



**REPORT TO SUBCOUNCIL 4, 5, 6, 11, 14, 17
AREA CENTRAL**

1. ITEM NUMBER:

**2. SUBJECT
STATUS QUO OF INFORMAL TRADING IN AREA CENTRAL**

**ONDERWERP
STATUS QUO VAN INFORMELE HANDEL IN GEBIED SENTRAAL**

**ISIHLOKO
UBUME BEZORHWEBO LASEZITALATWENI KUMMANDLA OSEMBINDINI
L2022**

3. PURPOSE

The purpose of this report is to update and inform Subcouncils about the status of informal trading activities as well as challenges being encountered in the management of informal trading in Area Central

4. FOR DECISION BY

Subcouncil 4, 5, 6, 11, 14 and 17

Part 24, paragraphs 1(1) and (5) of the City of Cape Town's System of Delegations dated 22 August 2019, mandate the Subcouncil amongst other things:

"To assess the performance of service delivery generally within their area of jurisdiction (outcomes monitoring)"; and

"To request reports from the line functionaries on activities planned to be executed within the Sub-council area".

5. EXECUTIVE SUMMARY

At the sitting of the Urban Management Portfolio Committee held on 2 September 2019, the Portfolio Committee resolved as follows:

(a) The report on the number of Informal Traders per Subcouncil be deferred, subject to the following information being dealt with:

- I. Site visits be arranged to informal trading sites within Subcouncil areas ascertain whether there are challenges/constraints at a particular site;

- II. That the information obtained through the various site visits to informal trading areas per Subcouncil, where challenges/constraints are identified, be submitted by Area Economic Development branches to the affected Subcouncils;
- III. That a consolidated report on the constraints/challenges in informal trading areas identified, together with the respective comments from Subcouncils through their deliberations on the matter, be submitted to an ensuing Portfolio Committee.

As per the resolution II above, this report serves to inform Subcouncils in Area Central about the number of permitted and unpermitted traders in each Subcouncil and Wards as at 30 September 2019 as well as to inform Subcouncils about the challenges/constraints that Area Economic Development (AED) has encountered and identified overtime.

6. RECOMMENDATIONS

It is recommended that Subcouncils considers the contents of this report.

AANBEVELINGS

Daar word aanbeveel dat die subrade van die inhoud van hierdie verslag kennis neem.

IZINDULULO

Kundululwe ukuba amaBhungana mawaqwalaselwe okuqulathwe yile ngxelo.

7. DISCUSSION/CONTENTS

In terms of section 5.1 of the City of Cape Town's Informal Trading By-Law, 2009 as amended in 2013, the City must, where appropriate, adopt trading plans, particularly in areas where there is a significant overlap between formal and informal trading.

To give effect to the above legal provision, AED has developed Informal Trading Plans in various Subcouncils and Wards as Table 1 below shows. However, not all areas have Informal Trading Plans and there are also areas where the existing trading plans are outdated and need to be reviewed.

Informal traders are categorized as permitted or unpermitted.

Permitted traders are those who have been issued a permit to trade in an approved informal trading area.

Unpermitted traders are those

1. trading in free trading areas, as well as
2. those trading illegally in approved informal trading areas.

Table 1 below provides a breakdown of permitted traders and an estimate of unpermitted traders in all Subcouncils and Wards in Area Central as at 30 September 2019.

Table 1: Permitted and unpermitted traders in Area Central as at 30 September 2019

	Wards	No of permitted traders	Estimate of unpermitted traders	Trading Plan Status
Subcouncil 4	Ward 25	0	10	No approved trading plan for area. The area is therefore a free trading zone
	Ward 26	142	7	Approved
	Ward 27	14	6	Approved
	Ward 28	0	15	Approved
	Ward 30	0	20	No approved trading plan for area. The area is therefore a free trading zone
	Total for SC4	156	58	3
Subcouncil 5	Ward 13	0	10	Approved. Area being hard surfaced in preparation for allocation of bays
	Ward 20	0	36	
	Ward 24	0	43	
	Ward 31	0	5	No approved trading plan for the area. The area is therefore a free trading zone
	Ward 50	0	35	
	Ward 106	0	50	Approved
	*Total for SC5	0	179	5
Subcouncil 6	Ward 2	7	0	In Review
	Ward 3	4	7	Approved
	Ward 9	0	2	No approved trading plan for the area. The area is therefore a free trading zone
	Ward 10	235	150	In Review
	Ward 12	0	0	No approved trading plan for the area. The area is therefore a free trading zone
	Ward 22	0	5	Approved
	Total for SC6	246	164	4
Subcouncil 11	Ward 40	0	50	No approved trading plan for area. The area is therefore a free trading zone None
	Ward 44	0	30	No approved trading plan for area. The area is therefore a free trading zone None

	Ward 46	139	0	In Review
	Ward 47	0	50	No approved trading plan for area. The area is therefore a free trading zone None
	Total for SC11	139	130	1
Subcouncil 14	Ward 37	0	155	No approved trading plan for area. The area is therefore a free trading zone None
	Ward 38	0	5	
	Ward 39	0	200	
	Ward 41	0	95	
	Ward 42	0	30	
	Ward 45	0	5	
	Total for SC14	0	490	
Subcouncil 17	Ward 48	0	30	No approved trading plan for area. The area is therefore a free trading zone None
	Ward 49	48	0	In Review
	Ward 60	0	20	No approved trading plan for area. The area is therefore a free trading zone
	Total for SC17	0	50	1

Status of informal trading activities in Area Central

Table 2 below provides information on the status of informal trading activities, progress that has been made thus far as well as the challenges that AED has identified during the course of its operations.

Table 2: Status of informal trading activities, progress and challenges

Trading Activity	Subcouncil	Status	Challenges/Progress
Parow Informal Trading Plan	SC 4	Approved	<p>The approved trading plan necessitated that some traders be relocated to Parow Arcade Erven 9398 and 9399 between King Edwards and Alexandra Road.</p> <p>There has been a lot of resistance from the affected traders to relocate to the new trading area and AED has been continuously engaging with affected traders since October 2018.</p> <p>In September 2019 there was a breakthrough regarding the criteria which will be used for the relocation of traders.</p> <p>AED is currently engaging with each of the affected traders to notify them of their impending relocation. The relocation process is expected to be finalised by February 2020.</p>
Goodwood Informal Trading Plan	SC 4	Approved	<p>The hard surfacing of the demarcated area is complete.</p> <p>A request has been logged to capture the trading bay polygons and spatial attributes on GIS in order to enable the advertisement and allocation of trading bays.</p> <p>The challenge here is that AED depends on Corporate GIS for the execution of this phase as there is no dedicated resource within the Urban Management Directorate to undertake this exercise. It is therefore difficult to determine the timelines within which this phase will be completed</p>
Halt Road Elsie's River Informal Trading Plan	SC 4	Approved	<p>Traders are being assisted to register on E-services in preparation for the advertising of trading bays, which will</p>

Trading Activity	Subcouncil	Status	Challenges/Progress
			<p>be followed by the screening, allocation and creation of contracts.</p> <p>It is anticipated that the allocation of trading bays will be completed by the end of March 2020.</p>
Delft Informal Trading Plan	SC 5	Approved	<p>The first phase of hard surfacing of the informal trading area is in process and should be completed by end November 2019.</p> <p>The challenge is that the tender which was used for the first phase has expired and it is anticipated that the next tender will be active by March 2020.</p> <p>The allocation of trading bays is expected to be completed in May 2020.</p>
Bellville Informal Trading Plan	SC 6	Approved	<p>The challenge in the area is that the 2017 Informal Trading Plan for Bellville was approved without the 2012 Gazette notice number 6949 being rescinded.</p> <p>Legal services have recommended that, given the time lapse, AED needs to develop a new plan for the area which may be similar to the 2017 plan. A process to develop a new plan has begun with appointment of the service provider to undertake a situational analysis and make recommendations about the 'to be' scenario.</p> <p>A resolution was taken in an ACT meeting that AED considers putting a moratorium on issuing additional trading permits in the area until the informal trading plan has been reviewed.</p> <p>The area is plagued by rampant illegal trading, overtrading and crime which requires visible and dedicated enforcement.</p> <p>The matter has been escalated to Safety and Security who has the mandate to do the enforcement.</p>

Trading Activity	Subcouncil	Status	Challenges/Progress
			However, Law Enforcement: Informal Trading unit has indicated that the unit does not have adequate resources to deploy in the area.
Old Paarl Road Informal Trading Plan	SC 6	Approved	<p>Four of the ten trading bays have been allocated and the remaining six are being advertised.</p> <p>The challenge in the area is that illegal structures have been erected by vagrants next to the trading bays which threatens trading and might render the site unattractive to current & potential traders.</p> <p>This matter has been escalated to both Law Enforcement and Social development for actioning.</p>
Parow Industrial Informal Trading Plan	SC 6	Approved	The plan has not been implemented pending hard surfacing of the area.
Gatesville Informal Trading Plan	SC 11	In Progress	<p>The current approved trading plan for the area is outdated and a new Gatesville Informal Trading Plan is under review.</p> <p>The process started in July 2019 and is planned to be completed in June 2020. The conceptual design and the "As-Is" phase has been completed.</p> <p>This will be followed by draft maps of the "To-Be" which is expected to be finalised in November 2019.</p> <p>In addition to the issues of crime and grime, the other challenge in the area is around the illegal structures that have been put up along the road as well as the traffic congestion in the area over weekends. Recommendations to overcome these challenges will be formulated as part of the review process and progress reports will be submitted to Sub Council 11 on a regular basis.</p>
Nyanga Informal Trading Plan	SC14	Pending	An attempt was made in 2016 to develop an Informal Trading Plan as part of Murp's Nyanga Urban Node

Trading Activity	Subcouncil	Status	Challenges/Progress
			Upgrading (NUNU) initiative. That informal trading plan was subsequently declared not legally compliant by Legal Services. Alternative approaches to regularizing trading can be explored but are dependent on the outcomes of the NUNU exercise as the initiative will determine where the footfall in the area will be, which, in turn, will determine the most viable locations to consider for informal trading.
Athlone Informal Trading Plan	SC 17	In Progress	The approved Athlone Informal Trading Plan is considered to be outdated and an exercise is currently being undertaken to review the trading plan for the area. The process started in July 2019 and is planned to be completed in June 2020. The conceptual design and the drafting of the "As-Is" phase has been completed. This will be followed by draft maps of the "To-Be" which is expected to be finalised in November 2019.

7.1. Constitutional and Policy Implications

This report complies with the City's Informal Trading Policy and the Informal Trading By-Law.

7.2. Sustainability implications

Does the activity in this report have any sustainability implications for the City?

No ☒ Yes ☐

7.3. Legal Implications

This report complies with the provisions of the City of Cape Town's Informal Trading By-Law of 2009 as amended in 2013.

7.4. Staff Implications

Does your report impact on staff resources or result in any additional staffing resources being required?

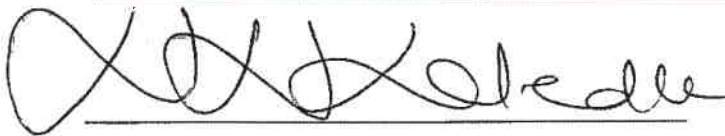
No ☒

7.5. Other Services Consulted

No ☒

FOR FURTHER DETAILS, CONTACT:

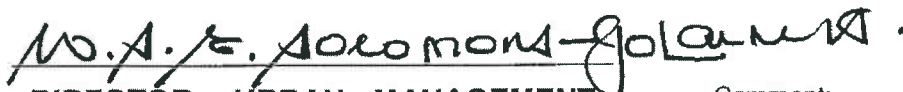
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FILE REF NO	



**MANAGER: AREA ECONOMIC
DEVELOPMENT (AREA CENTRAL)
NOZIKUQUQU LALENDLE**

Comment:

DATE: 7/11/2019



**DIRECTOR: URBAN MANAGEMENT
(AREA CENTRAL)
WILFRED SCHREVIAN EVAN
SOLOMONS JOHANNES**

Comment:

DATE: 08.11.2019



**EXECUTIVE DIRECTOR: URBAN
MANAGEMENT**

PHILEMON MASHOKO

DATE: 12/11/19

That Subcouncils comment,
make recommendations or
amendments to demarcated,
prohibited and restricted
trading areas proclaimed i.t.o.
Businesses Act (1991) in line
with Delegation 24(3)(2)

Comment: