

City of Joburg Development Charges Policy



The City of Johannesburg has been charging developers bulk contributions for infrastructure for decades, but never on a uniform basis across the services according to a single policy. Municipal Entities had been calculating the charges independently, which were then applied and collected centrally. With the advent of the Spatial Planning and Land Use Management Bylaw (SPLUMA) in 2013, and the subsequent drafting of the City of Johannesburg Spatial Planning and Land Use Management Bylaw, the City of Johannesburg required a consistent development charges policy, a robust methodology for calculating the charges, and amendments to the bylaw to provide the legal basis for the charge.

Given PDG's historical involvement in the drafting of development charges legislation for National Treasury, we were appointed as part of a team led by Zutari to amend the bylaw and draft a development charges policy. The policy integrated the previously disparate approaches employed by the municipal entities to development charges. PDG led the conceptualisation of the unit costing methodology based on the growth costing method being promoted by National Treasury.

The approach was workshopped with the relevant municipal entities and the methodology was then applied to calculate unit impacts and unit costs for water, sanitation, electricity, roads, stormwater and public transport. PDG also developed a spreadsheet calculator for the City of Johannesburg's Legal Admin department to be able to efficiently and transparently calculate the charge for all development applications. Finally, the Zutari team supported the municipality through the public consultation process and the eventual council adoption of the new policy.



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JDC PROJECT:

Project Profile: Mahikeng Development Charges Policy

Client: City of Johannesburg (Led by Zutari)

Date: 2019-2021