in a direct influence on the local economy, especially as far as attracting bigger investments was concerned;
- ◆ Development time: To establish a new business takes at least an average of two and a half years. Larger investments can even take longer. This trend created an impression that there was limited progress in the MCDC area. However, it is expected that a progressive progress curve will be experienced, say five years from now, given that proactive business development facilitation is taking place, which is supported by the provision of enabling infrastructure services and development policies and programmes;
- ◆ Lack of innovation amongst officials: Officials only did what was expected from them. No motivation measures existed to come forward with innovative proposals to stimulate job creation;
- ◆ Lack of development funding: To initiate a new business opportunity normally demands an enormous amount of capital. This capital is normally provided by financial institutions and their requirements for qualifications are very high. It is, therefore, often extremely difficult to get finance for a small business venture. On the other hand, local authorities are not in a position to make funding available for such opportunities, as not enough funds are available on their respective budgets to provide appropriate infrastructure service; and
- ◆ Lack of infrastructure and implementation funds: The MCDC project team regarded the implementation of the activity spine concept as an opportunity to create opportunities for small business development. In this regard, it was the experience of the MCDC project

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80 “*Projects*” refer to a multi spectrum of projects (infrastructure provision and maintenance, emergency services, planning projects, sports field development, economic development projects and so forth) usually found on the budget of a local authority.

team that there were not sufficient funds available in local government budgets to undertake such projects over the short term as a measure to speed up economic development processes.



## SECTION C: CONCLUSION

The results of the research discussed in this chapter reveal that the implementation of the MCDC-project is being hampered by a number of crucial constraints. These constraints, as explained in Diagram 10 below, can basically be grouped into five groups, viz. that of:

- ◆ a need for commitment to implement the MCDC concepts, strategies and projects, especially from a political point of view;
- ◆ the provision of lacking infrastructure systems such as transport routes (the PWV-9 and the activity spine) and an integrated public passenger transport system;
- ◆ the lack of funding needed to make a definite impact in terms of project implementation and investment attraction;
- ◆ the improvement/establishment of co-ordination and management mechanisms to ensure phased and focused implementation of priority projects; and
- ◆ the need for planning and development mechanisms to enhance economic growth and social upliftment.

**Diagram 10: Five broad-based constraints experienced by the MCDC-project**

