

Planning Reforms Seminar

The Fiscal Impact Tool – Metro Experiences

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**cooperative governance
& traditional affairs**

Department:
Cooperative Governance and Traditional Affairs
REPUBLIC OF SOUTH AFRICA



IUDF

INTEGRATED URBAN DEVELOPMENT FRAMEWORK



**rural development
& land reform**

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ctiEs SUPPORT
PROGRAMME



Why the FIT?

- To support evidence-based spatial planning and decision-making
- To assist Metros in addressing their housing backlogs and to deliver housing solutions at scale
- There were no comprehensive methods of assessing large scale residential development proposals' fiscal impacts (capital and operating)

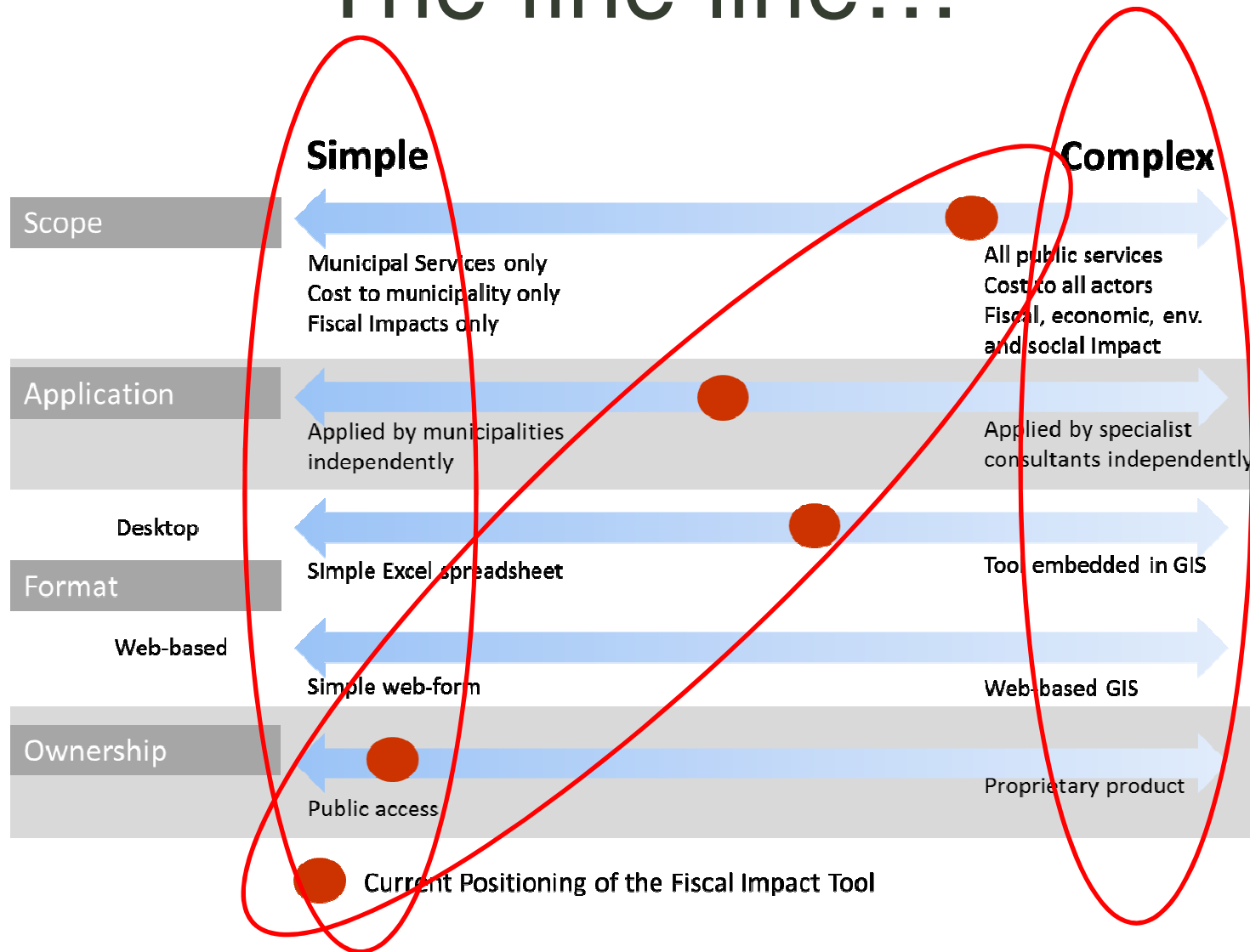
What the FIT does...

- Informs better decision-making around development approvals
- Illustrates trade-offs around spatial location
- Identifies the incidence of cost over the long-term to inform negotiating cost-sharing

Successes

- Buffalo City – applied tool but without feedback on outcome
- eThekweni – Conurbia used as pilot but not used further
- City of Cape Town – Pelican Park used successfully

The fine line...



(Source: PDG)

Re-selling the FIT

- Reduce the scope, but add a spatial element and make the interface more user-friendly
- Encourage a municipal data management system
- Capacitate officials (again) in the use of the tool and where to source the data
- Need buy-in at a management level to get the use of the tool institutionalised