

Building Plan Approval Delays Causing Significant Concern For Property Sector, Says Sapoa

The sudden stoppage of building plan approvals in the Nelson Mandela Bay municipality is causing serious concern in the commercial and industrial property sector, with the SA Property Owners' Association (SAPOA) quick to raise a red flag concern about the situation.

Building plan approvals at the metropolitan municipality came to a grinding halt some three weeks ago, largely due to shortages of technical staff in the building control department.

"The impact of these delays on SAPOA members is significant, and as an industry we are concerned about the increased financial risks of longer property development holding costs," says SAPOA CEO Neil Gopal.

SAPOA's Port Elizabeth Regional Chairman Mark Bakker, decided to escalate the issue to SAPOA's Head Office because of its urgency for members.

"The delay in approvals has a ripple effect for developers and investors," explains Bakker.

"Without approved plans, financing cannot be secured and construction cannot commence."

Although there are plans for two officials from the Architectural department to assist in the short-term, the delay is anticipated to continue for another two weeks.

The overall impact could be more than a month of delays in building approvals.

"For the local economy, there is an equally detrimental effect on the number of jobs created by construction projects," adds Bakker.

The municipality plans to appoint a Plan Examiner as soon as possible, but no hard deadline has been set as yet.