



MEDIA RELEASE

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CLOSURE OF CAPE TOWN DEEDS OFFICE IS JUST TIP OF THE ICEBERG STALLING THE PROPERTY INDUSTRY

Last week, Western Cape Minister of Finance and Economic Opportunities David Maynier called on the Minister of Agriculture, Rural Development and Land Reform Thoko Didiza to urgently intervene in the repeated and at times unnecessary closure of the Cape Town Deeds Office.

Maynier cited the “considerable negative impact” this was having on the property and real estate industry in the Western Cape and believed that the deeds office was not implementing the necessary Covid-19 health and safety measures in line with either the National Department of Health or the Department of Employment and Labour.

“As the property development and construction sector, we are extremely grateful to Minister Maynier for the lead he has taken in this,” notes Deon van Zyl, chairperson of the Western Cape Property Development Forum (WCPDF).

“However, the continual closure of the deeds office is only the tip of the iceberg in terms of the excuses that numerous national, regional and local officials are currently hiding behind to delay approval processes and add to the very serious crippling of our industry.”

Echoing Maynier’s concern that the Cape Town Deeds office was not adhering to health safety measures, Imkita Ntshanga, chairperson of the Western Cape branch of the South African Institute of Black Property Practitioners (SAIBPP) notes: “We have now been in lockdown for 143 days and every business knows what precautionary measures are required for the safety of their employees. PPE equipment is readily available at almost every store and there is an array of options that can be adopted and implemented in the workplace. The deeds office closure severely impact the earnings in commissions on which agents relied, new home owners who could not gain access to their homes and indeed all participants in the economy of property sales.

The Western Cape branch of the SAIBPP, which also sits on the management committee of the WCPDF, therefore stresses the urgency of the situation, says Ntshanga, particularly during a time when an appeal was put forward by the industry as far back as April to declare the deeds office an essential service: “Our industry needs to see a commitment through actions that will ensure a solution is implemented with extreme urgency.”

While Van Zyl recognises those officials who were doing everything in their limited power to assist the industry, many working from home without adequate tools to do business online, he blames the lack of enthusiasm dealt out by others on their having no understanding whatsoever of the role that “each and every government employee” played in the economy in this time of crisis.

“We believe strongly that the full seriousness of the current economic situation, which was dire even before lockdown, has not hit home with the majority of government employees,” says Van Zyl. “And this is a failing of leadership and senior management who have not provided vital sensitivity training on the economy and generation of tax revenue to their teams, noting that such taxes pay public servants’ salaries.

“There is absolutely no practical understanding of the multiplier effects of their slow-to-stagnant decision making or the role they should be playing in the economic ecosystem.”

The delays the industry is experiencing can also be attributed not necessarily to Departments themselves, but to the Directions that have been issued during Covid-19 and that have now added the option for extra time to be taken during every step of the Environmental Authorisation and Waste Management Licence application processes.

Explains Van Zyl: “There is now an extra 30 days available at each step in Environmental Impact Assessments (EIA) process, which can also be applied to authority review timelines – effectively extending a full EIA process by up to 120 days. This at a time when we need to be encouraging or fast tracking every economic opportunity that arises.”

These extensions are being routinely adopted by authorities even when the Level 3 Lockdown circumstances should not have affected the ability of stakeholders to participate, and for applications to be processed.

“Perhaps this is a time when the clear imperative to create jobs and generate socio-economic wellbeing should weigh more heavily than the culture of compliance,” says Van Zyl, noting that even the judicial management system, through its own self-imposed delays, seemed to be suffering from the same lack of practical insight into the economy.

Another concern which many industry members have brought to the WCPDF’s attention was the inability of officials to adequately do their jobs remotely, with authorities having made little or no provision to equip their officials with the tools they need, in particular access to adequate online systems or even basic reliable internet services.

“The choice of internet-based platforms to engage with applicants has highlighted narrow-minded procurement goals. There are clear front runners in technology, yet various government entities have elected to subscribe to old and disproven technology, leaving parties wanting to engage with government at their wit’s end with meeting calls being dropped and video screens having to be deactivated to save bandwidth.”

These and many other issues will be taken up by the WCPDF in a series of “In Conversation” online engagements it will be hosting between the public and private sector over the next four months, with the first two to be addressed by Western Cape Premier, Alan Winde and National Minister of Public Works and Infrastructure, Patricia de Lille.

Aimed at stimulating the economy overall and particularly the property development and construction sector into recovery mode, the series takes the place of the WCPDF’s annual conference, and is open to all interested parties to attend. More information on the series can be found on the WCPDF’s website.

For more information on the WCPDF or the “In Conversation” series, please visit www.wcpdf.org.za

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