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MOHOKARE LOCAL MUNICIPALITY

HUMAN SETTLEMENT DEVELOPMENT PLAN 2014/2015



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Vision

"We shall be a consistent municipality, with a natural base, offering the highest quality of life for all"

CONTENTS

LIST OF FIGURES	4
LIST OF MAPS.....	4
LIST OF TABLES	5
LIST OF ACRONYMS	6
A. INTRODUCTION.....	7
1. The aim of the generic Human Settlements Plan is to:.....	7
2. The Purpose of the Human Settlements Plan:	7
3. Background	8
5. Process to Compile a Housing Plan.....	9
6. Methodology	12
7. Legislative Background	14
B. OVERVIEW OF THE DEVELOPMENTAL CONTEXT.....	16
1. Analysis of the Spatial Context.....	16
a) Spatial Location.....	17
2. Socio-Economic Analysis	22
a) Demographic Analysis.....	25
b) Economic Analysis.....	Error! Bookmark not defined.
3. Existing housing situation.	28
4. Land Acquisition Status.	29
5. Service Delivery and Accessibility Overview.....	30
6. Status Quo on Indigents.....	31
7. Infrastructure Overview	31
C. HUMAN SETTLEMENTS DEVELOPMENT	32
1. Housing Issues and Challenges.....	32
2. Important Role Players.....	33
3. Public Participation	34
4. Linkage, Integration and Compliance to Other Plans and Programmes.....	35
5. Objectives and Strategies	37

6.	<i>Beneficiary Eligibility</i>	38
a)	<i>Detailed Information on Beneficiaries</i>	39
7.	<i>Settlement Typologies</i>	39
8.	<i>Housing Typologies</i>	40
a)	Low Income Housing	40
b)	Middle Income	42
c)	High Income.....	43
10.	<i>Development Informants</i>	44
a)	Socio Economic Factors and Demographic Profile.....	44
b)	Physical, Topographical and Geotechnical Conditions	45
c)	Environmental Protection Areas	46
d)	Infrastructure	47
11.	<i>Spatial Integration of Identified Land</i>	47
a)	Access to Economic Opportunities	48
b)	Access to Social Services	48
c)	Education.....	49
d)	Safety	50
e)	Recreational Facilities	50
f)	Cemeteries	51
12.	<i>Capacity of Bulk Services</i>	51
a)	Water.....	51
b)	Sanitation.....	Error! Bookmark not defined.
c)	Electricity.....	Error! Bookmark not defined.
d)	Roads and Transport	Error! Bookmark not defined.
D.	INSTITUTIONAL ARRANGEMENTS.....	52
1.	<i>Basic Functions of the Housing Section in a Municipality</i>	53
2.	<i>Institutional Capacity</i>	54
3.	<i>Organogram of the Housing Section in a Municipality</i>	54
E.	HOUSING FINANCIAL MANAGEMENT	56
F.	PERFORMANCE MANAGEMENT	57
G.	THE MONITORING PROCESS	58
H.	REVIEW	59
I.	CONCLUSION	59

LIST OF FIGURES

<i>Figure 1 : Phases of Human Settlements Plan Methodology.....</i>	<i>12</i>
<i>Figure 2: Income Categories per Ward Level.....</i>	<i>22</i>
<i>Figure 3: Access to Formal Housing.....</i>	<i>23</i>
<i>Figure 4: Access towards basic Services.....</i>	<i>23</i>
<i>Figure 5: Population Comparison per Ward.....</i>	<i>25</i>
<i>Figure 6: Gender Comparison.....</i>	<i>26</i>
<i>Figure 7: Education Profile per ward.....</i>	<i>26</i>
<i>Figure 8: Employment Profiles.....</i>	<i>27</i>
<i>Figure 9: Race Comparison per Ward Level.....</i>	<i>27</i>
<i>Figure 10: Typical Housing Organogram.....</i>	<i>55</i>

LIST OF MAPS

<i>Map 1: Spatial Locality.....</i>	<i>17</i>
<i>Map 2: Settlements within Urban Edges – Formal Towns.....</i>	<i>17</i>
<i>Map 3: Settlements outside the Urban Edges - Informal Area.....</i>	<i>18</i>
<i>Map 4: Future Residential Development Areas.....</i>	<i>20</i>
<i>Map 5: SDF Development Corridors.....</i>	<i>21</i>
<i>Map 6: Existing Roads Infrastructure.....</i>	<i>22</i>
<i>Map 8: Population Densities of the Municipal area.....</i>	<i>44</i>
<i>Map 9: Physical Terrain of Municipal area.....</i>	<i>45</i>
<i>Map 10: Tourism areas and Conservation areas.....</i>	<i>46</i>
<i>Map 11: Social Facilities (Health).....</i>	<i>48</i>
<i>Map 12: Educational facilities.....</i>	<i>49</i>
<i>Map 13: Police Stations.....</i>	<i>50</i>
<i>Map 14: Recreational Facilities.....</i>	<i>50</i>
<i>Map 15: Cemeteries.....</i>	<i>51</i>
<i>Map 16: Water Resources.....</i>	<i>52</i>

LIST OF TABLES

<i>Table 1: Housing Backlogs per category within the Municipality</i>	<i>28</i>
<i>Table 2: Housing Backlogs per town within the Municipality</i>	<i>29</i>
<i>Table 3: Housing Backlogs per ward within the Municipality</i>	<i>29</i>
<i>Table 4: Land acquisition status.....</i>	<i>30</i>
<i>Table 5: Service Delivery within the Municipality.....</i>	<i>30</i>
<i>Table 6: Service infrastructure overview per town within the Municipality</i>	<i>31</i>
<i>Table 7: Challenges to report and address</i>	<i>33</i>
<i>Table 8: External Role players</i>	<i>34</i>
<i>Table 9: Internal role players</i>	<i>34</i>
<i>Table 10: Municipal Sector Plan relevance to Human Settlements Plan and their effect on housing</i>	<i>36</i>
<i>Table 11: Objectives of the Human Settlements Plan.....</i>	<i>37</i>
<i>Table 12: Subsidy quantum for current financial year.....</i>	<i>40</i>
<i>Table 13: Current Blocked Projects</i>	<i>43</i>
<i>Table 14: Basic Function of the Municipal Housing department.....</i>	<i>53</i>
<i>Table 15: Performance Management Template</i>	<i>58</i>

LIST OF ACRONYMS

BEE -	Black Economic Empowerment
DoH	Department of Housing
BNG -	Breaking New Ground
CBO -	Community Based Organisation
DBS -	Discount Benefit Scheme
EHP -	Emergency Housing Programme
EPWP	Extended Public Works Programme
IDP -	Integrated Development Plan
MFMA -	Municipal Finance Management Act
MIG -	Municipal Infrastructure Grant
NGO -	Non-Governmental Organisation
NHBRC -	National Homebuilders Registration Council
PHP -	People's Housing Process
SDBIP -	Service Delivery and Budget Implementation Plan
TRA -	Temporary Resettlement Areas
UISP -	Upgrading Of Informal Settlements Programme

A. INTRODUCTION

1. The aim of the generic Human Settlements Plan is to:

- To create a standardised and or generic template that would assist local municipalities, especially Category B4 Municipalities with the successful implementation of the human settlement development, planning and implementation;
- To verify alignment with the Integrated Development Plan, a Sector Plan is required as part of the IDP process within Spisys to test the alignment between different required Sector Plans;
- To assist low capacitated municipalities with a credible Human Settlements Plan through the use of a Spatial Information Management System;
- To create audit trails of existing housing backlogs and future backlogs and how they are addressed
- To investigate the implementation of a housing register system through the use of Spisys
- Spatially enabling the Human settlements Plan through the use of Spisys
- To enabling a direct link from eh Municipality to the Sector Department, once backlogs are identified the housing backlog or housing register should be real-time database whereby on-going decision making can commence with up to date statistical information.



2. The Purpose of the Human Settlements Plan:

Human settlement Plans are meant to ensure that housing departments within municipalities function in concert in the execution of their tasks and delivery of houses to communities. Housing and/or Human settlement management is, one of the important functions of the municipality. The Human settlements plan as a component of the IDP is aimed at clarifying and providing strategy with respect to the manner in which housing development and comprehensive human settlement can be achieved at the local level. The main purposes of the Human Settlements Plan are as follows:

- To ensure the effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
- To ensure more integrated development through bringing together the relevant cross-sectorial role players to coordinate their development interventions in one plan.
- To ensure that there is a definite housing focus for the IDP.
- To provide a critical link between integrated development planning and the practical reality of delivering housing projects on the ground.
- To ensure effective housing subsidy budgeting and cash flows both at the local municipal and provincial levels.

3. Background

In terms of the Municipal Systems Act 32 of 2000 all municipalities are required to compile Integrated Development Plans (IDPs) that will guide all their planning, budgeting and development management decisions. As part of the IDP planning process Municipalities are expected to compile sector plans for various development sectors. Also as part of IDPs, the Housing Act 107 of 1997 stipulates that municipalities should compile housing strategies and targets. Based on the above legislative requirements, should develop a Human Settlements Plan.



The plan will serve as a guiding framework for the strategic engagement of the municipality in housing development. The need for Human Settlements Plans arises from a concern that, in most municipalities, the Integrated Development Planning (IDP) process inadequately address issues related to the provision of housing.

At its inception, the Housing Policy and Strategy (1994) focused on stabilizing the environment to transform the extremely fragmented, complex and racially-based financial and institutional framework inherited from the previous government, whilst simultaneously establishing new systems to ensure delivery to address the housing backlog. The significant achievements of this programme have been recognized both nationally and internationally. Significant socio-economic, demographic and policy shifts have also occurred over the past 10 years.

4. New Housing Vision

Whilst Government believes that the fundamentals of the policy remain relevant and sound, a new plan is required to redirect and enhance existing mechanisms to move towards more responsive and effective delivery. The new human settlements plan reinforces the vision of the Department of Housing, to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing. Within this broader vision, the Department is committed to meeting the following specific objectives:

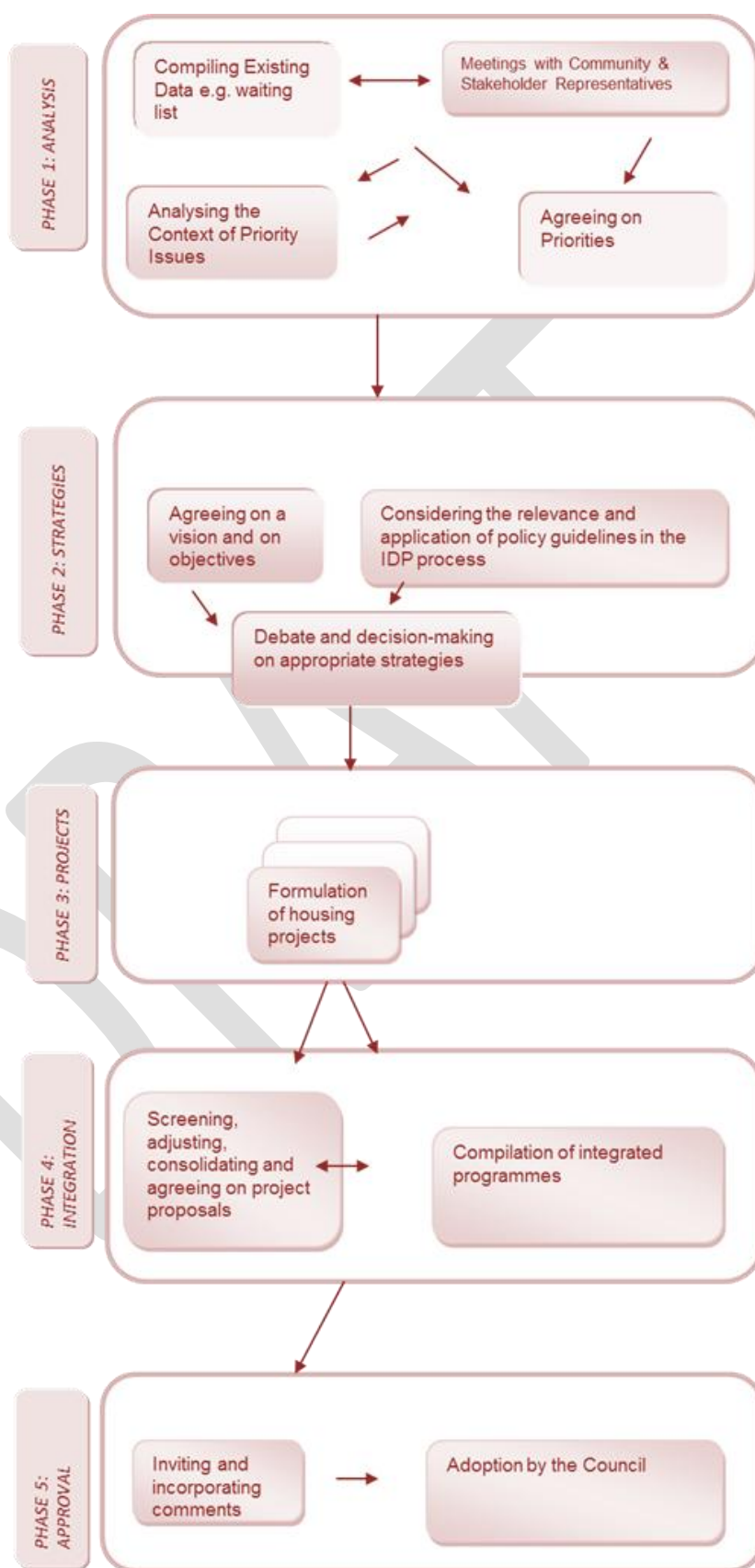


- Accelerating the delivery of housing as a key strategy for poverty alleviation
- Utilising provision of housing as a major job creation strategy
- Ensuring property can be accessed by all as an asset for wealth creation and empowerment
- Leveraging growth in the economy
- Combating crime, promoting social cohesion and improving quality of life for the poor
- Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking the barriers between the first economy residential property boom and the second economy slump.
- Utilizing housing as an instrument for the development of sustainable human settlements, in support of spatial restructuring.
- The mechanisms which the Department intends to introduce to achieve these objectives are discussed in greater detail in the remainder of this document.

5. Process to Compile a Housing Plan

This section details the generic project preparation principles including projects life cycle and PPT's process for the assessment of key project risks in the packaging stage. It explains the steps to be followed for any municipality to achieve a credible, realistic and implementable Human Settlements Plan. It further elaborates the activities which need to take place in every compilation phase. It is also on this phase where public participation and stakeholder support are discussed. In every municipal

planning, it is important to engage the stakeholders and the community from the beginning of the processes.



Step 1: Analysis

There is a need to first gather information relevant to housing in a municipal area and compile it in the form of a report. A meeting of housing stakeholders in the area has to be arranged. In this meeting, the housing situation is presented and deliberated upon. The municipal housing waiting list is very important in guiding the whole process, as it will show in which areas within your municipality the greatest need for housing exists. The data collected may include the status of existing infrastructure, waiting list, housing backlog and the economic status of different household in a municipality. The process of gathering should be done through both primary data collection (site visit) and secondary data collection (desktop research)

Step 2: Strategies

In this second step, stakeholders will have to develop a vision and this will be based largely on the housing situation as revealed in phase 1. In order to give effect to a vision, objectives will have to be developed along with strategies. Maximum caution should be exercised in order to ensure that the strategies are in line with the legislative framework. Furthermore, they should be practically implementable.

Step 3: Projects formulation

This is a stage in which possible housing projects are developed based on identified resources in step 1. This step entails aspects such as capacity at the municipal level to handle housing issues, project management, funding sources, monitoring and evaluation. Each project will have to be designed and implemented in a way that is geared towards accomplishing the housing vision in a municipality.

Step 4: Integration

Provision of houses does not occur in vacuum. A Human Settlements Plan should be affected by other plans such as WSDP and Spatial Development Framework. Human Settlements Plans should be spatially conscious. It is important for a municipality to develop a Spatial Development Framework which clearly identifies where housing projects will take place. There are programmes, other than housing, that are taking place at municipal level. These programmes have to reinforce each other in order to achieve the desired impact within a municipal area. It is during this stage that these programmes are integrated.

Step 5: Approval

Once the programmes (housing projects) have been integrated and aligned with other sector plans, they are ready to be presented to the council for adoption. In all the stages, housing stakeholders play an important role.

6. Methodology

Two main methodologies have been applied to develop this Housing Sector Plan. Desktop studies were undertaken through the use of Spisys to obtain baseline information and participatory methodologies that solicit the involvement and participation of stakeholders.

A three staged methodology has been applied to develop this plan.

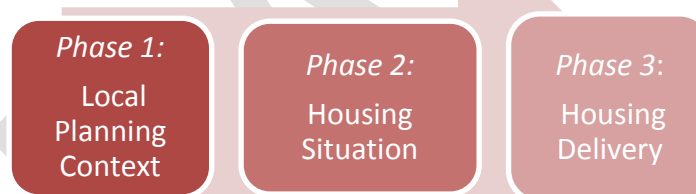


Figure 1 : Phases of Human Settlements Plan Methodology

a) Phase 1: Local Planning Context

This phase examines the context for the development of the housing sector plan. Phase 1 considers five areas of examination, that is:

Municipal Spatial context; to determine the location of the municipality in relation to major economic activities. This indicates the extent to which the municipality has access to opportunities. Municipalities that are in close proximity to economic activities tend to have a higher demand for housing opportunities.

Socio Economic Analysis, to determine the level of development in the municipality. This alludes to the extent to which municipal residents require government support for housing. Second, economic opportunities available to residents are examined against the backdrop of government's policy to develop integrated human settlements.



b) *Phase 2: Housing Situation*

The purpose of this phase is to gain an understanding of the state of housing development in the municipality. The following key areas of investigation are examined closely that is,

Housing backlog/demand, to determine the number of households in the municipality that do not have adequate shelter. Housing demand is obtained from the municipal housing demand data base. In its absence the census data is used to estimate demand that will later be verified by the municipality before it proceeds to implement housing projects.

Legal status of land, determines the ownership of land identified for housing development and whether it can be obtained within a reasonable period to avoid delays in project implementation

Quantification of current projects, considers projects that are currently being implemented and the extent to which they contribute to reducing the overall backlog.

Identification of planned projects, the sector plan is a 5 year plan, thus it will identify projects that will be implemented over this period. Their scheduling is influenced by a number of factors, such as budget, land availability and provision of bulk infrastructure amongst others.

Integration, considers the extent to which the housing development is serviced by municipal services and other social services such as schools, health facilities and police stations amongst others.

c) *Phase 3: Housing Delivery*

This phase builds from phase 2 above. It projects annual delivery targets and cash flows to enable the Department of Housing to budget for housing development. On the other this enables the municipality to gear up human resources in particular.

7. Legislative Background

This section examines the mandate of the different spheres of government to provide clarity on the roles and responsibilities that are assigned to each sphere of government with regard to housing development. A proper understanding of mandates is important to ensure seamless co-ordination, avoid duplication, interference and confusion. Statutory roles and responsibilities do not substitute the need for on-going communication between the different spheres of government to assign responsibilities by delegation of powers where capacity exists to carry out such functions. The mandate of the Municipality with respect to housing development derives from the following pieces of legislation

- a) ***Section 26 (2) of the Constitution, Act 108 of 1996*** confers the right to housing and prescribes that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realization of this right. The Housing Act No. 107 of 1997 was enacted to provide a legislative framework to effect the right to housing. An examination of schedule B of the constitution highlights the limited role of municipalities in housing development. Beyond land and beneficiary identification, the role of the Municipality is that of constructive coordination of housing development within its area of jurisdiction. The core powers of implementation can be assigned to the municipality by the provincial government through assignment and delegation of powers.
- b) ***Municipal Structures Act No 117 of 1998, chapter 5, section 83 & 89*** further outlines the powers and functions of municipalities.
- c) ***The Housing Act of 1997 (Act 107 of 1997)***, states that, municipalities must develop appropriate strategies to facilitate housing development within their jurisdiction.

- d) ***The New Human Settlement Plan (Breaking New Ground, 2005)*** clearly articulates the intention of government to develop sustainable human settlements, to contribute towards the alleviation of asset poverty through housing. It concludes that asset poverty is a result of inadequate access to assets by individuals, households and communities including inadequate shelter (which manifests in badly located low cost and overcrowded dwellings), the inadequate provision of appropriate infrastructure and the inadequate provision of basic services such as health, safety, emergency services and education facilities amongst others. Post 1994 housing development has been urban biased. New policy highlights the need to address this through a stronger focus on rural housing instruments. Furthermore rural housing interventions provide government with an opportunity to facilitate the installation of infrastructure in rural areas (Breaking New Ground 2005)
- e) ***The Municipal Systems Act of 1995*** compels all municipalities to develop Integrated Development Plans (IDP) that are primary investment tools for all municipalities. With their respective sector plans they are subject to annual reviews. Through the IDP Municipalities are mandated to participate in all development planning activities that take place within their jurisdiction and ensure that they are aligned and informed by the overall government strategic thrust. The functions and powers of Municipalities are further described in chapter 5 of the Local Government Municipal Structures Act no. 11 of 1 as amended. The relevant sections are sections 83 to 89.
- f) ***Intergovernmental Relations Act of 2006*** and the Municipal Systems Act of 2000 specifies that municipal plans have to be aligned with and compliment the development plans and strategies of other spheres of government.

B. OVERVIEW OF THE DEVELOPMENTAL CONTEXT

This section, takes into account that the municipality has distinct attributes and peculiarities that will inform any forward planning process. This approach acknowledges that settlements are dynamic presenting different opportunities and needs such as the rapid increase of child and women headed households.

1. Analysis of the Spatial Context

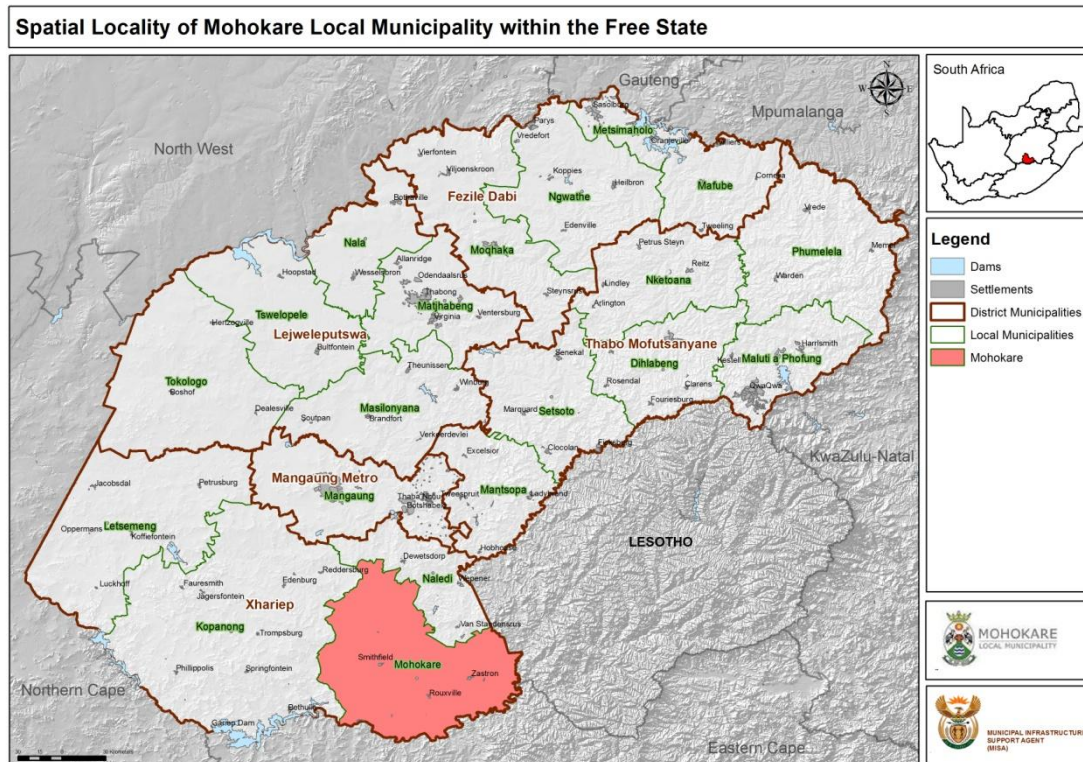


With regard to spatial planning the basic principle is one of acknowledging that the required post-apartheid transformation rests not only in addressing historic imbalances but rests fundamentally in the traditions of planning and development that are being established. The municipal housing plan should begin to

make positive advances in the spatial restructuring, economic reorientation and the development of sustainable human settlements. This would lead to an incremental progression towards efficient and equitable settlements. The constitution allows that the right to adequate housing cannot be achieved immediately but must be achieved over time. However the municipality must demonstrate that it has worked effectively as possible to achieve this right. Consequently the municipality would need to devise a scheduled implementation program.

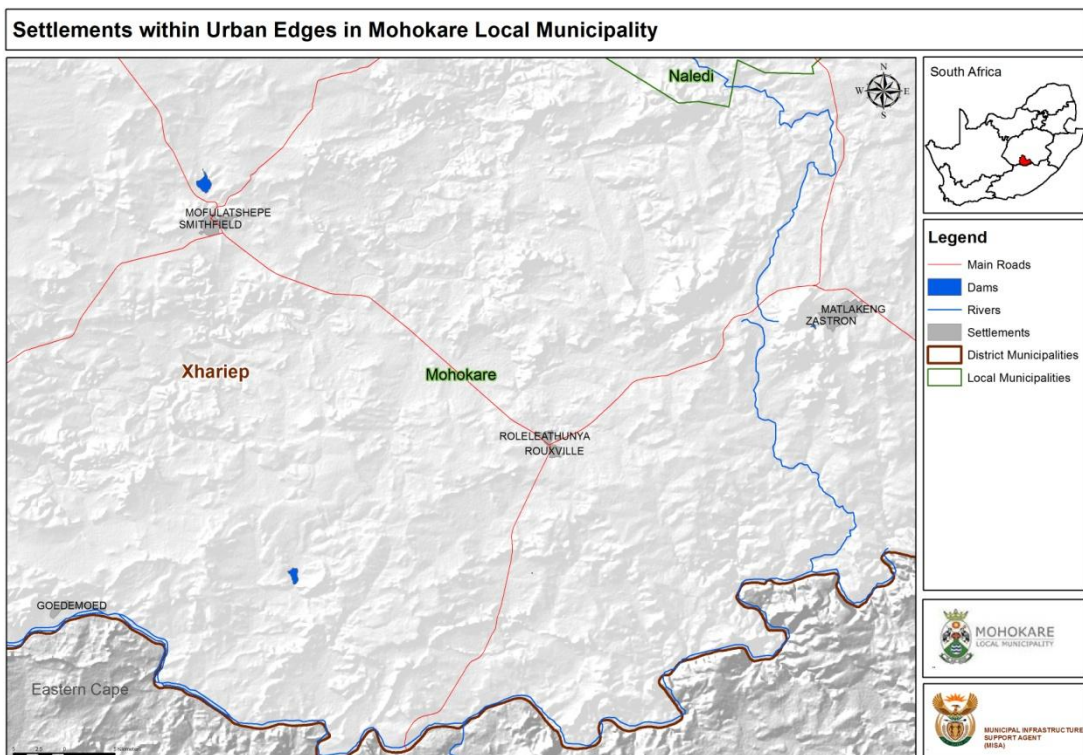
a) Spatial Location

Map 1: Spatial Locality

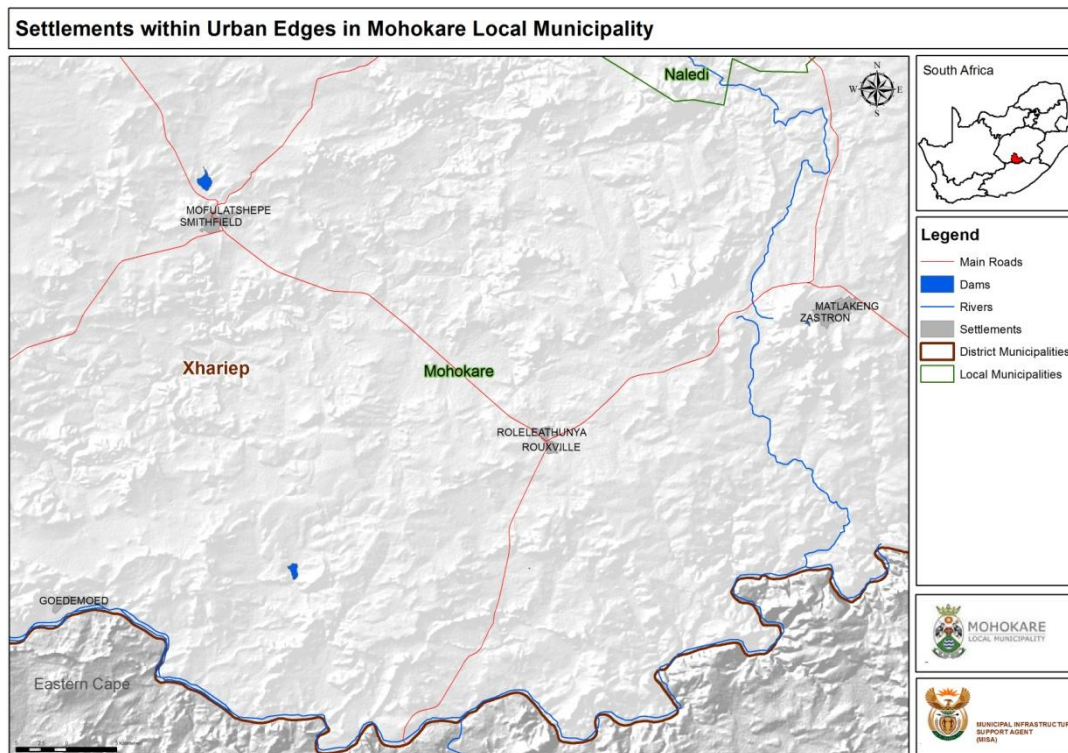


b) Settlement Patterns

Map 2: Settlements within Urban Edges – Formal Towns



Map 3: Settlements outside the Urban Edges - Informal Area



c) Dispersed Rural Settlements

Levels of services in these settlements are generally low with the majority of the residential structures being self-built. Normally these areas are identified as areas known for agricultural activities there is generally no sign of economic activity outside the urbanized areas. Thus rural settlements serve as residential areas with a very limited economic base. Inhabitants are dependent on external sources of income and social welfare grants. The dispersed nature of these settlements has negative implications for the provision of bulk infrastructure. Provision of bulk infrastructure is cost effective where there are high population densities, whereas in low density settlements the cost of providing bulk infrastructure is very high.

Residents in rural settlements have always constructed their own dwellings. Furthermore the post 1994 government housing subsidy system set out requirements that automatically excluded rural areas. The project linked subsidy (PLS) was the preferred subsidy instrument with the following stipulations:

- Proclamation of a formal township with a general plan issued by the Surveyor General
- Serviced land with onsite water connections and water borne sewerage.
- Formal titles had to be issued to beneficiaries

This has resulted to households deserving of housing support unable to access housing support. The introduction of the rural subsidy instrument is a fundamental policy shift facilitating equity. Consequently, government has identified rural housing as a delivery priority (BNG 2005). Housing subsidization can now be awarded in villages that are communally owned.

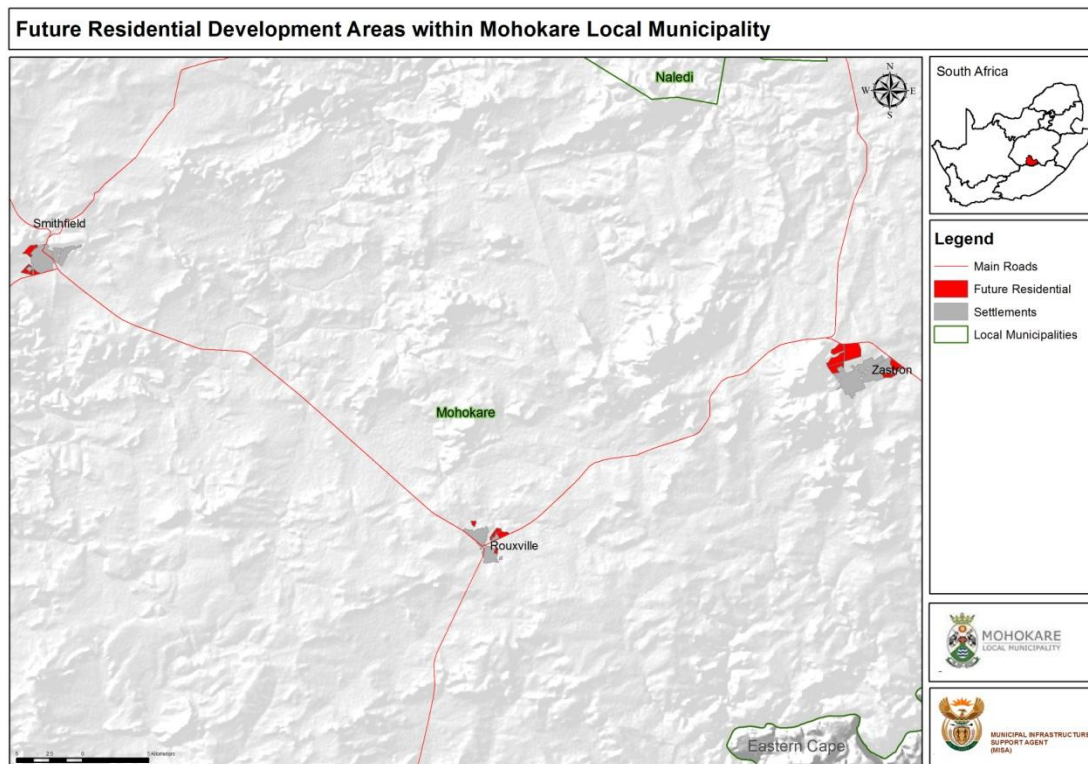
d) Peri-Urban and Semi- Urban Settlements

These areas provide opportunities for economies of agglomeration that will result to the provision of higher order services. These are obvious areas of development, however, the level of basic services (social, economic and infrastructure) are minimal to provide a viable option to the village centre. The key advantage of these areas is that land is owned by the state. Thus the following should be the development focus of the municipality in these areas:

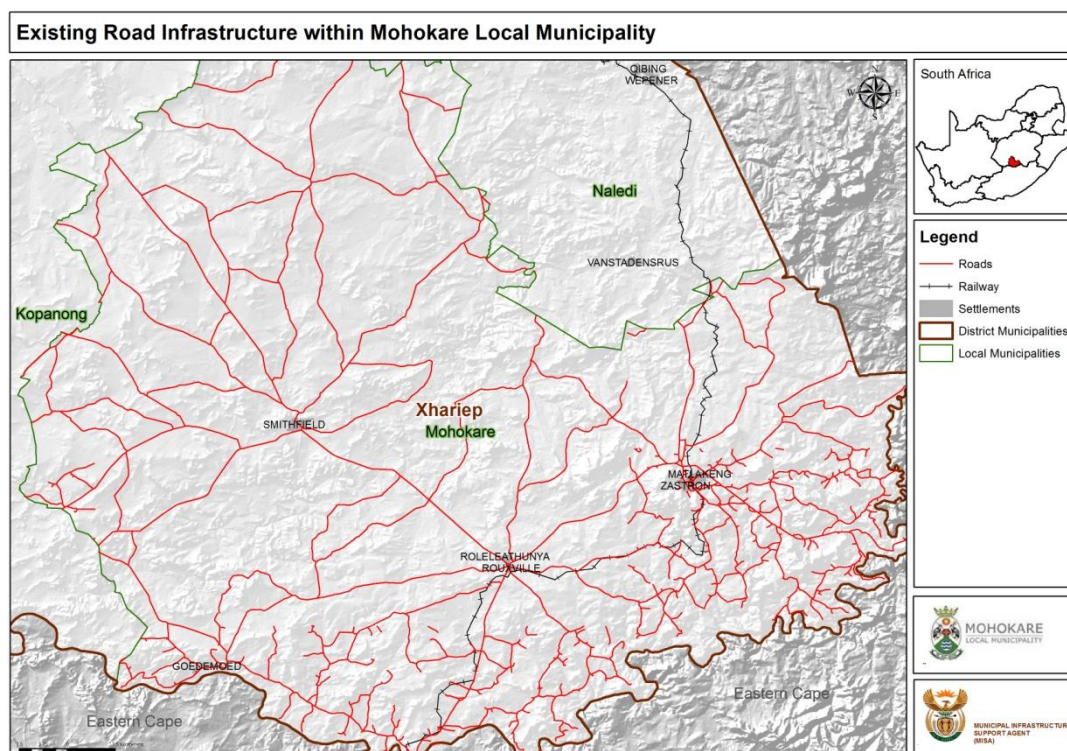
- Formalization of tenure (tenure upgrade)
- Upgrade of services such as bulk infrastructure to be able to install water borne sewerage and in-house connections
- Provision of social services

e) Urban Settlements

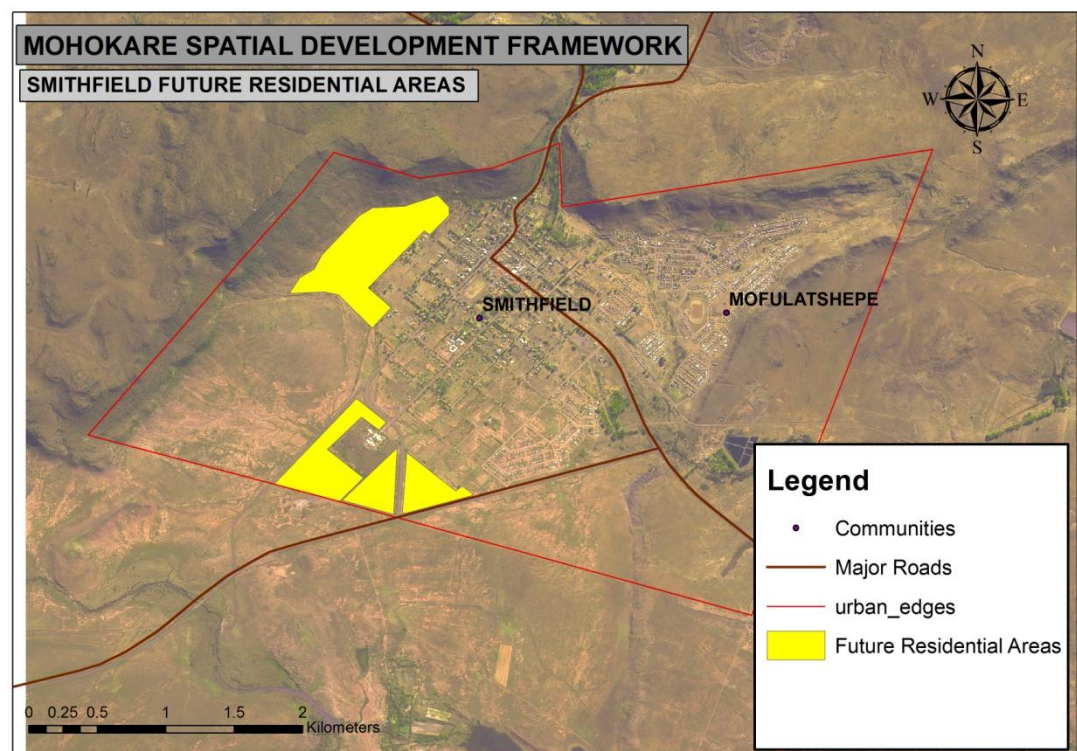
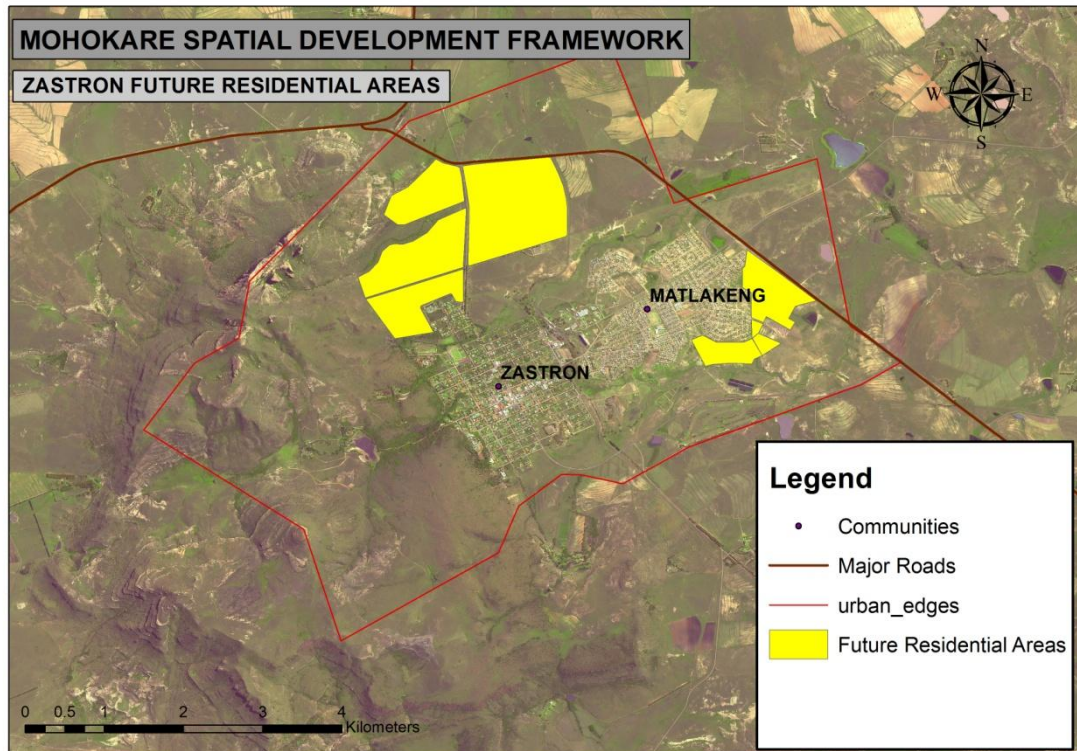
Map 4: Future Residential Development Areas

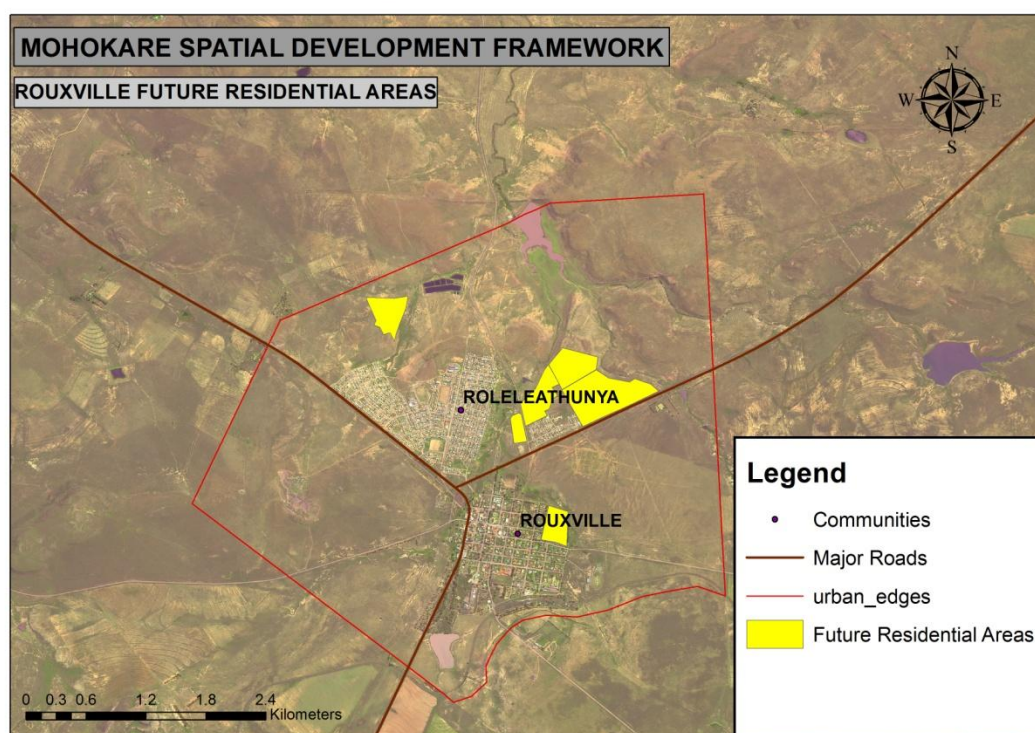


f) Major Roads and Economic Linkages



Map 5: SDF Development Corridors





Map 6: Existing Roads Infrastructure

2. Socio-Economic Analysis

Figure 2: Income Categories per Ward Level

No Income	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6
R 1 - R 400	2236	1648	1682	750	996	1406
R 401 - R800	268	319	460	229	267	331
R 801 - R 1600	868	1261	1056	675	678	1402
R 1601 - R 3200	173	194	152	115	198	242
R 3201 - R 6400	67	230	100	104	245	206
R6401 - R 12800	24	265	130	70	262	158
R 12801 - R 25600	6	150	48	23	146	71
R 25601 - R 51200	1	34	16	9	24	34
R 51201 - R 102400	0	21	4	3	12	14
R 102401 - R 204800	0	11	5	0	2	1

R 204801 or more	0	7	5	3	3	2
Unspecified	159	244	139	30	71	301
Not applicable	0	441	65	0	55	8

Census 2011 Stats South Africa

Figure 3: Access to Formal Housing

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6
Caravan or tent	0	4	0	3	2	0
Complex	0	0	1	1	0	2
Flat	4	18	12	1	27	1
House in backyard	0	30	8	10	11	450
Brick structure	1086	2018	1677	909	1333	2005
Informal dwelling in back yard	400	63	168	21	133	53
Informal dwelling not in backyard	206	39	131	19	31	57
Other	2	11	1	7	5	11
Room on property	0	4	3	2	7	40
Semi-detached house	1	16	23	26	4	26
Townhouse	0	0	0	0	0	1
Traditional dwelling	5	5	11	1	1	50

Census 2011 Stats South Africa

Figure 4: Access towards basic Services

Wards	Energy for cooking Electricity	Energy for heating Electricity	Energy for lighting Electricity
Ward 1	1337	412	1525
Ward 2	1837	854	2041
Ward 3	1356	477	1739
Ward 4	783	200	938
Ward 5	1197	468	1432
Ward 6	1697	675	2012
Total	8207	3086	9687

Census 2011 Stats South Africa

Wards	Source of water	Source of water dam	Source of water other	Rain water tank	Local water scheme	River stream	Water spring	Water Tanker	Water vendor
Ward 1	1	0	9	2	1687	0	0	3	2
Ward 2	483	79	9	1	1596	6	9	20	4
Ward 3	524	17	21	11	1391	5	8	58	1
Ward 4	213	20	6	23	682	8	6	40	4
Ward 5	13	0	22	0	1510	0	1	3	3
Ward 6	342	26	21	90	1603	3	0	198	10
TOTAL	1576	142	88	127	8469	22	24	322	24

Census 2011 Stats South Africa

Household Services refuse Disposal	Communal refuse dump	No rubbish disposal	Not applicable	Other	Own refuse dump	Removed by local authority - Private company	Removed by local authority - private company less often
Ward 1	195	1	0	74	108	1313	14
Ward 2	32	76	0	19	556	1442	83
Ward 3	6	27	0	17	853	796	337
Ward 4	7	44	0	12	264	481	193

Ward 5	3	24	0	3	177	1283	61
Ward 6	16	92	0	20	665	1485	14

Census 2011 Stats South Africa

Ward	Bucket Toilet	Chemical Toilet	Flush Toilet with sewer connection	Flush toilet with septic tank	None	Other	Pit toilet with ventilation	Pit toilet without ventilation
Ward 1	56	0	1592	19	13	21	4	0
Ward 2	593	0	1149	108	227	9	51	72
Ward 3	373	2	1185	24	191	28	111	121
Ward 4	177	0	554	30	75	14	79	71
Ward 5	8	0	1489	6	41	1	5	2
Ward 6	72	1	1645	30	269	45	91	138
Total	1279	1	7614	217	816	118	341	404

Census 2011 Stats South Africa

a) Demographic Analysis

Demographic profiles provide an informed basis to undertake any development planning exercise in that they enable government to plan according to need and appropriately allocate funds for development. This demographic overview is based on the information received from the statistical data custodian; Statistics South Africa. Data provided would be the latest data with regard to statistical analysis uploaded within Spisys.

Figure 5: Population Comparison per Ward

Wards	2011
Ward 1	6181
Ward 2	7370
Ward 3	6307
Ward 4	2982

Ward 5	4762
Ward 6	6543
TOTAL	36156

Census 2011 Stats South Africa

Figure 6: Gender Comparison

Wards	Male	Female
Ward 1	2871	3310
Ward 2	3619	3754
Ward 3	2981	3327
Ward 4	1460	1521
Ward 5	2207	2555
Ward 6	3177	3367
TOTAL	16315	17834

Census 2011 Stats South Africa

Figure 7: Education Profile per ward

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	TOTAL
Bachelors degree	6	38	28	22	71	31	196
BSC with postgraduate diploma	0	14	12	13	19	12	70
Grade 12	3	23	15	11	31	18	101
Diploma with grade 12	14	62	60	12	99	57	304
Certificate with less than grade 12	2	1	21	0	3	9	36
Grade 0	246	296	252	138	192	236	1360
Grade 1	338	334	256	120	139	270	1457
Grade 10	473	407	454	201	311	504	2350

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	TOTAL
Grade 11	271	351	290	129	241	330	1612
Grade 12	414	920	614	266	705	694	3613
Masters Degree	0	18	8	6	10	5	47
Higher Diploma	7	75	37	29	94	40	282
Honors Degree	1	23	15	7	36	17	99
No Schooling	465	563	517	214	328	588	2675
Not applicable	832	1234	810	346	556	715	4493
Other	0	13	0	5	9	3	30

Census 2011 Stats South Africa

Figure 8: Employment Profiles

Type of sector	Do not Know	Formal Sector	Informal sector	Not Applicable	Private household
Ward 1	14	430	155	5464	117
Ward 2	49	948	340	5579	454
Ward 3	7	1061	297	4766	176
Ward 4	23	280	254	2183	242
Ward 5	1	1044	77	3570	71
Ward 6	55	807	515	4684	483

Census 2011 Stats South Africa

Figure 9: Race Comparison per Ward Level

Population group	Black African	Coloured	Indian/Asian	Other	White
Ward 1	6163	7	6	5	1
Ward 2	6353	182	21	31	783
Ward 3	5963	37	9	4	294
Ward 4	2655	194	5	2	126
Ward 5	4020	59	41	3	639
Ward 6	5865	290	11	16	361

Census 2011 Stats South Africa

3. Existing housing situation.

This section discuss housing backlog in terms of housing category. It is important to analyse housing backlog in this way because the communities have different needs in terms of housing. This analysis derives a category of housing where the backlog requires urgent attention. In most cases the special attention is given to the low-cost housing since they are the main category in which municipality measures its progress on the delivery of housing.

Table 1: Housing Backlogs per category within the Municipality

Housing Backlog Summary										
Year	Housing Low Income	Supply	Housing Affordable Income	Supply	Rural Supply	Housing	Old Supply	Age	Affordable / Middle Income	
2012	N/A		N/A		N/A		N/A		N/A	
2013	N/A		N/A		N/A		N/A		N/A	
2014	N/A		N/A		N/A		N/A		N/A	
2015	N/A		N/A		N/A		N/A		N/A	
2016	N/A		N/A		N/A		N/A		N/A	
2017	N/A		N/A		N/A		N/A		N/A	
2018	N/A		N/A		N/A		N/A		N/A	
2019	N/A		N/A		N/A		N/A		N/A	
2020	N/A		N/A		N/A		N/A		N/A	

Table 2: Housing Backlogs per town within the Municipality

Town	The growth of the housing backlog in the municipal area					
	2012	2013	2014	2015	2016	2017
(Zastron/Matlakeng)	300	300	300	300	300	300
Smithfield/Mofulatshepe	100	100	100	100	100	100
Rouxville/Roleleathunya	100	100	100	100	100	100
TOTAL	500	500	500	500	500	500

Table 3: Housing Backlogs per ward within the Municipality

Ward Nr	The growth of the housing backlog in the municipal area					
	2012	2013	2014	2015	2016	2017
1 (one)	100	100	100	100	100	100
2 (two)	50	50	50	50	50	50
3 (three)	100	100	100	100	100	100
4 (four)	50	50	50	50	50	50
5 (five)	100	100	100	100	100	100
6 (six)	100	100	100	100	100	100
TOTAL	500	500	500	500	500	500

The list of beneficiaries on the data base should be used to allocate houses to beneficiaries. It is important to note that the data base is no promise to applicants that they will be guaranteed a subsidy. Ideally, it should be viewed as a planning, reporting and prioritizing tool. Housing demand remains a moving target impacted upon by urbanization, population growth, phenomenon of households becoming smaller. The key role of the municipality is to determine demand and negotiate supply.

4. Land Acquisition Status.

This is the discussion on land availability on future housing projects. It is important to view land acquisition in terms of its merits with regard to its closeness to bulk services, suitability and ownership status. Most housing projects are failing because most of the land identified, is one way or another, not conducive for development of houses.

Table 4: Land acquisition status

Land Acquisition Status						
Land / Property Details		Future Residential Area available	Estimated that could be demarcated from property	Stands be from	Approved / Aligned with the SDF	Bulk Services within close proximity to service area
Zastron: Extension 10	Matlakeng	Yes	750		Yes	Yes
Zastron: Extension 11 (Mooifontein farm)	Matlakeng	Yes	± 2000		Yes	No
Rouxville: Extension 6	Roleleathunya	Yes	874		Yes	Yes
Smithfield: Extension	Mofulatshepe	yes	464		Yes	Yes

5. Service Delivery and Accessibility Overview

This is the discussion of current status with regard to municipal service accessibility to the residents. It gives a clear indication on the type of services where there is a need for urgent intervention. It should be discussed simultaneously with the ability of the existing infrastructure to sustainably provide service to the community

Table 5: Service Delivery within the Municipality

Category Of Basic Service	Total No Of Households In The Municipality According To Survey	No Of H/H With Minimum Access	% Of H/H With Minimum Access	H/H Below Basic Level Of Services / Backlogs	% Of H/H Below Basic Level Of Services / Backlogs
Source Of Data					
Municipal H/H Survey WSDP Data Stats 2011 Data	1. Water				
		1392	1392		

Municipal H/H Survey WSDP Data Stats 2011 Data	2. Sanitation	
	1392	1392
Municipal H/H Survey WSDP Data Stats 2011 Data	3. Electricity	
	1392	
Municipal H/H Survey WSDP Data Stats 2011 Data	4. Refuse Removal	

6. Status Quo on Indigents

Every municipality should adopt indigent's policy which should be aimed at excluding residents within a certain income brackets from paying property rates and services. In most cases low-cost houses owners are automatically excluded from paying any form of rates from the municipality. The information on the indigents is very important as it also indicates the poverty levels within a particular municipality. A comprehensive list of indigents in a municipality can also give indication on the number of low-cost housing it needs to provide in a municipality.

7. Infrastructure Overview

Although this is a housing plan, it is not possible to think about housing without considering the access to services. This section will briefly reflect on the current situation. Distinction is made between two aspects, namely, firstly, the possibility of internal connection and, secondly, bulk provision. The various services will be analysed separately. This analysis should provide detailed information for each aspect per urban and rural area.

Table 6: Service infrastructure overview per town within the Municipality

Infrastructure	Overview per town		
	(Zastron/Matlakeng)	(Rouxville/Roleleathunya)	(Smithfield/Mofulatshepe)

Water	Acceptable condition and currently undergoing upgrades. No backlogs	Acceptable and currently undergoing upgrades. No backlogs	Good condition. No Backlogs
Refuse removal	Acceptable condition and currently undergoing improvements and proper management especially in Matlakeng where there is shortage of vehicles to remove refuse.	Acceptable condition and currently undergoing improvements and proper management.	Acceptable condition and currently undergoing improvements and proper management.
Roads and storm water	Acceptable condition and currently undergoing upgrades and maintenance	Moderate condition and undergoing continuous monitored maintenance	Moderate condition and undergoing continuous monitored maintenance
Electricity	Good condition. No backlogs	Good condition. No backlogs	Good condition. No backlogs
Sanitation	Only 30 bucket backlogs which are currently being eradicated	777 bucket backlogs which are currently being eradicated	54 bucket backlogs which are currently being eradicated

It is important to note that housing provision and infrastructure provision are integrated. The provision of these two services is usually done by means of two different processes and funded by different channels. The importance of infrastructure provision from a health perspective should also not be underestimated. At the same time, the questions of affordability and maintenance should be raised continually. Infrastructure provision and maintenance are also fundamental prerequisites in providing an environment for private sector investment.

C. HUMAN SETTLEMENTS DEVELOPMENT

1. Housing Issues and Challenges

There is a need to report achievement against a “fixed” target as opposed to the municipality’s administrative challenges and reality of moving targets. This is best explained by tabulating the issue, its causes and how it can be dealt with. The housing needs in a municipality are not static and are continually increasing, and so are the challenges. Given, therefore restricted resource allocation towards service delivery, it might look as if



eradication of housing backlogs is slow. However the backlog might be growing as a result of unplanned for growth due to migration and many others. There are several issues which need to be dealt with such illegal occupation of land, land availability and institutional capacity. These issues requires specific attention as they differ in nature

Table 7: Challenges to report and address

ISSUE	DESCRIPTION
Poor maintenance and upgrading of infrastructure	In house connection not properly fitted on newly approved houses due to lack of skills or inconsideration of the contractors on finishing stages of houses
Land availability	± 3624 sites already available for both residential and business purpose within the Municipality
Informal settlement	<ul style="list-style-type: none"> • 54 (fifty four) stands with basic services and top structures • Thokoza informal settlements • Refengkhotoso informal settlements
Housing backlogs	The Municipality stand at five hundred (500) as a backlog for housing
Illegal occupation of land	Illegal occupation of Municipal owned land in Matlakeng, Zastron
Unsafe housing development	Poor quality of houses build forces the Provincial department to undergo the rectification of houses to Beneficiaries that already have received subsidy/s
Institutional capacity and expertise	There is minimal capacity for Municipality to undertake the projects
Lack of quality control	The municipality only facilitate the housing projects
Lack of housing innovation	Provision of low cost housing is the responsibility of the Provincial department

2. Important Role Players

This is the team of people who should directly or indirectly take part in the formulation of the Human Settlements Plan. Some of these role players may also play part in the actual implementation of the plan. These include construction and supply of resources. There are two different types of role players, namely the external and the internal role players. The internal role players include the in-house entities such municipal housing officials who deals with housing issues on a daily

basis in a particular municipalities, whereas the external role players are stakeholders such as banks and construction companies

Table 8: External Role players

Role players	Function/ Purpose
Contractors	To build houses for all identified Beneficiaries
Subsidy sources	The National Treasury allocate budget to the Province for the benefit of local municipalities in construction of houses
Banks	Not applicable as the current RDP or low cost housing projects are subsidized by the Provincial CoGTA
Community	To provide assistance to both the Municipality and the Province in ascertaining the Construction of houses to proper Beneficiaries and Towns
Provincial Housing Department	Funding and allocation of houses for Communities in need of houses throughout the province
Other stakeholders	Assist with facilitation of housing related programmes for the success of both construction and provision of houses to affected Beneficiaries

Table 9: Internal role players

Role players	Function/Purpose
Municipal Manager	As Head of the Institution, responsible for MANAGEMENT and the use of Municipal resources to enable effective delivery of basic services including housing provisions
Municipal housing department	Responsible for compilation of lists for allocation of houses for provision to the department of Provincial CoGTA to enable construction of houses for eradication of the backlog
Municipal councillors	Serve the needs of the Community in order to reach National targets in terms of removal of housing backlog. Outcome
Ward committee	Serve the needs per wards through the Ward Councilor to oversee basic services provision
Municipal finance department	Facilitate the procurement of necessary infrastructure per site or stand for the Beneficiaries to properly occupy or aquire the site/stand

3. Public Participation

The Constitution stipulates that one of the objectives of municipalities is “to encourage the involvement of communities and community organizations in the matters of local government”.

The White Paper for Local Government (WPLG) emphasizes the issue of public participation (not only in municipal planning). It goes into some detail on how to achieve public participation and of the role local government has to play to ensure the involvement of citizens in policy formulation and designing of municipal programmes, as well as implementation and monitoring and evaluation of such programmes. Public participation is meant to promote local democracy. While the WPLG emphasizes that the municipalities themselves should develop appropriate strategies and mechanisms to ensure participation, some hints on how are given, such as:

- Chapter 4 of the Municipal Systems Act stipulates that all municipalities must develop a culture of participatory governance. This implies that municipalities need to ensure that all its residents are at all times well informed about the affairs of the municipality. Opportunities should therefore be created for the general public to take part in the decision making of the council.
- Since the IDP is the strategic plan of a municipality, indicating the distribution of limited resources, it makes sense to plan with residents in order to ensure that their needs are address with a sole purpose of improving their living conditions. Mechanisms must therefore be created to allow residents within a municipality to participate in the planning process of development projects.

4. Linkage, Integration and Compliance to Other Plans and Programmes

The purpose of “Integration” is to ensure that the projects elaborated above are integrated with the other projects identified in the IDP Main Document to achieve proper co-ordination and alignment taking into account their contents, location and timing. For example, housing projects can be aligned with the infrastructure, land acquisition and education-related projects to enable maximum impact to be made on housing the homeless, creating job opportunities, stimulating the local economy and providing basic municipal services which will also help alleviate poverty and fight

diseases. This in short provides the correct way to realising integrated development in a true sense.

Integration of all the relevant sector department delivery programs should be achieved through an effective Human Settlements Plan. The Plan should summarises all relevant infrastructure development plans and then match them with the proposed multiple housing project delivery plan. It is the responsibility of the service provided (or Municipal Official if the Human Settlements Plan is completed internally)with the assistance of the Municipal Housing Official to collect all of the relevant sector plans and other relevant information in the IDP to ensure that the proposed housing delivery program matches the delivery of the other relevant sector department interventions. While infrastructural development requirements are of primary importance alignment of other sector departments such as health and education etc should not be ignored.

The Human Settlements Plan should also be instrumental in detailing an institutional framework for housing delivery in the Municipality which has as its core function the integration of relevant governmental sectors (e.g. Water, Roads, Sewer, Electricity, Health, Education etc.) at a project level during implementation. It should be noted that whilst IDP's and specifically the Human Settlements Plan play an important role in co-ordinating and enabling development, additional work is required to ensure that they translate into meaningful integration at the project level

Table 10: Municipal Sector Plan relevance to Human Settlements Plan and their effect on housing

<i>Name Of Integrated Programme</i>	<i>Purpose and Content</i>	<i>Effect on Housing Issues</i>
Water Services Development Plans Integrated Transport Plans Integrated Waste Management Plan	These plans are not part of the IDP, but only a summary of the plans. They are sector specific plans dealing with issues pertaining to water and sanitation, transport and waste.	There is a need to ensure that any proposed project and the effect of such a project on water and sanitation, transport and waste management be included in these sector plans. For example any new housing development will increase the water usage in the town. The WSDP needs to consider this and ensure sufficient water provision.
5- Year financial Plan	It considers all financial aspects of the municipality	The effect of payment of services or possible non-payment of services by occupants of a new housing project on the future financial viability of the municipality
5- Year Capital Investment Programme	It links all the projects with possible sources of financing and by doing it generates and co-ordinates public	Costs of all housing projects must be included in this programme.

<i>Name Of Integrated Programme</i>	<i>Purpose and Content</i>	<i>Effect on Housing Issues</i>
	funding.	
5- Year Action Programme	Providing municipality with an overview of the major activities resulting from the IDP.	Include all the activities pertaining to projects related to housing as set out in the project design in this programme
Performance management System	Measuring the performance of the municipality	The KPIs for the housing issue should be set and it should be ensured that they are continuously measured
Spatial Development Framework	It controls strategies for land use management	It is important that all housing projects are considered in the spatial development framework and that their location is clearly marked on the map.
Integrated Poverty Reduction and Gender Equity Programme	These programmes must ensure that poverty is reduced and indicates how the municipality is contributing to gender equality	Almost all low-cost housing projects can be considered as poverty alleviation and is therefore part of the municipality's fight against poverty.
Integrated Environmental Programme	The municipality should ensure that environmental issues are adequately addressed and that all envisaged projects do not impact negatively on the natural environment.	There is a need to consider how the designed housing projects will influence the environment and if an EIA is necessary or not. Measures must be put in place to ensure that all housing projects do not degrade the environment, but rather contribute to more sustainability
Integrated LED	All municipalities must implement LED projects and promote LED at all time.	Due to the labour intensive nature of housing development, housing projects are a great opportunity for the municipality to create jobs. Building material adds another dimension, which can result in employment generation.
Integrated Institutional Programme	This programme is about the institutional capacity and transformation of the municipality	There is a need to ensure that the municipality has enough capacity to handle its housing issues. This also includes projects.

5. Objectives and Strategies

Following are the priority focus areas and the strategic delivery activities that will be undertaken by the municipality in order to realise the objectives of the Human Settlements Plan. The expected output for each strategy, the responsible agency to implement the strategy, the resources required to realise the strategy including the timeframe within which the strategy is to be implemented are outlined.

Table 11: Objectives of the Human Settlements Plan

OBJECTIVES	STRATEGIES	ACTIONS	PROGRAMMES/ PROJECTS	PERFORMANCE INDICATORS	RESPONSIBLE
(List objective)	(tabulate a number of strategies to achieve each objective (preferably more than one strategy))	(indicate how each strategy is going to be implemented)	(indicate programmes relevant to the strategies)	Indicate the applicable targets as per objective	(indicate the section in the municipality or institution responsible for such programme)
(same as above)	Independence on housing administration				Human settlements section
(same as above)	Accreditation from provincial department of human settlements				
(same as above)	It gives a guide as to how many residents are in demand housing				
(same as above)	Prioritization and identification of points of interests				

6. Beneficiary Eligibility

Three information sets have been used in this plan to determine the numeric extent of housing need in the Municipality.

- Greatest need based on poverty: this utilizes census information on household income.
- Greatest need based on type of dwelling: census data on dwelling type provides a means to determine the extent of need. This provides a cursory indicator of housing backlog.
- Greatest need based on the housing list: the municipality has an active housing waiting List
- Greatest need based on project list: The municipality has a list of project intended for implementation. There are two categories of these projects that is, planned projects and future projects

a) Detailed Information on Beneficiaries

Information of potential beneficiaries is very important for every municipality. Certain criteria should be followed to determine the eligibility of the beneficiaries from different housing schemes. The best way to determine the eligibility is to analyse the potential beneficiary's economic background. Obtaining information on the beneficiaries can be helpful in fighting against corruption. If a list of beneficiaries is not well-maintained with the allocation of low-cost housing, some people may fraudulently receive more than one house.



In order to be sustainable in the long term the development of settlements must take into account the needs of the people who will live in the settlements. Census data is often out dated and problematic at the local scale, so it is often necessary to undertake detailed socio-economic surveys of informal settlements. Surveys done as part of the housing process tend to collect information only on the indicators that the Department of Housing uses to assess the suitability of applications for subsidies. Collecting additional information, however, often allows for the development of enhanced solutions to housing.

7. Settlement Typologies

Within the municipal area four types of housing patterns can be identified;

- **Urban Formal housing;** that exists on land where services and infrastructure are available. Progressive densification and infill can be accommodated as services have been upgraded. These types of housing development is urban based and covers the spectrum of high, middle and low income groups. Houses are solid built with bricks and solid roofing and normally secure.
- **Peri-urban or rural based settlements;** housing was provided on an agricultural based area and subsistence economic activities were prevalent. However, the subsistence livelihoods diminished to a very marginal scale over the years. While not at the same level as in the urban core basic services are provided in the urban. These settlements must be prioritized for formalization and service upgrade.

- **Tribal based settlements;** are rural settlements that are normally densely populated rural settlements as part of the trust system with a demarcation of commonages, farming fields. These settlements have formal, semiformal and traditional homesteads.
- **Informal settlements;** they take place in on an unplanned basis close to serviced areas.

8. Housing Typologies

a) Low Income Housing

Provision of low cost housing is a mandatory function of government that derives from the constitution as outlined in Section 1 of this report that deals with the legislative framework. The population segment targeted by low cost housing ranges from households that have no income to those that earn R3 500 per month. Inevitable the highest demand is in this income segment comes from indigents and further dependent on government support for basic services. Furthermore in terms of the Municipal Property Rates Act, properties that are valued at less than R150 000 are exempted from municipal rates. This means that there is no direct revenue income for the municipality.

i. Subsidy Instrument

This section outlines the subsidy instruments and quantum utilized to provide low income housing as outlined in by the government gazette. It shows the extent to which government provides financial support utilizing various subsidy instruments. Gauging by the high levels of unemployment in the municipality coupled with very low levels of income it is fairly evident that the majority of residents that require housing opportunities require a full subsidy. This section illustrates the government subsidy instruments for low income housing.

Table 12: Subsidy quantum for current financial year

Individual and Project Linked Subsidies	Top Structure Only	Own Contribution	Product Price
R 0 – R 1 500	N/a	N/a	N/a
R 1501 – R 3500	N/a	N/a	N/a
Indigent: Aged, Disabled and Health Stricken R 0 – R 3500	N/a	N/a	N/a
Institutional Subsidies			
R 0 – R 3500	N/a	N/a	N/a
Consolidated Subsidies			
R 0 – R 1 500	N/a	N/a	N/a
R 1501 – R 3 500	N/a	N/a	N/a
Indigent: Aged, Disabled and Health Stricken R 0 – R 3500	N/a	N/a	N/a

Individual and Project Linked Subsidies	Top Structure Only	Own Contribution	Product Price
Rural Subsidies			
R 0 – R 3 500	N/a	N/a	N/a
Peoples Housing Process			
R 0 – R 3 500	N/a	N/a	N/a

ii. The subsidy instruments operate as follows:

- Project Linked Subsidy, is the subsidy instrument that is allocated to beneficiaries that have outright tenure rights or the housing development will result in full tenure being conferred to the beneficiaries. This subsidy instrument favours urban settlements. The subsidy instrument is contractor driven.
- Institutional Subsidy is a subsidy that is intended for institutions that provide welfare services to the marginalised sectors of the economy such as the aged or children. The institutional subsidy is set at R41 027 per annum for the 2008/9 financial year.
- Consolidation Subsidy is awarded to beneficiaries that benefited from the previous government support. It is supposed to be a top-up subsidy. Beneficiaries that earn less than R1 500 per month are eligible for a full government subsidy, whereas those who earn between R1 501 and R 3 500.
- Rural Subsidies are intended for rural beneficiaries who have less formal means of tenure. The requirement for project approval is a social-compact agreement with the owners of land.
- The Peoples Housing Process is based on the community based approach to housing development wherein emerging local contractors are appointed to develop housing through the extended public works programme.

iii. Typical issues that block housing delivery that needs to be addressed:

- **Water and Sanitation**, the water and sanitation connection for all the projects is incomplete whereas payments have been effected. Consequently beneficiaries refuse to sign happy letters
- **Land Transfer**, there are delays in the transfer of land from the national government to the municipality for the purposes of title deed handover to beneficiaries.
- **Land Invasions**, sites approved on the Surveyor General's map have been invaded resulting in a shortage of sites for approved beneficiaries.
- **Structural Defects**, the quality of the workmanship on some of the units is of poor standard.

iv. Delivery Mechanism

It has been noted elsewhere in this report that the PHP was the preferred subsidy instrument in the municipality informed by the need to create employment opportunities. While this commitment remains it has to be balanced with the need to deliver quality housing in the municipality. Second, through its procurement policy the municipality undertakes to spend 75% of its procurement budget locally. It therefore means that local contractors that are CIDB (Construction Industry Board) accredited. Should it be established that there is insufficient local capacity the municipality and the Department of Human Settlements will need to consider innovative procurement that will to as much as possible ensure local spending and skills transfer. It is an established fact that the construction costs and the high level of construction activity in the country has resulted in loss of interest in the construction of low cost housing by established contractors. Consequently, economies of credited. Similarly, problems associated the use of emerging contractors are well documented. It is therefore important that project implementation is closely monitored. The institutional framework stresses the importance of monitoring and proposed suitable personnel.

b) Middle Income



The current economic conditions have caused basic housing to be unaffordable to many South Africans. Some of the factors that have contributed to this economic crisis are as follows:

- Constantly rising interest rates
- High inflation rate Consumer Price Index (CPIX) of 10%
- Inflation on construction material, higher than CPIX with the boom in the construction sector
- Global economic factors, collapse of the USA financial sector, increase in oil and food price
- Government's direct intervention in the property market has been to ensure provision of shelter for low income earners and lower middle class. The assumption is that the property market will provide for the middle class and high income earners. However, the property market can no longer cater for the housing needs of the working class. Consequently, this class is being eroded down to low income category while they do not qualify for full government support.

i. Subsidy Instrument

Middle Income Subsidy is awarded to beneficiaries who earn between R3500 and R7 500 per month. The individual contribution varies according to the affordability of the household.

ii. *Delivery Mechanism*

The private sector is the key player in the financing and implementation of middle income housing with the municipality being the enabler.

Table 13: Current Blocked Projects

Project Name	No of Subs	Approved Beneficiaries	Completed Transfers	Constructed Units	Project Cost	Variance	Expenditure as per current financial year	Remaining Budget
Reahlomela CC	100	?	?	?	?	?	?	?
Masakhan e (Rev. Solani)	50	50	?	?	* Unknown	* Unknown	* Unknown	* Unknown
Women's Build 2011	100	?	0	0	* Unknown	* Unknown	* Unknown	* Unknown
Zastron 2 (two) roomed houses	114	6	0	0	* Unknown	* Unknown	* Unknown	* Unknown
ZIMVO General Trading	100	?	0	0	* Unknown	* Unknown	* Unknown	* Unknown

c) **High Income**

Housing opportunities for high income earners are provided through market mechanism. In this instance the role of the municipality identify and zone land for high income housing development. Considering the land ownership patterns that result in the scarcity of land the municipality can intervene in the market through sale of land either to individuals or developers through public auction.

9. **Land Identification And Evaluation**

Housing development can serve as a catalyst to socio-economic development of the municipal area if the spatial positioning of housing projects is carefully considered. The development of housing at the correct/best position will enhance the municipal spatial form and lead to the optimization of developable land, bulk infrastructure, social services and create economies of agglomeration for further development of

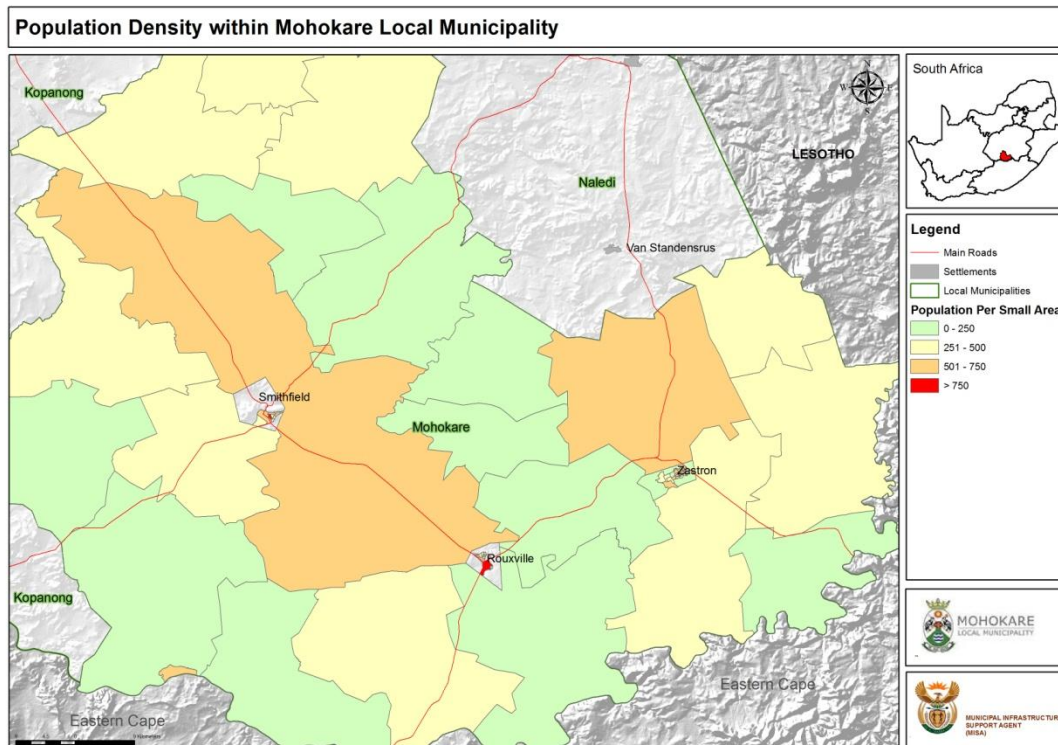
emerging nodes. The key development indicators/informants that need to be taken into account when identifying land for housing development are discussed comprehensively hereunder. These indicators are used in this plan to ensure integration with the Spatial Development Frameworks (SDF) of the municipality and the district while rooted in the spatial principles of the PGDS and the NSDP.

10. Development Informants

a) Socio Economic Factors and Demographic Profile

Socio-economic factors and the demographic makeup of the municipality determine the extent of need for shelter and their location choices. Human settlements tend to congregate in areas where services such as schools, security, health facilities and employment are prevalent. The converse of this is that the probability to providing social services is higher in more populated settlements where there are economies of agglomeration. Due to the historic inequality and forced settlement programmes of the previous government, these patterns were distorted. The map below shows the population densities in the municipality. An overlay of the map of social services clearly shows that the settlements that have higher population densities have a high concentration of social services

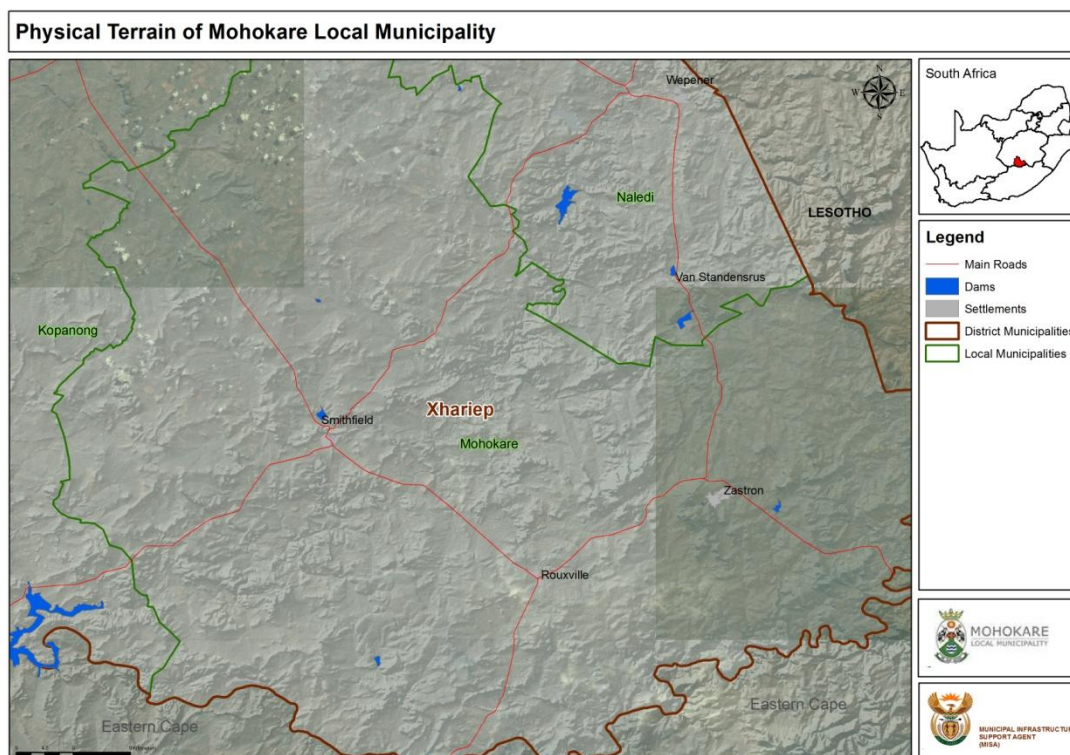
Map 7: Population Densities of the Municipal area



b) Physical, Topographical and Geotechnical Conditions

Environmentally sensitive areas with regard to topography, geology and geomorphology indicate a non-developable area. From a town planning perspective on a slope that is higher than 1:3 are not conducive for development. The map below shows that the municipality has vast areas that are steep. Pre-feasibility assessments will determine whether these areas are too steep to be developed. Steep slopes increase the cost of development as the cost of infrastructure layout is higher on steep slopes.

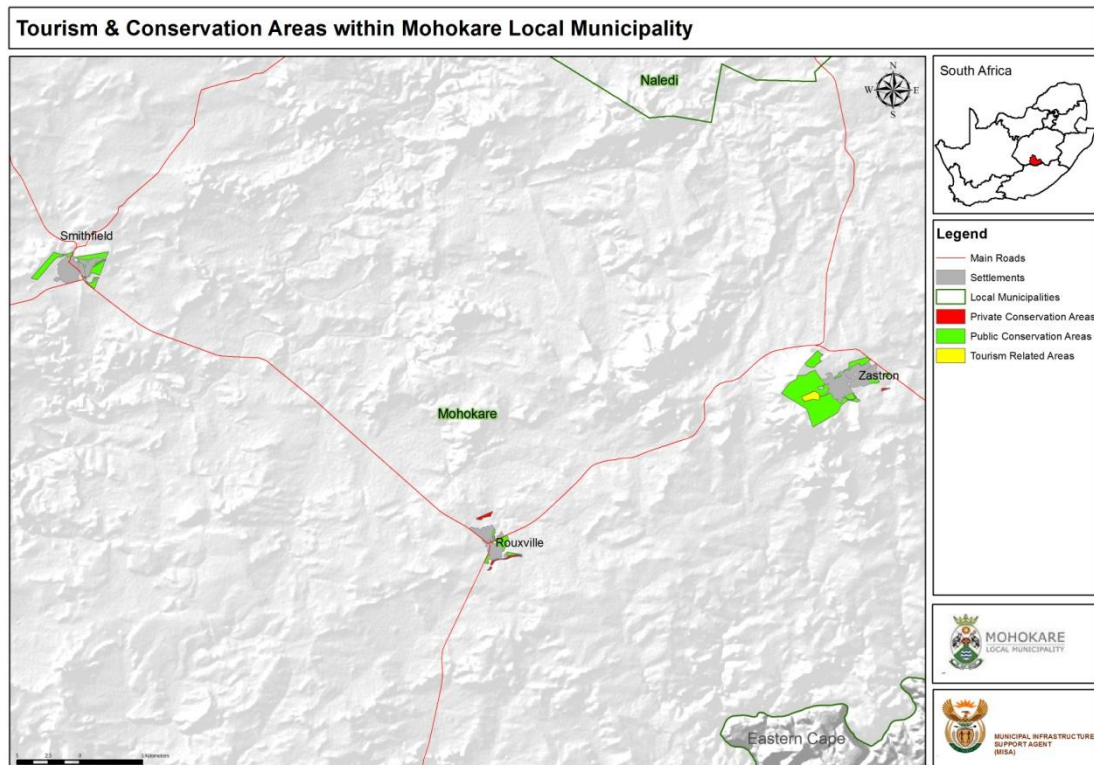
Map 8: Physical Terrain of Municipal area



c) Environmental Protection Areas

The map below shows areas of eco-tourism and conservation. Similarly, areas on flood planes are classified as un-developable land as they are prone to disaster.

Map 9: Tourism areas and Conservation areas



d) Infrastructure

Areas with high levels of infrastructure tend to have a higher concentration of people. This is illustrated by the high demand for housing in the urban centre. The intention of the municipality to develop housing for all income categories in the municipality it is critical that the municipality recognises that infrastructure and socio-economic conditions are the two most critical factors that are used to choose location. Education and health services rank the highest on social services. For the high income residents the quality of these services is even more critical.

11. *Spatial Integration of Identified Land*

From a housing point of view, the key issue is to promote the social, economic and spatial integration of the municipality. The description of land uses in the municipality clearly outlines the spatial configuration of the municipality. The ideal outcome is to change the spatial footprint of the municipality. However the municipality can neither socially nor economically afford to drastically change long-established settlement patterns. The strategic response to spatial integration particularly to the tribal settlements in the periphery encompasses two major planning interventions, that is,



- To ensure access to social and economic services.
- To promote mixed use that includes economic activities based on skills that already exist in
- The community.

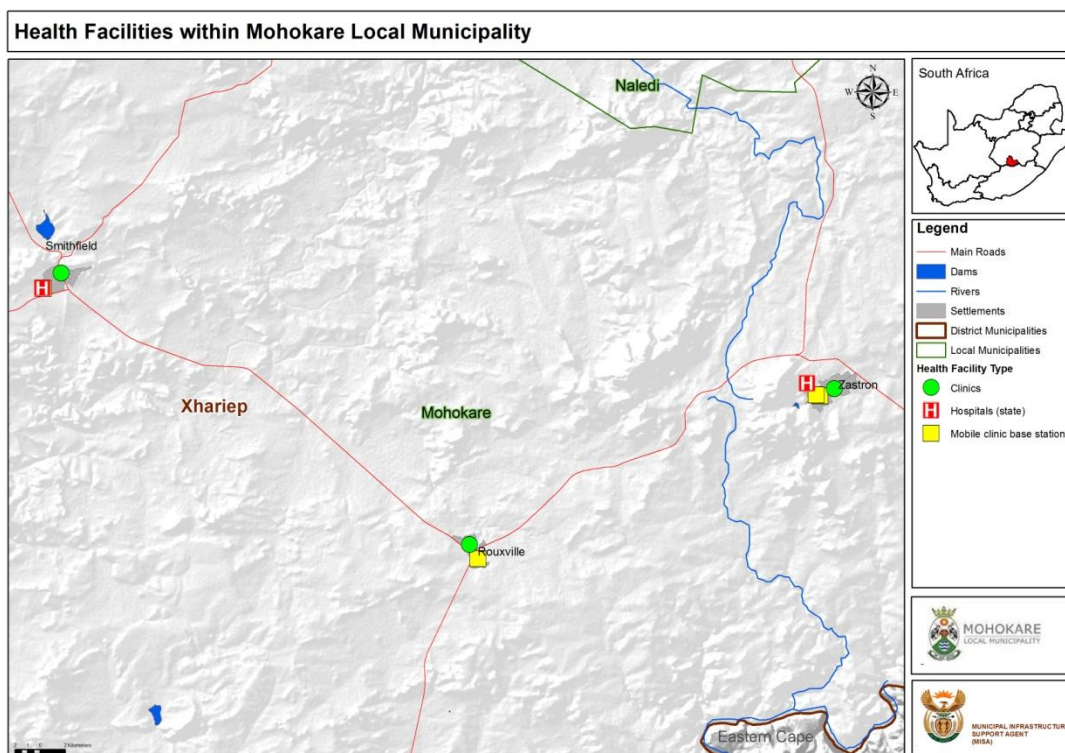
Housing development provides a platform for the delivery of other basic services such as electricity, water, road infrastructure amongst others. Furthermore it is critical that the identified land for housing development promotes spatial integration and access to social services (with basic amenities, sports and recreation, clinics, libraries, shopping malls, cemeteries, schools and other social services), economic (access to employment opportunities, trade and industry).

a) Access to Economic Opportunities

There is an underdeveloped road network that links the rural areas with urban centres. Economic opportunities are limited to the agricultural sector in the areas designated for forestry and the CBD. A good road network is critical to the future development of the Municipality as opportunities within the boundaries of the Municipality are limited. The creation of alternative sources of employment and the diversification of the agricultural sector will create economic opportunities within the Municipality. This is critical as the majority of the population is unskilled with low levels of education.

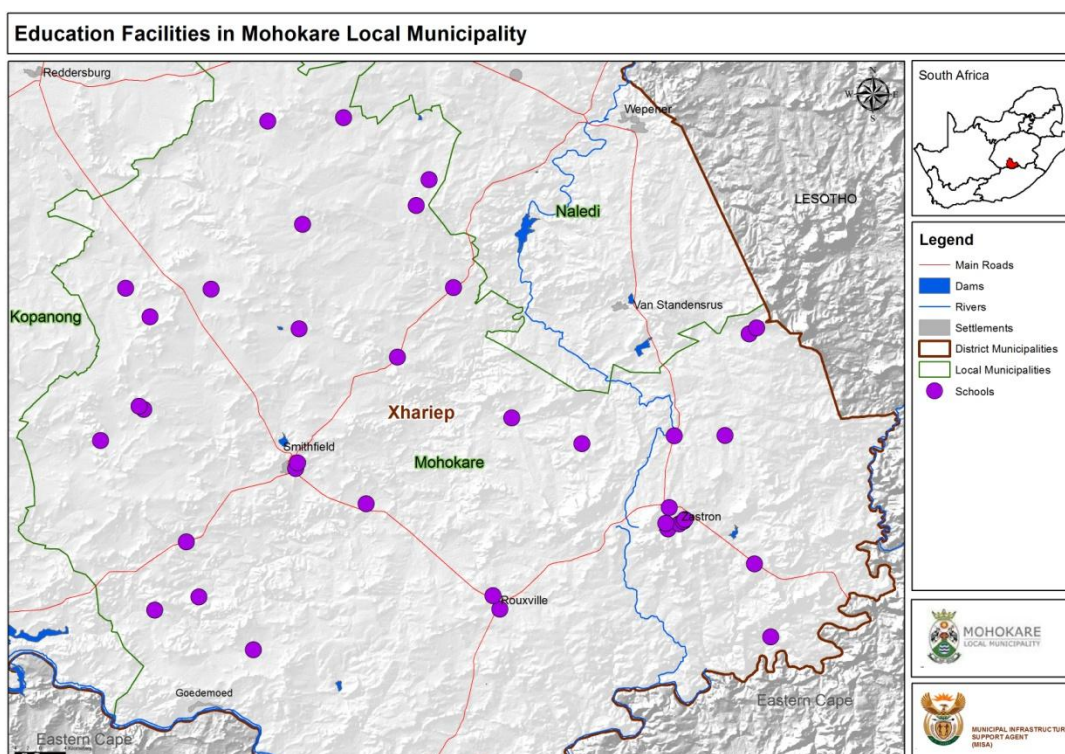
b) Access to Social Services

Map 10: Social Facilities (Health)



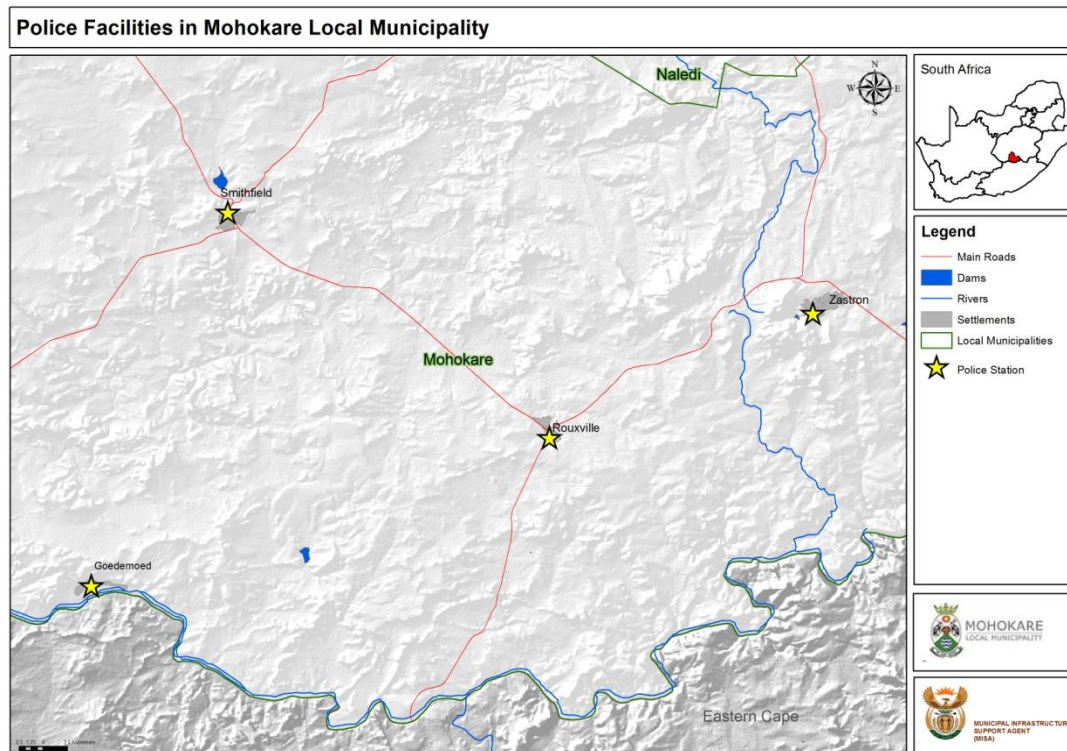
c) Education

Map 11: Educational facilities



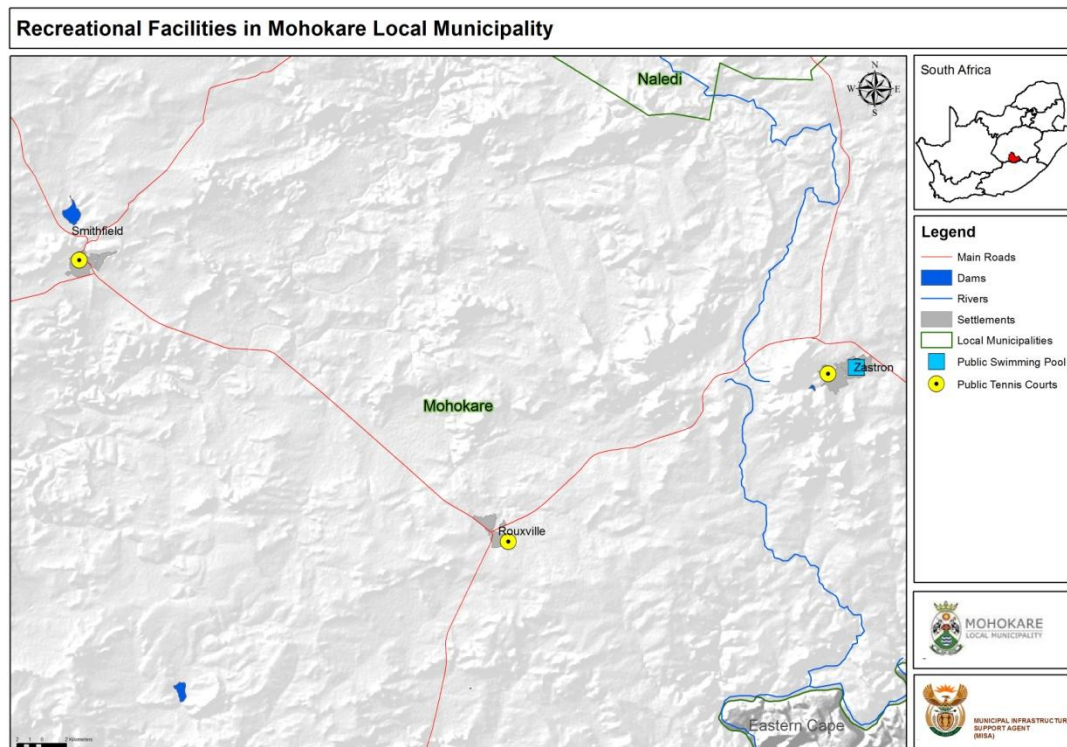
d) Safety

Map 12: Police Stations



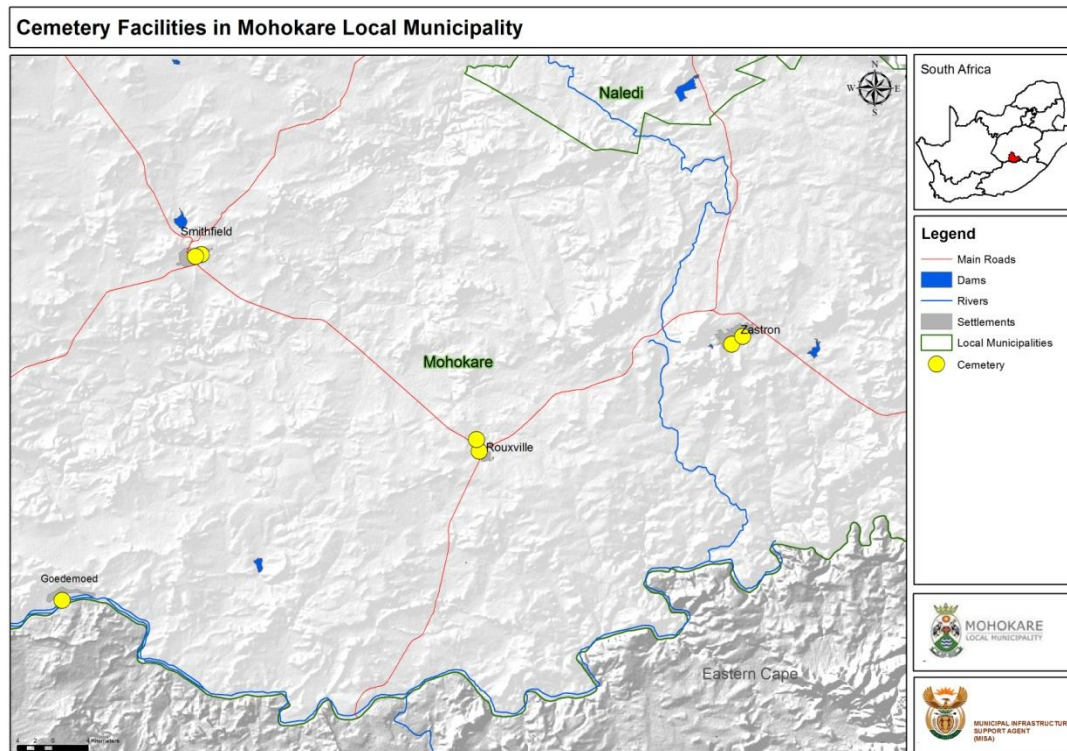
e) Recreational Facilities

Map 13: Recreational Facilities



f) Cemeteries

Map 14: Cemeteries

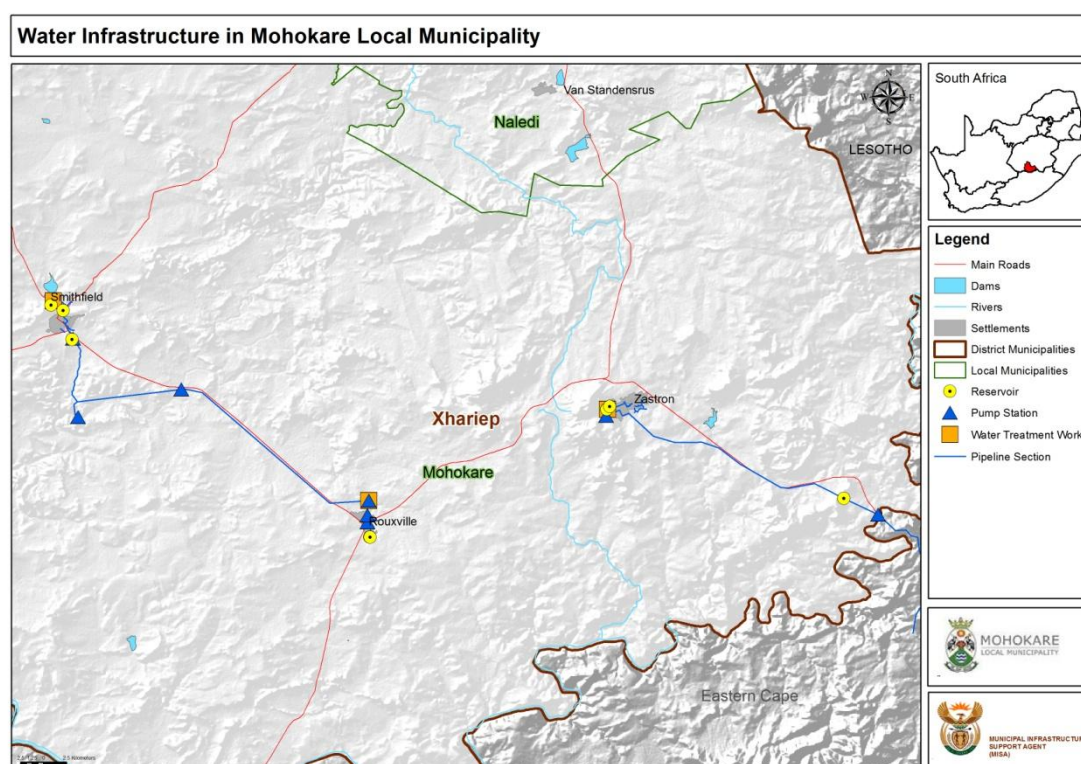


12. Capacity of Bulk Services

There is no doubt that access to basic engineering services improves the quality of life of households. The planning for the provision of bulk services through the Municipal Infrastructure Grant (MIG) should at the district level seek alignment with the housing projects, particularly to address the acute water and sanitation backlogs. Identified projects that are listed in the District Water and Sanitation Plan should be informed by the priority municipal housing projects identified in this plan. The projects have been discussed with the district municipality. However, a formal commitment needs to be obtained from the District considering the fact that the blockages in the current projects are the result of the lack of provision of water and sanitation.

a) Water

Map 15: Water Resources



D. INSTITUTIONAL ARRANGEMENTS

The ability of a municipality from a human resource point of view is very essential in the delivery of housing. Some municipalities lack capacity due to crippling procurement system whereas others are not financially stable. The housing department in the municipality should be considered a technical department and as such appointment of officials should be based on their skills to do the job rather than their political connectedness.

It needs to be recognised that the housing function is a cross-cutting one that requires co-ordination with a wide range of council activities. Most municipalities' have the housing function located in engineering or operating as a separate housing function. There is no ideal location for the housing function; however, deeper integration is required with the engineering function. This can be done through the creation of a housing working group. The primary aim of this working group would be to allow the housing function to coordinate the housing related activities of other functions.

1. Basic Functions of the Housing Section in a Municipality

In terms of the national and provincial housing policy, legislation and programmes, the Municipality is expected to perform the following housing functions amongst others: This requires a well-established housing team with relevant credentials for perform the duties.

Table 14: Basic Function of the Municipal Housing department

Housing Functions
Conduct socio-economic surveys to determine population growth, the housing need and the housing backlog including compilation of a housing waiting list
Submit housing needs to the Province
Help applicants in filling housing subsidy application forms
Process housing subsidy applications through the housing subsidy computer system
Inspect buildings including the laying out of foundations, installation of infrastructure services and the construction of houses
Employ project managers who will ensure that housing projects within the Municipal area are completed within agreed timeframes
Ensure quality management in projects
Manage the implementation of the Human Settlements Plan
Monitor and evaluate the implementation of the Human Settlements Plan
Make input on housing policy and liaise with provincial and national housing practitioners
Establish and manage a complaint system
Manage conflict resolution
Plan, survey, proclaim and service land for housing purposes and allocate stands to beneficiaries ahead of subsidy allocations
Furnish housing information to the province, national and the public on request
Comply with environmental impact assessment procedures
Monitor and combat land invasion
Establish a housing disaster policy for the Department
Promote middle-income housing and inner-city redevelopment
Promote People's Housing Process
Promote rural housing (agri-village) for farm workers
Promote, where feasible, on-site housing redevelopment of informal settlements
Establish a database of service providers, housing stakeholders, and housing resources
Ensure integrated development of housing projects and coordinate implementation with relevant sister departments
Establish a framework for the collection of the R2 479 beneficiary contributions
Stabilise the housing environment between financial institutions and defaulting homeowners
Provide housing consumer education
Compile and maintain housing information
Investigate and seek solution to alleged irregularities and fraudulent activities
Facilitate the involvement of national housing institutions in the housing delivery process – NHBRC, NURCHA, NHFC, SERVCON, PHPT, etc.

2. Institutional Capacity

As mentioned above most municipal housing officials are relatively poorly qualified in the (public) housing sector and therefore have limited knowledge and experience in the operationalization of the housing functions / activities. In a nutshell, there is very limited institutional capacity to fully undertake the roles and responsibilities of the local sphere of government as outlined above.

Most local municipalities are not able to fund housing specific capacity development programmes from their own budgets, even those who may raise funds. A Municipality would find it costly to do this only for their own officials alone. It can be safely concluded that there is under-spending on housing capacity development funding targeted for local municipalities. The department has identified capacity building programmes as one of the most important tools in achieving improved housing delivery in the province. With this view in mind, the department will strive to improve the capacity-building programmes in order to increase efficiency at provincial, district and local municipalities.

3. Organogram of the Housing Section in a Municipality

The housing sector department of a municipality should be, if not wholly populated, dominated by qualified officials for specific duties. The main reason why most municipalities are struggling to deliver on their mandate is the fact that they are not in good administrative and financial standing to execute their duties as required by both the provincial and national housing departments. It is important that in every municipal housing department there are officials who deal with day to day issues such as complaints and application and officials who also deal with long-term strategic plans of the municipality. The table below is an example of how a structure of a municipal housing department should more or less look like.

There are a range of interventions and related disciplines required to bring about viable human settlements. The institutional framework has been conceptualised to provide the municipality with means to focus, coordinate and channel investment in a holistic manner. The institutional framework is designed to ensure co-ordination between line functions in both the municipality and all spheres of government. Furthermore the structure must promote the long term sustainability and operational viability of the housing interventions undertaken in the municipal area. More importantly the structure needs to have the necessary authority and status to do so.

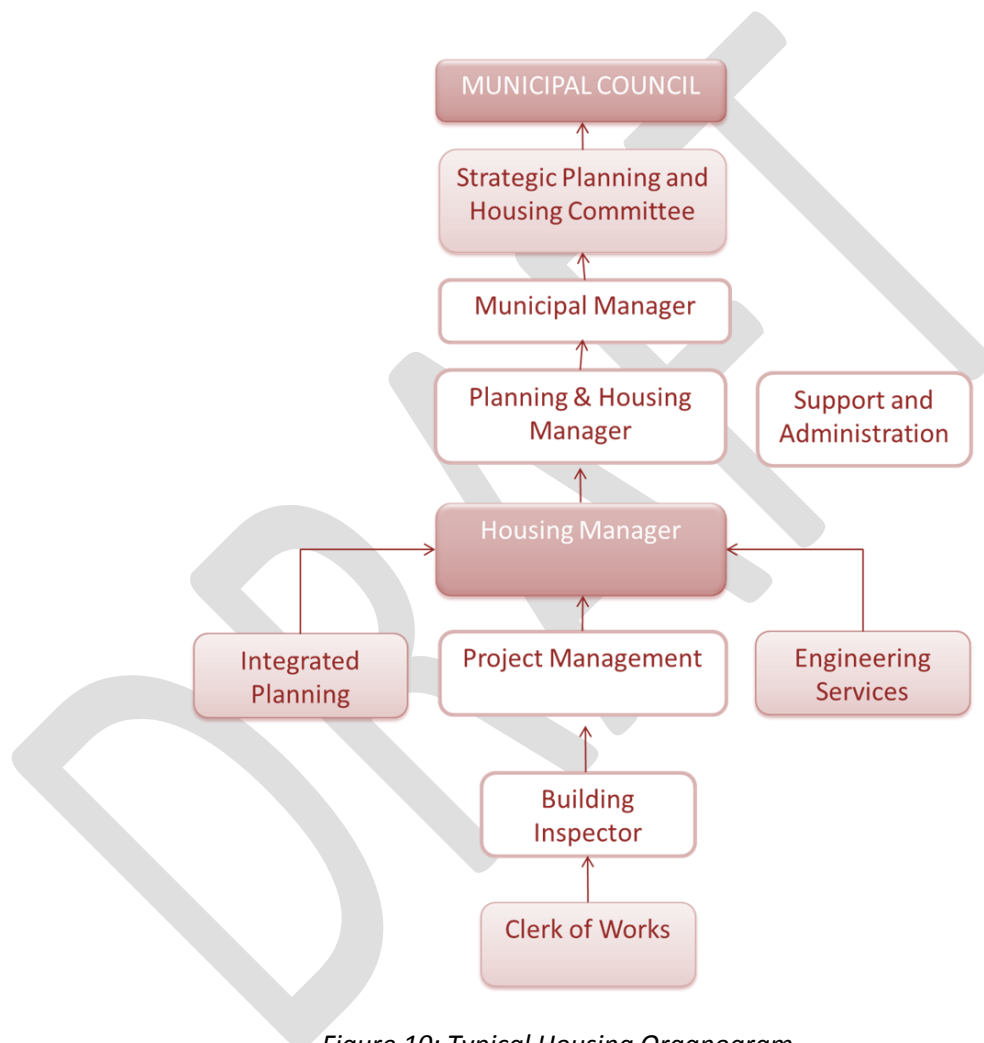


Figure 10: Typical Housing Organogram

Outlined below are the institutional conditions for the housing unit to effectively deliver its mandate.

- **Governance:** refers to how the housing unit makes decisions, oversees its obligations and ensures internal accountability.
- **Authority:** how the housing unit is empowered to act, through either founding documents, mandates or the municipal institutional structures.

- **Compliance:** is the municipal ability to meet contractual and legal obligations i.e. the community and other spheres of government.
- **Competence:** the ability of the housing unit to assemble and mobilise resources
- **Relationships:** how the program interact with a variety of stakeholders

E. HOUSING FINANCIAL MANAGEMENT

Once all of the projects have been identified and initially prioritized, individual programs and cash flows should be determined. Once all of the programs and cash flows are complete they should be summaries and condensed into an overall project program schedule and then into a single cash flow spread sheet. This spread sheet should include the cash flow requirements (5year time horizon) for all of the current projects thereafter all of the planned project should be placed, the total of the two sections should then be added together to determine the municipal funding requirements for the 5 year horizon. An example the spread sheet should indicate at least following basic information.

A municipality must constantly review its financing and funding models associated with all forms of housing development and delivery to develop integrated housing. The imperative of ensuring the on-going delivery of housing opportunities must be matched with appropriately sustainable housing funding models. In this regard the linking and alignment of the various state housing subsidy programmes is essential to ensure integrated and diverse housing and community developments. Whilst the state housing subsidy mechanisms are the key catalysts for housing opportunity delivery, these must be appropriately linked to the various other state funding initiatives available whilst being geared to other non-governmental resources. In this regard the seamless interaction of state funding from all sources (i.e. Department of Land Affairs, Department of Provincial and Local Government, Department of Housing, National Treasury et al) must be continually pursued, thereby limiting the burden on the municipal fiscus whilst, simultaneously utilising the various fund provisions to maximise the quality and volume of housing opportunities delivered.

By utilising all available grant funds, the municipality should be able to enhance the quality of the services provided to citizens whilst simultaneously limiting the on-going maintenance costs associated with the infrastructure installed to service the various

housing developments. The formalisation of the municipal informal settlements allows for the expansion of direct monthly invoicing for services rendered by the various departments (which in turn allows for expanded revenue collection opportunities for the town.) Funds so obtained are, inter alia, utilised for the expansion of the municipal's informal settlements and related upgrade/development programmes.

A municipality should, through a restructured housing maintenance programme, establish a process wherein major state funding is released to ensure the refurbishment and upgrading of its housing rental properties. Whilst this major upgrading programme will enhance the municipal housing asset base, the imperatives associated with this upgrading programme embody the expansion of the municipal monthly charge collection mechanisms in terms of the appropriate debt management policies and by-laws.

A municipality, by ensuring a financial parachute to its housing occupants, should provide targeted pro poor funding for the various services incorporated in its service offering. These instruments include, inter alia, housing grants (rental and selling schemes), rates rebates, and free basic water and electricity. Notwithstanding the aforementioned, a comprehensive review of the municipal's various financial processes and interventions ensures the development of housing opportunities and communities whilst ensuring that a financially sustainable approach is adopted.

F. PERFORMANCE MANAGEMENT

Performance management is a systematic process by which a municipal organisation involves elected representatives, residents and communities and its employees in improving organisational effectiveness in the accomplishment of legislative mandates and strategic imperatives. Performance Management System is a system that is intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. It is a system through which the municipality sets targets, monitors, assesses and reviews the organisational and individual's employees performance, based on municipality's priorities, objectives and measures derived from the municipal integrated development plan. A Performance Management System enables the municipality to conduct a proper planning, measuring, monitoring, reviewing and reporting on its performance.

The main principles of Performance Management System are that it should:

- Drive change and improve the performance of the organisations
- Focus the organisations work on its priorities
- Measure the organisations overall performance against set objectives
- Align strategic objectives and priorities with individual work plans
- Identify success as well as failure and ,
- Identify good practice and learning from other successes.

Table 15: Performance Management Template

Strategic Objective	Activity	Measurement	Start Date	Output	Budget	Responsibility
Develop Institutional Capacity	Adopt a unit structure	Operation unit		Appointed and qualified staff		
Capacity building of municipal officials	Identify training needs	Skills base of the housing department		Capacity to carry out housing function		
Quantifying backlogs	Installation of demand data base through Spisys	Operational data base, spatially enabled and linked to entities		Spisys Implementation		
Develop sustainable settlements	Unblock blocked projects	Commence implementation		Implementation and completion of blocked projects		
Develop mixed income housing	Enter into PPP	PPP Agreement signed		Signed PPP		

G. THE MONITORING PROCESS

The performance indicators can be monitored quarterly by the official who is responsible for housing in the municipality. The monitoring process will ensure that problems are identified in their initial stages; hence it is relatively easier to address them at their inception stage. This is usually done in the form of reports that are tabled before council and eventually the entire residents get informed about the performance of the municipality with respect to housing delivery.

H. REVIEW

The Human Settlements Plan, like all other sector plans of the IDP, is subjected to the evaluation and review process. The purpose is to establish whether the targets as in the form of objectives have been achieved. In cases where no tangible results have been made, it then becomes important to establish the reasons thereof. It is during this stage that some strategies may be changed in order to achieve the desired results

In conclusion, as Human Settlements Plan is a component of the IDP, it needs to be reviewed as well during the main IDP review process.

I. CONCLUSION

The Human Settlements Plan constitutes the framework for the initiation of the actions needed to address the municipal's housing challenges. It is also the benchmark against which such actions will be measured. The Integrated Housing Plan is primarily a strategic management tool to assist the municipal's Housing Directorate to focus on ensuring that all activities in the department are working towards the same vision and goals, there by assessing and adjusting the department's direction in response to a dynamic environment. In this regard the Human Settlements Plan takes cognisance not only of the broader framework requirements stipulated by the Integrated Development Plan but also adheres to budget constraints, the Local Government Systems Act 32 of 2000, The Municipal Finance Management Act, as well as guidelines set by Policy at all spheres of government.

Housing is always challenging, but the municipal housing department should strive to take advantage of opportunities and with the resources allocated and available to it deliver on the targets set in their year plan .The housing plan is based on solid foundation for the delivery of targets. Obtaining and maintaining the continued backing of National and Provincial Government to secure legislative and financial directives is considered vital if the municipality is to meet its housing targets. To this end, communication channels must be kept open, and intergovernmental cooperation must rate as one of the municipality's highest priorities. The municipality, together with its partners, can successfully deliver and that all citizens in need of shelter and housing. The municipality should, on a progressive basis, have access to in an incremental way to secure tenure, adequate protection against the elements and a permanent structure for 'Potable water, adequate sanitary facilities and domestic energy supply' (The Housing Act, No 107 of 1997).

The Human Settlements Plan is a first step towards the creation of sustainable human settlements. It aims to promote and provide the enabling environment for settlements that work. These are safe environments in which people live, work, play and shop, care for their children and socialise. Sustainable human settlements are settlements which are safe and people can access social amenities such as healthcare clinics, libraries and schools.

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