

TOWNSHIP ESTABLISHMENT



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Table of Contents



Township Establishment in

South Africa

Your Trusted Partner in Urban Development and Planning

Introduction

Township establishment is one of the most **transformative** processes in urban development. In the South African context, this process converts land—often zoned for **agricultural** or other non-urban purposes—into **residential, commercial, or industrial** areas. This transformation is essential for addressing the evolving needs of **communities**, facilitating **economic growth**, and ensuring sustainable **urban expansion**.

At **Town Planner (Pty) Ltd**, we specialize in providing professional and friendly town planning services aimed at **guiding property owners, developers, and investors** through the intricacies of township establishment. Our holistic approach ensures that each step—from land evaluation to the final proclamation—is executed **efficiently, ethically**, and in compliance with **South African laws**.

In this comprehensive guide, you will learn about:

- The **definition of township establishment**

- **Why township establishment is crucial for South Africa's development**
- **The step-by-step process, including excision of holding, township application, and proclamation**
- **Key stakeholders involved**
- **Real-world examples and best practices**
- **Challenges you might encounter along the way and strategies to overcome them**

Whether you are a **property owner, developer, a municipal official**, or simply someone interested in the **land development** process, this guide will equip you with the **knowledge and insights** to navigate the complexities of township establishment successfully.

What Is Township Establishment?

Township establishment is the formal process of creating a new township on land that was previously zoned for a different purpose, often

agricultural. It involves **legally dividing** the land into **erven** (individual stands or plots) designated for **residential, commercial, or industrial** uses. In South Africa, the term “township” can sometimes be misunderstood; here, a “township” does not necessarily refer to underdeveloped urban areas, but rather to any **newly proclaimed area** that has been subdivided following the applicable **planning legislation**.

Common Terms Explained

- **Erven:** The plural of “erf,” referring to individual land parcels or stands created during the subdivision process.
- **Zoning:** A set of regulations governing the use and development of land, dictating whether a plot can be used for **residential, commercial, or industrial** activities.
- **Agricultural Holding:** Land designated primarily for **farming** and other **agricultural** activities. Such land typically requires **excision** before being converted into a township.
- **Motivational Memorandum / Report:** A comprehensive document that outlines **why** the land should be developed into a township and demonstrates **compliance** with relevant laws and regulations.

(Why this matters:) Understanding these terms is crucial as they form the basis of any **township development** conversation. At Town Planner (Pty) Ltd, we believe in clear communication, ensuring that even **laymen** can easily grasp these concepts.

Why Township Establishment Matters

Township establishment plays a **pivotal role** in South Africa's urban development landscape. As the population grows—**South Africa's population exceeded 60 million in 2022**, according to demographic estimates—**demand for housing and commercial spaces** continues to soar. Urbanization rates are also climbing; by some measures, **over 67%** of South Africans currently reside in urban areas, and this figure is projected to rise in the coming decades.

Addressing Housing Shortages

- **Population Growth:** The demand for affordable and middle-income housing in urban areas remains high.
- **Inclusive Communities:** Properly planned townships can ensure the availability of community facilities, such as schools, clinics, and recreational areas.

Stimulating Economic Growth

- **Commercial and Industrial Development:** By establishing new townships, municipalities attract business and industrial investments, leading to job creation.
- **Infrastructure:** The process encourages the development of roads, electricity, water, and sewage systems, which benefit local economies.

Enhancing Urban Planning

- **Sustainable Development:** Through responsible planning and environmental assessments, new townships can adopt eco-friendly and sustainable measures.
- **Orderly Expansion:** Township establishment helps prevent urban sprawl

by guiding where and how development should occur.

Ultimately, **township establishment** is not just about creating new places to live or work—it is about shaping **vibrant, inclusive, and sustainable communities**. By following the correct procedures and regulations, developers and planners can help **transform the built environment** in a way that benefits **everyone**.

Key Steps in the Township Establishment Process

Below is a **step-by-step** breakdown of the township establishment process in South Africa, reflecting both **legal requirements** and **best practices**. Please note that while this guide provides **extensive details**, actual requirements can vary by **municipality** and **provincial regulations**.

Preliminary Research and Feasibility

Studies

1. **Identify Suitable Land:** The land must be large enough to accommodate the proposed development—be it residential, commercial, or industrial.
2. **Feasibility Study:** A feasibility study assesses financial viability, market demand, infrastructure needs, and environmental constraints.
3. **Initial Consultations:** Engage with local authorities and possibly community stakeholders to gather initial feedback.
4. **Environmental Considerations:** Conduct a desktop environmental study to identify wetlands, protected species, and potential heritage sites that may influence land use.

Pro Tip: Engaging a professional town planner early can expedite the approval process by ensuring your concept aligns with local policy frameworks.

Excision of Holding (If Applicable)

Sometimes the land identified is an agricultural holding, which cannot directly be established as a township. In such cases, you must revert it to a

farm portion through a process called **Excision of Holding**.

1. Why Excision?

- Legally, a **holding** is meant for **agricultural or small-scale farming** activities.
- A **township** can only be proclaimed on **farmland** or land that aligns with the relevant **planning scheme**.

2. Application for Excision

- This application is usually lodged with the **local municipality** or the **provincial authority**, depending on **regional laws**.
- The timeframe for approval is often around **2 months**, assuming no **objections** are raised.

3. Surveyor General Submission

- Once approved, a **land surveyor** submits the approval to the **Surveyor General** to obtain a new **farm description**.
- The **Excision Certificate** is issued by the local authority upon receiving these details back.

4. Deed Office Endorsement

- A conveyancer (property attorney) then lodges the Excision

Certificate with the Title Deed to the Deed Office to ensure the new farm description is officially noted.

Submission of the Township Application

1. Drafting the Application

- The township establishment application requires a comprehensive motivational report, which explains the reason for the new township and how it complies with regional and national legislation.
- This report includes detailed site layouts, conceptual plans, and zoning proposals.

2. Supporting Documentation

- **Land Surveyor Certificate:** Confirms the boundaries and physical attributes of the land.
- **Geological Report:** Assesses the suitability of the soil and underlying rock formations for development.

- **Environmental Report:** Outlines potential environmental impacts and suggests mitigation measures.
- **Conveyancer's Certificate:** Details any restrictions or servitudes noted on the title deed.
- **Outline Scheme Reports:** Short reports from civil and electrical engineers addressing infrastructure capacities, such as roads, water, sewage, and electricity.
- **Traffic Impact Assessment:** Evaluates how the new development will affect traffic flow and road infrastructure.

3. Municipal Requirements

- **Municipal By-Laws** often set additional demands on the format and content of the application.
- Always check if there are any **special conditions or policy frameworks** (e.g., **Spatial Development Framework**) that need to be addressed.

Advertising and Public Participation

Once the application is lodged, the municipality requires **advertisements to notify** the public and stakeholders. This typically involves:

1. Newspaper Advertisements

- A **notice** in the local or regional newspaper, informing citizens about the proposed township.

2. Site Notices

- **Physical notices** placed on or near the property.

3. Registered Letters

- In some cases, letters are sent to **adjacent property owners** or **interested parties**.

4. Public Meetings (If Needed)

- For larger developments, the municipality may require **public hearings** or **consultative sessions**.

Why This Is Important: Public participation fosters transparency and offers a platform for **community feedback**. If there are **objections**, they must be resolved—through negotiation or modification of the plans—before proceeding.

Review and Approval by Authorities

1. Departmental Circulation

- The application is circulated among various municipal departments —for instance, **City Planning, Engineering, Environmental Management**, and more.

2. Comments and Conditions

- Each department provides comments, which may include conditions that must be met before final approval.

3. Consolidation of Comments

- The **City Planning Department** compiles these into a **single set of conditions** or requirements to be fulfilled by the applicant.

4. Decision Making

- If all comments are favorable and conditions can be met, the township is approved. If significant objections arise, a **tribunal or council meeting** may be called to resolve the issues.

Survey and General Plan

Once the township application is approved:

1. Land Surveyor

- A professional land surveyor prepares the **General Plan (GP)**, which shows the **layout and boundaries** of all newly created erven.

2. Submission to Surveyor General

- This **General Plan** is then submitted to the **Surveyor General** for approval.

3. SG Approval

- Upon approval, the plan is **registered** and becomes the **official reference** for the new township layout.

(Importance): This step is crucial because it **finalizes** the new stands or erven that will appear on **title deeds**.

Design and Installation of Engineering

Services

Before new stands can be sold or fully occupied, the developer is responsible for the design and installation of essential engineering services:

1. Civil Engineering Services:

- **Roads:** Ensuring proper road infrastructure within the township.
- **Water Supply:** Laying down water pipelines and ensuring adequate water pressure.
- **Sewer Systems:** Installing sewage networks for public health and sanitation.

2. Electrical Engineering Services:

- **Power Supply:** Coordinating with Eskom or local municipal supply for electricity distribution.
- **Street Lighting:** Installing streetlights for public safety and visibility.

3. Approval and Inspections:

- The municipality inspects these services to ensure compliance with national standards and local bylaws.

Statistical Note: According to certain estimates, **infrastructure costs** (roads, water, sewer, electricity) can constitute **up to 40%** of the total development budget in some township establishments.

Opening the Township Register and Proclamation

1. Township Register

- An **attorney** opens the **Township Register**, which lists all the newly created erven.
- This register ensures each erf can be **transferred** individually when sold.

2. Proclamation

- The **final step** involves **proclaiming** the new township in the **Provincial Gazette**.
- Once **proclaimed**, the erven can be **officially transferred** to new owners, and the township is **legally recognized**.

Key Stakeholders in Township Establishment

1. **Town Planner (Pty) Ltd:** As your professional consultant, we oversee the application, compliance, and coordination of the project.
2. **Local Municipality:** Responsible for reviewing and approving the application.
3. **Surveyor General's Office:** Approves and records the General Plan.
4. **Provincial Departments: Environmental, Agriculture, or Water Affairs—** depending on site-specific requirements.
5. **Community Members:** Residents and stakeholders who might offer objections or support during the public participation stage.
6. **Engineers:** Civil, electrical, traffic, and others who ensure the township is technically feasible.
7. **Attorneys/Conveyancers:** Handle legal documentation, title deed endorsements, and opening the township register.

Real-Life Examples and Case Studies

Case Study A: Converting Farmland to a Residential Township

Scenario: A developer acquires a 20-hectare agricultural property on the periphery of a growing city.

1. **Excision:** The land was an **agricultural holding**, requiring **excision** back to farm status.
2. **Township Application:** A thorough motivational memorandum emphasized **local housing shortages** and the site's **proximity** to existing infrastructure.
3. **Environmental Clearance:** An **environmental assessment** revealed **wetland areas**, leading to the creation of a **conservation buffer zone**.
4. **Outcome:** Approved in **14 months**, after meeting all **objections** with negotiated solutions. A new residential community with **250 stands** is currently in development.

Case Study B: Industrial Park Development

Scenario: An investor group aims to establish an industrial township for logistics and warehousing near a major highway.

- 1. Feasibility and Traffic:** A thorough traffic impact assessment was vital due to the high volume of heavy vehicles expected.
- 2. Zoning:** The application required a zoning amendment from agricultural to industrial.
- 3. Public Participation:** Community members raised concerns about noise and air pollution; stricter mitigation measures were incorporated.
- 4. Outcome:** The project was approved, resulting in job creation for the local community and economic stimulation in the region.

These case studies illustrate the complexities involved and highlight why collaboration among town planners, engineers, environmental consultants, and communities is so critical.

Common Challenges and How to Overcome Them

1. Objections from the Public

- **Solution:** Proactively engage local communities early. Host information sessions or workshops to address concerns.

2. Environmental Constraints

- **Solution:** Conduct baseline environmental studies. Work with ecologists and environmental specialists to develop mitigation strategies.

3. Funding and Cash Flow

- **Solution:** Secure financing early, possibly through joint ventures or private equity. Ensure a realistic budget that accounts for unforeseen costs.

4. Lengthy Approval Times

- **Solution:** Stay organized and responsive to municipal queries. Submit complete documentation from the outset.

5. Infrastructure Capacity

- **Solution:** Commission an **infrastructure capacity report** from civil and electrical engineers. If existing capacity is limited, plan for upgrades or alternative supply (e.g., **boreholes, renewable energy**).

Important Regulations and Legislative Framework

Navigating the **legal and regulatory** environment in South Africa is critical for a **successful township** establishment. Below are some of the key laws and regulations that typically come into play:

1. Municipal By-Laws

- Each municipality has **unique bylaws** governing **land use, advertising, and application requirements**.

2. Spatial Planning and Land Use Management Act (SPLUMA), 2013

- A **national framework** that guides **spatial planning, land use**

management, and land development in South Africa.

3. Subdivision of Agricultural Land Act (SALA), 1970

- **Regulates the subdivision of agricultural land, often relevant during excision.**

4. National Environmental Management Act (NEMA), 1998

- **Governs environmental assessments (EIA) and authorizations for land development.**

5. Provincial Ordinances

- **Various provincial laws and ordinances may impose additional conditions (e.g., Gauteng Planning and Development Act).**

6. National Building Regulations

- **Once the township is proclaimed and building commences, construction must comply with the National Building Regulations and Building Standards Act, 1977.**

Compliance and Legal Advice

Given the complexities, it's advisable to work with a **qualified town planner** and **legal team** to ensure full **compliance**. Failing to adhere to any one of these **frameworks** can lead to **serious delays**, legal battles, or project denials.

Estimated Timelines and Costs

Township establishment can be time-consuming and costly, largely depending on factors like **land size**, **location**, **environmental constraints**, and **municipal backlogs**. Below is a broad guideline:

- **Excision of Holding (If Required):** ~2 months for municipal approval, plus additional time for Surveyor General and Deed Office endorsements.
- **Township Application Review:** On average, ~12 months. Complex projects can extend beyond **18 months**, especially if **objections** arise.
- **Installation of Services:** This can vary significantly. **Roads**, **water** reticulation, **sewage**, and **electrical infrastructure** might take between **6 to 24 months** to install and commission, depending on scale.

Approximate Cost Breakdown

- **Professional Fees (Town Planner, Engineers, Attorneys):** Generally between 10% to 15% of the total project budget, depending on the scale and complexity.
- **Municipal Fees:** Application fees, bulk service contributions, and inspection fees can range widely.
- **Infrastructure Costs:** Up to 40% of total budget for roads, sewer, water, and electrical.
- **Contingency:** It's prudent to set aside 10% to 20% of the overall budget for unforeseen expenses.

Note: These are estimates. Each project demands a custom cost analysis by professionals.

Tips for a Smooth Township Establishment Process

1. Engage Experts Early

- Involve **town planners, environmental consultants, and engineers** from the onset. Early professional input can **save time and money**.

2. Community Engagement

- Foster a **transparent relationship** with local communities. Clear communication can **minimize objections** and **foster goodwill**.

3. Plan for Contingencies

- Township establishment often has **unforeseen challenges**. A robust **risk management plan** can keep your project on track.

4. Stay Organized

- Track every **document, timeline, and deadline** meticulously. A **project management tool** can be invaluable.

5. Compliance Is Key

- Adhere strictly to **zoning, environmental, and building regulations** to **avoid legal disputes or delays**.

6. Consult Local Municipal Policy

- Regularly review the municipal Integrated Development Plan (IDP) and Spatial Development Framework (SDF) to ensure alignment.

7. Monitor Progress

- Once the development begins, keep a close eye on the construction of infrastructure to ensure it meets municipal and national standards.

8. Maintain Flexibility

- Be prepared to adapt your project's design or layout based on feedback from municipal officials or environmental assessments.

Conclusion and Call to Action

Township establishment in South Africa is a lengthy, complex, but ultimately rewarding process. It provides new opportunities for economic growth, addresses the housing shortage, and fosters better infrastructure

for communities. By carefully navigating legal requirements, public participation, and technical studies, you can significantly increase the likelihood of a smooth and successful project.

At Town Planner (Pty) Ltd, our goal is to make this journey as simple and transparent as possible. From initial feasibility to the final proclamation, our team of experts is here to guide you at every turn.

Ready to Start Your Township Establishment Project?

👉 Contact us today to learn more about how we can assist with feasibility studies, township applications, excision of holdings, engineering services, and final proclamations. Let's create vibrant, thriving communities—
together!

 *Embark on your township development journey with Town Planner (Pty) Ltd—South Africa's trusted partner in urban planning.*

Note: The content above provides general information. Specific requirements and procedures may vary. Always consult directly with a qualified town planner for the most up-to-date information if you are looking for advice regarding your specific situation.

[Home Page](#)

Feasibility Studies in SA

February 23, 2025 /// 5 Comments

Introduction Embarking on a new development project in the built environment is an exhilarating prospect, but it comes with a myriad of challenges and uncertainties. Will the project be financially viable? Are there any potential roadblocks that could hinder its success? These questions can be

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