## THE AUTHOR

In putting this book together I have borrowed considerably from other writers, reporters, aficionados and authors. When I have failed to fully recognise their considerable input, I beg their indulgence and apologise.

In instances where I have expressed my own opinion I make no apology and risk your contrary view and censure.

The place is real and the characters are based on local residents in the Village. To protect their innocence their names have been changed. Also the businesses in the Village are real but some have had their trade names altered to avoid litigation. I am sometimes a customer but never a food critic.

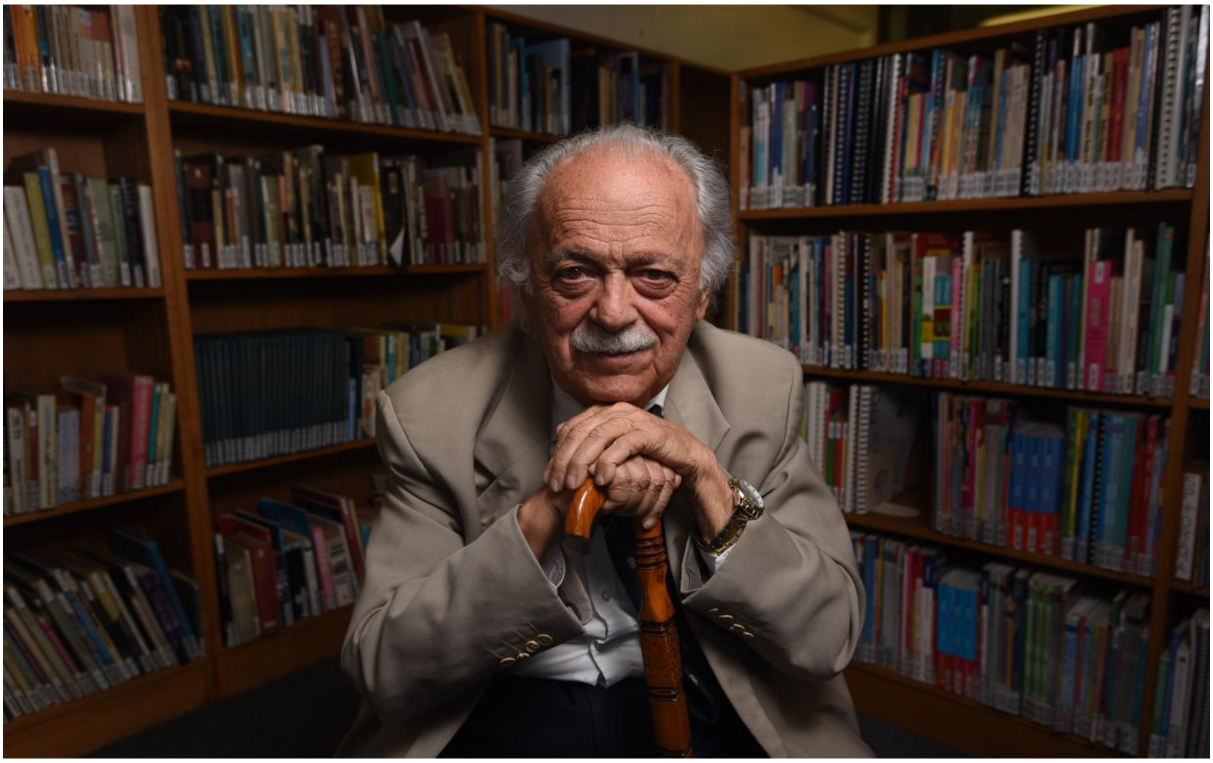
If you have any interest in the Chartwell Venture Fund concept the author may be contacted at bryanbritton@vodamail.co.za

I hope that readers will forgive the shallow story line. It is the factual economic drama unfolding in South Africa which has centre stage and is the real story line.

My hope is twofold. If in reading this diatribe you decide to visit South Africa and/or Umhlanga Rocks I would be highly delighted and secondly if you gain a better understanding of 'paradise lost' then my last gasp would have been well worth it.

Bryan Britton is a retired former financial executive and venture capitalist whose other books include 'Stepping Stones'. 'A Bridge Too Far' and 'Umhlanga Rocks'. All books are available from free-ebooks at [https://www.free-ebooks.net](https://www.free-ebooks.net)

Nevertheless, nearly 20 years later the contrast between law, justice and morality continues in a new form. For, as Advocate Bizos noted:



"We South Africans stand at a crossroad. The one road, lined with securocrats, the plundering of the public purse and the attack on our democratic institutions, if taken, will create imbalance where law and justice cannot be reconciled with morality as our institutions and the very laws themselves will be perceived to be illegitimate. The other road is harder to follow, it requires all of us to work together with a common purpose to do our job, and to ensure that we bind ourselves to our just laws and act against those who break them.

It is the youth who must work to build our country and ensure that morality can be reconciled with law and justice".

## PREFACE

'The ANC cannot brush society's concerns aside and still claim to be its leader.

An open letter to Zuma states that confidence in the government is on the wane.

The writers of the letter say that many developments, including the wasteful and corrupt spending on Zuma's private home in Nkandla, have poisoned our political climate.

They say the strained relations between the executive and the judiciary give rise to serious concerns, as do the chaos and appalling corporate governance at the SABC, and the financial and corporate governance disarray at state-owned enterprises, including the SA Post Office, Escom and SAA.

The issues raised by the group are not new - they are the daily diet of our media platforms and conversations.

South Africans are talking about what troubles them today and are concerned about what lies ahead.

It remains to be seen how the ANC and Zuma will explain themselves to the electorate ahead of the local government elections next year.

South Africa, we can only hope, is fast approaching an era in which the running of the state tops the government's list of priorities, not party power and ideology'

**The Times Editorial | 14 December, 2015 01:04**

## CHAPTER 1

Perched on the balcony railing of my eleventh floor apartment on the Umhlanga beachfront a red winged starling noisily announced the start of another day in paradise. He soon found his mate and with shrills of delight he and his pretty partner flew off to do the things birds do on sunny sub-tropical mornings. A pair of Egyptian Geese shrieked their delight at the slowly rising sun as a cacophony of lesser calls erupted from the wild fig trees on the dunes.

The long finger of the distant bluff reached into the Indian Ocean identifying the entrance to the Durban deep water harbour. Ghostly outlines of ships, lights winking, queued for early morning tugs to guide their passage. Sky scrapers rose from the mist on the esplanade only to disappear into low hanging cloud. The roiling surf washed into shore all along the twenty two kilometre coast line.

A pod of dolphins, grinning inanely, dipped in and out of the warm current as they languidly trolled the shoals for breakfast.

Fishermen in their stoic pursuit morphed onto the beach out of the departing darkness as the morning took on an indigo glow.

Lycra clad joggers overtook limb stretching walkers en route to the Umhlanga Promenade for their morning constitutional and surfers busied themselves waxing boards in anticipation of the dawn's first ride. Two paddle skiers timed their launch through the incoming breakers to perfection and soon cruised effortlessly into the warm Mozambique Current.

The cappuccino trailer flipped open its counter in preparation of the morning’s first caffeine inoculations and a group of lithe ladies performed synconized exercise routines on the adjacent lawns. A group of elderly gentlemen clutched their walkers in avid early morning appraisel.

Monkeys raced across the lawns of the church grounds in a helter-skelter for the cover of the surrounding trees. A group of Indian Mynahs strutted arrogantly between the parked cars in search of left-overs. Uniformed car-guards shepherded flotillas of German Genius wagons into the demarcated bays as mothers relayed endless sms instructions to school children, husbands, lovers and friends.

Beach fanatics, already in dark glasses, clutched cooler boxes, umbrellas, towels and sun cream as the headed across the white sands to find an ideal spot for the day.

Icarus and some his followers prepared para-glider wings and strings in preparation to finding a position closer to the sun.

Turning reluctantly from the unfolding pantomime I sought the kettle and sobering jolt of Koffiehuis from the kitchen. Last night's sixty-fifth birthday party had left me with a tight band around my forehead that only a couple of Anadin would relieve.

I showered, dragged on cargo pants and a tee shirt and then called a taxi to go into the Umhlanga Village.

As the taxi entered the Village I noted the progress on the new Protea Hotel. Still clad in metal scaffolding, the building now reached fifteen stories into the blue Umhlanga Rocks sky. Giant cement trucks masticated their contents in Chartwell Drive while an enormous gantry crane swung buckets of the stuff onto the top floor of the construction. Gloved workman reached to guide the cement loads to the right place.

Beyond that construction site contractor boards had made a perimeter around the site for the new giant shopping complex. I had once read the new Umhlanga Node Precinct Plan and knew therefor that Chartwell Drive was destined to become a carless boulevard once these buildings had been completed.

Tens of millions of Rands were being invested in the Umhlanga Village with the new tower development at Protea Hotel on Chartwell Drive that will see the hotel double its capacity from 120 rooms to 240.

Construction crews had already reached the top floor of the new 15-storey tower that should welcome its first guests in the first quarter of 2016.

According to Danny Bryer, Director of Sales, Marketing and Revenue for Protea Hotels, this is only the second major build in South Africa under the Protea Hotels banner post 2010 and represents a large vote of confidence in the KwaZulu-Natal and Umhlanga business and leisure tourism market.

"This build is an extension to Protea Hotel Umhlanga rather than a stand-alone hotel like Protea Hotel Fire & Ice! Menlyn, but at 120 rooms with restaurant and conference facilities it is certainly the size of an entirely new hotel.

"There is only one reason for capital investment of this magnitude and it's because Umhlanga is a substantial growth node tourism-wise. The Average Daily Rate in Umhlanga has grown 7.3% year-on-year for the first six months of 2014. Revenue is growing because there is more development in the area and in the past three to four years particularly, we're seeing much more commercial investment moving back below the ridge,” says Bryer.

“This is good news for Umhlanga as a whole, which is a vibrant micro-economy and, on the face of it, one of the province’s strongest growth nodes.”

The new Protea Hotel Umhlanga tower will contain 120 rooms that are particularly suited to corporate travellers and families. Most rooms will come standard with two queen-size beds and the bathrooms will feature baths and roomy showers.

The tower will also feature a new restaurant offering, reception and foyer, with a conference centre at the very top of the building that will boast some of the best coastal views money can buy.

The versatile conference venue will accommodate 120 delegates, but can be divided into two smaller rooms. There will also be an executive boardroom ideal for board meetings and strategy sessions.

Bryer says once the new tower is complete, plans are to gut and modernise the existing 120 hotel rooms, which will remain semi self-catering.

“Semi self-catering is a room style that suits both executive travellers and families, and the aim with the two different hotel sections and room styles is ultimately to cater to all tastes; those travellers wanting the option of being able to do a little of their own cooking, and those who want less fuss with just the sheer luxury of a hotel room.”

Investment worth billions of rand continues to pour into the luxury seaside Village of Umhlanga – earning it the sobriquet "Sandton-by-the-Sea".

Rough estimates put investment in the Umhlanga area at about R5 billion in the past 10 years.

At least another R3bn will be pumped into in the seaside hub in the next two to three years, while a further R8bn will go into a top-end housing estate a little further north and adjacent to Sibaya Casino.

And, as the skyline changes to the north of Durban, the municipality envisages a strong economic link from Umhlanga towards Sibaya, Dube TradePort, and King Shaka International Airport to be known as the Northern Corridor.

Several upgrades in the area include completion of the mixed-use Beacon Rock development, Vivian Reddy's multibillion rand luxury Gandhi Square project, upgrades to the Protea and Beverly Hills hotels, and a "mega-millionaires circle" in the Sibaya precinct.

"The development in the area north of Durban is an exciting subject. There are 10 new hotels, regional headquarters of big corporates and major shopping centres. The investment flows into the town centre, and the area is booming with development and investment," said eThekwini Municipality speaker Logie Naidoo, who called the area "Sandton-by-the-Sea" after the affluent Gauteng hub.

The R2.5bn Gandhi Square development, backed by businessman Vivian Reddy's Edison Group and Rob Alexander of Ducatus Property Group, is expected to break ground later this year and should be completed by the end of 2018.

Pregan Naicker, head of Edison Corporation's property division, said the development would include high-end retail space. Checkers and Woolworths would be major anchors.

A string of luxury global brands would also be located in the centre.

There would be a 200bed  four or five-star hotel and about 400 luxury apartments. Some 3 500 parking bays would be created.

"We are very excited about this project. It has been in the making for about eight years now, and we feel the market is ready for it," said Naicker.

The seven hectare site included the present taxi rank and an old municipal building.


Naicker said that more than 10 000 construction jobs would be created, while over 3 000 direct jobs would become available once the project had been completed.

Other developments included the completion of the mixed use Beacon Rock project, which incorporates retail and residential space, upgrades to the Beverly Hills and Protea hotels, and the building of a boutique mall just behind movie mogul Anant Singh's The Pearls of Umhlanga building.

It was announced earlier this week that exclusive pockets of land in the Sibaya precinct had just been released to cater for the growing millionaire market.

"There are said to be some 250 dollar millionaires in the area," said Mike Deighton, the managing director of Tongaat Hulett, which owns the land.

The first parcels of land in the long-awaited Sibaya precinct, above the town of Umdloti, had now become available for development.

Of the three parcels of land, one would cater to the mega millionaires, with 28 exclusive stands on offer.

The precinct would pump R8bn into the local economy, create 7 000 permanent jobs and generate R100m in annual rates.

The Umhlanga area already generated more rates than the Durban CBD, Deighton said.

The fifth and final phase of the R3-billion Pearls of Umhlanga development was unveiled to estate agents and the media on Tuesday.

The upmarket, beachfront development is the largest private sector investment in the province in the past 10 years – and the latest phase is expected to be a sell-out.

The new phase is called The Pearls Sky, and will have 322 residential flats, with more options than the previous phases.

Residents of the 32-storey (124 metre) development will get an exclusive lifestyle… spectacular sea views, zen gardens, sun decks, private lap pools and direct access to a boutique mall offering retail, business and wellness facilities.

The development director, Anant Singh, called in global sales and marketing consultant Piaras Moriarty, who specialises in luxury developments around the world.

The Pearls Sky was unique and the pre-launch interest had been outstanding, he told guests.

He began marketing The Pearls Sky at the on-site sales centre in December and had already received a phenomenal 3 000 enquiries.

"That is no real surprise. Very few projects of this quality exist in this area," he said, adding that it was the scarcity of such developments that was proving appealing to would-be buyers.

They had already seen 400 potential buyers and had 150 firm commitments to buy, with more than R500m already pledged. Fifty percent of the interest was local with the balance from Johannesburg.

Several celebrities had already signed up, but their names were being kept confidential, Moriarty said.

The official public launch of the investment opportunity is on April 4 at the nearby Oyster Box Hotel, and as it was by invitation only, Moriarty urged people to register as soon as possible on the website (thepearls.co.za).

VIP guest, Mike Mabuyakhulu, the MEC for Economic Development, Tourism and Environmental Affairs, said KZN continued to consistently attract fixed investments

"In the province's view, you need to have an upmarket residential resort as it complements the tourism investments that exist," he said.

As for the price tags, the flats range from R1.35m for an executive studio, right up to R35m for each of the two bespoke penthouses.

Pearls Sky is due to be finished in 2017.

Just over a month ago, the KZN Economic Development, Tourism and Environmental Affairs MEC Mike Mabuyakhulu told the KZN Growth Coalition that 452 outstanding development projects valued at R1.7 trillion were still awaiting environmental impact assessment approval in KwaZulu-Natal. It also emerged that complications associated with zoning legislation were holding up a number of greenfields developments, including six major commercial and industrial parks.

One of the key objectives of government in the KwaZulu-Natal province is economic growth and job creation. In order to achieve this, as much development as possible needs to take place, but many of these developments are currently being delayed for various reasons.

Deloitte called for action from both government and business leaders for closer collaboration to address administrative backlogs as well as the shortage of funding for bulk infrastructure and services. These obstacles are delaying approval for much needed developments and causing costly delays.

**Understanding the development gap**

In the first week of December 2014, Deloitte hosted a Bulk Infrastructure Funding Workshop for a variety of stakeholders in both the public and private sectors, providing a valuable opportunity to put key issues on the table and to identify possible solutions.

Given that Durban is one of the fastest growing cities in Africa with a population of around 4 million (which is expected to grow by 30 percent by 2020 according to STATS SA), there exists an urgent need to speed up development to create jobs and fast track economic growth.

Developers and investors need to understand the complexities of the approval process in order to better understand why, in many instances, authorities are not as excited as the developers and investors are about development proposals. Conversely, public sector stakeholders need to better understand the frustrations experienced by the private sector. Traditionally, it takes up to three years for local authorities to approve developments in KwaZulu-Natal, whereas the average approval time in countries like Dubai and Mauritius are granted in just three months. Developers warn that protracted approval periods make international investors very nervous due to what appears to be a lack of commitment from regulatory/government bodies. For their part, international funders are reluctant to finance projects until approvals are in place. Municipalities, however, will not approve the installation of bulk services until the funding is approved.

When it comes to bulk infrastructure funding, there exists a clear "chicken and egg" scenario relating to funding and market risk. The municipalities want to see the market take-up before approving a project, but private developers take a "build it and they will come" approach believing that an iconic development creates the market.

Utilities providers suggest that developers needed to look at a far wider picture, establish available capacity and clearly identify their needs in relation to this.

**The many servicing the few**

Dealing with a large number of different stakeholders – including, amongst others, municipal departments, Eskom, water providers and roads departments – as well as a disjointed approval structure, poses a formidable challenge for developers. In addition, national, provincial, and local government frequently have different priorities and modus operandi.

Taking this into account, developers need to try to fit in with authorities' long-term, planning cycles whenever possible.

However, these cycles differ in both timing and duration, making it extremely difficult to synchronise them with private developers' plans.

Developers are requesting that government departments begin to collaborate and possibly even set up a "one-stop approval shop".

**Grappling with capacity constraints**

Both available capacity and the ability to fund the infrastructure needed to augment these, are major development stumbling blocks.

Developments are frequently held up because local government cannot provide the bulk services needed. This is despite the fact that the responsibility to provide services to site rests with the municipality, while the developer accepts responsibility for the distribution of services on-site.

Up until now, bulk infrastructure was funded from Municipal Infrastructure Grants. However, the need to provide basic services to unserviced areas takes precedence, leaving little budget for commercial development.

It is therefore important for both the public and private sector to look at ways to unlock funds to facilitate the delivery of bulk services and to proactively investigate alternative funding mechanisms.

One approach hinges on existing business attraction and retention strategies used by most municipalities to attract investment through the provision of water, electricity and rates payment discounts or holidays.

This suggests that, when a development is in the city's priority areas, the municipality accepts responsibility for providing bulk services. Outside of the city's priority areas, rebates could be used to offset the developer paying for the necessary bulk services.

It is proposed that municipalities develop an abatement package equivalent to the interest cost plus capital repayments. The municipality would then still own the asset but the developer would borrow the funds for construction. However, this does raise considerable debate. A key to this success would be for the province to adopt a test case with a mandate body in place to drive the process.

**Looking at location**

Globally, municipalities have mechanisms in place to direct development in priority zones. These are usually those with services in place rather than in new areas requiring considerable investment in bulk infrastructure. The same applies locally.

It makes sense for provincial and local government to prioritise key development areas including Cornubia, the Dube TradePort and Bridge City within the KwaZulu-Natal Northern Growth Corridor. This facilitates the allocation and concentration of scarce resources, expertise and planning.

Developers need to consider approaching the municipality to identify land available for development that could be easily serviced, rather than the developer choosing land and requesting the city to service it.

**Moving closer to a solution**

The province has been looking at many stalled projects with a view to expediting them and dealing with blockages and backlogs.