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Cape Town sewerage crisis: developers look to private plants

The issue, including sewage spills, has become a headache for the DA-led metro

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Picture: THE TIMES

The City of Cape Town is willing to back property developers to build their own on-site sewerage treatment plants as the metro battles to upgrade its wastewater facilities.

Property developers in the region have been irked by the city's recent decision to halt both new developments as well as those already under construction in parts of the metro pending the upgrading of sewerage infrastructure. The issue, including sewage spills, has become a headache for the DA-led metro.

Newly elected Cape Town mayor Geordin Hill-Lewis has indicated that the city's budget of about R56bn will have to be adjusted to tackle the crisis, which has been partly ascribed to delayed infrastructure upgrades amid protracted tender appeals from unsuccessful bidders.

In response to questions from Business Day, City of Cape Town spokesperson Luthando Tyhalibongo said a temporary solution of a package plant for on-site waste water

treatment to enable earlier commencement of the development of a property may be supported by the city at the cost of the land developer.

“But note that no discharge from such scheme will be allowed into the city sewage system in the constrained catchment. Also note that approval of a licence for such a plant will be required from the national department of water & sanitation according to strict conditions of quality compliance, effluent or sludge disposal, and system management,” Tyhalibongo said, suggesting developers will have to solely rely on private disposal systems for the foreseeable future to get their projects off the ground.

Developers say on-site technologies are available to address the crisis, but onerous legislative requirements and charges make it burdensome for them to go this route.

Deon van Zyl, chair of the Western Cape Property Development Forum, which represents the property development and construction industry in the province, said the city’s statement implies that it has not taken a formal position on the matter, meaning that there is no political will to resolve the crisis.

“It is understood that discharge cannot be released into the city’s network. This is fully understandable and confirms that the developer will be fully self dependent. For this exact reason it is unreasonable to expect to pay the additional development contributions as if the city was receiving effluent. The benefit should therefore be for the developer,” Van Zyl said.

He explained when a developer brings a development application to the city of Cape Town, and as many other municipalities do as well, there are development contributions: essentially levies paid to fund infrastructure and facilities required by the new development. This is over and above the utility costs and the rates that will be paid by the property ad infinitum.

For example, a new development on a plot bigger than 600m² will be charged just more than R10,000 for sewerage out of a total of R51,369 total development contributions.

“Against this, a private treatment facility for a residential unit would cost a developer in the region of R35,000-R45 000 [per unit]. Will it be added onto the cost of the development? Yes it will have to be to start; however, the long-term savings for the users of the development will be that the development has its own capacity on-site in terms of water that can be used for ablution and irrigation purposes,” Van Zyl said.

He said on face value it is cheaper to connect any development to municipal infrastructure rather having it provide its own sewerage capacity.

“But the true saving of doing so [installing a private plant] is found in that the development is not being delayed due to a lack of infrastructure availability and the developer can respond to market conditions unencumbered by municipal capacities, and unaffected by future and ongoing rising building costs [building costs rise year by year while a developer puts a development on hold].”

Van Zyl said the real debate, however, is whether a municipality should be allowed to charge development contributions in the first place for services that it is unable to provide, in this case sewerage capacity in Cape Town.

“Irrespective of whether or not developers install their own private sewerage treatment plant, the development contributions on sewerage will still have to be paid, adding between 10% and 30% to the sewerage cost within a residential development even if it installs its own treatment capacity,” Van Zyl said.

He previously likened the sewage infrastructure backlog crisis to the recent Day Zero drought situation, the worst drought in a century that nearly caused Cape Town’s taps to run dry in 2018.

According to Annalize Cilliers-Eccles, from Maskam Water Solutions, a company which focuses on empowering SA on water reuse and on-site water and waste water treatment, on-site water treatment and re-use is sustainable and takes nothing from nature.

“It also provides dignified sanitation in areas where there is a lack of water supply. This preserves our strained water resources, saves money, and reduces the strain on the municipal infrastructure,” Cilliers-Eccles said.

Harry Singleton, an executive for water at multinational engineering and construction group Murray & Roberts SA, said the introduction of innovation and technology in the public sector wastewater treatment sector is challenging for a number of reasons, not least the legislative requirements.

“However the bottom line is that the sector needs innovation. We cannot be building new or upgrading old wastewater treatment plants using 100-year-old technology,” he said.

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