

National Land Value Capture Programme



Welcome to the first National Land Value Capture Programme newsletter!

*"As we launch this newsletter, we celebrate both the journey so far and the promising road ahead, guided by strong partnerships, shared purpose, and a commitment to building more **inclusive and resilient** cities."*

– Samantha Naidu, National Treasury's Cities Support Programme.



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Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



**LINCOLN INSTITUTE
OF LAND POLICY**



– National Land Value Capture Programme is a tripartite partnership between National Treasury's Cities Support Programme (CSP), the Lincoln Institute of Land Policy (LILP) and the Development Action Group (DAG).

AREA 01

Community of Practice

We cultivate spaces where municipal officials can share knowledge and tackle common challenges to promote learning between South African cities.

AREA 02

Technical Support

We provide specialised training and support to local government officials and built environment practitioners through local and internal expertise.

AREA 03

Evidence-based Research

We document practice through case studies and research analysis to promote knowledge of LVC tools in South Africa.

AREA 04

Academic Mainstreaming

We enhance the skills and expertise of young built environment professionals.

National Land Value Capture Programme



Welcome Message

It is with great excitement that we welcome you to the launch edition of the National Land Value Capture (LVC) Programme newsletter. This is an important milestone for a programme that has grown in scope, influence, and impact since its inception. As we reflect on the strides made in 2025, it is evident that the LVC Programme is contributing to **urban transformation** in South Africa, unlocking **new possibilities for more inclusive, and financially sustainable cities**.

At its core, the National LVC Programme aims to **strengthen the capability of metropolitan governments and other large cities** to design and implement **innovative land value capture tools and strategies**. Equally important is the programme's focus on capacitating built environment practitioners, national and provincial government partners, and civic organisations. Together, with these actors the institutional, regulatory, and procedural shifts required to embed LVC approaches and tools within municipal systems are being shaped.

This programme has taken root through a pioneering tripartite partnership of the Cities Support Programme (CSP) in National Treasury, the Lincoln Institute of Land Policy (LILP), and the Development Action Group (DAG). This collaboration has demonstrated the power of innovative cooperation in institutionalising LVC within South African metropolitan municipalities.

In 2025, the programme supported **four major metros and two secondary cities** through peer-to-peer learning, technical implementation assistance, and applied research. Details and examples of these initiatives are reflected upon further in this newsletter. The cities made important progress in streamlining municipal land release, preparing land pipelines, and de-risking land parcels for affordable and social housing delivery.

More than **476 officials, practitioners, and civil society members** participated in the training, peer learning and dialogue engagements.

Over the course of 2025, the LVC programme team worked purposefully to position LVC within a broader reform agenda implemented in the municipalities through the CSP. Securing active endorsement from senior leadership proved critical. This high-level buy-in ensures that technical assistance is formally recognised and integrated into municipal practice and processes, enabling deeper and more sustained impact.

A key insight from the past year has been the value of transversal work. Collaboration across partner projects and programmes, sector stakeholders, and municipal champions has helped break down silos and integrate diverse expertise. This unified approach has generated more inclusive, sustainable, and impactful outcomes, reinforcing the transformative potential of collective effort.

A rapid assessment with stakeholders conducted in June 2025 confirmed the programme's strategic value, highlighting strengths such as knowledge building, policy influence, trust-based convening, responsive technical assistance, and credible institutional positioning. Taken together, these achievements underscore the programme's emergence as a trusted platform capable of shaping policy and strengthening practice.

– Samantha Naidu, Infrastructure Lead at National Treasury's Cities Support Programme.

Metro Peer to Peer Learning Workshops

We hosted 2 Metro Peer to Peer Learning Workshops on Municipal Land Release, each bringing together **40 state officials, built environment specialists and academics**. These sessions strengthened **cross-municipal collaboration**, the development of **concrete policies**, and effective implementation strategies that **institutionalise efficient and inclusive land release processes**.



Tailored Technical Support

We provided Technical Support to 2 metros (Tshwane and Cape Town) on establishing an effective methodology for packaging and preparing municipal land for release for affordable housing development with ongoing technical support to 2 cities (Johannesburg and Stellenbosch) on monitoring and evaluating the impact of their Inclusionary Zoning / Housing policies.

4 Inclusionary Zoning Peer to Peer learning sessions with representatives from **7 metros and intermediate cities** and representatives from Western Cape Provincial Government, which brought together cities at different stages of the Inclusionary Zoning policy development process to share the obstacles faced, lessons learnt and strategies adopted.

3 Webinars that brought together metro officials to engage with local and international specialists on a range of LVC tools and mechanisms, including **Development Charges** (and how these can be leveraged to support Small-Scale Rental Housing development), and **Tax Increment Financing** and **Special Rating Areas** as tools to finance inclusive urban infrastructure.

We published 4 Research Reports and Case Studies and 4 Policy Notes on a wide array of LVC tools, building a robust evidence base and documenting practice to inform processes inclusive development in cities around South Africa. Find these and other publications [here](#).

Municipal Land Release for Affordable Housing

Metro Peer to Peer Learning Workshops on Municipal Land Release



Building on the gains the programme made in 2024 through the publication “[*Releasing Municipal Land for Affordable Housing*](#)”, the programme hosted 2 Metro Peer to Peer Learning Workshops on Municipal Land Release (March and September) during which participants tackled common challenges, shared innovations and best practices, and built stronger collaboration across cities through technical support. The first workshop focused on **upskilling public sectors practitioners** to enhance their ability to understand the **cost of development** and adopting **standardised methodologies for land packaging, preparation and release**.

The second workshop on **Municipal Land Release for Small-Scale Rental Housing** development brought together **40 government officials, academics, finance experts and small and micro-developers** to find innovative mechanisms to support the rapidly growing Small-Scale Rental Housing sector, which is making significant contributions to safe, dignified and affordable housing in South Africa’s cities.



Municipal **Land Release** for Affordable Housing

Technical Support on Land Packaging and Preparation

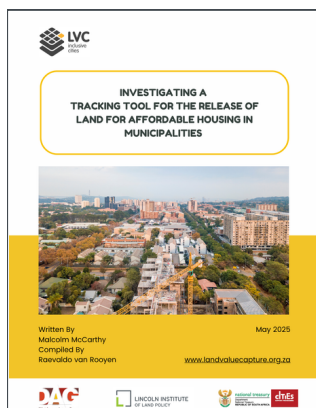


Throughout the year, the LVC programme in partnership with the Centre for Public Real Estate (CPRE), supported two metros (**Tshwane** and **Cape Town**) in developing effective **methodologies for packaging and preparing municipal land to be released for affordable housing** development.

These four-day, practical workshops brought together Human Settlements, Spatial Planning and Property Management departments to strengthen unit capacity and foster inter-departmental collaboration. The workshops resulted in requests for further technical support on other components of the land release process. Officials in attendance expressed great gratitude, with recommendations that this support be extended to other municipalities.

Evidence-Based Research Reports

Expanding on the successful publication of "**Releasing Municipal Land for Affordable Housing**", the programme produced two new tools aimed at both community-based organisations (CBOs) and municipal officials to further streamline municipal land release. "**Community Guide on Releasing Municipal Land for Affordable Housing**" is a user-friendly guide that assists CBOs, land rights activists and local community members by distilling the complex land release process to establish better understanding, engagement and influence with the process. The LVC programme also developed an internal scoping report that lays the foundation for developing effective **tracking tools for municipal land release** to assist officials in monitoring exactly where parcels of land are in the release process.



Mainstreaming Inclusionary Zoning/Housing

Case Study on Stellenbosch's Ground-Breaking Inclusionary Zoning Policy

"Through this policy, we are attempting to rewrite the narrative on affordable and dignified housing to show that access to housing can be integrated and future-focused, and that local government can lead the way in creating replicable models for other communities across South Africa."

– Executive Mayor of Stellenbosch Municipality, Jeremy Fasser.

In July, the programme published a case study on Stellenbosch's pioneering Inclusionary Zoning policy – the second of its kind in South Africa. The publication, titled "[Stellenbosch's Inclusionary Zoning Policy-Lessons and Insights on Policy Development](#)", outlines the policy development process to show the rigorous technical, political and relational work involved in setting appropriate policy parameters and achieving policy alignment. The publication, co-authored by LVC technical advisor Claudia Hitzeroth and Stellenbosch Municipality Senior Spatial Planner Chantel Hauptfleisch, demonstrates how the programme produces local technical experts on urban land and housing through the effective mobilisation of our four programmatic work areas.

This publication was launched during a dialogue in Stellenbosch, which brought together over 50 state officials, built environment practitioners, urban land specialists, academics and civil society representatives.

STELLENBOSCH'S INCLUSIONARY ZONING POLICY

LESSONS AND INSIGHTS ON POLICY DEVELOPMENT



Inclusionary Zoning Peer to Peer Learning Sessions

The Inclusionary Zoning Peer to Peer learning sessions are a long-standing space convened by the programme to allow officials leading on Inclusionary Zoning policy development and implementation around the country to share challenges, innovative approaches and collaboratively learn. These sessions give officials the opportunity to deep dive into the technical intricacies of Inclusionary Zoning policy development, with inputs from international and local experts. This year the programme convened **3 online learning sessions and 1 in-person session at Stellenbosch Townhall**. Stellenbosch Municipality highlights the ongoing success of this Peer to Peer space as they progressed from this into technical advisory support, implemented their own Inclusionary Zoning policy and now possess local expertise on the subject.

*For more on Stellenbosch's policy, check out our **yearly spotlight**.*

Unlocking Untapped Municipal Revenue



Webinar on Development Charges

The **LVC Webinar Series** is a long-standing pillar of the programme's broad-based technical support. Since 2020, the online webinar series has brought together metro officials from across the country to discuss and learn more about emerging topics around Land Value Capture as tools to drive inclusive development, spatial transformation and improve municipal fiscal health in South African cities. Over the last five years, attendance has consistently grown with an average attendance of **65 officials** in 2025, demonstrating the value of these sessions.

The **9th Webinar** in the series and first for 2025 focused on the **implications of Development Charges on the growing Small Scale Rental Housing Sector**.

Using Special Rating Areas to Finance Capital Infrastructure

In growing the evidence base for unlocking untapped municipal revenue, the programme has produced a draft advisory note, in partnership with the Centre for Public Real Estate (CPRE), on **Using Special Rating Areas to Finance Urban Infrastructure in South Africa**. This draft advisory note investigates the potential use of Special Rating Areas (SRAs) or City Improvement Districts (CIDs) to finance capital infrastructure development or improvements.

The draft advisory note was then basis of a focused roundtable dialogue with experts working on LVC, municipal financing and SRAs from the LILP, CSP, two different metropolitan municipalities and the Gauteng Precinct Management Association (GPMA). This session was used to discuss the potential of this mechanism as a tool for generating supplementary municipal revenue to finance inclusive capital infrastructure by gaining insights from practitioners and specialists working directly with SRAs.

This advisory note and dialogue further formed the basis for the **11th Webinar** in the series and third for 2025.

Financing Inclusive and Resilient Infrastructure

Tax Increment Financing in South Africa

Infrastructure Financing Evidence Base

This year the programme has produced two research publications on the innovative LVC financing mechanisms that could be used to promote inclusive and resilience infrastructure. The first case study, *Applying Tax Increment Financing (TIF) in South Africa: Lessons and Insights from the Dunkeld Pilot*, outlines the mechanics of TIF, evaluates its applicability within South Africa's legal and fiscal frameworks, and proposes a roadmap for future implementation, including necessary regulatory reforms and potential pilot replication.

The publication was launched during the **10th Webinar** in the series, which served as an opportunity to reflect on lessons learnt from the Dunkeld TIF pilot project and consider innovative financing alternatives that could be employed to address current municipal infrastructure financing challenges. The webinar underscored TIFs potential as a transformative tool, while acknowledging the significant challenges in its practical application.

The second report, a draft advisory note on the use of **LVC Tools to Finance Climate Resilient Infrastructure**, highlights common challenges in LVC projects with climate resilient infrastructure outcomes, including weak regulatory foundations, overly prescriptive institutional methodologies, limited inter-departmental coordination, and outdated governance models. The note will be published in 2026.



APPLYING TAX INCREMENT FINANCING IN SOUTH AFRICA

Lessons and Insights
from the Dunkeld Pilot



Spotlight Story for 2025

Driving Spatial Transformation: Mainstreaming Inclusionary Zoning in South African Cities

This year's spotlight story demonstrates how the Land Value Capture programme **has and continues to contribute to mainstreaming Inclusionary Zoning in South African cities** through a combination of peer learning, technical support and documenting innovative practice. In July, the LVC programme, in partnership with Stellenbosch Municipality, hosted a joint engagement that spanned over two days that sought to **mainstream the strong political will for IZ in the Western Cape, engage in critical discussion** around the groundbreaking Stellenbosch IZ policy, and **onboard interested intermediate cities** into the IZ/IH space.

On 15 July 2025, an **in-person Inclusionary Zoning Peer to Peer** served as a prologue to a **Dialogue on Stellenbosch's Inclusionary Zoning Policy** that occurred the following day. The peer learning exchange explored the development, adoption and implementation of the Stellenbosch IZ Policy and offered officials from intermediate cities the opportunity to constructively engage the officials from Stellenbosch Municipality, who were responsible for the implementation of the policy. This session was tailored to onboard the officials from George and Bitou Municipality (two intermediate cities from the Garden Route) into the IZ space by first presenting a "101" on Inclusionary Zoning with all its associated intricacies. This was followed by a tour of the Adam Tas Corridor, the catalytic spatial planning intervention on which much of Stellenbosch's IZ policy is grounded.



Spotlight Story for 2025

Driving Spatial Transformation: Mainstreaming Inclusionary Zoning in South African Cities

On the 16 July 2025, the **Dialogue on Stellenbosch's Groundbreaking Inclusionary Zoning Policy** served as a larger platform to foster a conversation between Stellenbosch Municipality, other municipalities and the public on the policy development, adoption and implementation process. With inputs from Stellenbosch Executive Mayor Jeremy Fasser, WCPG Minister of Local Government, Environmental Planning and Development Planning Anton Bredell, and the Stellenbosch Municipal Manager Geraldine Mettler, the dialogue demonstrated the critical importance of sustained political support for Inclusionary Zoning as a mechanism to disrupt and dismantle the legacy of spatial apartheid.

These engagements demonstrate the effectiveness of building a Community of Practice between South African cities to share knowledge, develop strategies to tackle common challenges, and identify opportunities for innovation. From this the LVC programme can offer tailored technical support to **institutionalise technical expertise within municipalities.**

For more on the dialogue, read coverage of the event [here](#) and [here](#).



Looking Ahead



Headlines planned for 2026

Municipal Land Release

The programme aims to pilot a tracking tool for municipal land release developed in 2025 and investigate accountability mechanisms to ensure public policy objectives on these public land arrangements (i.e. long-term leasehold).

Mainstreaming Inclusionary Zoning

The programme will continue to make technical support available to metropolitan and intermediate cities, and will document the process and methodology for monitoring impact of Inclusionary Zoning/Housing policies.

Unlocking Untapped Municipal Revenue

Scoping report on the potential for using Special Rating Areas (SRAs) to finance capital infrastructure and documenting research and practice to serve as tools for learning and technical support.

Financing Infrastructure

Complete our research and advisory note on LVC for Climate Resilient Infrastructure.

Continuing to deliver our various Community of Practice learning sessions

Metro Peer to Peer Learning Sessions

This year the programme hosted and facilitated 2 Metro Peer to Peer Learning Sessions on municipal land release. In 2026 we will be maintaining this target.

Inclusionary Zoning Peer to Peer Learning Sessions

These sessions bring together officials at various stages of IZ/IH policy development process to grapple with and solve technical challenges. This year the programme hosted 4 sessions and plans to maintain this target for 2026.

LVC Webinar Series

The LVC Webinar series forms part of our broad-based technical support and community of practice. The programme will be hosting three of these sessions throughout 2026.

Developing our website to be a repository available to public sector officials.

In 2026, the programme aims to develop our websites capacity to serve as a repository of information and platform for learning open to public sector officials and built environment professionals.

If you are interested in receiving the 2026 quarterly newsletter, click [here](#).