

JULY 2019



MSUNDUZI LOCAL MUNICIPALITY HOUSING SECTOR PLAN

**A Strategic Plan for the Development of Sustainable
Human Settlement**



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EXECUTIVE SUMMARY

This document presents a Human Settlements Sector Plan (HSSP) for the Msunduzi Local Municipality, which is a component of the Integrated Development Plan (IDP) and satisfies legal requirements. It accords with the national policy on the development of sustainable human settlements, responds to the housing issues facing the municipality and repositions the municipality to address these issues effectively in pursuit of integrated development.

The Constitution of the Republic of South Africa, 1996 and the associated Bill of Rights establishes the right of all citizens of the Republic of South Africa to have access to adequate shelter. In response to this Constitutional imperative, the Government introduced the Housing Act, 1997 (Act No 107 of 1997) which requires each municipality, as part of its integrated development planning process, to take reasonable and necessary measures within the national and provincial policy towards the progressive realization of this right. This includes initiating, planning, coordinating, promoting and enabling appropriate housing development within its area of jurisdiction.

The Msunduzi Municipality is one of the seven local municipalities that make-up uMgungundlovu District Municipality (UMDM) in the KwaZulu-Natal Province. It covers an area of approximately 751km² and is the second largest municipality in size in KwaZulu Natal after eThekweni metropolitan municipality. The Msunduzi Local Municipality had a population of about 679 039 people in 2016 (60% of the District's population) and is experiencing a high urbanization rate, which exerts pressure on the municipality to unlock suitable located land to accommodate population growth. Pietermaritzburg, situated in the Msunduzi Municipality, is the second largest city within KwaZulu-Natal Province and the fifth largest city in South Africa. It is the capital city of the Province, the seat for the provincial legislature and parliament, and an administrative and economic hub.

THE POLICY FRAMEWORK

The Msunduzi Municipality HSSP gives effect to the national human settlement development policy derived from the Constitution of the Republic of South Africa and contained in various policy prescripts that deal with human settlement including the National Housing Act (Act No. 107 of 1997), the Housing Code (2009) and the Comprehensive Plan for the Creation of Sustainable Human Settlements (March 2000). The municipality will implement the HSSP with due cognizance of international protocols, national policy directives, provincial human settlement program, and the integrated development plan with best-practices in the country serving as a guide and benchmark.

HOUSING SUPPLY AND NEED

This section of the report undertakes an analysis of the housing need and supply within Msunduzi Municipality. It acknowledges that the need for sustainable human settlements is a constant challenge facing the Msunduzi Municipality and South Africa as a whole. This need is partly a result of migration caused by socio-economic pull and push factors as well as a change in population-dynamics – but it is mostly a consequence of past socio-economic and spatial injustices, realised by apartheid governance and spatial planning. Those (previously disadvantaged) in desperate need of sustainable housing are predominantly the landless, rural-poor and low-income earners.

The need for sustainable human settlement persists despite new policies and legislation ushered in since the dawn of democracy in 1994. While the goal-posts continue to shift due to population growth and socio-economic and political dynamics, since 1994, the government has made substantial progress towards the realisation of Section 26 of the Constitution of South Africa "the right to adequate housing for all". This progress in addressing the housing need has been realised employing policy development and planning at all spheres of government for the development of sustainable human settlements and practical implementation thereof.

Like most cities in South African, Msunduzi is experiencing a relatively high rate of urbanization. The population of the Msunduzi Municipality has grown phenomenally over the last three decades, with indications that this phenomenon will continue into the distant future reaching nearly 80% by 2050. It exerts pressure on the existing infrastructure, public facilities and housing stock, and requires the municipality to respond to the expressed need in a manner that accommodates future demand as well. Dynamic pull and push factors, whereby people migrate from rural to urban areas in search of improved living conditions and employment opportunities contribute to the population growth experienced.

There is an increasing demand for sustainable housing in the Msunduzi. According to Stats SA (2011), more than 61% of the population of Msunduzi is categorized as living in poverty. This indicates the profound depth of the housing predicament within the Msunduzi. The housing need in Msunduzi Municipality is informed by various sources, including statistical analysis of data and the income profile of the population residing in Msunduzi, which provides perspective into the extent of housing demand and need in the municipality within each of the programmes available for delivery. The housing need is indicated as follows:

The extent of 'need for housing' (based on housing type) in the Msunduzi is indicated in the table below. The table reveals that the estimated housing backlog is 44 263 based on housing

typology, with most of the demand based on housing types being ‘traditional dwelling units’ at 27 581.

Type of the main dwelling	Total Number of Households Per Municipality	Households earning less than R38 196 p.a./R3 183 p.m. (Qualifying for Low-Cost Housing)	Households earning between R800-R3500 p.m./R9600-42000 p.a. (Quality for CRU)	Households earning less than R153 802 p.a./ R15 000 p.m. (Qualifying for FLISP)	Demand by Current Housing Type					
					Traditional Dwelling	Backyard Rooms	Informal Dwelling	Informal Shack	Caravan /Tents	Total
Msunduzi	169754	102942	76468	17213	27581	3086	4347	9151	97	44263

(SOURCE: STATS SA, 2011)

Households (based on income band and housing typology) that qualify for the different housing subsidies, programmes and products:

- There is a considerable proportion of households/individuals that lie within the low-income category, that qualify for low-cost housing, which is accessible for households that earn less than R3 500 a month.
- The segment of the population that does not earn an income at all constitutes 16% of the population of Msunduzi– of which also qualifies for low-cost housing.
- Households earning below R7 500 qualify for other forms social housing subsidies, such as Social Housing and Finance Linked Individual Subsidy Programme (FLISP).

The typology of the need are categorised as follows:

- Rural housing need is concentrated mainly within Vulindlela ABM by virtue of it being the only major rural area within Msunduzi Municipality.
- Burgeoning informal settlements with more than 20 000 households is one of the key human settlements development challenges facing Msunduzi Municipality.
- Rental housing.
- Gap market: The gap housing market comprises people who typically earn between R3 500 and R10 000 per month, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance.
- RDP Units.

The Msunduzi Municipality has identified a number of housing projects that aim to address the municipality ‘s housing demand. These projects are at different stages – a number of them have been completed; with a majority of them being either in planning or implementation phases.

THE STRATEGY

The Msunduzi Municipality previously followed a “mass housing delivery approach” based on chasing pre-set delivery targets and paid limited attention to the quality of the environments

being created. It implemented projects in peripheral areas further from job opportunities and the central business district. These projects occurred in the form of monotonous settlements of RDP houses that perpetuated urban sprawl and segregated the poor from the neighbouring communities.

The municipality seeks to shift away from this and adopt a strategic approach in line with the long-term development vision it outlined in the IDP and the “Breaking New Ground” policy of the national government. The new approach goes beyond the simple construction of houses and focuses on building sustainable communities using housing development as a catalyst. It promotes equality, affirms inherent human dignity, and enables access to adequate housing. As such, the municipality’s IDP identifies the development of sustainable human settlements as one of the priority programs.

The MLM seeks to drive programs to build integrated and socially cohesive human settlements. This includes upscaling the delivery of subsidized housing, unlocking housing opportunities across the income spectrum and using housing development as a catalyst for social and economic development. As such, the strategy:

- facilitates and promotes synergies while living space for each locality to develop a unique character based on its strengths and location advantages;
- acknowledges and seeks to refine the development vision outlined in the IDP by indicating the desired future situation in respect of the development of human settlements;
- outlines the human settlement development strategy which provide objectives statements and serve as a road map to the desired future situation; and
- presents the strategic intervention areas/initiatives which essentially are the activities that should be undertaken to achieve the objectives.

The objectives of the Msunduzi Municipality Human Settlement programme are as follows:

- To strengthen the capacity of the municipality to deliver sustainable human settlements.
- To establish synergistic relations with stakeholders and potential partners.
- To develop and implement effective systems and procedures for the delivery of the human settlement programme.
- To reduce housing backlog in all its forms.
- To eradicate slums by 2030.
- To use housing as a catalyst for spatial transformation and equitable socio-economic development.
- To eradicate title deed backlog.

STRATEGY DIAGRAM

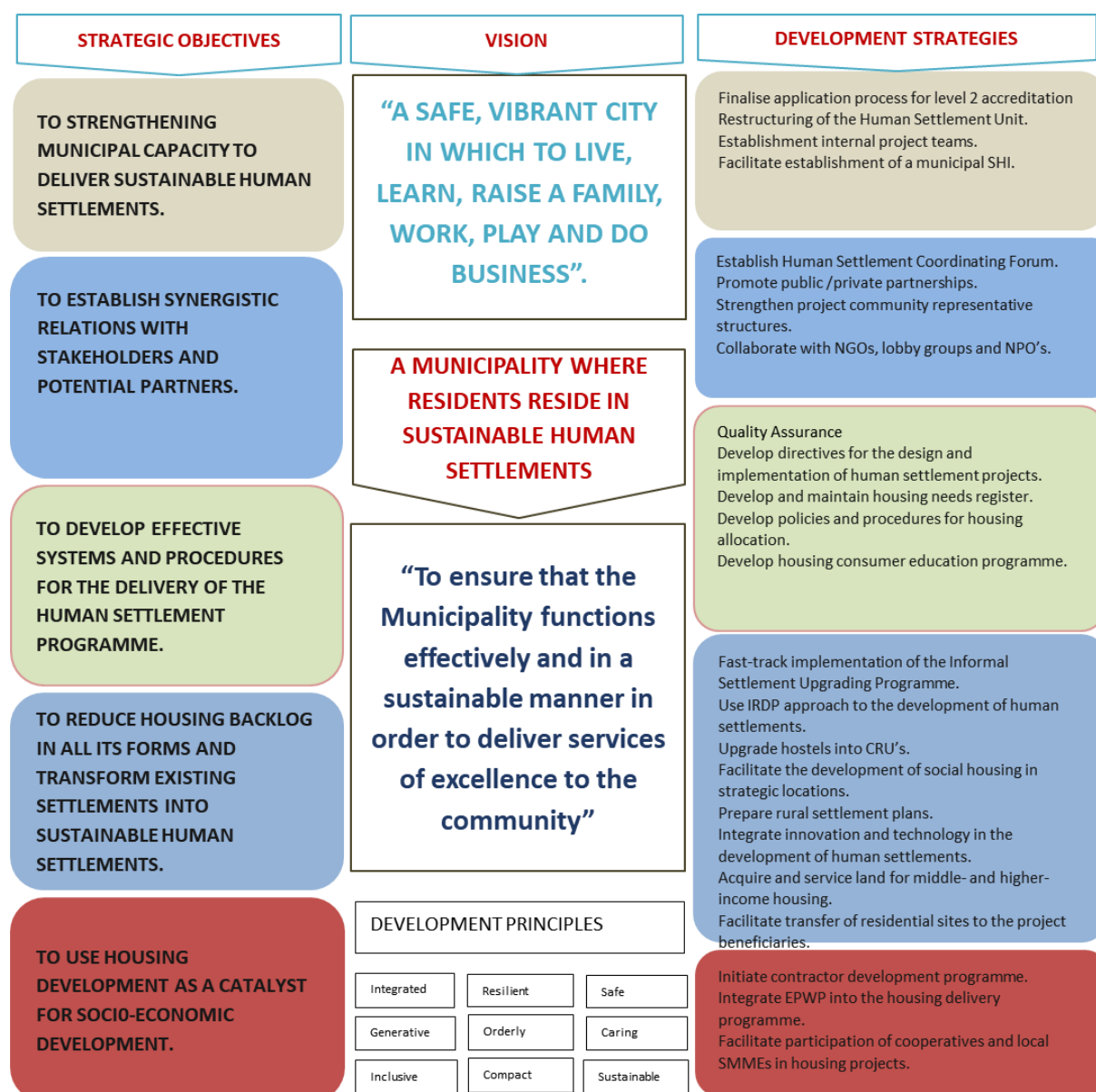


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ABBREVIATION LIST

BNG	- Breaking New Ground
CMA	- Catchment Management Agency
CSIR	- Council of Scientific Industrial Research
DAEARD	- Department of Agriculture and Environmental Affairs and Rural Development
DFA	- The Development Facilitation Act
DoHS	- Department of Human Settlements
EIA	-Environmental Impact Assessment
ESTA	-Extension of Security of Tenure Act
FLISP	-Finance Linked Individual Subsidy
GIS	- Geographic Information Systems
HSDP	- Human Settlement Development Plan
IDP	- The Integrated Development Plan
ITB	- Ingonyama Trust Board
KPA	- Key Performance Area
LM	- Local Municipality
MSA	- Municipal Systems Act
NDoH	- National Department of Housing
NDP	- National Development Plan
PGDS	- The Provincial and Growth Development Strategy
PTP	-Public Transport Plan
PSC	- Project Steering Committee
PSEDS	- Provincial Spatial Economic and Development Strategy
RDP	- The Reconstruction and Development Framework
SA	- South Africa
SDF	- Spatial Development Framework
SEZ	-Special Economic Zones
SPLUMA	- Spatial Planning Land Use and Management Act
UDF	- Urban Development Framework

1 INTRODUCTION

1.1 PURPOSE

Section 9(1) of the National Housing Act, Act 107 of 1997 requires each municipality to take reasonable and necessary steps, as part of integrated development planning process, to enable adequate access for people residing within its area of jurisdiction by:

- setting housing delivery goals;
- identifying suitable land for housing development;
- undertaking spatial planning and obtaining all the relevant statutory approvals; and
- facilitating, initiating and coordinating housing development within in its area of jurisdiction.

This document presents a Housing Sector Plan (HSP) for the Msunduzi Local Municipality. It is a component of the Integrated Development Plan (IDP) and satisfies the above-mentioned legal requirement. It accords with the national policy on the development of sustainable human settlements, responds to the housing issues facing the municipality and repositions the municipality to address these issues effectively in pursuit of integrated development.

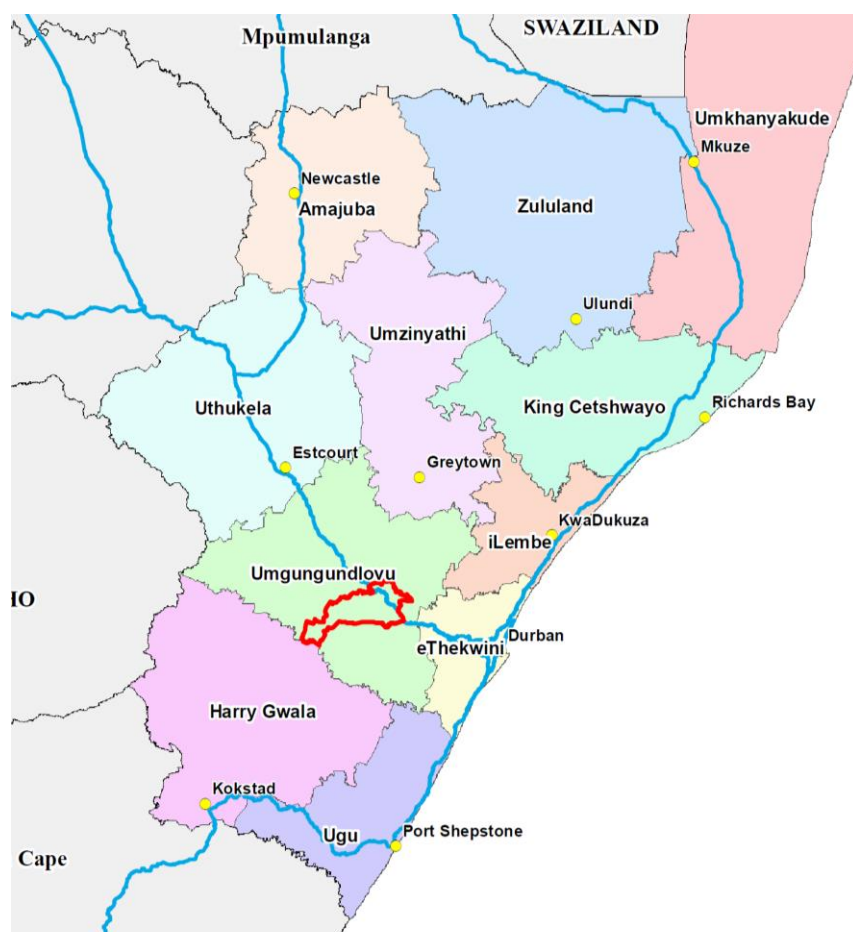
1.2 MSUNDUZI LOCAL MUNICIPALITY

The Msunduzi Municipality is one of the seven local municipalities that make-up uMgungundlovu District Municipality (UMDM) in the KwaZulu-Natal Province. Although the district municipality covers an area of approximately 8 500km² and is the second largest municipality in size in KwaZulu Natal after eThekweni metropolitan municipality, the Msunduzi Municipality occupies only 7% of the UMDM area.

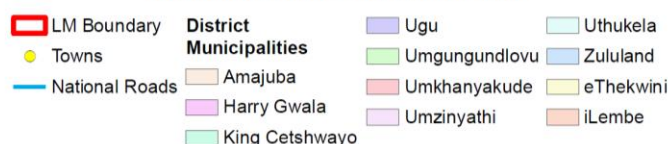
The Msunduzi Municipality lies approximately 85km west of Durban. The N3 national highway (corridor) and the R56 provincial arterial route runs through the municipality in an east-west and north-south directions respectively. The municipality shares boundaries with the Mkhambathini Municipality to the east, Richmond Municipality to the south, Impendle Municipality to the southwest, uMngeni Municipality to the west and uMshwathi Municipality to the north.

Pietermaritzburg, situated in the Msunduzi Municipality, is the second largest city within KwaZulu-Natal Province and the fifth largest city in South Africa. It is the capital city of the Province of KwaZulu-Natal and the main economic hub within uMgungundlovu District Municipality and the Midlands generally. It is well developed with industrial and commercial activities and is the service centre for the surrounding commercial farmlands, rural settlements, rural towns and tourist destinations such as the Midlands Meander.

MAP 1: MSUNDUZI IN KZN



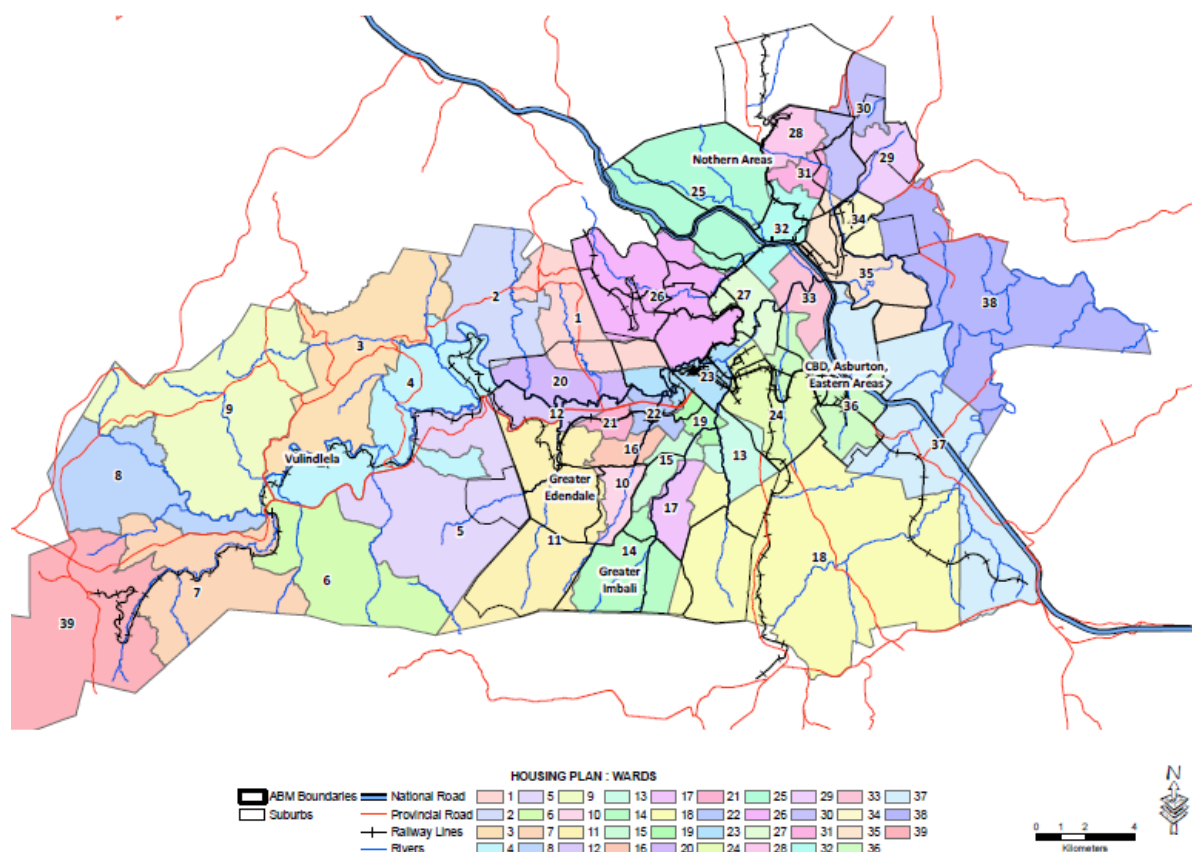
HOUSING PLAN - LOCALITY MAP



It is also the seat for the provincial legislature and parliament, and an administrative hub for the whole KwaZulu-Natal Province. A well-established provincial road network supports functionality between the Msunduzi Municipality and its catchment area. The national and provincial governments have recognized the strategic location and significant role of the Msunduzi Municipality in promoting development in the National Development Plan (NDP) and the Provincial Growth and Development Strategy respectively.

The Msunduzi Local Municipality has a population of about 679 039 people. It accounts for 60% of the UMDM population, which makes the Msunduzi Municipality the most populated municipality in the district despite having the smallest geographic coverage. Population in the Msunduzi Municipality is spread unevenly among the 37 electoral wards with the majority residing in the Greater Edendale area. The population has grown steadily over the last two decades from 553 221 in 2001 to 679 039 in 2016, and the municipality's IDP projects a further population growth to 702 865 or 828 743 people based on a low and high growth scenario. A high urbanization rate exerts pressure on the municipality to unlock suitable located land to accommodate population growth.

MAP 2: MSUNDUZI WARD BOUNDARIES



Although the municipality has made substantial progress in facilitating spatial restructuring, the stubborn apartheid spatial pattern remains one of the main factors influencing settlement pattern in the Msunduzi area. Undulating terrain typical of large portions of the KwaZulu-Natal Province also has a significant influence in this regard. Settlements within the municipality ranges from low density sprawling rural settlements in Vulindlela through the Edendale valley area which faces a threat of degenerating into an urban slum and the poorly developed dormitory former black only townships to well-developed suburbs along the N3 corridor and the northern (former Indian and Coloured) areas where relatively large informal settlements have also developed.

According to the IDP (2016/17), the municipality has a Gross Domestic Product (GDP) of R51,7 billion and contributes about 67.08% to the uMgungundlovu District Municipality GDP of R 77.1 billion. The Msunduzi Local Municipality contributes 7.45% to the GDP of the KwaZulu-Natal Province. Not only is Msunduzi a primary node within the district, but it also reflects the economic development potential of the district as it accounts for close to 73% of the district GDP.

1.3 DEFINING THE CONCEPT “HUMAN SETTLEMENTS”

The Msunduzi Municipality IDP adopts the notion of sustainable human settlement as an overarching approach and strategic framework to addressing housing needs and issues. Its basis on this on the 1976 Vancouver Declaration, which defined human settlement as:

the totality of the human community - whether city, town or village - with all the social, material, organizational, spiritual and cultural elements that sustain it. The fabric of human settlements consists of physical elements and services to which these elements provide the material support.

The municipality understands the fundamental tenets of human settlement as basic services, security of tenure, social facilities and shelter. Human settlements are the spatial dimension as well as the physical expression of economic and social activity. Access to employment opportunities and sensitivity to bio-diversity enhances the sustainability of human settlements. Sustainable human settlements therefore define and condition the relationship between where people live, play and work on the one hand and how this occurs within the confines of the natural environment on the other.

1.4 OBJECTIVES OF THE MSUNDUZI MUNICIPALITY HUMAN SETTLEMENT SECTOR PLAN

The Msunduzi Local Municipality Housing Sector Plan is a component of the Integrated Development Plan. It provides a strategic framework for addressing housing backlog and coordination of service delivery programs towards the ideal of sustainable human settlements. This includes unlocking economic opportunities, improving access to basic services and public facilities, and securing land tenure rights. Its objectives are as follows:

- To reduce housing backlog in its various forms in line with the national and provincial norms, standards and targets.
- To provide for a variety of housing typologies and densities in appropriate locations in response to different housing needs in the Msunduzi.
- To contribute towards spatial transformation and an efficient settlement and spatial pattern.
- To facilitate rapid and cost-effective release of land for the development of sustainable human settlements in line with the national policy directives.
- To improve access to basic services and public facilities, security of land tenure and location in relation to economic opportunities such as employment, markets, etc.
- To build capacity and strengthen institutional arrangement for an effective implementation of the human settlement development.
- To inform allocation of funds and other resources for human settlement purposes.

1.5 SCOPE OF THE HSSP

The HSP presents a human settlement (housing) development programme for the Msunduzi Local Municipality. It responds to the human settlement issues facing the municipality while also enabling the municipality to perform its human settlement duties and functions. These are prescribed in the Constitution and the National Housing Act, No. 107 of 1997. It covers the following:

- Review of national and provincial human settlement policy and its implications for the development of sustainable human settlement in the Msunduzi Local Municipality.
- Analysis of the current state of state/situation of the human settlement to ascertain the sustainability of the existing human settlement;
- Establishing current housing backlog and demand (numerical extent and number of potential beneficiaries per subsidy instrument/ priority issue);
- Formulation of a human settlement strategy and alignment with the municipal development strategy in the IDP and other associated sector plans;
- Land identification of strategically located land for the future development and implementation of sustainable human settlement projects;
- Developing a pipeline of human settlement projects to inform allocation of funds and other resources at a provincial and national level; and
- Developing an appropriate institutional framework for an effective management of the human settlement development programme in Msunduzi Municipality.

2 POLICY FRAMEWORK

The Msunduzi Municipality HSP gives effect to the national human settlement development policy derived from the Constitution of the Republic of South Africa and contained in various policy prescripts that deal with human settlement including the National Housing Act (Act No. 107 of 1997), the Housing Code (2009) and the Comprehensive Plan for the Creation of Sustainable Human Settlements (March 2000). The municipality will implement the HSP with due cognizance of international protocols, national policy directives, provincial human settlement program, and the integrated development plan with best-practices in the country serving as a guide and benchmark.

2.1 INTERNATIONAL PROTOCOLS

2.1.1 SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) otherwise known as agenda 2030, officially came into force on 1 January 2016. It is a set of 17 Goals, 169 Targets and 231 Indicators. They apply to all countries and are a universal call for action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. They build on the successes of the Millennium Development Goals (MDGs), while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected which means that progress in tackling one goal will have ripple effect on the other goals.

FIGURE 1: SUSTAINABLE DEVELOPMENT GOALS



While the SDGs are not legally binding, the South African Government has adopted and integrated them in the national development programme. Goal 11 calls for sustainable communities and is the core of any human settlement development plan. It is a central component of this HSP as well, while the attainment of the other goals is critical for long-term sustainability and the ideal of sustainable human settlements in the Msunduzi Municipality.

2.1.2 THE NEW URBAN AGENDA (HABITAT III)

Member states of the United Nations (UN) adopted the New Urban Agenda (NUA), being the outcome document agreed upon at the Third UN Conference on Housing and Sustainable Urbanisation (Habitat III) held in Quito, Ecuador in 2016. The NUA is a framework to guide efforts to plan and manage cities in a way that best promotes sustainable urbanisation. It calls for the rethinking of the urban agenda by:

- Embracing urbanization at all levels of human settlements, more appropriate policies can take advantage of urbanization across physical space, bridging urban, peri-urban and rural areas, and assist governments in addressing challenges through national and local development policy frameworks.
- Integrating equity to the development agenda. Equity becomes an issue of social justice, ensures access to the public sphere, extends opportunities and increases the commons.
- Fostering national urban planning and planned city extensions.
- Deciding how relevant sustainable development goals will be supported through sustainable urbanization.
- Aligning and strengthening institutional arrangements with the substantive outcomes of Habitat III, so as to ensure effective delivery of the New Urban Agenda.

It is intended to guide the efforts around global urbanization for the next 20-years and lay the groundwork for policies and planning approaches for making cities safe, socially inclusive, sustainable, and resilient. While the call for action is global, planning and implementation occurs within each country and involves mobilising municipalities, provincial governments, and local communities for change.

2.2 LEGISLATIVE FRAMEWORK

2.2.1 THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA

The Constitution of the Republic of South Africa, Act 108 of 1996 is the supreme law of the country. It establishes housing as a right and identifies its delivery as a concurrent function between national and provincial spheres of government. Section 26(1) of the Constitution guarantees every South African a right to have access to adequate housing thus making human settlement a right based program. Sub-section (2) encourages the State to take all

reasonable legislative and other measures, within its available resources, to achieve the progressive realization of the right to adequate housing.

Although housing is a concurrent function between national and provincial government, Schedules 4 and 5 of the Constitution allocates to local government several functions (including the provision of basic services such as water, and sanitation; municipal planning; etc.) which are critical components of sustainable human settlement. Therefore, the Msunduzi Municipality has a Constitutional responsibility to perform these functions and deliver services in a manner that facilitates the development of sustainable human settlements.

2.2.2 HOUSING ACT, 1997 (ACT NO. 107 OF 1997)

The Housing Act (Act No. 107 of 1997) is the legislative vehicle for the implementation of the national housing programme. It provides for the facilitation of a sustainable housing development process and lays down general principles applicable to housing development in all spheres of government. It defines the functions of national, provincial and local governments in housing development.

Section 9(1) stipulates that every municipality must, as part of Integrated Development Planning, take all reasonable and necessary steps within the framework of National and Provincial legislation and policy to plan for housing and meeting the housing needs the communities within its area of jurisdiction.

The Msunduzi Local Municipality Housing Sector Plan gives effect to the above provisions of Housing Act and will enable the municipality to improve the living conditions for the qualifying and deserving households as part of the human settlements development programme.

BOX 1: RESPONSIBILITY OF THE MUNICIPALITY IN TERMS OF THE HOUSING ACT

- a) *ensure that—*
 - i) *the inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis;*
 - ii) *conditions not conducive to the health and safety of the inhabitants of its area of jurisdiction are prevented or removed; and*
 - iii) *services in respect of water, sanitation, electricity, roads, drainage and transport are provided in a manner which is economical efficient:*
- b) *set housing delivery goals in respect of its area of jurisdiction;*
- c) *identify and designate land for housing development;*
- d) *create and maintain a public environment conducive to housing development which is financially and socially viable;*
- e) *promote the resolution of conflicts arising in the housing development process;*
- f) *initiate, plan, co-ordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction;*
- g) *provide bulk engineering services. and revenue generating services in so far as such services are not provided by specialist utility suppliers; and*
- h) *plan and manage land use and development.*

2.2.3 OTHER RELEVANT PIECES OF LEGISLATION

Other pieces of legislation that deals with the human settlement mandate directly and have serious implications for the implementation of a human settlement programme in the Msunduzi Municipality include the following:

- Rental Housing Act, 1999 which defines the responsibilities of government, landlords and tenants in terms of the rental housing market.
- Home Loan and Mortgage Disclosure Act, 2000 that provides for the monitoring of financial institutions servicing the housing-credit needs of communities.
- Housing Consumer Protection Measures Act, 1998 that ensures quality management of the houses built.
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act, 1998 that prohibits unlawful eviction and sets out procedures related to evictions.
- Social Housing Act No. 16 of 2008 that governs the provision of social housing.

2.2.4 DEVELOPMENT PLANNING AND ENVIRONMENTAL MANAGEMENT LEGISLATION

The following pieces of legislation provides a framework for coordinated development, harmonious land use and sustainable development (human settlement) within the Msunduzi Municipality.

- The Spatial Planning and Land Use Management Act of 2013 (SPLUMA) prescribes principles and processes for land development, spatial planning and township establishments. Human settlement projects should reflect the development principles outlined in the SPLUMA.
- The National Environment Management Act of 1998 (NEMA), which protects ecologically sensitive areas and biological diversity. It provides for the assessment of potential environmental impact who development activities (transformation of the natural environment) above a certain threshold through Environmental Impact Assessment (EIA).
- The National Water Act of 1998, which requires development projects located closer to water resources to obtain Water Use License to manage potential impact on the water sources.

2.2.5 LOCAL GOVERNMENT LEGISLATION

South Africa's Constitution not only creates local government, but also sets out its objectives in various pieces of legislation. These regulate different areas of local government including the establishment and development of municipalities, administration and financial management in municipalities, and service delivery. They are as follows:

- The Municipal Structures Act No. 117 of 1998 The Municipal Structures Act provides for categories and the establishment of municipalities; the types of municipalities that can be established within the categories; the division of functions and powers between the categories of municipalities; municipal councils and office bearers in municipalities; internal structures; and the code of conduct.
- The Municipal Systems Act (MSA) No. 32 of 2000 The Municipal Systems Act is part of a legislative series that aims to empower local government to fulfil its constitutional objectives. The Act sets out the core principles, mechanisms and processes that are necessary for municipalities to function. It defines the legal nature of a municipality and the manner in which municipal powers and functions are to be exercised. It requires the use of an integrated development plan (IDP) as their principal strategic planning instrument.
- The Municipal Finance Management Act (MFMA) No. 56 of 2003 provides for the management of the financial affairs within a municipality by describing the processes relating to municipal budgeting, spending and financial accountability. The MFMA also provides for community participation in a municipality's budget and finance management.
- The Municipal Property Rates Act No. 27 of 2000 describes the processes that municipal councils must follow when setting their property rates and taxes. The Act regulates property rates and sets out a uniform national framework for the levying of property rates by municipalities.

2.3 NATIONAL HOUSING POLICY

2.3.1 NATIONAL DEVELOPMENT PLAN

The National Development Plan (2011) outlines the national development agenda for South Africa. Chapter 8 of the National Development Plan (NDP) presents the national strategy for the development of sustainable human settlements. It notes the impact of apartheid in human settlement patterns and commits the government to address the challenge of apartheid geography, reshape settlement patterns and create spatially integrated and environmentally sustainable human settlements. It adopts a medium to long-term approach and states that by 2030 human settlement pattern should have changed for the better so that by 2050 South Africa should have eliminated all poverty traps. In doing so, Chapter 8 of the NDP is committed to transforming human settlements; through:

- Strong and efficient spatial planning system, well integrated across the spheres of government.
- Upgrade all informal settlements on suitable, well-located land by 2030.
- More people living closer to their places of work.

- Better quality public transport.
- More jobs in or close to dense, urban townships.

Msunduzi is tasked with the duty of ensuring the provision of sustainable human settlements for past (housing-backlog), current and future populations. Hence the development of a socio-economically and spatially appropriate and applicable HSP that will guide the municipality in achieving the above-listed Chapter 8 human settlement objectives. The HSP commits the Msunduzi to the attainment of these goals within the set timeframes.

2.3.2 BREAKING NEW GROUND

The National Housing Code (March 2000) sets out the National Housing Policy of South Africa. It identifies the primary role of the municipality as taking all reasonable and necessary steps, within the framework of national and provincial legislation and policy, to ensure that the inhabitants within its area of jurisdiction have access to adequate housing on a progressive basis. This entails the following:

- Initiating, planning, facilitating and coordinating housing development. This can be undertaken by the municipality itself or by the appointment of implementing agents.
- Preparing a housing delivery strategy and setting up housing development goals.
- Setting aside, planning and managing land for housing.
- Creating a financially and socially viable environment for housing delivery.
- Facilitating the resolution of conflicts arising from housing delivery initiatives.
- Facilitating the provision of bulk services.
- Administering national housing programmes.
- Expropriating land for housing development.

It recognizes the need to build houses and sustainable communities in areas located within a range of access to employment opportunities, schools and provided with the necessary infrastructure. It further encourages partnerships between government and the private sector, particularly concerning providing housing finance and an increase in construction capacity of the historically marginalised communities. Recognizing that informal settlements were a way of life for many South Africans in the past, BNG also calls for the integration of informal settlements into mainstream society by alleviating the challenges of spatial, social and economic exclusion.

The national government has introduced several instruments/subsidy schemes to facilitate the development of sustainable human settlements. Among these are individual subsidy, rural housing subsidy, project linked subsidy, social housing, finance-linked individual subsidy scheme and community residential units.

The aim of this plan is to assist the municipality in fulfilling the abovementioned role assigned to it in terms of the National Housing Code.

2.3.3 OUTCOME 8: SUSTAINABLE HUMAN SETTLEMENTS AND IMPROVED QUALITY OF HOUSEHOLD LIFE

During 2010, national government embarked on a process to determine the outcomes for the human settlement programme from then up to 2014. This resulted on the identification of 12 outcomes that will be the key focus for government within that period. Outcome 8 deals with the issue of sustainable human settlement linked with the quality of household life. This outcome contains four (4) outputs and targets as follows:

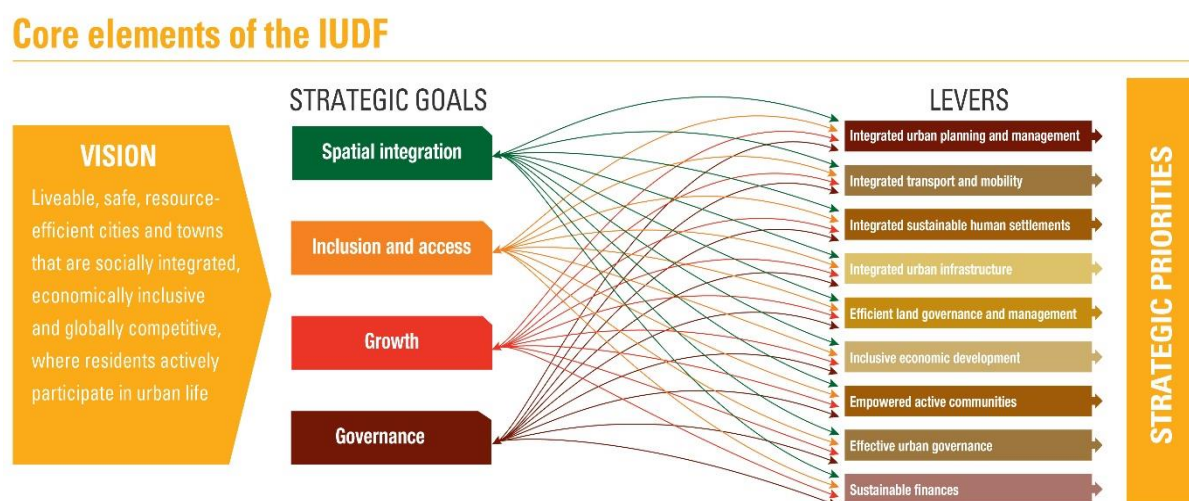
- Output 1: Accelerated Delivery of Housing Opportunities.
- Output 2: Access to basic services.
- Output 3: Mobilization of well-located Public Land for Low income and Affordable Housing with increased densities on this land and in general.
- Output 4: Improved property market

The Msunduzi HSP customizes the focus of Outcome 8 and sets targets and performance indicators the municipality will use to monitor the implementation of the human settlement programme.

2.3.4 INTEGRATED URBAN DEVELOPMENT FRAMEWORK

The Integrated Urban Development Framework (IUDF) seeks to guide the development of inclusive, resilient and liveable urban settlements, while addressing the unique conditions and challenges facing South Africa's cities and towns. It provides a new approach to urban investment and developmental and localises the New Urban Agenda.

FIGURE 2: ELEMENTS OF THE UIDF



The IUDF seeks to foster a shared understanding across government and society about how best to manage urbanization and achieve the goals of spatial transformation, which include inclusive economic development, job creation and improved living conditions and services for all its citizens. It introduces four strategic goals and nine strategic priorities for urban development.

2.4 PROVINCIAL POLICY

2.4.1 KZN PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY AND PLAN 2012-2030

The KwaZulu-Natal government adopted the Provincial Growth and Development Strategy in 2011 as a strategic framework for accelerating and sharing the benefits of an inclusive growth through deepened, meaningful, effective and sustainable catalytic and developmental interventions. The Executive Council approved the first review in 2016. The PGDS presents a long-term development vision and identifies seven strategic goals and 31 objectives to attain the desired level of development. It acknowledges the role of the Msunduzi Municipality as a provincial administrative centre, regional economic hub and the second largest city in the Province in terms of both population and contribution to the provincial economy. It acknowledges its strategic location at the intersection of the R56 provincial corridor and the N3 national corridor and identifies the Msunduzi Municipality as an area with potential for economic growth and a focus area for infrastructure, economic and social development. The HSP for the Msunduzi Municipality will contribute to the attainment of some of the development goals and strategies, particularly the goal dealing with human and community development.

2.4.2 KZN PROVINCIAL GROWTH AND DEVELOPMENT PLAN

The KwaZulu-Natal Provincial Growth and Development Plan (PGDP) is an implementation plan for the PGDS. It translates strategic objectives into practical interventions; guides resource allocation; provides for performance monitoring through targets, outcomes and indicators; and clarifies roles and responsibilities within the established lines of accountability. It commits the provincial government to the creation of liveable urban and rural human settlements that involves a safe and sustainable living environment, infrastructure that allows and enables economic activity, delivery of services and social facilities, as well as ongoing maintenance capacity. This includes eradication of slums/informal settlements; increasing the number of households with registrable land tenure rights; improving the quality of housing units (quality assurance); and introducing a range of housing typologies in appropriate locations and using development of human settlements as a catalyst for social and economic development, and spatial integration. It

identifies, *inter alia*, the Upgrading of the Pietermaritzburg Airport and the Implementation of the Vulindlela Rural Housing Project as some of the catalytic projects within the Msunduzi Municipality. Catalytic Projects will receive preferential facilitation support and guidance, in recognition of the contribution the projects can make to achieve the growth targets of the Province.

2.5 MUNICIPAL POLICIES AND STRATEGIES

2.5.1 MSUNDUZI CITY DEVELOPMENT STRATEGY

The Msunduzi City Development Strategy presents a long-term vision for the future development of Msunduzi and the surrounding areas; and a framework for improved urban governance, increased investment and systematic reductions in urban poverty. It identifies eight strategic pillars for future development. These include a need to build sufficient capacity for effective, efficient and economic delivery of municipal services; continually cleaning the city, enforcing by-laws, responding to community issues and repairing and maintaining infrastructure; infrastructure development; building a sound financial base; growing the regional economy; integrating local and provincial government plans for the area as a capacity city; creating a learning city and a city of learning (role of Msunduzi as an education hub); and planning for growth (both economic and demographic). The latter covers looking at how an increased population will be accommodated and serviced. As part of this, the municipality must increase densities along public transport corridors incrementally, with continuous improvements in non-motorised and other mobility options as well as equitable access to social facilities.

Msunduzi's CDS aim to develop possible scenarios and growth paths as well as how to address the impact of the dynamically changing socio-economic, natural, spatial realities – its CDS is not comprehensive plans, but a selection of a few strategic or catalytic thrusts, which address fundamental problems such as the provision of sustainable human settlements. The following are human settlement and basic services issues to be addressed by longer-term plans of Msunduzi:

- Settlement densities vary significantly across the city, creating problems for a public transport strategy that will overcome apartheid spatial patterns.
- The percentage of people living in informal dwellings is high and continuously increasing.
- Many challenges are face Msunduzi in the provision of basic services.
- Msunduzi provides slightly above the national average in terms of piped water inside dwellings, but this is still well below the other major cities.
- Housing delivery within the city has been minimal.

2.5.2 MSUNDUZI MUNICIPALITY INTEGRATED DEVELOPMENT PLAN: 2018 - 2022

The Msunduzi Local Municipality Integrated Development Plan (IDP) 2018-2022 fulfils the requirements of Section 25(1) of the Municipal Systems Act, 2000. It is the principal strategic planning instrument of the municipality, which guides and informs all planning, and development management. The IDP is based on the six local governments Key Performance Areas (KPA), with the development of human settlements being part of the basic service delivery and infrastructure development KPA. The organizational strategic objective in this regard is:

To improve access to basic housing solutions through services, secure tenure, quality homes, and human settlements including accessibility to social facilities such as parks, swimming pools, sporting facilities, etc.

The HSP as presented in this document refines and elucidates on this strategic intent within the framework of the national housing policy and provincial human settlement's development approach. In the short to medium term, the HSP will facilitate housing delivery as a catalyst for socio-economic development, and in the long run contribute towards making Msunduzi Municipality an area of choice for work, residence and enjoyment of the associated amenities and facilities.

2.5.3 SPATIAL DEVELOPMENT FRAMEWORK, 2015

The Spatial Development Framework (SDF) is a sector plan of the Integrated Development Plan. It presents a spatial overtone of the municipality's development vision and outlines a strategy for spatial restructuring and integration. Its overall intention is to guide and manage urban growth in accordance with the SPLUMA spatial planning principles. It aligns with the NDP and the PGDS and accentuates the role of the municipality in the national and provincial space economy. It acknowledges the impact of the past apartheid spatial planning policies on the settlement and land use pattern and commits the municipality to the creation of a spatial system that integrates that the apartheid planning practices set apart, enables environmentally sustainable development, promotes economic growth and facilitates democratisation of space with residents having a wide choice of areas to live in. It seeks to achieve this through a set of spatial transformation tools including an urban edge beyond which the municipality will not promote urban development; compaction of rural settlements such as the ones in Vulindlela; upgrading of informal settlements; densification along mixed-use development corridors and within development nodes; and regeneration of underdeveloped areas such as the Greater Edendale area. It guides both public and private sector investment through the Capital Investment Framework (CIF). Various area-based

framework and precinct plans refines the SDF and provide proposals for area specific spatial interventions.

2.5.4 MSUNDUZI ENVIRONMENTAL MANAGEMENT FRAMEWORK

The Msunduzi Municipality Environmental Management Framework EMF identifies areas that are suitable and unsuitable for development including human settlement; provide information to assist decision making (such as development applications) and thereby streamline the process for environmental authorisation; identifies environmentally sensitive areas that require protection to ensure ecosystem service delivery; and provide environmental goals and mechanisms to achieve these objectives. It includes a Strategic Environmental Assessment (SEA), sustainability framework and a spatial decision support tool. The SEA is a tool the municipality uses to assess development programmes, plans and policies to address environmental issues proactively while the sustainability framework identifies the desired state of the environmental and sustainability criteria together with indicators and targets of environmental quality. The sustainability framework provides an overview of environmental management priorities for the municipality. The EMF does not prohibit the submission of any development applications, rather the EMF will inform decision making when such development applications are received. The spatial decision support tool provides environmental characterisation and divides the area into environmental management zones.

2.5.5 INFORMAL SETTLEMENT UPGRADING STRATEGY

The Msunduzi Municipality prepared an Informal Settlement Upgrading Strategy as part of the National Upgrading Support Programme (NUSP) – an initiative of the Department of Human Settlements (NDHS). It is a framework and introduces a programmatic approach for the eradication of informal settlement within the municipality in the short to medium term (3 years). It estimates the number of people that resides in informal settlements to 20000 households. It provides an assessment of informal settlement and categorizes them in terms of appropriate responses, which is relocation due to poor location among others, provision of emergency services, provision of basic services as an interim measure pending and full-scale upgrading. Therefore, the type of interventions differs according to the category. These categories originate from the KZN Informal Settlements Resource Kit (2011) but were adjusted to suit the Msunduzi Local Municipality context and informal settlement situation.

2.5.6 MSUNDUZI MUNICIPALITY BY-LAWS AND POLICIES

In addition to the IDP and the associated sector plans, the municipality has adopted several by-laws that deals directly or indirectly with the development of sustainable human

settlements. These include, amongst others, the Spatial Planning and Land Use Management By-Law. This by-law provides, *inter alia*, for the implementation of a Land Use Scheme (LUS) as a mechanism for land use management, outlines process for township establishment and sets up institutional arrangements decision making on development applications.

3 HOUSING NEED AND SUPPLY ANALYSIS

The need for sustainable human settlements is a constant challenge facing the Msunduzi Municipality and South Africa as a whole. This need is partly a result of migration caused by socio-economic pull and push factors as well as a change in population-dynamics – but it is mostly a consequence of past socio-economic and spatial injustices, realised by apartheid governance and spatial planning. Those (previously disadvantaged) in desperate need of sustainable housing are predominantly the landless, rural-poor and low-income earners.

The need for sustainable human settlement persists despite new policies and legislation ushered in since the dawn of democracy in 1994. While the goal-posts continue to shift due to population growths and socio-economic and political dynamics, since 1994, the government has made substantial progress towards the realisation of Section 26 of the Constitution of South Africa "the right to adequate housing for all". This progress in addressing the housing need has been realised employing policy development and planning at all spheres of government for the development of sustainable human settlements and practical implementation thereof.

3.1 POPULATION DYNAMICS

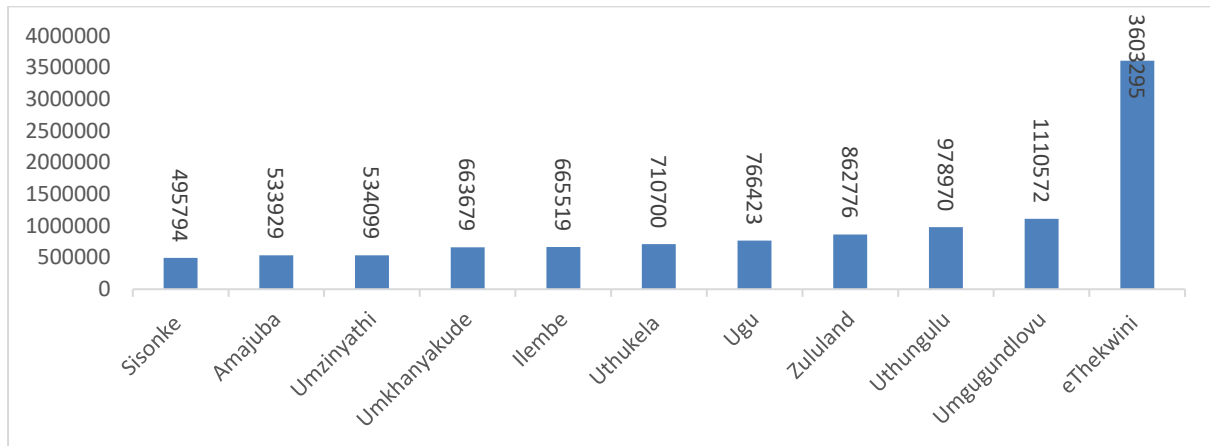
The Msunduzi, like most cities in South African, is experiencing a relatively high rate of urbanization. The population of the Msunduzi Municipality has grown phenomenally over the last three decades. Indications are that this phenomenon will continue into the distant future reaching nearly 80% by 2050. It exerts pressure on the existing infrastructure, public facilities and housing stock, and requires the municipality to respond to the expressed need in a manner that accommodates future demand as well.

3.1.1 POPULATION SIZE

The KwaZulu-Natal has the second largest population in the country after Gauteng Province with a population estimate of 11 065 240 (Stats SA, 2016). The provincial population is spread unevenly among the ten (10) districts and one metropolitan municipality with the latter having a higher concentration of the population (Provincial Planning Commission, April 2016). In fact, eThekweni, uMgungundlovu and uThungulu, which are among the main hub of economic activities in the province accounts for more than half of the population of KwaZulu-Natal.

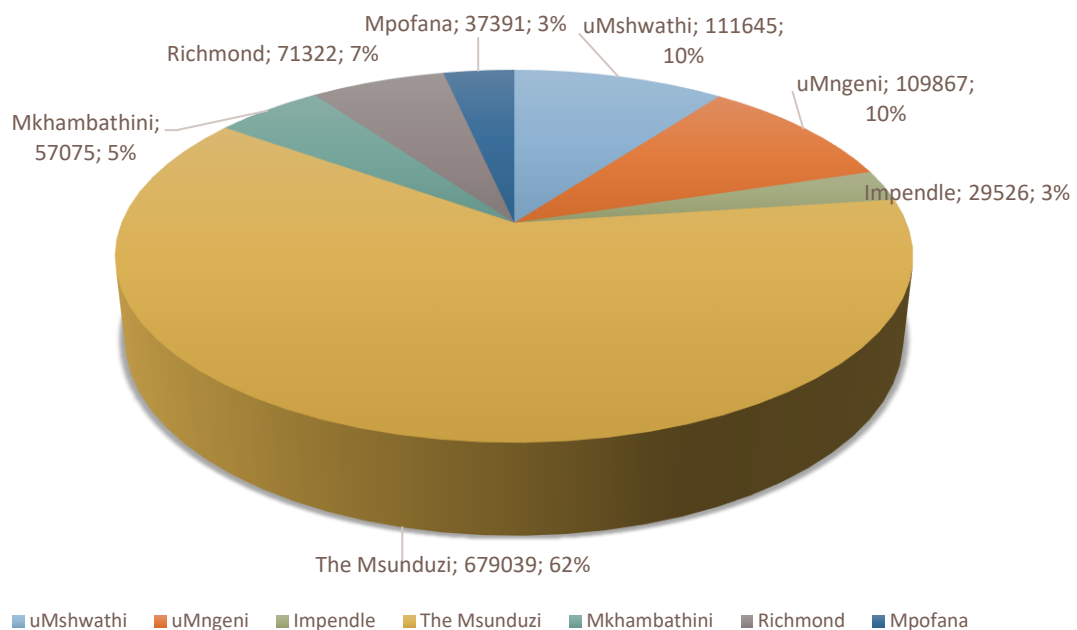
The uMgungundlovu District, which includes the Msunduzi Municipality, has the second largest population in the province at about 1.1million or 10% of the provincial population. The Msunduzi Municipality contributes 6.1% to the provincial population.

FIGURE 3: KWAZULU-NATAL POPULATION



The UMDM population is spread unevenly among the seven local municipalities with 62% of the population being in the Msunduzi Local Municipality. The uMngeni and uMshwathi Municipality accounts for 10% each while Richmond, Mpofana and Mkhambathini contribute 7%, 3% and 5% respectively to the overall district population.

FIGURE 4: UMGUNGUNDOLOVU DISTRICT POPULATION BY LOCAL MUNICIPALITIES

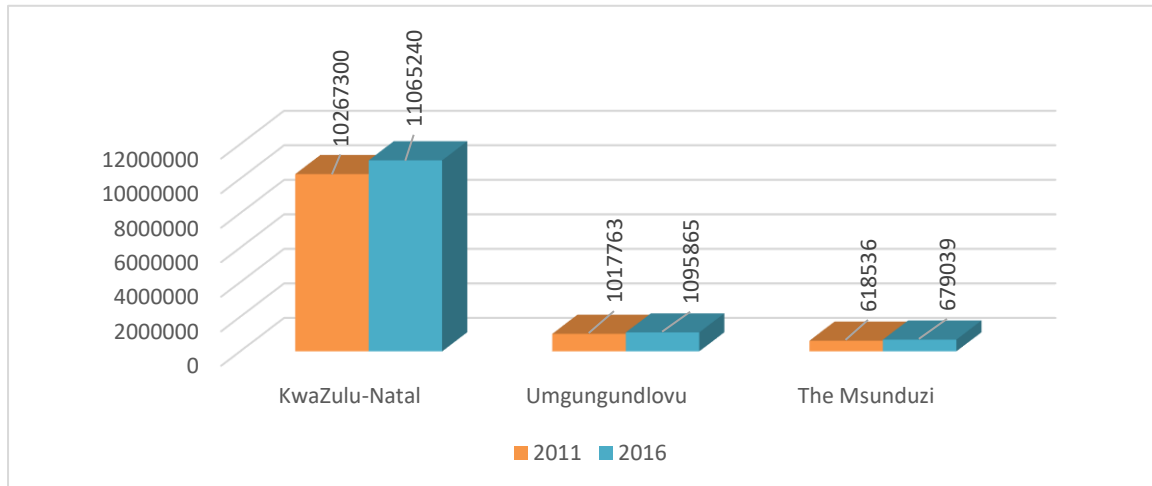


Source: StatsSA, 2016

3.1.2 POPULATION GROWTH

The provincial population increased by 7.2% from 10 267 300 in 2011 to 11 065 240 in 2016. The UMDM experienced the same rate of population growth. Net population growth in the Msunduzi Municipality during the same period was 8.9%, which is slightly above the provincial average.

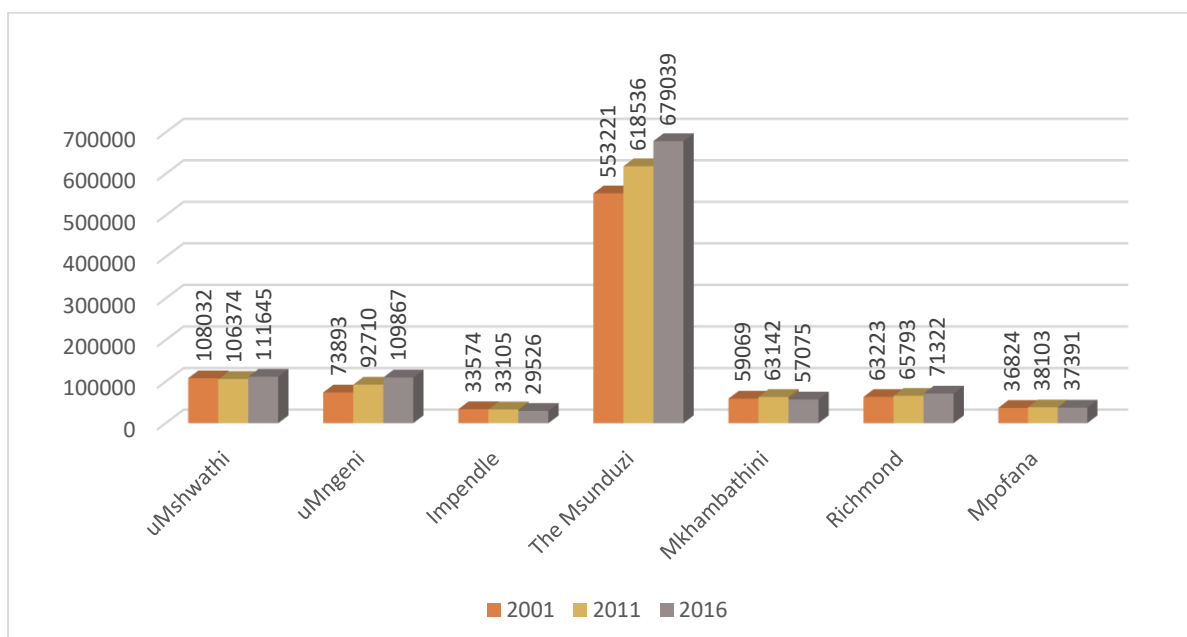
FIGURE 5: POPULATION COMPARISON FOR KWAZULU NATAL, UMGUNGUNDLOVU AND MSUNDUZI



(SOURCE: STATS SA, 2011 AND 2016)

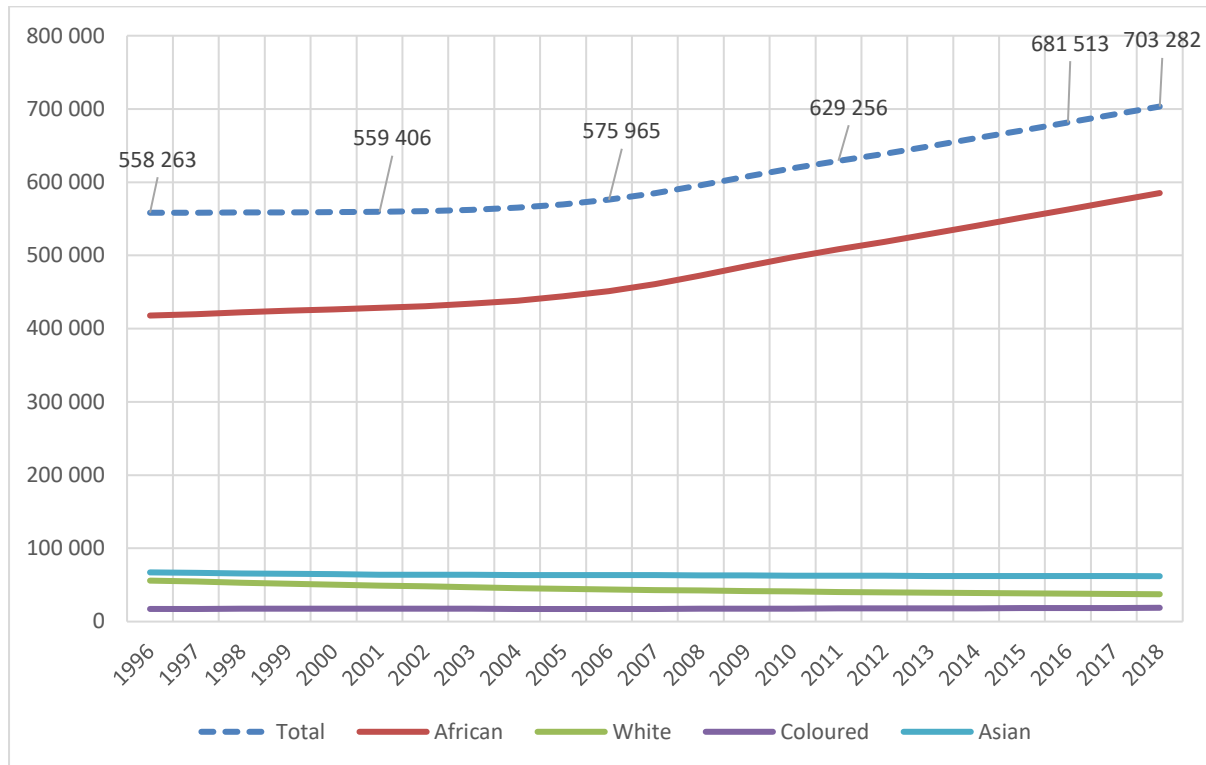
The Msunduzi and uMngeni Municipalities experienced consistent population growth rate between 2001 and 2016, which suggests continued concentration of the district population in these two municipalities. The Richmond and the Umshwathi Municipalities also experienced net population growth during the same period albeit at a much lower rate compared to the Msunduzi and uMngeni Municipalities. The Impendle and Mpofana Municipalities experienced net population decline during the same period. The UMDM IDP, 2017/2018 to 2012/22, attributes this to the dynamic pull and push factors whereby people migrate from rural to urban areas in search of improved living conditions and employment opportunities.

FIGURE 6: POPULATION GROWTH AMONG LOCAL MUNICIPALITIES IN UMGUNGUNDLOVU DISTRICT MUNICIPALITY



(SOURCE: STATS SA, 2001; 2011; 2016)

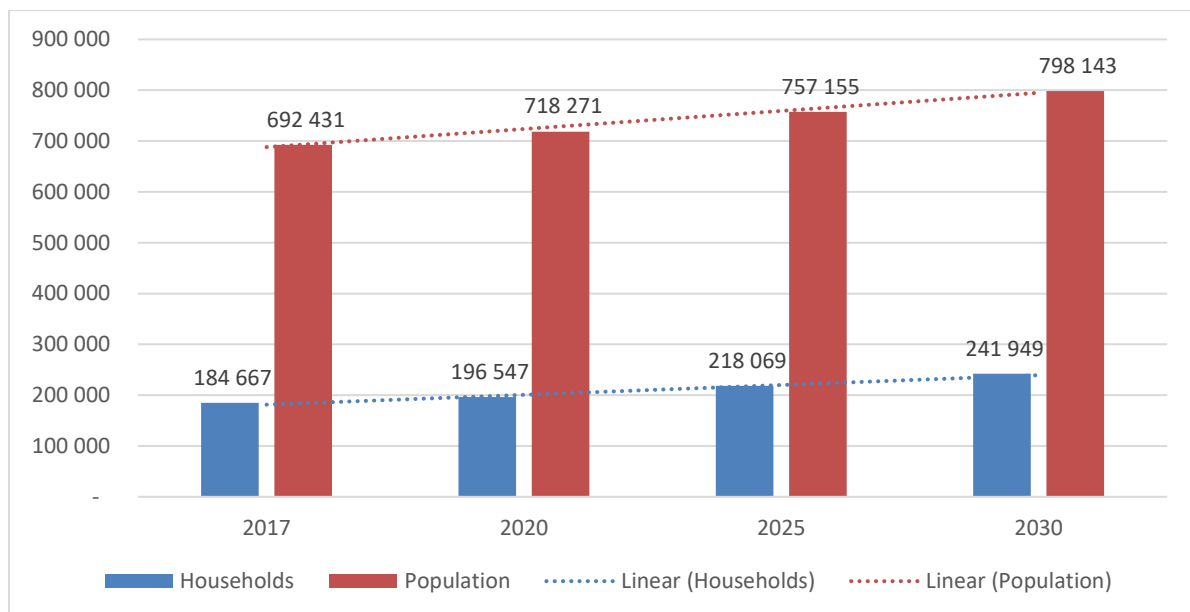
FIGURE 7: TOTAL POPULATION GROWTH BY GROUP



(SOURCE: GLOBAL INSIGHT)

The figure above indicates the total population growth by group. The average growth rate between 1996 and 2018 was 1.06%. If this trend continues, the population will reach almost 800 000 people in the Msunduzi Municipality by 2030 (figure 9).

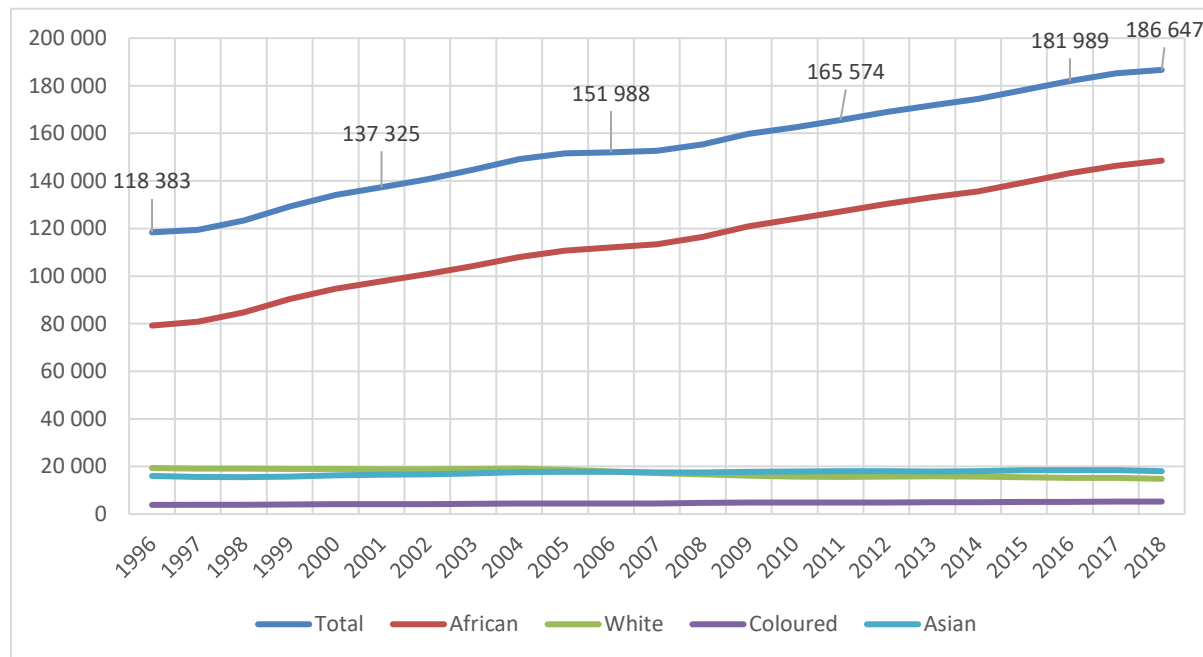
FIGURE 8: MSUNDUZI HOUSEHOLD AND POPULATION PROJECTIONS



(SOURCE: GLOBAL INSIGHT DATA AND CALCULATIONS)

The figure below indicates the total household growth by group. The average growth rate between 1996 and 2018 was 2.1%. If this trend continues, there will be approximately 242 000 households in the Msunduzi Municipality by 2030 (figure 8).

FIGURE 9: NUMBER OF HOUSEHOLDS BY POPULATION GROUP



(SOURCE: GLOBAL INSIGHT)

3.1.3 MIGRATION

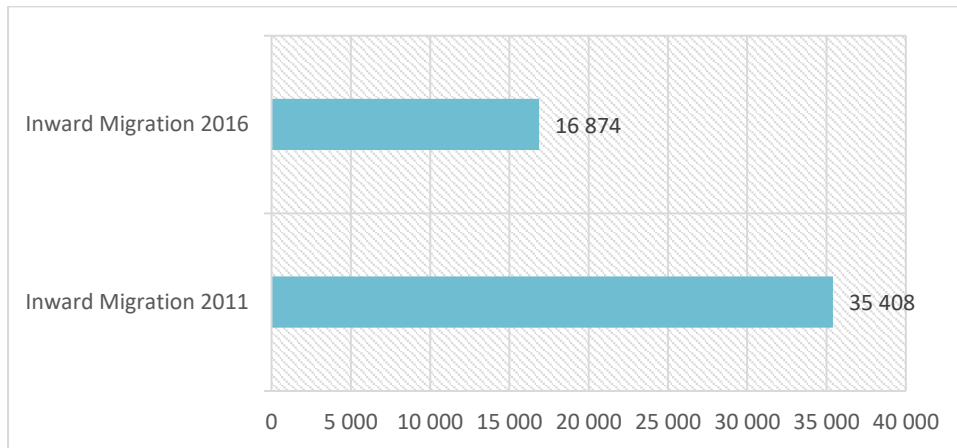
Migration patterns also influence population dynamics of Msunduzi. Table 1 indicates that inter-provincial migration has affected the provincial population negatively since 2011, where out-migration exceeded in-migration. The majority of in-migration comes from neighbouring provinces, such as Gauteng and the Eastern Cape, while out-migration tend to be to Gauteng where employment opportunities is an enticing factor.

TABLE 1: ESTIMATED PROVINCIAL MIGRATION STREAMS IN 2011-2016

Provinces	2011-2016		
	Out-migration	In-migration	Net migration
Eastern Cape	492 983	172 917	- 320 066
Free State	157 714	132 917	- 24 797
Gauteng	479 461	1 459 549	960 088
KwaZulu - Natal	344 302	275 920	- 68 382
Limpopo	389 290	248 413	- 140 878
Mpumalanga	193 479	258 374	64 895
Northern Cape	71 678	75 606	929
North West	191 729	288 204	96 475
Western Cape	157 210	449 308	292 099

Source: Statistics South Africa (2018) as in KZN Treasury Municipal Finance Close-out Report 2017/18

FIGURE 10: IN-MIGRATION INTO MSUNDUZI

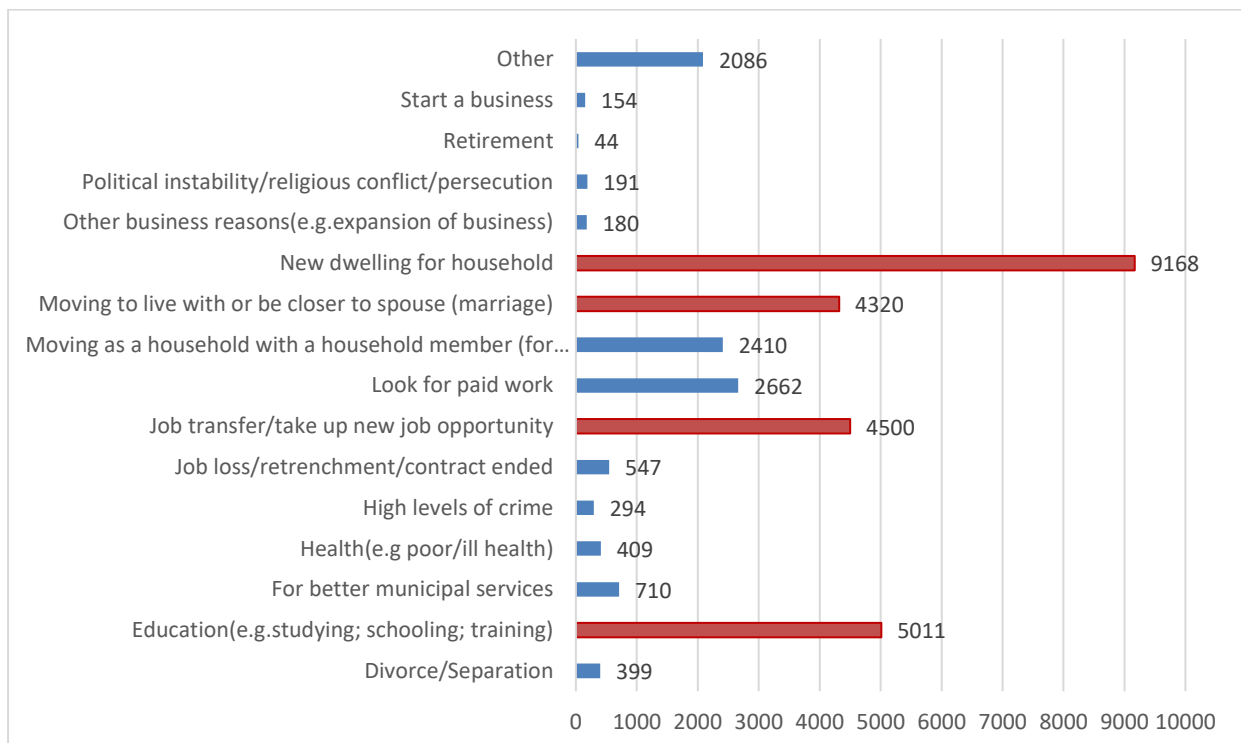


Source: Statistics South Africa (2016)

The figure above further indicates the amount of people migrating into Msunduzi. Although there was a decline between 2011 and 2016, this still impact on housing and associated social and civil infrastructure.

One of the main reasons stated for moving to Msunduzi was to look for a new dwelling (9168), which far outweighs all other reasons. Other important reasons stated included education and access to job opportunities.

FIGURE 11: MAIN REASON FOR MOVING TO MSUNDUZI (2016)

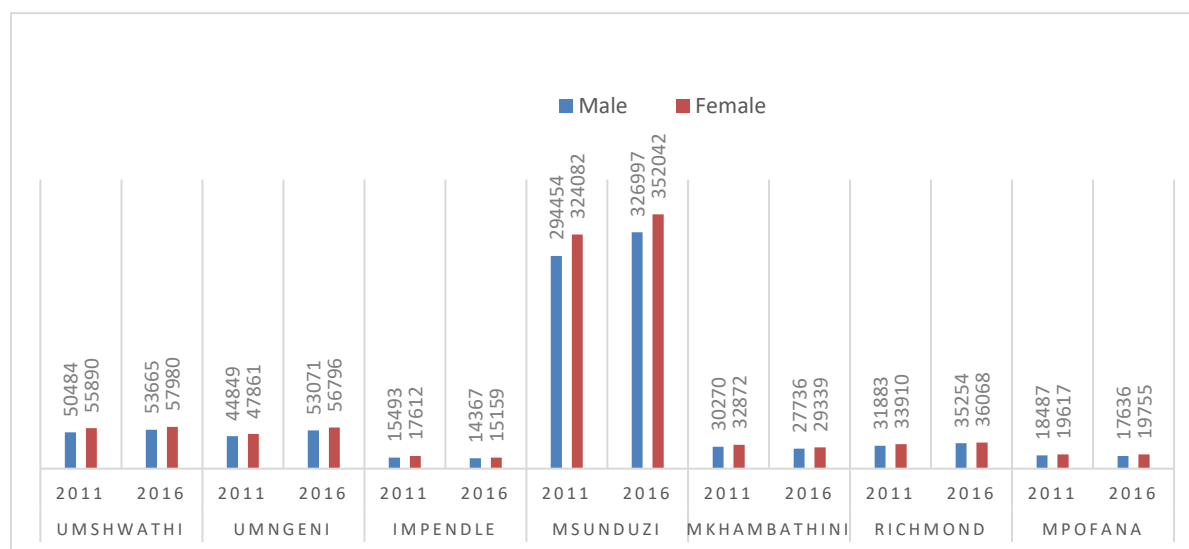


Source: Statistics South Africa (2016)

3.1.4 POPULATION STRUCTURE: GENDER AND AGE

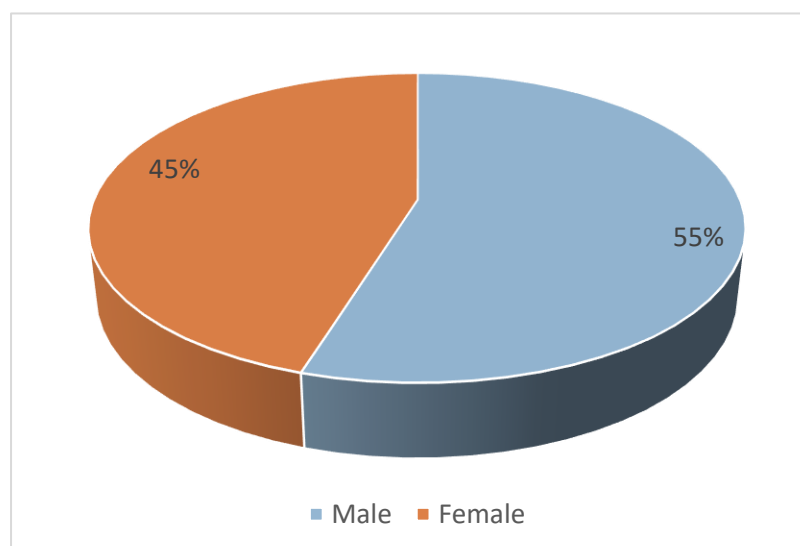
The gender composition of the population indicates that females are in a majority compared to their male counterparts for all the local municipalities in the uMgungundlovu District Municipality (refer to figure 12). The Msunduzi male/female split in 2011 was 294 454 males to 324 082 females. In 2016, it increased to 327 546 males to 352 220 females indicating a slight dominance of females over males.

FIGURE 12: GENDER STRUCTURE ON UMGUNGUNDLOVU



(SOURCE: STATS SA, 2011 AND 2016)

FIGURE 13: HEAD OF HOUSEHOLDS BY GENDER

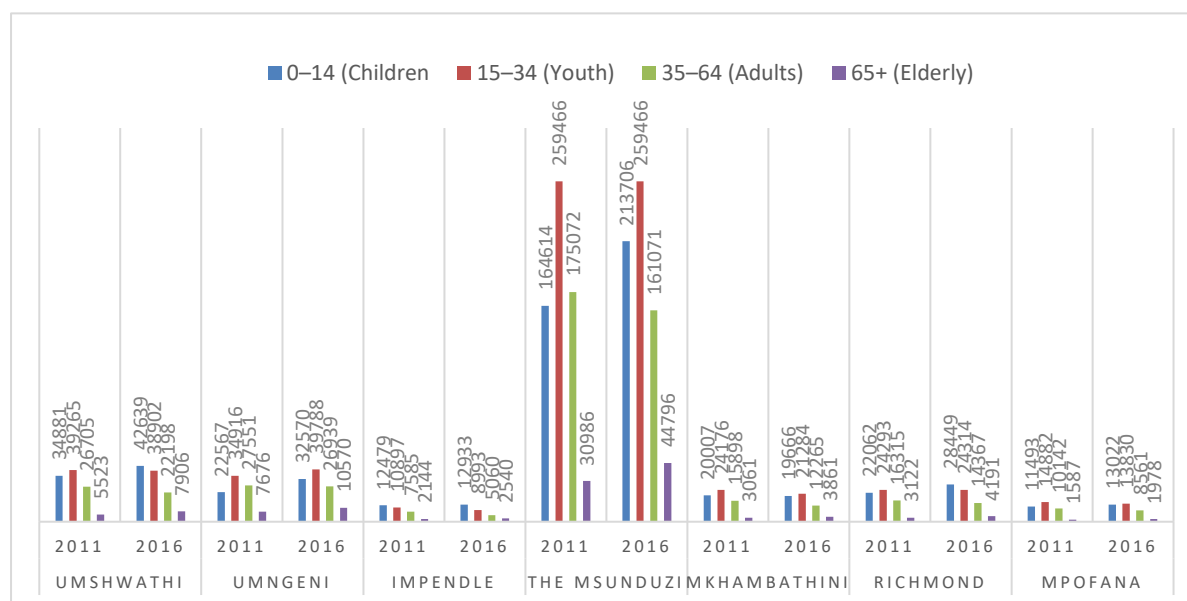


92508 (55%) of the heads of household in Msunduzi were male while only 76315 (45%) are female. The number of women-headed households has increased since 2001, from 44.5% to 45.2% of all households in 2011.

(SOURCE: STATS SA, 2011)

The age structure/category from 15 to 65 has increased from 2011 to 2016. This means most children from 2011 have graduated to economic active group or youth. The 2016 Community Survey indicates that the UMDM is predominantly youthful and young; this is also proven by the 2011 Census results.

FIGURE 14: 2011 AND 2016 UMGUNGUNDOLOVU AGE STRUCTURE



(SOURCE: STATS SA, 2011 AND 2016)

Figure 14 compares the results of the 2011 Census data and 2016 Community Survey in respect of the age groups for local municipalities within the UMDM. Data suggests a clear dominance of the people below 34 years of age (the youth) throughout the district Impendle and Umshwathi Municipalities. The second largest group are those within the 0 to 14 age cohort. This implies a need for human settlements to respond to the needs of a youth and youthful population, which includes public facilities, employment opportunities and perhaps different types of housing units.

3.2 SOCIO-ECONOMIC PROFILE

3.2.1 EMPLOYMENT PROFILE

The table below shows the number of formally and informally employed persons in uMgungundlovu District Municipality and its local municipalities, along with the percentage contribution of each. It also indicates the total number of employed persons, the percentage contribution of uMgungundlovu to KZN's employment and each local municipality to uMgungundlovu's employment, and the CAAGR of employment from 2012-2017. UMgungundlovu contributes 10% to KZN's GVA but 12% to KZN's employment, which further stresses the importance of the district to KZN. Furthermore, employment in Msunduzi has been growing at 2.8% since 2012, which is a percent higher than growth in KZN. uMgungundlovu's unemployment rate is 1% less than that of the province, however, Impendle Local Municipality has a very high unemployment rate of 37%.

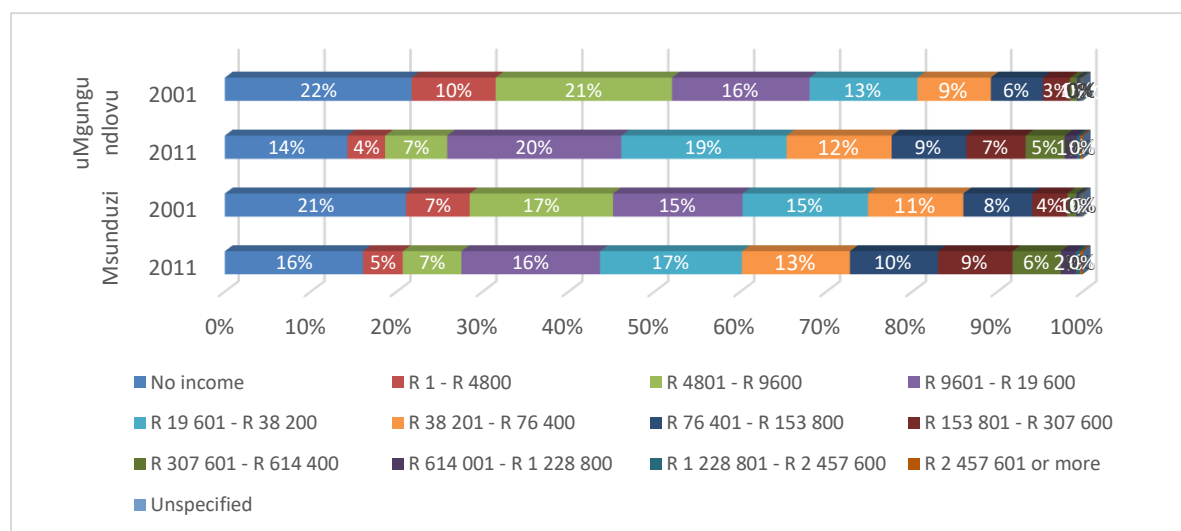
TABLE 2: UNEMPLOYMENT RATE IN THE UMDM

AREA	UNEMPLOYMENT RATE	FORMAL EMPLOYMENT	% FORMAL OF TOTAL	INFORMAL EMPLOYMENT	% INFORMAL OF TOTAL	TOTAL EMPLOYMENT	% CONTRIBUTION	5 YR CAAGR
KwaZulu-Natal	24%	2,151,665	81%	493,468	19%	2,645,133		1.8%
uMgungundlovu	23%	261,616	82%	56,561	18%	318,176	12%	2.8%
uMshwathi	19%	20,762	76%	6,496	24%	27,258	9%	3.0%
uMngeni	17%	30,218	85%	5,540	15%	35,758	11%	3.0%
Mpofana	18%	9,564	74%	3,430	26%	12,995	4%	2.9%
Impendle	37%	3,108	79%	818	21%	3,925	1%	3.2%
Msunduzi	25%	175,239	84%	33,448	16%	208,687	66%	2.7%
Mkhambathini	20%	9,886	80%	2,395	20%	12,281	4%	2.3%
Richmond	20%	12,838	74%	4,434	26%	17,272	5%	3.1%

3.2.2 INCOME PROFILE

Income poverty is another key challenge facing the population of the uMgungundlovu District Municipality. However, according to Stats SA, the number of households with no annual income decreased significantly in period 2001-2011 in both uMgungundlovu and the Msunduzi. StatsSA results reveal that the no income households in uMgungundlovu decreased from 22% in 2001 to 14% in 2011. The representation of households who do not have monthly income and those that earn less than R4800 a month in the Msunduzi Municipality decreased from 21% and 7% in 2001 to 16% and 5% in 2011 respectively.

FIGURE 15: ANNUAL INCOME



(SOURCE: STATS SA, 2011)

On the contrary, the number of households in other income brackets (excluding R4801-R9600) increased substantially during the same period in both uMgungundlovu and Msunduzi, indicating improvement in the income profile of the population. The number of households living below poverty datum line, in Msunduzi, decreased to approximately 34% in 2011 from 45% in 2001 (South African Cities Network, 2016).

3.3 THE ECONOMY

3.3.1 GROSS VALUE ADDED (GVA)

Table 2 below provides the total Rand value added at each stage of production in 2017 current prices, the percentage contribution of uMgungundlovu to KwaZulu-Natal's economy and each local municipality to uMgungundlovu's economy, as well as the compound average annual growth rate (CAAGR) measured over five years, in constant 2010 prices.

TABLE 3: MUNICIPAL CONTRIBUTION TO THE DISTRICT ECONOMY

AREA	GVA 2017	% CONTRIBUTION	5 YR CAAGR
KwaZulu-Natal	661,739,104		1.6%
uMgungundlovu	68,868,628	10%	1.9%
uMshwathi	4,594,240	7%	1.8%
uMngeni	9,939,200	14%	2.6%
Mpofana	2,082,687	3%	2.0%
Impendle	679,561	1%	0.8%
Msunduzi	46,306,741	67%	1.7%
Mkhambathini	2,383,672	3%	1.7%
Richmond	2,882,529	4%	1.9%

uMgungundlovu contributes 10% to KZN's GVA, making it the largest contributing district within KZN. The bulk of this economic activity takes place within Msunduzi Local Municipality. GVA growth in uMgungundlovu is in line with that of KZN; uMngeni Local Municipality has the highest growth of all local municipalities within uMgungundlovu at 2.6%.

The table below shows uMgungundlovu's GVA per sector, the percentage contribution of each sector to the total uMgungundlovu GVA, and CAAGR per sector.

TABLE 4: UMDM ECONOMIC SECTORS

AREA	GVA 2017	% CONTRIBUTION	5 YR CAAGR
Agriculture, forestry and fishing	4,899,458	7%	1.2%

AREA	GVA 2017	% CONTRIBUTION	5 YR CAAGR
Mining and quarrying	304,142	0%	3.0%
Manufacturing	9,483,686	14%	0.8%
Electricity, gas and water	3,584,350	5%	-1.0%
Construction	2,727,726	4%	2.4%
Wholesale and retail trade, catering and accommodation	10,077,798	15%	1.8%
Transport, storage and communication	7,919,575	11%	2.5%
Finance, insurance, real estate and business services	10,623,028	15%	2.3%
General government	4,515,754	7%	3.6%
Community, social and personal services	14,733,112	21%	2.0%

3.3.2 KEY ECONOMIC SECTORS

The economy of uMgungundlovu is dominated by tertiary sector activities, especially community services, commerce and trade activities - these are also the highest growth sectors in the district. Agriculture and manufacturing make up 21% of the economy and have been experiencing just 1% growth since 2012.

Most manufacturing enterprises are situated within the Msunduzi and uMngeni Municipalities, as well as Camperdown within the Mkhambathini Municipality (DRDLR, 2015). Manufacturing activities in the district are varied depending on the municipality. Numerous businesses have chosen to be situated in the Mkhambathini Municipality due to its proximity to eThekweni and Msunduzi, but relatively cheaper land and electricity costs. In Msunduzi, manufacturing activities include aluminium and steel processing, and manufacturing in the food and beverage industry. In uMngeni, most manufacturing takes place in Howick and focuses on agricultural products. Timber processing is important for the district and major firms in this industry comprise Sappi, NCT Forest and Mondi. Other notable industries include rubber, sawmills, pallet-making factories, as well as biodiesel and fuel replacement industries. Pietermaritzburg, Howick, Mooi River, Camperdown and Richmond-Ndaleneni have formalised retail and commercial industries, whilst areas such as Dalton, Impendle and Vulindlela have a mix of formal and informal retail activities. Pietermaritzburg, being a large second-order node within KZN, has a significant and varied retail and government service offering, and as such

has significant regional linkages with rural communities within the surrounding districts of Harry Gwala, Umzinyathi and uThukela.

The tourism industry in uMgungundlovu is mainly historic, cultural and nature-based. Some notable sites include the Midlands Meander, uKhahlamba-Drakensberg and uMkhomazi River Valley. The local municipalities in the district also support these main tourist attractions because they also have historic sites and natural attractions (DRDLR, 2015). Visitors come to uMgungundlovu to enjoy the hiking trails, for kayaking, fishing, bird watching and white-water rafting. In addition to the above mentioned, Pietermaritzburg hosts a number of international and national events such as the Comrades Marathon, the Midmar Mile, the Msunduzi Canoe Marathon and the BMX Championship.

UMgungundlovu is home to diverse agricultural activities, including crops such as maize, sugarcane, fruit and vegetables, farming of cattle and sheep, horse breeding, and timber plantations. Expanding this sector is core to the vision of the district and partly as a consequence of this political will, the sector has experienced growth over the previous 5 years.

3.4 HOUSING NEED ANALYSIS

3.4.1 DISTRICT CONTEXT

There is an increasing demand for sustainable housing in the Msunduzi. According to Stats SA (2011), more than 61% of the population of Msunduzi is categorized as living in poverty. This indicates the profound depth of the housing predicament within the Msunduzi.

The extent of 'need for housing' (based on housing type) in the Msunduzi is demonstrated in the table below. The table reveals that out of the seven municipalities in the uMgungundlovu District, the Msunduzi contributes more 50% of the housing backlog in District – at 44 263 out of 79 998 housing backlogs.

TABLE 5: HOUSING NEED BY MUNICIPALITIES IN THE UMDM

Type of the main dwelling	Total Number of Households Per Municipality	Households earning less than R38 196p.a/R3 183 p.m.(Qualifying for Low-Cost Housing)	Households earning between R800-R3500 p.m./R9600-42000 p.a. (Quality for CRU)	Households earning less than R153 802p.a/ R15 000 p.m.(Qualifying for FLISP)	Demand by Current Housing Type					
					Traditional Dwelling	Backyard Rooms	Informal Dwelling	Informal Shack	Caravan /Tents	Total
UMshwathi	28124	25408	19331	27474	9255	511	233	798	43	10840
UMngeni	30490	22202	15869	27689	1350	208	1545	1176	90	4369
Impendle	10452	9040	6543	10121	4160	27	17	2	2	4208
Msunduzi	169754	102942	76468	17213	27581	3086	4347	9151	97	44263

Type of the main dwelling	Total Number of Households Per Municipality	Households earning less than R38 196p.a/R3 183 p.m.(Qualifying for Low-Cost Housing)	Households earning between R800-R3500 p.m./R9600-42000 p.a. (Quality for CRU)	Households earning less than R153 802p.a/ R15 000 p.m.(Qualifying for FLISP)	Demand by Current Housing Type					
					Traditional Dwelling	Backyard Rooms	Informal Dwelling	Informal Shack	Caravan /Tents	Total
Mkhambathini	8203	7529	4773	8069	5775	192	75	385	40	6467
Richmond	14964	13339	9952	14525	6901	482	97	339	5	7824
Mpofana	16440	14782	10404	16036	1637	107	92	134	57	2027
Total	272666	211594	141016	254387	56659	4613	6406	11985	334	79998

(SOURCE: STATS SA, 2011)

The National Department of Human Settlements initiated the establishment of a National Housing Needs Register (NHNR) system to ensure that there is a proper establishment of needs for housing and a fair allocation of housing opportunities (DoHS Annual Performance Plan, 2017/18-2019/20). Unfortunately, information in respect of this register is yet to be included in this report.

3.4.2 TYPOLOGY AND GEOGRAPHY OF NEED BY ELECTORAL WARDS

The Table 6 below indicates the housing backlog/need, based on household income and current demand by housing type within each electoral ward.

TABLE 6: HOUSING NEED BY WARDS IN THE MSUNDUZI MUNICIPALITY

Wards	Total Number of Households Per Ward	Households earning less than R38 196p.a/R3 183 p.m.(Qualifying for Low-Cost Housing)	Households earning between R800-R3500 p.m./R9600-42000 p.a. (Quality for CRU)	Households earning less than R153 802p.a/ R15 000 p.m.(Qualifying for FLISP)	Demand by Current Housing Type					
					Traditional dwelling	Room in Back Yard	Informal Dwelling	Informal Dwelling	Caravan/Tent	Total
Ward 1	4044	2853	2330	3785	2287	11	7	7	2	2314
Ward 2	3605	2598	2165	3451	1808	25	10	5	3	1851
Ward 3	3362	2522	1983	3252	2267	162	117	7	1	2553
Ward 4	2316	1717	1362	2167	871	106	7	12	9	1005
Ward 5	3762	2848	2183	3588	1999	19	137	4	1	2160
Ward 6	2836	2158	1677	2709	1700	104	3	0	0	1806
Ward 7	2717	2101	1615	2626	1789	7	2	0	0	1798
Ward 8	2145	1682	1271	2072	1306	9	24	3	0	1343
Ward 9	2972	2192	1705	2804	1862	36	12	2	0	1913
Ward 10	3586	2850	1791	3471	287	7	26	85	1	406
Ward 11	5114	4098	2801	4966	1109	430	14	594	2	2148
Ward 12	3090	2169	1703	2862	757	131	201	121	5	1215
Ward 13	6233	4525	3099	5776	334	16	90	143	3	586
Ward 14	3061	2344	1812	2946	1037	56	21	307	0	1421
Ward 15	4462	2902	2201	4027	216	30	41	274	0	561
Ward 16	5044	3754	2308	4726	527	29	263	46	1	866
Ward 17	5563	3559	2824	5006	273	7	24	22	5	331
Ward 18	6137	4895	3208	5925	363	15	52	16	2	448

Wards	Total Number of Households Per Ward	Households earning less than R38 196p.a/R3 183 p.m.(Qualifying for Low-Cost Housing)	Households earning between R800-R3500 p.m./R9600-42000 p.a. (Quality for CRU)	Households earning less than R153 802p.a/ R15 000 p.m.(Qualifying for FLISP)	Demand by Current Housing Type					Total
					Traditional dwelling	Room in Back Yard	Informal Dwelling	Informal Dwelling	Caravan/Tent	
Ward 19	4030	2561	1973	3664	209	10	16	21	0	256
Ward 20	3408	2602	1787	3248	1074	70	81	314	1	1540
Ward 21	4145	3502	1968	4024	1098	98	1023	369	0	2588
Ward 22	4279	2980	1724	3849	401	70	175	224	1	871
Ward 23	3672	2584	1751	3403	125	11	140	566	0	842
Ward 24	4626	1573	1365	2820	27	28	13	31	7	107
Ward 25	6202	1214	1144	2471	24	69	11	13	7	125
Ward 26	5491	1410	1130	2748	29	99	42	314	1	485
Ward 27	5591	2312	1930	4068	16	427	27	16	3	490
Ward 28	4927	1870	2070	3665	98	16	21	164	5	304
Ward 29	5842	4625	3089	5656	413	64	614	1590	11	2692
Ward 30	5800	2695	2133	4167	331	157	96	921	1	1507
Ward 31	4013	1989	1811	3268	26	35	17	360	1	439
Ward 32	5040	2732	2460	4286	236	161	51	226	1	674
Ward 33	4961	2827	1995	3941	18	84	185	250	0	537
Ward 34	3903	2052	1654	3110	69	23	121	233	0	446
Ward 35	5081	2079	1778	3396	49	98	218	31	2	398
Ward 36	6666	2076	1665	3731	39	165	7	26	15	253
Ward 37	4849	1957	1071	2869	28	53	24	938	4	1047
Ward 38	4637	3546	2407	4283	982	141	407	896	0	2426
Ward 39	2545	1990	1524	2430	1495	6	7	1	0	1509
Total	169754	102942	76468	141256	27581	3086	4347	9151	97	44263

(SOURCE: STATS SA, 2011)

Table 6 presents the estimated housing backlog for each electorate ward based on 2011 census data, revealing that the estimated housing backlog is 44 263 based on housing typology, with most of the demand based on housing types being ‘traditional dwelling units’ at 27 581.

The second highest demand comes from the households, which currently reside in informal shack and adds up to 9151. The table further reveals the demand from households, which currently reside in informal dwellings, is at 4347. The second lowest demand is that of households residing in backyard rooms at 3086 – and last being caravans/tents at 97.

The assessment of the types of housing units in the Msunduzi provides statistical data in the housing demand. This data will also guide the various development response and strategies to be implemented in addressing the housing demand.

Below is a breakdown of housing typology need and together with housing initiatives and products that will aid the Msunduzi HSSP in addressing its housing demand.

3.4.3 HOUSING SEGMENTATION

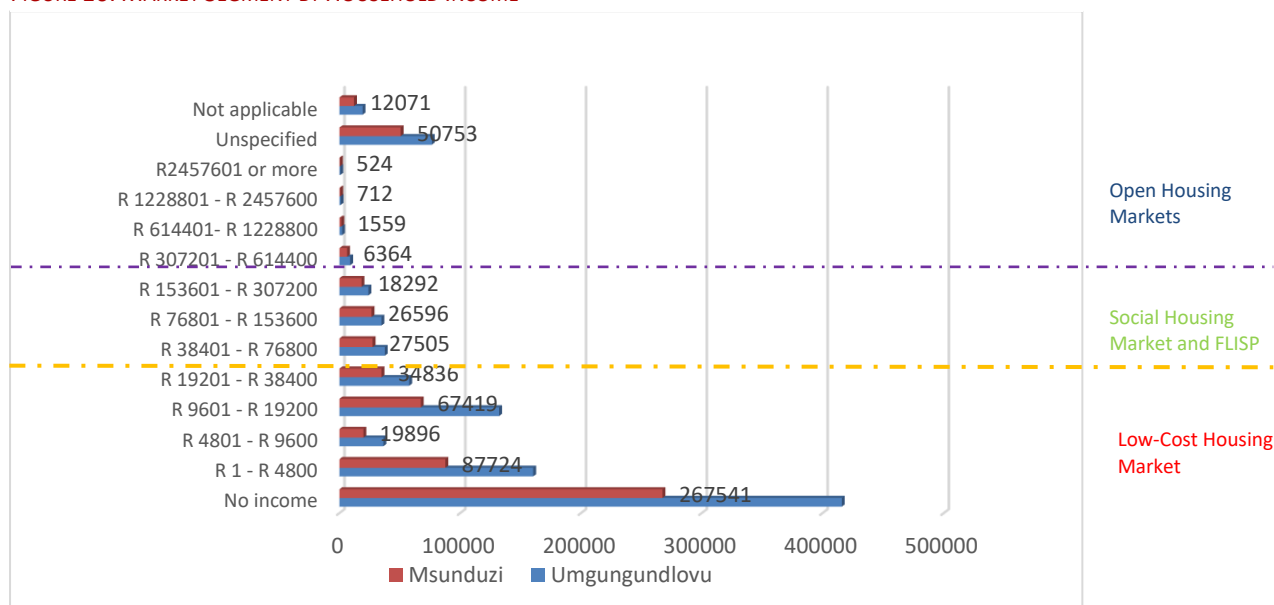
The Msunduzi Municipality has to date, been committed to providing housing and service delivery considering the increasing demand for housing in the Msunduzi Municipality – specifically in informal settlements and areas overcrowding with backyard shacks. Over the past decades, the Msunduzi has been active in the delivery of sustainable housing. This active involvement has mainly been in the form of housing and service delivery coupled with state-funded low-cost housing project and housing programmes.

3.4.3.1 HOUSING SEGMENTS BASED ON HOUSEHOLD INCOME AND TYPOLOGY

In this section, the housing typology and income profile of households residing in Msunduzi are employed in order to provide an indication of households that qualify for housing initiatives (subsidies, programmes and products) as provided by the Department of Human Settlements and its ‘housing agencies’ such as the Housing Development Agencies (HDA).

According to (Census, 2011), the housing backlog of Msunduzi Municipality stands at a total of 44263 considering ‘housing typology’ (refer to Table 6: Housing Backlog). With the preceding housing backlog in mind, the assumption is that the majority, “if not all” of the housing-backlog in the Msunduzi has the potential to be addressed – by incorporating relevant (based on a qualifying criterion as per housing initiative) housing programmes, products and instruments.

FIGURE 16: MARKET SEGMENT BY HOUSEHOLD INCOME



(SOURCE: CENSUS, 2011)

The following figures indicate households (based on income band and housing typology) that qualify for the different housing subsidies, programmes and products. Figure 16 above illustrates that there is a considerable proportion of households/individuals that lay within

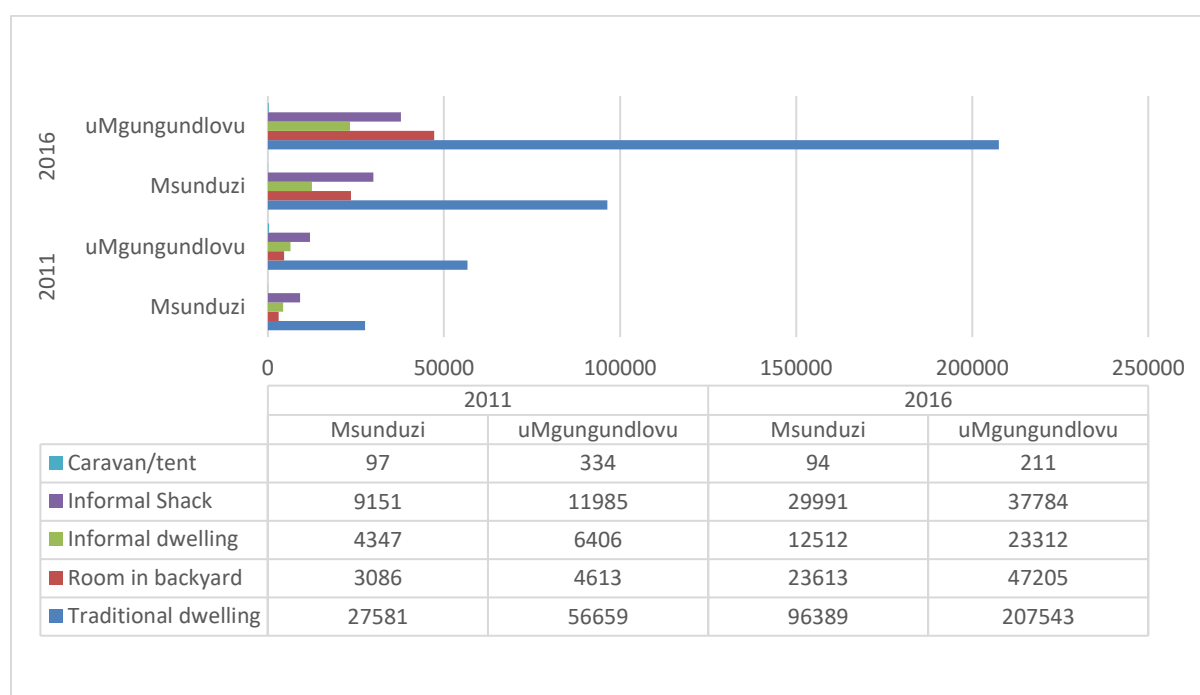
the low-income category, that qualify for low-cost housing, which is accessible for households that earn less than R3 500 a month. It also indicates households earning below R7 500 that qualify for other forms social housing subsidies such as Social Housing and Finance Linked Individual Subsidy Programme (FLISP).

It is also important to note that there is a segment of the population that does not earn an income at all. This segment constitutes 16% of the population of Msunduzi– of which also qualifies for low-cost housing.

3.4.4 SEGMENTED HOUSING NEED

The assessment of household typologies within the municipality provides statistical data on the housing demand and various development response; to guide the municipal strategies implemented in addressing the housing backlog – simultaneously prioritising the type of human settlements. Below, Figure 17 indicates that the number of households' typologies that contribute to the housing backlog in the Msunduzi has increased between 2011 and 2016. It is also important to note that these housing segments are not static. They change in response to population growth and movement patterns, as well as changes in the economic fortunes of individuals. Job creation initiatives and economic growth may also facilitate graduation of some individuals from one segment to the other, while job losses may force some individuals to lower market segments.

FIGURE 17: HOUSING SEGMENT BY HOUSING TYPOLOGY

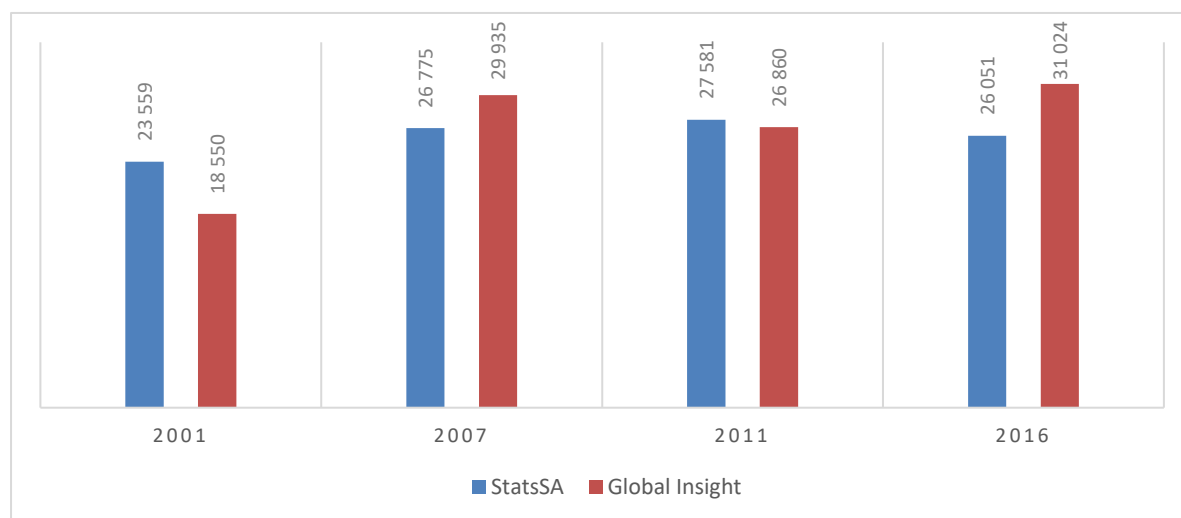


SOURCE: CENSUS, 2011; STATS SA, 2016

3.4.4.1 TRADITIONAL DWELLINGS

According to Stats SA (2011), more than 16% of Msunduzi's rural population lives in traditional dwellings, huts and structure made of traditional materials. Traditional dwellings have decreased from 27581 in 2011 to 96389 (26051) in 2016, according to Statistics SA. However, Global Insight data reflects an increase from 26 860 in 2011 to 31 024 in 2016 (refer to Figure 18). A high concentration of these rural settlements is located on the western parts of the Msunduzi around Taylor's Halt and Elandskop.

FIGURE 18: TRADITIONAL DWELLINGS IN MSUNDUZI



SOURCE: STATISTICS SOUTH AFRICA (CENSUS 2011) AND GLOBAL INSIGHT

This housing demand segment amounts to more than 96 000 households that qualify for a Rural Housing Loan Fund (RHLF). RHLF is one of the Human Settlements Development Finance Institutions established by the government, to address housing development issues enabling low-income (less than R15000) earners to access small loans that they could afford to repay. The loan is intended for the following usage: new house, extension, fixed improvement to a house, connecting to utilities, water harvesting, fencing, productive housing, purchasing of land by individuals or groups for residential purposes.

3.4.4.2 RURAL HOUSING NEED

According to Stats SA (2011), more than 16% of Msunduzi's rural population lives in traditional dwellings, huts and structure made of traditional materials. A high concentration of rural settlements is located on the western parts of the Msunduzi around Taylor's Halt and Elandskop. This housing demand segment amounts to more than 27 000 households.

3.4.4.3 INFORMAL SETTLEMENTS

Over 20 000 households are living in informal settlements within the Msunduzi, of which approximately 13 491 households live in informal dwelling units (see the Msunduzi Informal

Settlement Upgrading Strategy, 2014:1). Statistics South Africa defines informal settlement as unplanned settlements on land, which has not been surveyed or proclaimed as residential, consisting mainly of informal dwellings (shacks). Characteristics and challenges of informal settlements include amongst others illegality and informality, inappropriate locations, restricted public and private sector investment, poverty and vulnerability, and social distress.

Although only a few dwelling units in the Msunduzi may be regarded as shacks, specifically around Mkondeni and Napierville, several settlements on state-owned land have the following characteristics, they:

- do not conform to a predetermined pattern,
- are haphazardly scattered,
- serve as dormitory areas,
- are poorly provided with social facilities and basic services,
- lack of employment opportunities and private sector investment,
- do not provide security of land tenure, and
- are developed in remote and or environmentally sensitive areas.

According to the Msunduzi Informal Settlement Upgrading Strategy of 2014, there are about 70 informal settlements within Msunduzi municipality's jurisdiction. Most of them are scattered in the municipality's northern suburbs such as the Edendale area (refer to Table 7).

Rural settlements in the Msunduzi are characterized as informal. However, none of the settlements has shacks as the dominant types of dwellings. Approximately 9151 households live in shacks (Stats SA, 2011).

Burgeoning informal settlements is one of the critical human settlement's development challenges facing the Msunduzi. As discussed, informal settlements occur in different forms and magnitude depending on location and genesis. Most informal settlements arise from two factors, (i) land invasion and (ii) shack farming.

TABLE 7: INFORMAL SETTLEMENTS BY ABM'S

REGION/TOWNSHIP	NUMBER OF INFORMAL SETTLEMENTS/FOCUS AREAS OF INFORMALITY
Greater Edendale	13
Greater Imbali	27
Northdale areas	22
CBD, Ashburton & Eastern areas	8
Total	70

(MSUNDUZI IDP, 2017-2022)

There are several small informal settlements located on steep slopes, watercourses and wetlands are scattered throughout the Northdale areas. At least 31 informal settlements have been identified in the northern areas alone which range in size and structure from small settlements with about 5 households to large ones with more than 1800 households – they accommodate more than 7800 households.

Although there are cases of land invasion in the Greater Edendale area as well, most informal settlements occur on privately owned land and owe their existences to shack farming. The influx of people into Edendale is a result of urbanization processes involving rural people looking for employment opportunities, need for rental accommodation. It was also encouraged by political violence that engulfed the sub-region in the late 1980s and early 1990s. Many people coming mainly from rural areas such as Vulindlela, Richmond, Maqonqo and Impendle sought refuge in the area.

The net effect of this was the transformation, over time, of the area from being an African middle-class suburb or small emerging farmer settlement, into one of the well-known 'urban slums'.

3.4.4.4 RENTAL HOUSING DEMAND

According to information supplied by the Msunduzi Housing Unit, in terms of the 'waiting list' for rental housing, it is estimated that there are between 13 000-14 000 applicants on this list.

The Capital City Housing (previously Msunduzi Housing Association), which is the independent delivery agent and a non-profit Social Housing Institution for rental housing in Msunduzi, work on an application basis and do not have a waiting list.

3.4.4.5 GAP HOUSING DEMAND

"Gap housing" is a term used to describe the shortfall, in the housing market between residential units supplied by the state (which cost R100 000 and less) and houses delivered by the private sector (which are not less than R250 000). The gap housing market comprises people who typically earn between R3 500 and R10 000 per month, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance. It is difficult to estimate precisely how large the demand for the gap housing product is, as it fluctuates with interest rate changes and employment levels. It also depends on the number of families who voluntarily choose to make long-term financial commitments.

However, it is certain that this housing segment is huge and represents a significant demand within the Msunduzi. The transformation of Slangspruit Buffer from low-cost housing to

lower-middle income suburb and the quick uptake of sites and development of Thornview and Signal Hill attest to this need.

3.4.5 HOUSING BACKLOG ANALYSIS

3.4.5.1 BASE DATA AND ASSUMPTIONS

The number of informal households residing in informal settlements in 2017 is estimated at 14675. This excludes the traditional dwellings.

In 2017, based on the StatsSa General Household Survey data and Global Insight data, there were 184667 households living in Msunduzi LM. Of these, 134 659 households lived in formal dwellings according to official standards. A further 35 511 households stayed in traditional dwellings (2017).

The remaining households therefore, that lives in informal dwellings, are estimated at 14 496. This number will be used as the base number for households living in informal dwellings.

The number of households living in informal dwellings will either increase or decrease on a yearly basis, based on a number of flows/movements. Flows that will increase the number of households in informal dwellings are:

- Inflow of people from outside Msunduzi into informal settlements; or
- Residents moving from formal dwellings to informal dwellings, for different reasons.

The number of flows that will decrease the number of informal dwellings are:

- Outflow of people to the rest of SA, or
- Residents moving from informal dwellings to formal dwellings, for different reasons.

The net between the two flows will determine if and when the number of households in informal dwellings will be eradicated.

Flow impact

- Continuous decrease in the number of households staying in informal settlements
- + Continuous increase in the number of households staying in informal settlements

Net negative flow

- The smaller the net negative flow, the longer it will take to eradicate the number of households living in informal settlements.
- The greater the net negative flow, the faster it will take to eradicate the number of households living in informal settlements.

Net positive flow

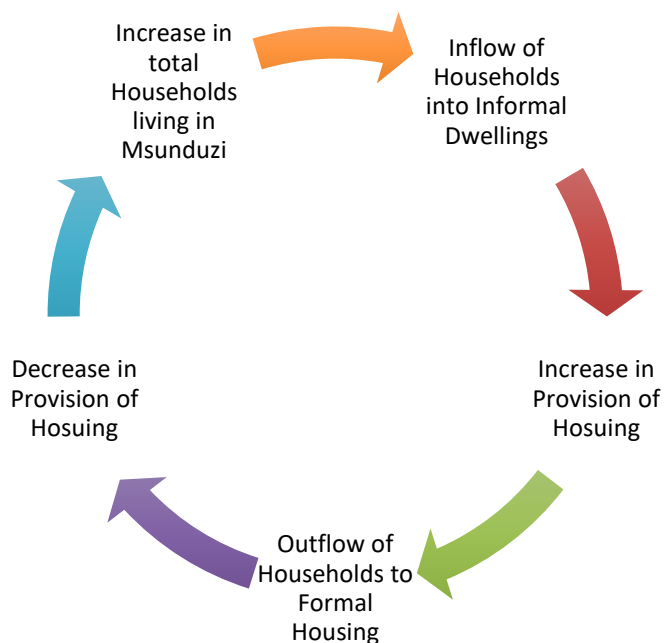
- + The smaller the net positive flow, the smaller the total increase in households living in informal dwellings.
- + The greater the net positive flow, the larger the total increase in households living in informal dwellings.

For example, if the net flow were positive then there would be an increase in the number of people living in formal settlements in perpetuity. On the other hand, if the net flow were negative, then there would be a decrease in households living in informal settlements until zero.

The circular flow demonstrates **FIGURE 19: CIRCULAR FLOW DIAGRAM**

the continuous nature of the flow of households in and from informal dwellings. The net flow will very much affect the need for the provision of housing.

It is further assumed that there were 184 667 households in Msunduzi and 169 991 households living in formal dwellings (formal dwellings plus traditional dwellings) as stated earlier.



Based on the Department of Human Settlements' Housing Subsidy Quantum data, it costs roughly R168 000 to build a formal low cost house. Based on recent StatSA inflation numbers, the construction sectors inflation rate is estimated at 7% and a discount rate of 5% will be assumed, given the current savings rate in SA (refer to table 8).

TABLE 8: BASELINE DATA

2017 Base Line	
Number of Households	184 667
Number of Formal Dwellings	169 991
Number of Informal Dwellings	14 675
Cost per Housing Unit	R168 000
Inflation Rate	7,00%
Discount Rate	5,00%

3.4.5.2 SCENARIO DEVELOPMENT

Based on the base data discussed in the previous section, the following scenarios were created to indicate how the housing backlog could be dealt with.

3.4.5.2.1 Scenario 1

The increase in households staying in informal dwellings is 2.10% and the increase in the number of households moving out of informal settlements is 2.5%. Thus, the net outflow is

0.4%. The 2.1% is the increase in the inflow of households into informal dwellings (average yearly for the past 20 years).The 2.5% is the estimated outflow of people from informal dwellings to formal dwellings. The net flow is therefore -0.4%.

In this scenario it will take 22 years and 115 523 houses to be built to eradicate the number of households staying in informal dwellings. At the current cost per formal low cost house and the current inflation discount rates, the total cash flow needed to fund the 115 523 houses is R 159 256 977 020 (in todays discounted cash flow value).

Scenario 1	
Increase in Households in informal dwellings	2,10%
Increase in Households in Formal Dwellings	2,50%
Time until Zero Backlogs	22
Number of Houses Build	115 523
Average Build PA	5 251
Discounted Cash Flow	R 159 256 977 020

3.4.5.2.2 Scenario 2

The increase in households staying in informal dwellings is 2.10% and the increase in the number of households moving out of informal settlements is 3%. Thus, the net outflow is 0.4%. The 2.1% is the increase in the inflow of households into informal dwellings (average yearly for the past 20 years).The 3% is the estimated outflow of people from informal dwellings to formal dwellings. The net flow is therefore -0.9%.

In this scenario it will take 10 years and 51 809 houses to be built to eradicate the number of households staying in informal dwellings. At the current cost per formal low cost house and the current inflation discount rates, the total cash flow needed to fund the 51 809 houses is R 40 715 181 485 (in todays discounted cash flow value).

Scenario 2	
Increase in Households in informal dwellings	2,10%
Increase in Households in Formal Dwellings	3,00%
Time until Zero Backlogs	10
Number of Houses Build	51 809
Average Build PA	5 181
Discounted Cash Flow	R 40 715 181 485

3.4.5.2.3 Scenario 3

The increase in households staying in informal dwellings is 2.10% and the increase in the number of households moving out of informal settlements is 3.5%. Thus, the net outflow is 1.4%. The 2.1% is the increase in the inflow of households into informal dwellings (average yearly for the past 20 years).The 3.5% is the estimated outflow of people from informal dwellings to formal dwellings. The net flow is therefore -1.4%.

In this scenario it will take 7 years and 38 971 houses to be built to eradicate the number of households staying in informal dwellings. At the current cost per formal low cost house and the current inflation discount rates, the total cash flow needed to fund the 38 971 houses is R 25 411 297 649 (in today's discounted cash flow value).

Scenario 3	
Increase in Households in informal dwellings	2,10%
Increase in Households in Formal Dwellings	3,50%
Time until Zero Backlogs	7
Number of Houses Build	38 971
Average Build PA	5 567
Discounted Cash Flow	R 25 411 297 649

3.4.5.2.4 Scenario 4

The increase in households staying in informal dwellings is 2.10% and the increase in the number of households moving out of informal settlements is 4%. Thus, the net outflow is 1.9%. The 2.1% is the increase in the inflow of households into informal dwellings (average yearly for the past 20 years). The 4% is the estimated outflow of people from informal dwellings to formal dwellings. The net flow is therefore -1.9%.

In this scenario it will take 5 years and 28 875 houses to be built to eradicate the number of households staying in informal dwellings. At the current cost per formal low cost house and the current inflation discount rates, the total cash flow needed to fund the 28 875 houses is R 19 618 980 439 (in today's discounted cash flow value).

Scenario 4	
Increase in Households in informal dwellings	2,10%
Increase in Households in Formal Dwellings	4,00%
Time until Zero Backlogs	5
Number of Houses Build	28 875
Average Build PA	5 775
Discounted Cash Flow	R 19 618 980 439

3.4.5.2.5 Scenario 5

The increase in households staying in informal dwellings is 2.50% and the increase in the number of households moving out of informal settlements is 4%. Thus, the net outflow is 1.5%. The 2.5% is the increase in the inflow of households into informal dwellings (average yearly for the past 20 years). The 4% is the estimated outflow of people from informal dwellings to formal dwellings. The net flow is therefore -1.5%.

In this scenario it will take 6 years and 36 829 houses to be built to eradicate the number of households staying in informal dwellings. At the current cost per formal low cost house and

the current inflation discount rates, the total cash flow needed to fund the 36 829 houses is R 25 069 962 492 (in today's discounted cash flow value).

Scenario 5	
Increase in Households in informal dwellings	2,50%
Increase in Households in Formal Dwellings	4,00%
Time until Zero Backlogs	6
Number of Houses Build	36 829
Average Build PA	6 138
Discounted Cash Flow	R 25 069 962 492

3.4.5.2.6 Scenario 6

The increase in households staying in informal dwellings is 1.50% and the increase in the number of households moving out of informal settlements is 4%. Thus, the net outflow is 2.5%. The 1.5% is the increase in the inflow of households into informal dwellings (average yearly for the past 20 years). The 4% is the estimated outflow of people from informal dwellings to formal dwellings. The net flow is therefore -2.5%.

In this scenario it will take 4 years and 21 226 houses to be built to eradicate the number of households staying in informal dwellings. At the current cost per formal low cost house and the current inflation discount rates, the total cash flow needed to fund the 21 226 houses is R 11 326 608 658 (in today's discounted cash flow value).

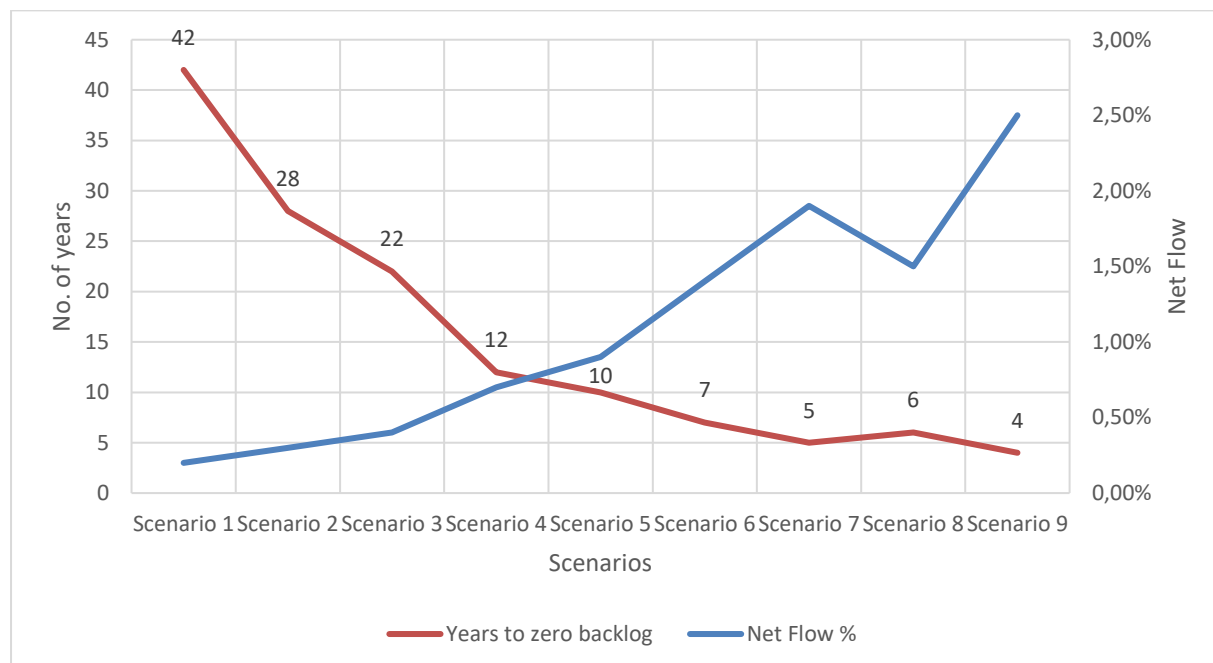
Scenario 6	
Increase in Households in informal dwellings	1,50%
Increase in Households in Formal Dwellings	4,00%
Time until Zero Backlogs	4
Number of Houses Build	21 226
Average Build PA	5 307
Discounted Cash Flow	R 11 326 608 658

The below line graph displays the inverse relationship between the net flow (difference between inflow and outflow of households living in informal dwellings). This to smaller the net flow the longer it will take to eradicate the number of households living in informal dwellings and vis versa. So the ideal is to have as large a net flow as possible. Net correlation is also clearly demonstrated in the below scatter plot

3.4.5.2.7 Number of Years to Eradicate the Backlog Scenarios

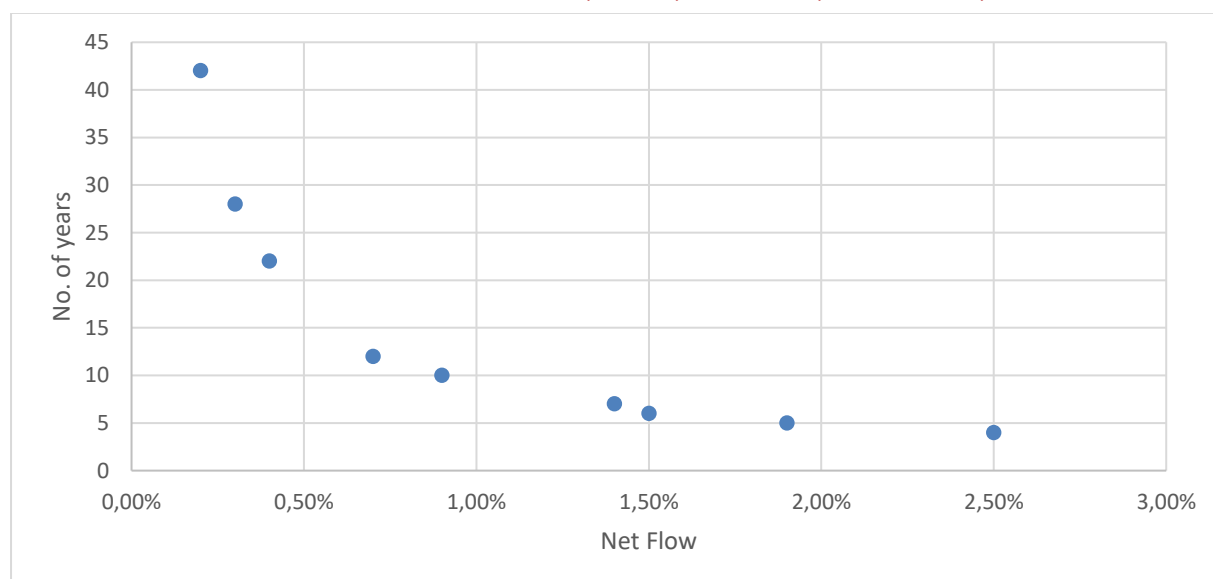
The following line graph provides an indication of the number of years to eradicate the backlog, in respect of each scenario.

FIGURE 20: NUMBER OF YEARS TO ERADICATION (LEFT AXIS) AND NET FLOW % (RIGHT AXIS)



The figure below is a scatter plot, depicting the number of years to eradicate on the left axis and the net flow (%) on the horizontal axis.

FIGURE 21: SCATTER PLOT – NUMBER OF YEARS TO ERADICATE (LEFT AXIS), NET FLOW % (HORIZONTAL AXIS)



3.5 HOUSING SUPPLY IN MSUNDUZI MUNICIPALITY

The Msunduzi Municipality has identified a number of housing projects that aim to address the municipality's housing demand. These projects are at different stages – a number of them have been completed; with a majority of them being either in planning or implementation phases.

3.5.1 HOUSING PROJECTS IN URBAN AREAS

The majority of housing projects in the Msunduzi are individual, and project linked subsidy projects. Housing projects in urban areas are as follows:

- The Municipality is administering a total of 40 housing projects at present.
- A total of 30 056 housing subsidies for these projects have been applied for.
- To date 25 657 houses have been built, and 4 399 houses still have to be built.

TABLE 9: CURRENT URBAN HOUSING PROJECTS

Project Area	Current Stages	No. of Units
Msunduzi Wirewall Rectification	Construction of Top structures	2086
Msunduzi Operation Sukuma Sakhe (OSS1) Housing Project	Construction of top structures	117
Jika Joe CRUs Project	Construction of bulk engineering services	1164
Msunduzi Operation Sukuma Sakhe (OSS2) Housing Project	Construction of top structures	216
Thembalihle Housing Project	Social Facilitation	401
Thamboville Housing Project	Social Facilitation	203
Glenwood Q-section Housing Projects	Resolving social issues	216
Ethembeni		4000
Site 11 Housing Project	Resolving social issues	252
Total		8 655

3.5.2 HOUSING PROJECTS IN RURAL AREAS

TABLE 10: CURRENT RURAL HOUSING PROJECTS

Project Area	No. of Units	Current Stages
Vulindlela Rural Housing Project	25 000	Construction of Top Structures
Total		25 000

3.5.3 HOUSING PROJECTS IN INFORMAL SETTLEMENTS

According to the Msunduzi (IDP, 2017-2022:131), 97% of all informal settlements in Msunduzi are in urgent need of upgrading intervention. The distribution of projects within the Municipality indicates that:

- 60% of projects are located in Edendale/Imbali ABM
- 22.5% of projects are located in the Central Areas ABM
- 17.5% of projects are located in the Northern ABM.

TABLE 11: CURRENT HOUSING PROJECTS

Project Area	Ward Number	No. of Units
Vulindlela Rural Housing Project	-	25 000
Edendale Unit S Phase 8 Ext.	Ward 17	428
Willowfountain EE (Phase 1)	-	73

Project Area	Ward Number	No. of Units
Lot 182 Sinathing Housing Project	-	133
Crest Place	Ward 28	31
Imbali Crossing	Ward 19	142
Bantine Place	Ward 23	350
Nkululeko/ Regina Road	Ward 28	251
Shamrock	Ward 28	35
Wayside Place	Ward 28	37
Nhalakahle	Ward 31	599
Maryvale	Ward 35	70
Mkondeni	Ward 37	965
Mkondeni / Sport	Ward 37	3000
Hollingwood	-	1000
Khalanyoni	-	1000
Edendale J2 & Quarry	Ward 11 & 12	1000
Revamp, Refurbishment Slangspuit	Ward 13	585
Edendale Bulwe	Ward 11 & 12	1000
Total:		35 699

3.5.4 RENTAL/SOCIAL HOUSING SUPPLY

In the absence of a waiting list, it is hard to calculate the total demand for rental housing in Msunduzi. However, in 2013, the MHA proposed the construction of more than 900 rental housing units in the Westgate/Grange area - it was proposed that 287 units will cater for households earning up to R3 500 and 665 will cater for households with an income of around R7 500 per month. The programme commenced in 2014.

TABLE 12: RENTAL/SOCIAL HOUSING PROJECTS

PROJECT AREA	WARD NUMBER	NO. OF UNITS
Imbali Crossing	Ward 19	142
Buntine Place	Ward 23	350
Gomorra	Ward 23	571
Crest Place	Ward 28	31
Mayfair Road	Ward 28	63
Nkululeko/ Regina Road	Ward 28	251
Shamrock	Ward 28	35
Wayside Place	Ward 28	37
Mattison Drive	Ward 30	5
Comet Place	Ward 30	35
Privet Road	Ward 30	48
Old Greyton/ Khan Road	Ward 30	94
Springvale	Ward 30	73
Nhalakahle	Ward 31	599
Jesmondene	Ward 35	88
Maryvale	Ward 35	70

PROJECT AREA	WARD NUMBER	NO. OF UNITS
Ohtmann Road	Ward 35	41
Mkondeni	Ward 37	965
Total		3 498

TABLE 13: PROJECTS BY CAPITAL CITY HOUSING

PROJECT NAME	STREET	NO. OF UNITS	YEAR
Aloe Ridge	Westgate/ Grange (R56)	950	2018
Acacia Park	Oribi Road	300	2004
Municipal Units	Various	55	2002
Signal Hill	Nienaber Road	364	2008
Total		719	

3.5.5 PLANNED HOUSING PROJECTS FOR MSUNDUZI

TABLE 14: PLANNED HOUSING INITIATIVES

Project Area	Current Stages	No. of Units
Verification of Occupancy of Rental	Verification has started. To date a very poor response by tenants	250
Prepare New Leases for All Verified Tenancies	Prepare and sign new leases. To date a very poor response by tenants.	250
Implementation of Eviction Orders for Defaulting Tenants	Commence Legal Action and eviction if necessary, on defaulting tenants.	250
Valuation and Rent Determination	Commence valuation and rent determination report.	305
Total		1 055

3.5.6 HUMAN SETTLEMENT PROJECTS

TABLE 15: HOUSING PROJECTS - PLANNING STAGE

Project Area	Wards	No. of Units
Ethembeni	-	4000
Harewood	-	1000
Mkondeni / Sport	Ward 37	3000
Yellowwood Place	Ward 32	90
Copesville	Ward 29	1176
Kwa 30 Housing Project	-	400
Hollingwood	-	1000
Khalanyoni	-	1000
Glenwood 2 South East Sector (3000 units)	-	3000
Edendale J2 & Quarry	Ward 11 & 12	1000
Edendale Bulwe	Ward 11 & 12	1000
Signal Hill	-	3000
Ambleton Ph 3	-	3000
Revamp, Refurbishment Slangspruit	Ward 13	585
Msunduzi Wirewall	-	2086
North East Sector	-	281

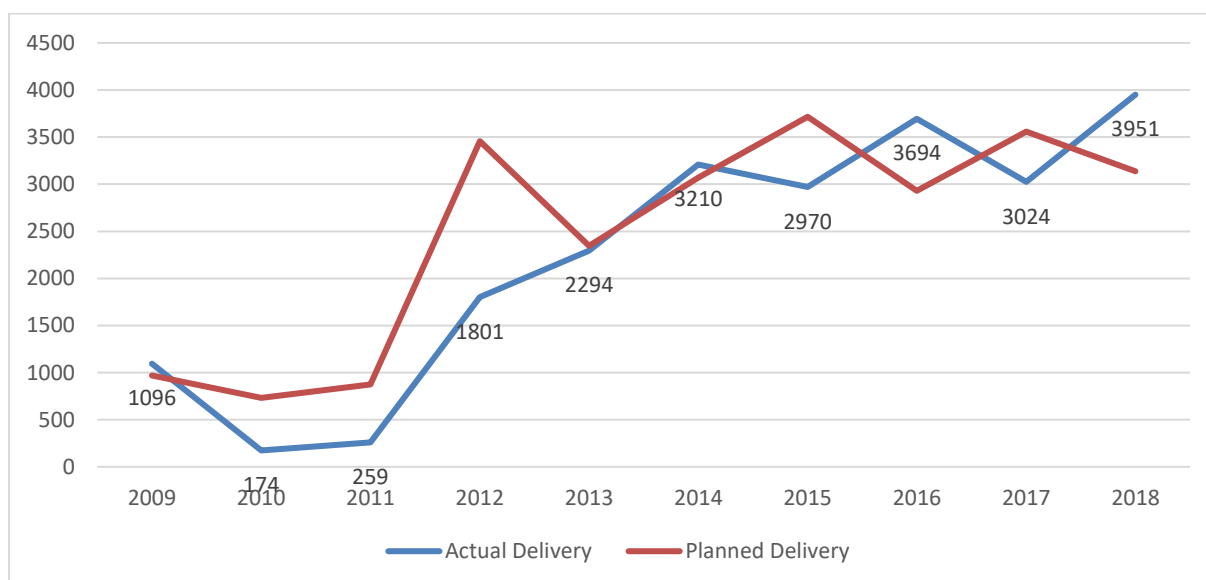
Project Area	Wards	No. of Units
Edendale S 8 Ext	Ward 17	428
Total		26 046

3.5.7 MSUNDUZI' S HOUSING DELIVERY PERFORMANCE

According to statistics from the KZN Department of Human Settlements-Inland Region, Msunduzi delivered 22 473 housing units (actual delivery) between 2009 and 2018. The delivery formed part of 16 projects across Msunduzi, of which the Vullindlela Rural Housing project contributed 93%.

The municipality had a planned delivery target of 24 795 for the same timeframe. This implies that 2322 housing units were not delivered.

FIGURE 22: HOUSING DELIVERY PERFORMANCE



Source: KZN Department of Human Settlements-Inland Region

4 ASSESSMENT OF EXISTING HUMAN SETTLEMENT

While housing need and supply provides an indication of the nature and extent of housing backlog, the municipality also faces a challenge to transform the existing settlements into sustainable human settlements in line with the national policy. Human settlements are dynamic, and their sustainability depends on several variables that combine to give an area character and dynamism. These include current settlement pattern; availability of bulk and basic services; access to public facilities; land ownership and tenure security; and quality of the natural environment. These factors cumulatively determine the sustainability of the existing settlements and highlight key focus areas for the transformation of these settlements into sustainable human settlements.

4.1 REGIONAL CONTEXT

Spatial transformation and restructuring are one of the key challenges facing the Msunduzi Municipality. It manifests in various forms including separation of different land uses, spatial fragmentation along class and/or racial differences and low-density urban sprawl. This spatial pattern is highly inefficient, generates unnecessary vehicular movement and impacts negatively on the natural environment. While the municipality inherited this anomaly from the apartheid past, the post-apartheid spatial planning and development initiatives intended to reshape the structure and enable the development spatial system have not produced the desired results. Land markets, high rate of urbanisation in areas such as the Greater Edendale and topographical constraints re-enforces the existing spatial system.

4.1.1 MSUNDUZI IN THE PROVINCIAL SPACE ECONOMY

The Msunduzi Municipality has a relatively good economic infrastructure and potential for growth and has thus been identified as a secondary node within the Province. In addition, the following provincial corridors, impact on The Msunduzi:

- Ethekwini-Msunduzi-uMngeni has been identified as one of three primary corridors (corridor with very high economic growth potential) in the Province, and
- Kokstad-Umzimkhulu-Msunduzi and Msunduzi-Nkandla-Ulundi have been identified as secondary corridors (corridor with good economic development potential).

The PGDS states that it is important that these nodes and corridors are supported by adequate and appropriate services such as transport infrastructure, electricity, water, housing, etc.

The Msunduzi links to eThekweni and Gauteng and its easy access to both the hinterland and the coastal ports offer a set of opportunities linked to manufacturing for export as well as the supply of logistics and other essential services. Msunduzi is particularly well located to attract investment in the six focus industries of national significance as well as those identified by the KZN PGDS, such as Business Process Outsourcing and specialized ICT services. For Msunduzi in partnership with uMngeni, the specialized medical (health) cluster and the education clusters are both capable of profitable expansion and if appropriately incentivized will attract more investment and create sustainable and skilled employment

4.1.2 MSUNDUZI IN THE DISTRICT CONTEXT

The Msunduzi Municipality is the main economic and urban hub within uMgungundlovu District. Its central location within the district and at the nexus of the R56 provincial and the N3 development corridors accounts for its high level of accessibility from each of the surrounding local municipalities and connectivity to the national spatial economy. The N3 (Durban-Gauteng) corridor is the primary route for logistics between the Port of Durban and Gauteng's large industrial base. The R56 is a provincial secondary corridor and the main link between KwaZulu-Natal and the Eastern-Cape Province.

The urban core of Msunduzi is surrounded by a peripheral area that includes agricultural and rural areas with smaller towns occurring along main routes within commercial farmlands. These urban areas (towns) used to serve the agricultural sector within the district. These towns include the following (Stratplan, 2013):

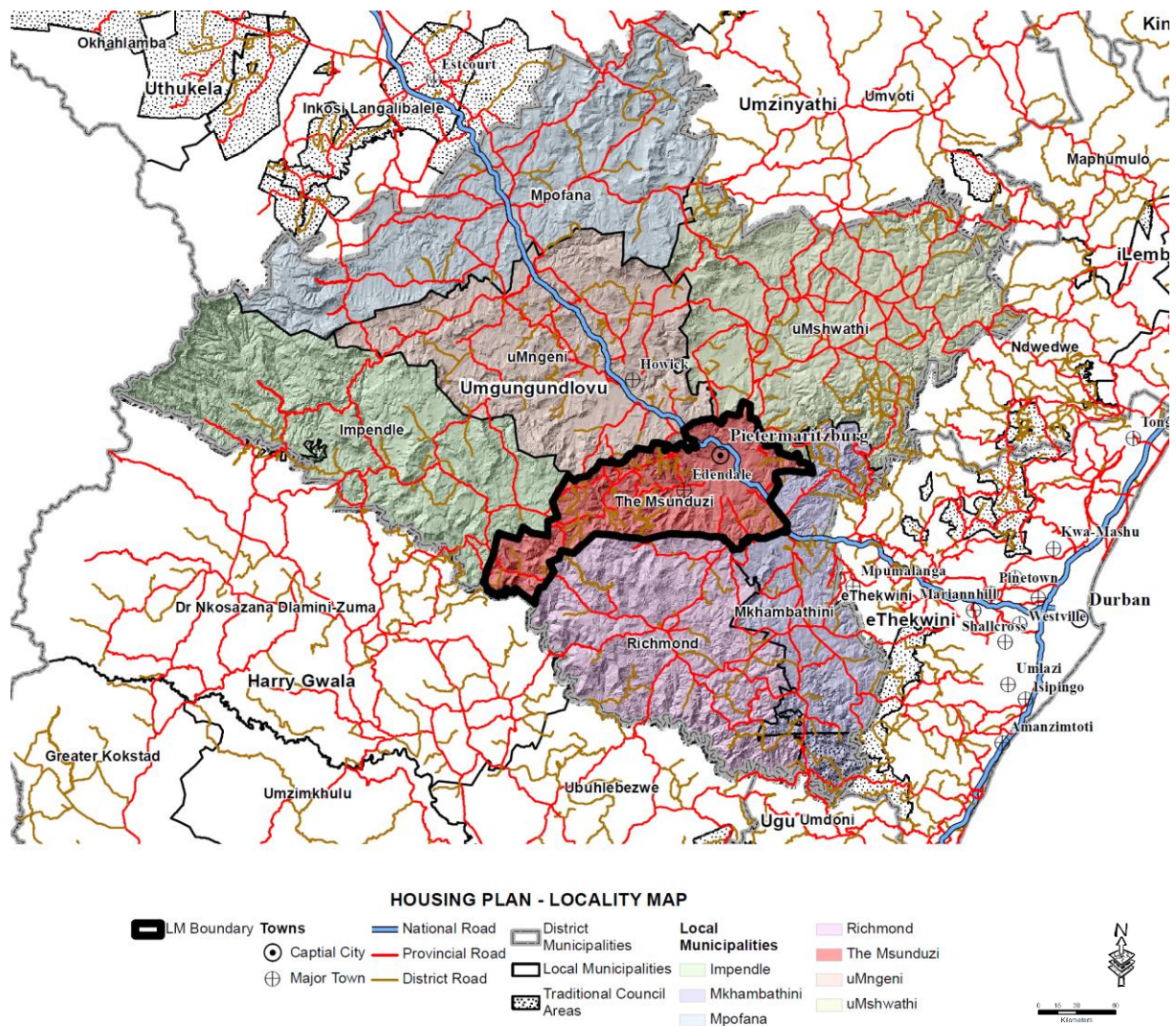
- Howick located in uMngeni Municipality;
- Mooi River located in Mpofana Municipality;
- Impendle Village in Impendle Municipality;
- New Hanover-Wartberg-Dalton-Cool Air in uMshwathi;
- Camperdown located in Mkhambathini Municipality; and
- Richmond-Ndaleneni located in the Richmond Municipality.

The rural component of the district not only includes commercial farming land, but also large pockets of traditional authority land. Large areas of traditional land are located to the southwest of Msunduzi (Vulindlela), as well as in Mshwathi, Impendle, Mkhambathini and Richmond.

Another important structural element in the district is the N3, which is identified as a national development corridor. This corridor traverses the spatial landscape of the district in a north-westerly to south-easterly direction. The portion of this development corridor between

Camperdown and Howick is characterised by a range of activities, which will thus become the focus areas of the development corridor.

MAP 3: MSUNDUZI MUNICIPALITY



In response to the spatial structure of the district, the SDF identified the Pietermaritzburg / Ashburton / Edendale areas as the primary node (strategic economic development node). The Howick / Hilton / Mphophomeni complex and the Camperdown / Cato Ridge area are identified as secondary nodes, while Mooi River / Bruntville, New Hanover / Wartburg and Richmond serve as tertiary nodes fulfilling administrative and commercial roles. Rural nodes, serving as rural service nodes to the surrounding communities, are identified as Dalton / Cool Air, Impendle and Vulindlela. (uMgungudlovu SDF review, 2013/14).

4.2 SPATIAL STRUCTURE AND TRANSFORMATION

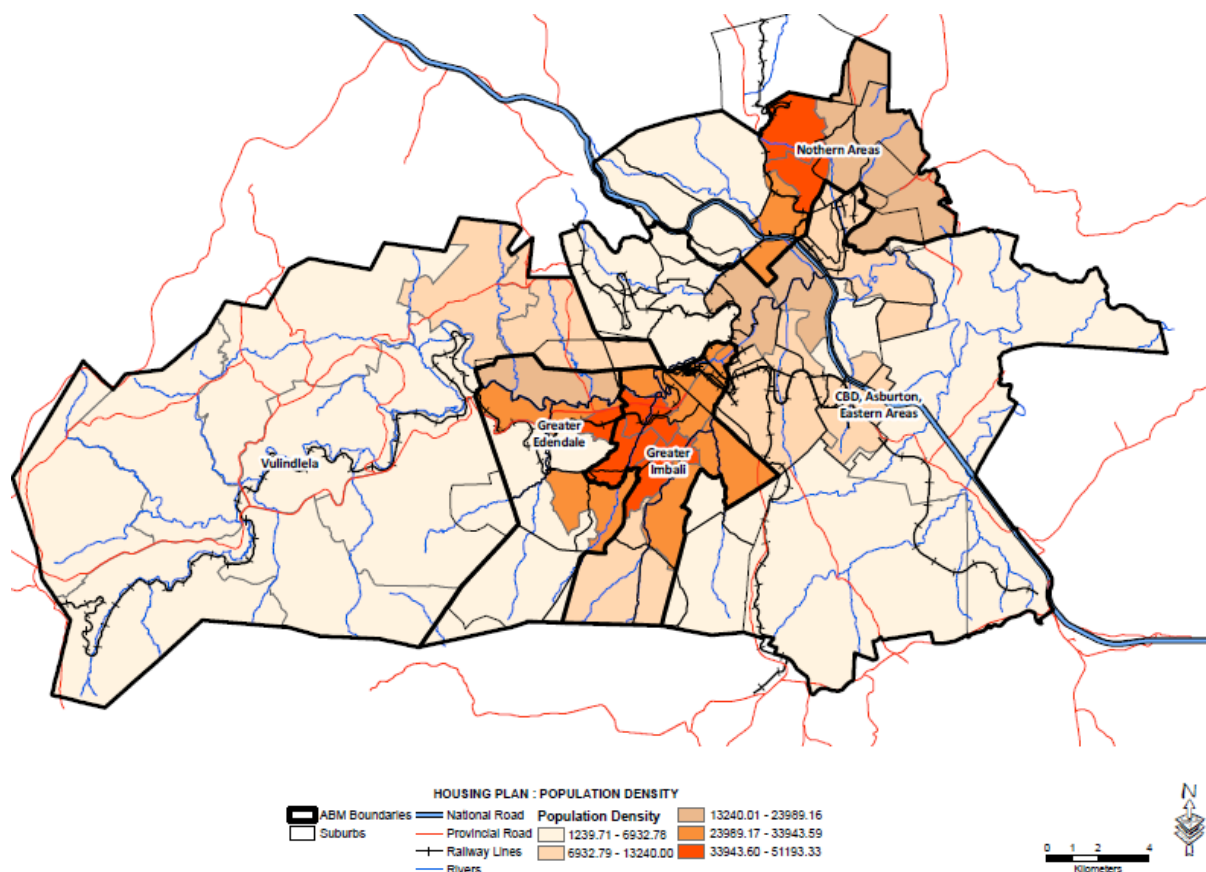
The city has developed in line with a typology common in most cities in South Africa wherein the structure relates to a central core in the central business district (CBD) with several major access and/or exit routes radiating outwards. In the Msunduzi, these occur in the form of the

N3 and its linkages through the city, and east-west axis linking the northern and the southern parts of the city through the city centre. The latter is identified in the SDF as a development corridor, and some of its components have received some detailed mixed land use activity corridor related planning. The N3 is also a significant access/exit route to and from the city and is also identified in the NDP and the PGDS as a development corridor of national and provincial significance.

4.2.1 SPATIAL STRUCTURE AND SETTLEMENT PATTERN

While global and national forces remain one of the main city structuring elements, the impact of the past apartheid policies has had a profound impact on the structure and functionality of the South African cities generally and the Msunduzi in particular. Its fragmented communities marginalised their economic activities and undermined their participation in the economy. It located people in areas with poor access to urban services and facilities, and effectively entrenched the philosophy of unequal development.

MAP 4: POPULATION DENSITY



The Msunduzi embodies most attributes of an apartheid town, with low-density urban sprawl, land use separation and spatial fragmentation as some of the defining elements of the spatial structure. Two main factors have sustained low-density urban sprawl in the Msunduzi

Municipality. Firstly, low-density residential suburbs designed in terms of garden city concepts continue to exist around the Central Business District (CBD). This spatial pattern is entrenched through inflexible land use controls in the Scheme and the prevalent values of suburbia which promotes large plots as an image of good urban living. Secondly, the location of low-cost housing projects and the constant application of a house on a site model of development has also contributed to this phenomenon.

In addition, separation of land uses, urban elements, and income groups inherited from past is one of the stubborn elements of the apartheid spatial past. The dominant land use pattern resembles a series of relatively homogenous blobs of different uses with residential areas separated from commercial and industrial nodes. The separation of places of work and residence was deeply entrenched in the philosophy of urban management. Most of the urban poor resides in peripheral areas in the Greater Edendale and Vulindlela further away from urban and employment opportunities in the CBD and the surrounding industrial nodes.

Despite businesses being attracted to new developments (Midlands Mall) the central area has shown some resilience in that new businesses have moved in to occupy space vacated by those who have moved to decentralized locations. However, decay/decline is evident in the up-town and down-town areas of the city's central area.

The combined consequences of these spatial patterns have been phenomenal leaving the city with entrenched inequality and functional inefficiency. It created a distorted, fragmented, incoherent and inefficient settlement pattern. It also gave rise to spatial, social and economic exclusion of certain race groups to the benefit of others and created a poorly functioning land and housing market.

4.2.2 IMPACT OF POST 1994 SPATIAL PLANNING

Spatial planning undertaken within the municipality since the local government transitional period recognized the inefficient spatial structure, and a need to mobilize stakeholders and resources around a common vision for a post-apartheid city. It was acknowledged that a more efficient city is needed to reduce infrastructure and transportation costs, ensure the long-term viability of the city and create conditions for economic growth. A denser, more compact, more integrated, and therefore cheaper to service city structure was another prerequisite for local sustainability. Accordingly, the MSDF promotes the overarching concerns and principles to guide future spatial transformation within the city:

- Urban compaction, which means limiting the outward push of settlement from the existing, developed parts of the city. This is intended to address the issue of size, fragmentation and high service costs.

- Integration, which was interpreted to involve creating movement linkages between different parts of the city which are currently poorly linked and between the city and its surrounds.
- Densification, which involves promoting higher density developments in strategically located vacant land, parcels. It is expected that this will create housing opportunities for the poor in centrally located areas and improve access to urban opportunities.

The above-mentioned spatial restructuring strategies have featured prominently in all spatial plans since 1994 demonstrating the municipality's commitment to break the spatial barriers the apartheid past created, and to build a democratic all-inclusive city. However, instead of urban compaction, sprawl has continued unabatedly; densification has been limited to a few social housing projects; and low-cost housing projects continue to locate in the peripheral areas in the Greater Edendale and Northern Areas. The need to unlock strategically located for higher density developments and opportunities for housing the poor in the CBD are some of the challenges facing the municipality.

4.3 AREA BASED MANAGEMENT (ABM)

The Msunduzi Municipality can broadly be divided into four main sub-areas, namely:

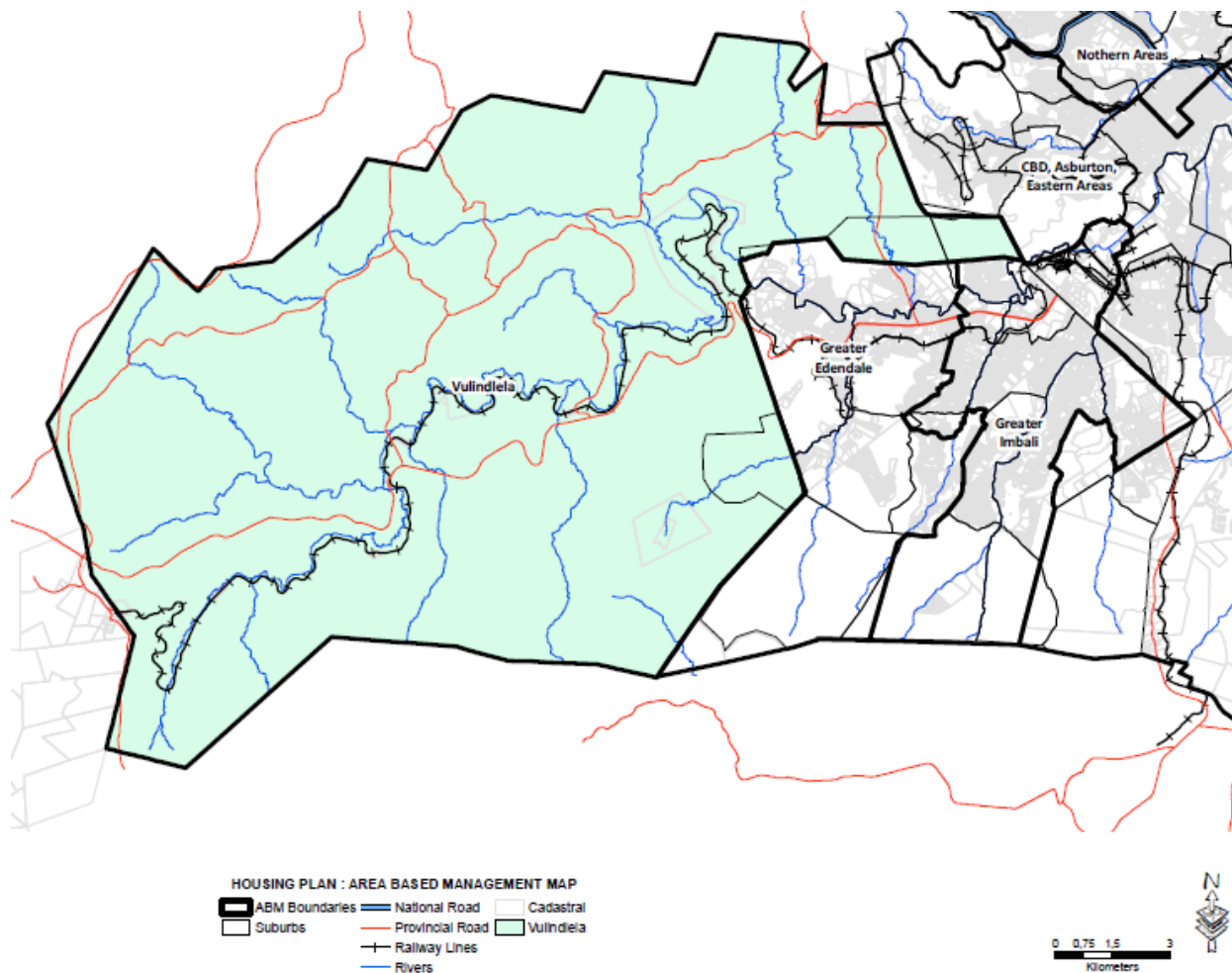
- Vulindlela area.
- Greater Edendale area.
- Central areas.
- Northern areas.

A brief discussion on the character of each of these areas and the human settlement challenges they face follows below.

4.3.1 VULINDLELA

Vulindlela is located along the southern boundary of the municipal area and covers land stretching from just south of Edendale to the boundary with Impendle, Dr Nkosazana Zuma and Richmond Municipalities. It is located on Ingonyama Trust land and is characterised by expansive rural settlement. It is poorly developed with economic opportunities and generally serves as a dormitory area for people who want to lead a rural lifestyle while also enjoying good access to urban opportunities. As a result, location in relation to public transport routes and the urban centres is one of the critical factors that determines settlement and land use pattern in the area.

MAP 5: VULINDLELA ABM



Since the end of the political violence in the early 1990s, Vulindlela has experienced steady population growth with much of this occurring in areas along the main roads and those adjoining onto the urban parts of the municipal area. The latter includes Sweetwater and portions of Nadi Traditional Council area. This process is driven mainly by easy and affordable access to land and desire to locate in areas where the chances for accessing services and other urban opportunities are greater than the remote rural areas. The Vulindlela Rural Housing Project, Vulindlela Water Scheme and upgrading of some of the roads in the area has also attracted several people into this area.

The unfortunate result of high rate of population growth in the area is that most of the new households have been allocated land in areas that were previously set aside for agricultural purposes – grazing and arable land. Vulindlela has a relatively high agricultural potential as determined in terms of soil type, rainfall, etc. However, the area has lost most of this potential due to human settlement.

Secondly, some of the households have located on environmentally sensitive areas such as wetlands and within 1:100-year flood line. Unlike the urban areas, allocation of sites in this area is not undertaken in terms of any spatial framework nor does it drive a spatial vision. Instead, it responds to land need articulated before the responsible traditional authority. The key challenge is to identify, in consultation with the traditional authorities, areas where settlement should not be allowed.

The area is not provided with bulk sewer, which basically means prevalence of ventilated improved pit latrines (VIPs). Some of these are self-built and does not meet the required standards. The area lacks disposal facilities and do not enjoy domestic waste collection service. As a result, there is no coordinated waste management system. The area forms part of Msunduzi River catchment that means that poor waste, water and natural resource management in the area has potential to course problems downstream.

The emergence of strategically located incipient nodes such as Taylors Halt provides an opportunity for the clustering of public facilities in highly accessible locations. Taylors Halt is located along the Edendale Road secondary corridor and is already developed with the regional offices of the Department of Education; soccer stadium; clinic and plans for the development of magistrate court have reached an advanced stage. This is critically important for the decentralization improved access to basic services.

Although most of the agricultural land is now settled on, the area has a significant amount of underutilized high production potential agricultural land. Given the level of poverty, high unemployment rate and escalating food prices, the need for intensive agricultural projects in the area needs to be highlighted.

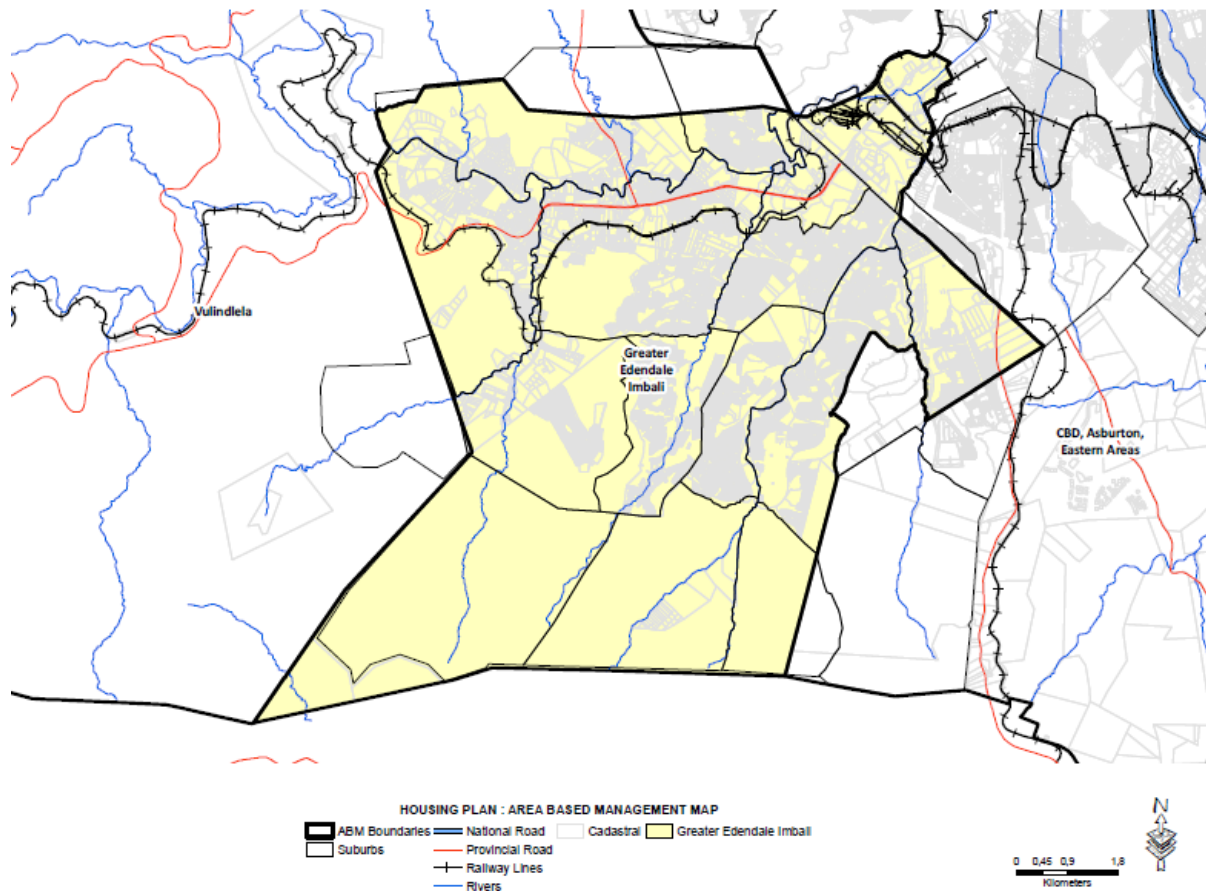
4.3.2 THE GREATER EDENDALE AREA

The Greater Edendale Area has two sub-components, that is Edendale and Imbali Township. Edendale area is located to the south of the city centre and covers the area generally from Ekrosini Node to the boundary with Vulindlela. Although the area has a rich history and the municipality has expropriated a significant portion from private landowners for human settlement purposes, the area is one of the most underdeveloped parts of the Msunduzi Municipality. The majority of informal settlements have located in this area on privately owned land thus making it difficult for the municipality to provide services and promote development.

The influx of people into Edendale came as a result of urbanisation processes involving rural people looking for employment opportunities, but was also encouraged by political violence that engulfed the Greater Pietermaritzburg Functional Region in the late 1980s and early

1990s. A large number of people coming mainly from rural areas such as Vulindlela, Richmond, Maqonqo and Impendle sought refuge in the area.

MAP 6: GREATER EDENDALE ABM



The net effect of this was the transformation, over time, of the area from being an African middle class suburb or small emerging farmer area, into one of the well-known 'urban slums'. Private land ownership, coupled with uncontrolled settlement has resulted in resulting in unresolved tenure issues, involving landowners, tenants and sub-tenants. The majority of the latter have beneficial occupation rights and cannot be removed without their concern and alternative accommodation. Informal settlements have occurred in a manner inconsistent with property boundaries (cadastral base).

The Msunduzi Municipality IDP identifies Edendale area as a priority area for development. As such, the municipality has initiated several strategic projects to facilitate development and urban regeneration in this area. These include mixed land use development along the Edendale Corridor, Imbali-Edendale Mixed land Use Node, upgrading of various informal settlements and land acquisition. The primary aim is to promote development and transform the area into an efficient, integrated and sustainable urban component of the Msunduzi

spatial system of interest. It seeks to achieve this by means of infrastructure development, economic development, social development and environmental management.

Imbali Township also is located to the east of Edendale mainly along FJ Sithole arterial route that runs through the area linking it back to Edendale Corridor and providing access to areas as far as Willowfontein. The area is unique in the sense that it includes the majority of formal former African only townships and the Mason's Mill industrial area. Topography and river corridors play a major part in structuring growth and development within this area.

In the context of Imbali, urban renewal includes infrastructure upgrading, equitable provision of social amenities and public facilities, promoting economic development and investment, and developing the area as a safe and secure environment to live and work in. The major challenge is the transformation of the area from being a typical apartheid township into a human settlement that responds to the development needs of the local people and generates economic development opportunities. The emerging spatial vision for the area as presented in the MSDF identifies FJ Sithole Road as a potential mixed land use development corridor and Ekrosini as a mixed land use development node. This recognises the strategic location, the role and the development potential of each of these areas.

FJ Sithole is the major link road within this ABM. It stretches from Ekrosini Node in the north to Willowfontein in the south. It links together different parts of the area through a number of distributor/collector roads, thus creating opportunities for nodal development where it intersects with these roads. Initially, mixed land use development is planned to focus in two areas, that is, Imbali Precinct and Ekrosini node. The former is bordered by Edendale (Moses Mabhida) Road to the north-west, transit camp to the north-east of Sutherland road, and Imbali Stage 1 and 2 to the east and south respectively. FJ Sithole Road forms the main focus and activity spine within the area. The extent of the area is calculated at $\pm 1\,099\,262,1\text{m}^2$ (109,9ha). The municipality has prepared a precinct plan and urban design framework for the future development of this area. Strategic initiatives in this area include the following:

- Development of Transnet Hostel into family units as provided for in the national Social Housing policy.
- Upgrading of land tenure rights to provide property owners with title deeds.
- Development of a multi-modal transport interchange.
- Expansion of the Masons Mill industrial area.

While Willowfontein is also a development focus area in terms of infrastructure development and service delivery, its outwards expansion is a major source for concern. It encourages urban sprawl and occurs in an unplanned fashion. Topographical constraints and boundary

with Richmond Municipality will, however, limit the extent of outward development in this area.

A major development challenge in both Edendale and Imbali relates to housing delivery and need to clear the area of slums. This challenge manifests itself in the form of an increasing number of informal settlements, location of new low cost housing projects in peripheral areas and desire among some land owners to re-establish Edendale as a middle class suburb. Informal settlements in the area developed as a response by the land owners to a need for rental accommodation, but became difficult to control during the height of political activism in the area. Residential structures were developed without any guiding framework. As a result, cadastral boundaries have been ignored completely and some units are located in environmentally sensitive areas such as flood lines and steep slopes. The majority of these need to be relocated and alternative land found for the additional housing project.

Secondly, a significant number of new low cost housing units delivered in The Msunduzi is located in the Greater Edendale area. Most of these projects occur on greenfield located in peripheral areas further away from the city centre and other urban opportunities. Areas such as Sinathingeni are targeted by the municipality because of the ease of land acquisition in terms of both (affordability and availability) to the total disregard of the SDF which seeks to promote urban compaction, infill development and equitable access to urban opportunities. If the vision of the Edendale Corridor is to be attained, and sufficient thresholds required for its sustainability is to be created, higher density housing projects should be promoted within its boundaries. Otherwise, housing projects as they stand, perpetuates unnecessary urban sprawl, subjects the poor to high transportation costs and contributes to spatial inefficiency.

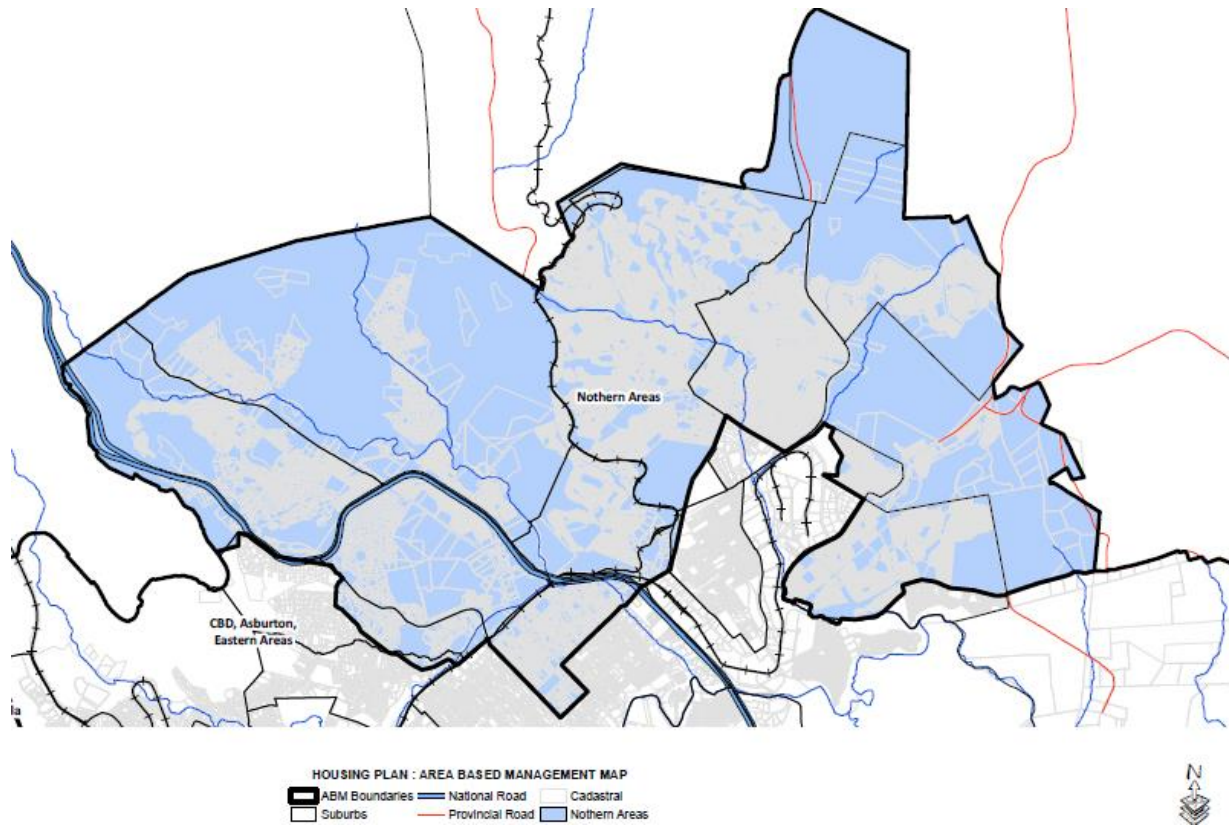
Some of the land owners have strongly opposed the idea of massive low cost housing delivery in the Edendale area espousing the ideal of up-market and variable housing development in the area. The realisation of this vision requires the clearance of their properties off all slums, and identification of alternative land for their relocation.

4.3.3 NORTHERN AREAS

The northern areas comprises mainly of the residential suburbs stretching from the leafy areas of Claridge, Town Bush and Chase valley in the west, through Northdale and Woodlands to Eastwood and the low income areas of Thembalihle, Madiba and Tamboville. Recent developments in the area have occurred mainly in along Town Bush Road in the form of Oak Park and the Victoria Country Club Golf Estate (being developed), Chase Valley in the form of Maswell Hill Estate and the Beacon Hill located along Table Mountain Road. All of these are low density residential developments and are located beyond the established residential

areas. Recent non-residential developments include the Liberty Midlands Mall, which is a regional shopping centre, and Northway Mall, which is a community centre. A hotel is also being developed within the Liberty Mall site.

MAP 7: NORTHERN ABM



Old Greytown Road Corridor forms part of the north-south development axis linking the northern areas through the city centre with Greater Edendale in the South. It represents a significant economic opportunity, which should be adequately utilized in manner, which realizes its full potential in developmental terms. As a mixed land use corridor, the area is developed with a range of commercial (Northway Mall, Manchester, Northdale Centre), public facilities (Northdale Hospital, schools, cemetery, etc.) and residential uses. Judging from development trends over the last two decades, it appears that future commercial development will focus along this corridor, and in time, joining several nodal areas along the corridor. Opportunities for residential expansion seem to be limited.

Northdale Centre has developed as a major node along the Old Greytown Road Corridor. Over the last decade, it has transformed from being a series of small shopping outlets into a mixed land use node developed with offices, a range of shopping facilities, medium to high-density residential development and public facilities including a private hospital. Development in the area occurs in form of redevelopment and rehabilitation of old and derelict buildings, as well as encroachment into current residential space.

Over the last few years, the area experienced serious job losses and closure of firms as a result of the decline in textile and clothing industry. A large number of firms involved in these sectors in the Woodlands (and to some extent Willowton) area have closed down while most of those involved in timber products have moved to Mkhondeni. Woodlands is poorly accessible and inappropriately located as an industrial area. Its establishment was not based on economic rational, but rather to further apartheid political ends. Although Willowton has not been affected to the same extent as Woodlands, it has not attracted new investments either despite its strategic location along the N3 corridor.

Forestry plantations located mainly along the crest between Woodlands and Chase Valley, served as a buffer between the two areas, and established Pietermaritzburg as the only South African City with forestry within a 5km radius from the city centre. This is indeed abnormal in an area that is experiencing massive urbanisation and characterised by urban sprawl. Studies undertaken in the early 2000, highlighted some topographical, environmental and geotechnical constraints. Residents of Chase Valley and Oak Park suburbs have fiercely opposed all proposals for large scale residential developments in the forestry area, maintaining that it may have negative impacts on the value of properties in the area. As pressure for residential space within easy reach to the CBD and other employment opportunity areas increase, areas such as this one become opportunity areas for large scale integrated residential developments.

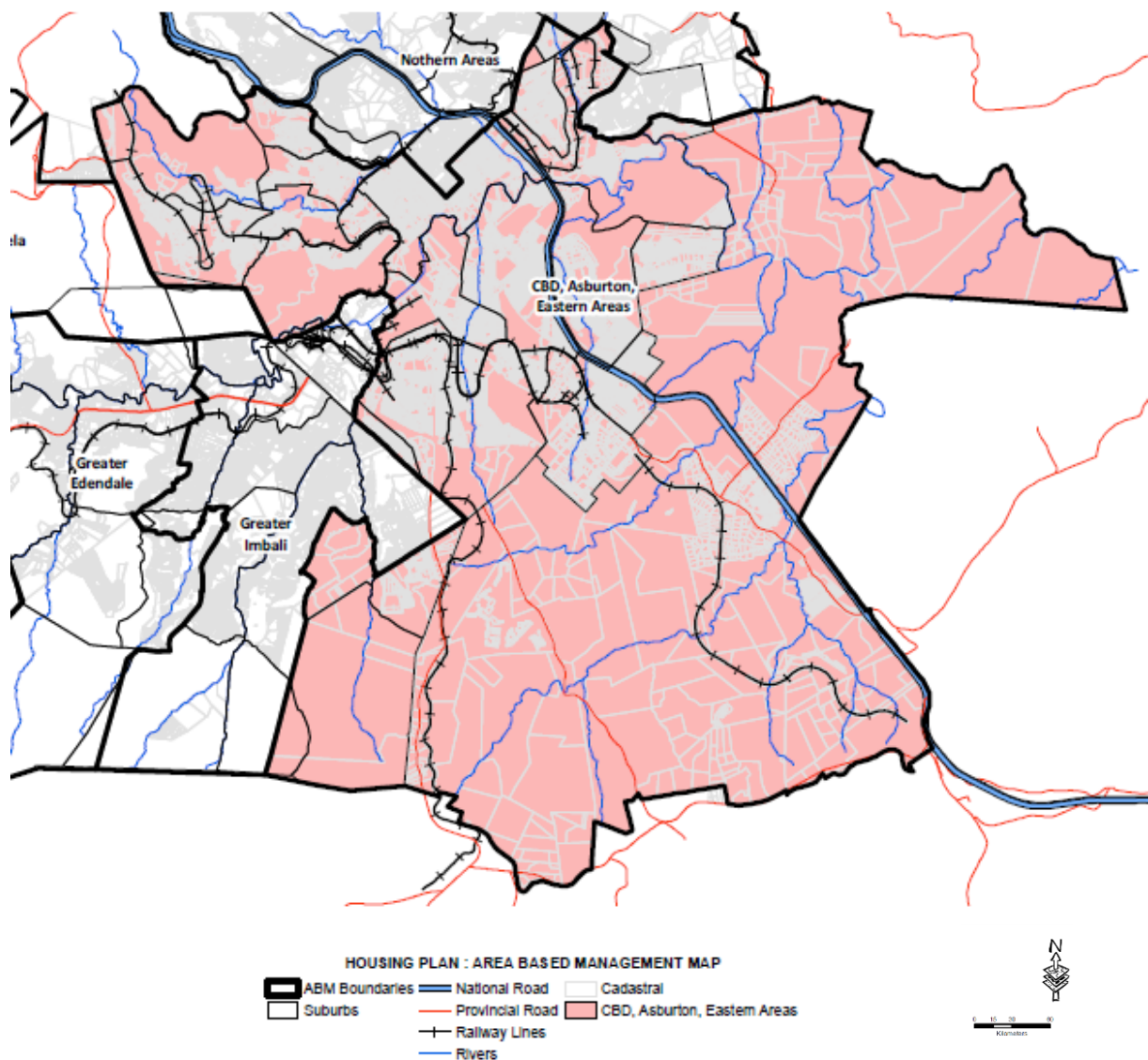
Pressure for housing development in the area occurs mainly in the form of a need to clear slums and upgrade some informal settlements. A number of small informal settlements located in steep slopes, water courses and wetland are scattered throughout Northdale area. Attempts to relocate SWAPO informal settlement to Haniville in the late 1990s failed as the area was soon reoccupied and has since spread even beyond the ridge line. Although two low cost housing projects have been initiated in the Copesville area (opposite the turn-off to Maqongqo along Table Mountain Road) to address the problem of informal settlements in the area, portions of SWAPO (A and B) and Ezinketheni (SWAPO C) should be considered for upgrading to avoid reoccupation.

Westward and northward expansion is limited by the escarpment stretching from Northdale to Queen Elizabeth Park. However, this also provides an opportunity for nature conservation and establishment of a green corridor that may also serve as an urban edge and an interface zone between urban development and agricultural land in Mtshwathi and Umngeni Municipalities. The green corridor may be developed with tourism and recreational infrastructure including walking trails, mountain biking and horse riding areas.

4.3.4 CBD, ASHBURTON AND EASTERN AREAS

CBD, Ashburton and Eastern Areas ABM includes areas with different development challenges. With the development of community shopping centres such as Hayfields, Scottsville and Cascades, and more recently, the opening of the Midlands Mall, the CBD has gone through a process of decay, decline and transformation. In the late 1990s, the city centre was characterised by a relatively high vacancy rate, which created conditions of filth and grime, as well as a clear separation between up-town and down-town.

MAP 8: CBD, ASHBURTON AND EASTERN AREAS ABM



Up-town was the most affected in this regard. However, the situation has changed again as a result of improvements in the economy, and movement of shops which hitherto would have located in the down-town area, to the up-town area over the last decade. The net effect of this phenomenon has been the transformation of the CBD from being two CBDs in one into an integrated development zone. The declaration of the CBD as an urban development zone

(UDZ) by the National Treasury, and relocation of government departments from Ulundi and Durban to Pietermaritzburg has contributed to the renewal and regeneration of the CBD. This includes the rehabilitation of old and derelict buildings into offices (Old Magistrate Court, Trison Towers, etc.) and conversion of other buildings from shopping to office space. Linked to this has been the conversion of dwelling units into professional offices (Burger Street, Pietermaritz Street, Prince Alfred Street, etc.) and service industrial areas (Greyling Street, Victoria Street, etc.).

The CBD Extension Node has introduced a new dimension to the city. In addition to a regional shopping centre, it is developed with a cluster of motor-vehicle showrooms, value centre and banking precinct (ABSA already opened and Standard bank is being developed). Relocation of the Parliament to a site just below Town Hill Hospital is being investigated. Recent release of portions of the Agricultural Royal Showground for office development suggests pressure on this unique active opens space facility for urban development. Victoria Street has also witnessed a fair amount of redevelopment over the last three years.

However, non-availability of vacant land curtails further westward expansion of the CBD, and spark redevelopment of properties north of east street and along the N3. The vacant site located at the intersection of Greytown Road and the N3 was previously considered as an alternative site for a regional shopping centre. It is now a logical site for further expansion of the CBD and strengthening of functional linkages between the N3 and the CBD. This is likely to spark the redevelopment of areas below East Street and renewal of downtown area. Already, East Street Hostel is being considered for redevelopment into social housing (family) units in line with the national social housing policy. Jika Joe informal settlement is also being upgraded.

The N3 is a national high speed movement route, with limited direct access points. As such, the primary factor that guides development and growth is not the road itself, but the intersections and access to the road from land located between the intersections. Also important is the location of major development nodes along this corridor. These include Howick and Hilton in Umngeni, Camperdown in Umkhambathini and Cato Ridge in Ethekewini. Each of these areas is within a 30km radius from Pietermaritzburg CBD, and by virtue of their location, are relatively free from traffic congestion. Land is also cheaper than in Pietermaritzburg. While some land, particularly in the Hayfields area has been released for development, huge interests has been shown in Ashburton and Camperdown. Ethekewini is also preparing to release about 1000ha of industrial land in the Cato Ridge area. Essentially, this means that variable trends are likely to characterise development along the N3. Mkhondeni has recently attracted a number of new industries and is increasingly

consolidating its position as the prime industrial area in the Msunduzi Municipality. However, it does not represent an urban edge beyond which development is not desirable anymore. As a development corridor, the N3 enables and promotes multi-nodal development, which may result in urban development leap frogging the N3 intersections leading from the CBD to areas such as Ashburton, Camperdown and even Cato Ridge.

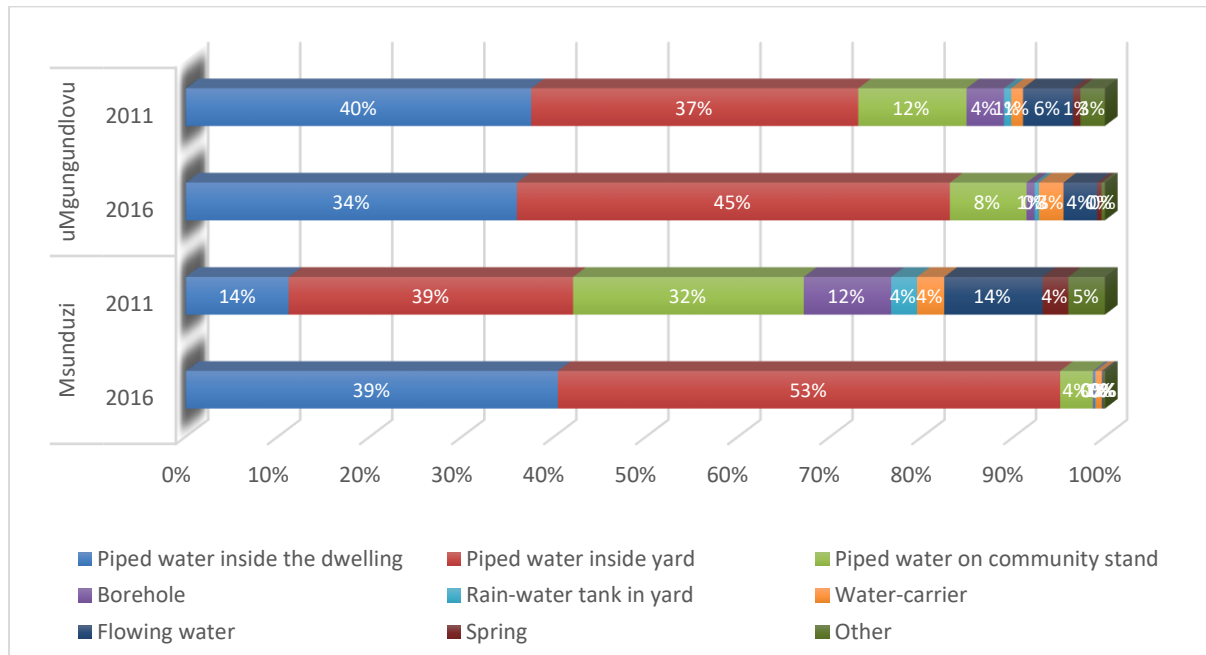
Ashburton developed as a low-density residential settlement at the outskirts of Pietermaritzburg. Its character has been maintained through an inflexible application of the Town Planning Scheme, which prescribes a minimum lot size of 4000m². With the amount of development pressure the area is currently experiencing, its strategic location in relation to the N3 corridor, such controls cannot and should not be sustained any longer. Ashburton should be identified as the logical area where massive integrated mixed land use development should be encouraged. Development in Ashburton will also change the role of R103 from being a mere local collector distributor road into a potential mixed land use corridor providing direct access and improved functional linkages with the N3. Development along R103 and N3 between Ashburton on the one hand and Mkhondeni and Lincoln Mead on the other will facilitate integration with Pietermaritzburg in the long term. It will also transform the area from being small agricultural holdings (interface area between agricultural areas and urban development) into an integral part of the urban components of the municipality. In some areas, it will involve a need to release agricultural land for urban development. The LAP for this area identifies numerous environmentally sensitive sites that may limit urban development within this area. These include ecological zones such as habitats, wetlands, etc.

4.4 ACCESS TO BASIC SERVICES

4.4.1 ACCESS TO WATER

Access to water in the UMDM and the Msunduzi Municipality improved significantly between 2011 and 2016. The number of households who have piped water inside their dwellings increased from 14% in 2011 to 39% in 2016 in the Msunduzi Municipality. A substantial increase (from 39% to 53%) was recorded among those who receive piped water within their yard. This category also increased from 37% to 45% in the UMDM. Water backlog in both areas is less than 10%.

FIGURE 23: ACCESS TO PIPED WATER IN 2016

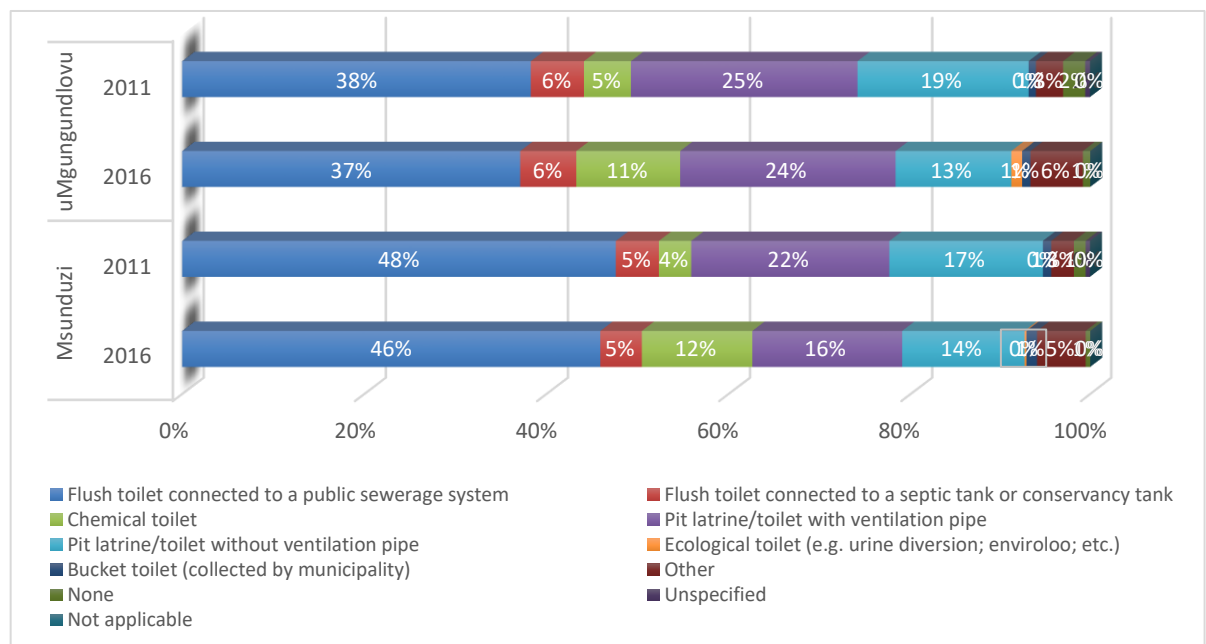


(SOURCE: STATS SA, 2011 AND 2016)

4.4.2 SANITATION

Similarly, both the UMDM and the Msunduzi Municipality have made substantial progress in address sanitation backlog. About 79% of the population in both the UMDM and the Msunduzi Municipality have adequate access to sanitation, which implies a backlog of about 21%. The pit latrines are common forms of sanitation in the rural areas.

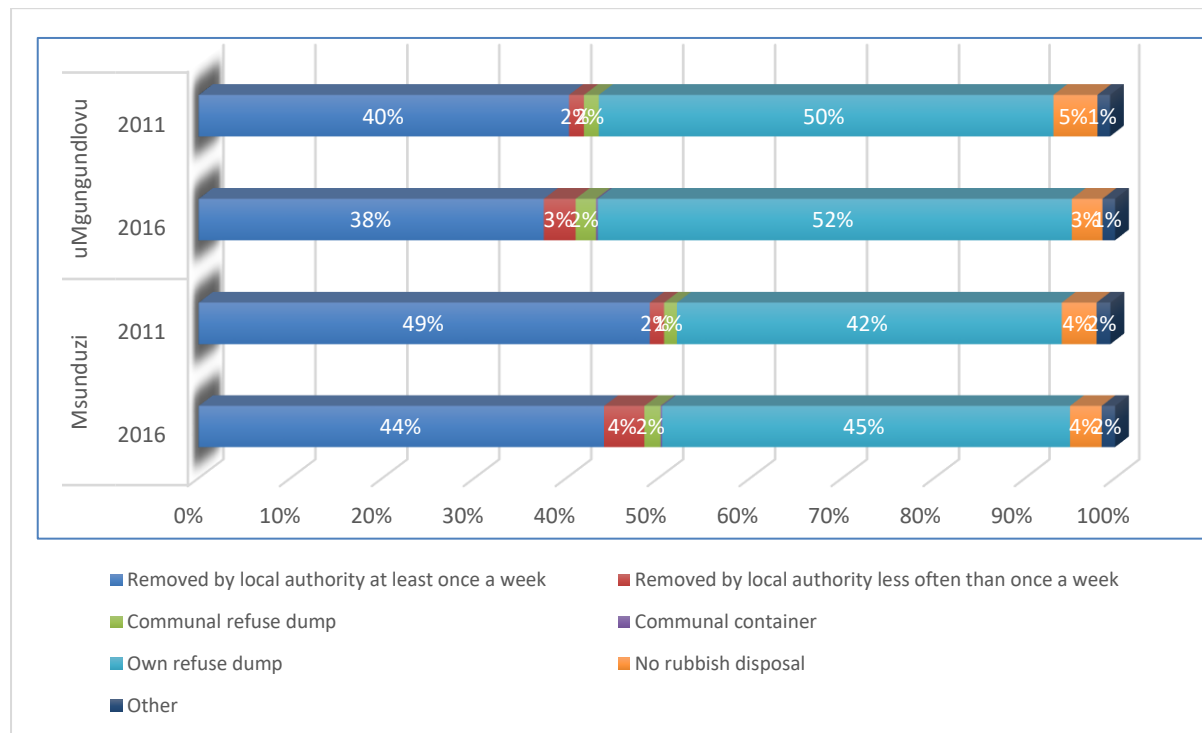
FIGURE 24: ACCESS TO SANITATION



(SOURCE: STATS SA, 2016)

4.4.3 SOLID WASTE REMOVAL

FIGURE 25: SOLID WASTE REMOVAL

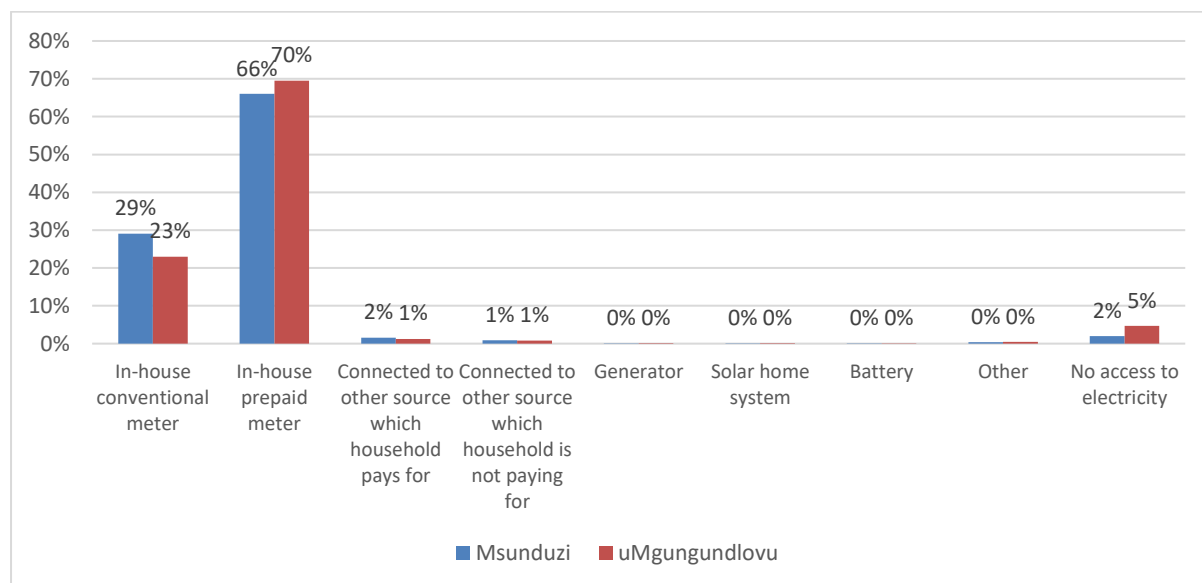


(SOURCE: STATS SA, 2011 AND 2016)

Waste removal requires specific attention as 48% in the Msunduzi Municipality and 31% in the UMDM receive this service from the respective municipalities. Uncontrolled disposal of waste has potential to cause water contamination and pollute the environment.

4.4.4 ELECTRICITY

FIGURE 26: ACCESS TO ELECTRICITY



(SOURCE: STATS SA, 2016)

Households with electricity for lighting have also increased from 85.8% in 2001 to 91.9% in 2011, which is well above the provincial average of 77.9% of households. According to the Community Survey (2016) results, the majority of the households within the Msunduzi Municipal area utilize electricity as a main energy source for cooking (95.23%), water heating (94.62%) space heating (84.68%) and lighting (97.37%). The results also revealed that there are households that still have no access to electricity in uMgungundlovu; Mpofana LM has the highest percentage (18%) while Msunduzi LM has the lowest percentage (2%).

4.5 ACCESS TO COMMUNITY FACILITIES

4.5.1 EDUCATIONAL FACILITIES

The Pietermaritzburg and the surrounding areas are a centre of educational excellence, in both provincial and national contexts. Pietermaritzburg is home to a number of institutions of higher education, including the University of KwaZulu-Natal (UKZN), Durban University of Technology (DUT), various TVET Colleges and technical colleges. It is also home to a host of both private and government-owned institutions of primary and secondary education. Even within the rural and peri-urban areas, schools within the Msunduzi municipal area are situated within the national standards of a primary school within 2km and a secondary school within 5km of all residential areas. A continuous challenge is the standard of school buildings, and access to schools in various areas within Edendale and Vulindlela in the Msunduzi and other rural areas throughout the UMDM.

4.5.2 LIBRARIES

The Msunduzi Municipal area currently has a variety of library facilities. According to the Msunduzi IDP (2016/2017-2020/21), the Bessie Head main library remains a flagship facility, having been upgraded with Carnegie Corporation of New York funding (Msunduzi IDP, 2016/17; p. 151). This Library provides services to local and international users, as well as playing host to numerous overseas researchers and visitors. The IDP also reveals that the library has expanded with eight library branches and two mobile libraries, which provide services to the entire Msunduzi Municipal area. There are libraries in each of the local municipalities as well. However, access to library facilities remains a challenge in rural areas in both the UMDM and the Msunduzi Municipality.

4.5.3 HEALTH FACILITIES

There are 46 functional health care facilities in the Msunduzi Municipal area. According to the Msunduzi IDP (2016/17 -2020/21), there are 6 mobile health care facilities; 7 satellite health care facilities; 31 functional clinics and 2 community health care centres. These health

facilities offer services to the local communities and communities within the neighbouring municipalities.

4.5.4 COMMUNITY HALLS

There are 45 community halls, 14 local halls, and 1 theatre in the Msunduzi Municipality, which are available for hire and can be utilized by the members of the community. The major challenge experienced by Council with regard to these facilities relates to recuperating all operational costs relating to the service that is being charged for.

4.5.5 CREMATORIA AND CEMETERIES

The Municipality has reviewed its strategies in the Cemetery and Crematoria Sector Plan. The Sector Plan proposes, among other things, alternative burial methods in response to the fact that the city is running out of burial areas, as is the case in other cities. Community involvement and participation is essential to ensure buy-in. The Municipality operates three cemeteries, namely the Azalea, Sinathing, and Mountain Rise Cemeteries. There are three crematoria at Mountain Rise, two of which are operational. The identification of a new cemetery is vital, as the lack of burial space in the existing cemeteries will seriously impact on service delivery in the near future.

4.5.6 SPORTS AND RECREATIONAL FACILITIES

The Msunduzi Municipal area has a total of 65 sports facilities. There are no specific norms and standards for the provision of sports facilities. However, it is recommended that facilities that have a regional or municipal wide threshold be in the primary node and decentralized facilities should be in secondary and tertiary nodes. Sharing of sports facilities between schools and communities should also be explored.

4.5.7 POLICE STATION

The Msunduzi Municipal area has roughly 14 functional police stations. According to the CSIR Public Facilities Guidelines, the municipality needs to make provision for more police stations across the municipal area as each police station covers a minimum population of 25 000 households.

4.6 INFRASTRUCTURE

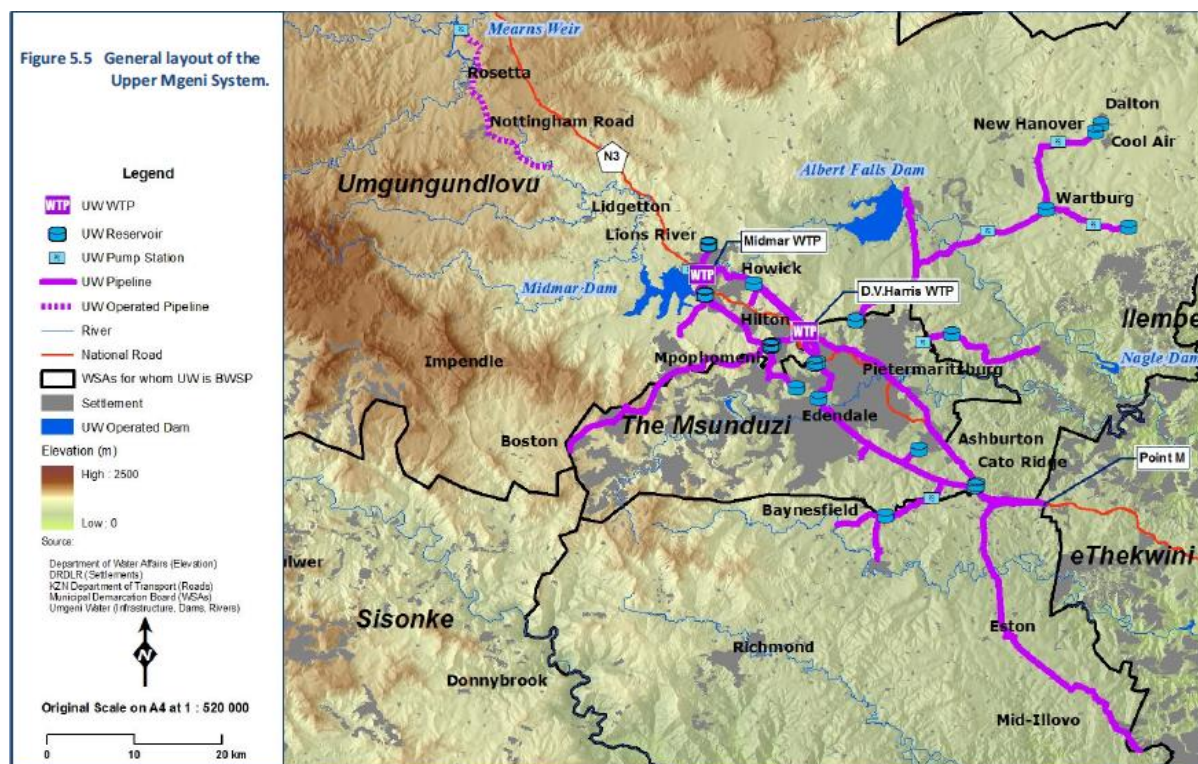
4.6.1 BULK WATER

UMgungundlovu District Municipality is the Water Service Authority (WSA) and Water Service Provider (WSP) for six of the seven local municipalities within its jurisdiction. These

municipalities include uMshwathi, Mkhambathini, Richmond, Impendle, uMngeni and Mpofana. As such, they are responsible for the provision of water and sanitation services within these areas. The Msunduzi Municipality, on the other hand, was designated as a separate WSA in 2003 and has entered into a Bulk Services Agreement with Umgeni Water, which came into effect from December 2012. (Msunduzi IDP 2013/14).

The uMgungundlovu District forms part of the Upper uMngeni System level of the Umgeni Water supply. The Midmar Dam is their main source of water supply. The system extends from Howick/Mpophomeni/Vulindlela in the west to Wartburg/ New Hanover/ Dalton in the east, to Cato Ridge/Mpumalanga in the south and Eston/ Umbumbulu in the southwest. Water is treated at the Midmar Water Treatment Plant in Howick and the DV Harris Water Treatment Plant in Pietermaritzburg.

Umgeni Water indicated a steady increase of 3% year on year growth to the water supply in uMgungundlovu district. The district uses approximately 30 million litres of water every year and projections indicate that a deficit will be reached by 2018 (UMDM Growth & Development Summit, 2013).



SOURCE: UMNGENI WATER: INTEGRATED MANAGEMENT PLAN, VOLUME II p:206

The Midmar WTP has a design capacity of 250MI /day and its current utilization is 207MI/day. The DV Harris Treatment Plant has a design capacity of 110MI/day but can accommodate peak demands of up to 125MI/day. Its current utilization is 85MI/day (main plant). The Umgeni Water IMP indicates that the plant needs not be expanded, since it will be able to

accommodate the maximum raw water available at Midmar dam. The additional supply to Midmar dam from the Spring Grove Dam in 2014 will be 476MI/day, of which 376MI/day will be treated by the Midmar WTP and 100 MI/day will be treated by the DV Harris WTP.

4.6.2 BULK SEWER

The Howick WWTW operates close to full capacity, with the result that unforeseen and extreme events (such as high rainfall flooding sewers or infrastructure malfunction/downtime) can create a scenario where sewage volumes inundate the works, requiring that raw sewage bypasses full treatment and be discharged directly to the uMngeni River at standards which do not meet compliance. The 2011 green drop report scored the Howick plant at 48% effluent quality compliance (DWA, 2011b).

The Darvill WWTW in Pietermaritzburg also operates close to full capacity, creating the risk that during extreme rainfall events the works are inundated resulting in effluent, which does not meet compliance being discharged to the Msunduzi River. Between April 2010 and March 2011, the Darvill WWTW did not meet the required effluent quality compliance levels 21.4% of the time (Umgeni Water, 2011b). The 2011 Green Drop report scored the Darvill effluent quality compliance at 48%, stating that compliance is compromised by the plant having reached its design capacity. The Lynnfield Park plant performed poorly with monitoring, operational and maintenance flaws, linked to a poor technical skills base, resulting in a 0% effluent quality compliance score (DWA, 2011b).

The March 2011 water quality and environmental audit report by Umgeni Water illustrates that between April 2010 and March 2011 the Albert Falls South WWTW did not meet the effluent quality requirements 45% of the time, with Albert Falls South not meeting requirements 25% of the time (Umgeni Water, 2011b). The 2011 Green drop report gave a score of 0% compliance regarding the effluent quality of the Mooi River WWTW (DWA, 2011b). Effluent quality non-compliance results in direct negative impacts on downstream aquatic habitat, water users and the quality trajectory of downstream water resources.

Increasing nutrient loads from WWTW and surcharging sewer systems (such as in Mpophomeni) are of grave concern as Total Phosphorus (TP) concentrations in Midmar, Albert Falls and Nagle Dams have increased greatly over the past 10 years (1999-2009) by 85%, 132% and 668% respectively. Analysis of increases in dam TP concentrations from 1999 to 2008, predict that by 2019, Midmar and Albert Falls Dams would reach eutrophic classification, while Nagle Dam, already eutrophic, would almost reach hypertrophic classification. Similar large increases in Chlorophyll 'a' level of the three dams were found. These results illustrate that both TP and Chlorophyll 'a' concentration are increasing, which is

clearly an undesirable trend with potentially severe consequences (Ground Truth, 2010b). The increases in Chlorophyll 'a' concentration indicate the potential for problematic growth of algal genera (i.e. blue-green algae). The problematic growth of such algal genera results in taste, odor and filter clogging problems, increasing the costs of water treatment to potable water standards. Increased nutrient loads also increase the growth of problematic aquatic weeds, such as water hyacinth.

4.6.3 BULK ELECTRICITY

High voltage lines roughly follow the route of the N3 and extends into the peripheral areas of uMshwathi, Richmond and Impendle. The highest electricity usage is reported by Eskom to be in the Edendale area and Vulindlela areas. It is also noted that Richmond's existing networks will be refurbished, and that Eskom is investing in Mkhambathini municipality where development is taking place at the Rainbow Farms. Eskom will be investing R1.9 billion towards infrastructure growth within the uMgungundlovu District Municipality and has several projects in place, which was highlighted during the UMDM Summit:

- The Spring Grove Dam development;
- A power station to support the Hilton Crossway substation;
- Substation that will provide support to the Albert Falls area.
- In the Underberg area, prominently around the Rainbow Lakes vicinity, development is taking place.
- Substations will also be rebuilt in the Sugar Mill area and additional capacity is also required within the Tala Hub.

UMgungundlovu District Municipality has developed a Renewable Energy Plan, which aims to facilitate the implementation of the drive toward sustainability using renewable energy. This plan indicates the uMkhomazi hydro electricity power generation facility in Mkhambathini as one of its projects that is currently underway. It also identifies the Springrove dam/Mearns dam to Midmar dam water transfer Hydro-electricity power generation facility, the Impendle solar power station and the Biomass Power station at Howick as possible future projects that is under investigation.

4.6.4 ROAD NETWORK

An extensive road network covers the district with most of the major arterial roads radiating out from Pietermaritzburg in the Msunduzi to the surrounding municipalities. The N3 is the primary movement corridor through the district. It passes through Mpofana, uMngeni, Msunduzi and Mkhambathini Municipalities thus serving as a major link between

Pietermaritzburg and the towns such as Mooi River, Howick/Hilton and Camperdown. It also links Pietermaritzburg and urban areas outside of the district including Durban, Ladysmith and beyond. Other important routes within the district include the R56, which links Pietermaritzburg, Richmond and New Hanover; and P7-2, which runs through the Greater Edendale Road linking Pietermaritzburg and Boston in Impendle Municipality.

Local road network within the Msunduzi Municipality include the above-mentioned provincial arterial roads and metropolitan roads that provides access to different parts of the municipality. The latter includes the collector/distributor roads such F J Sithole Road in Imbali; Caluza and Pata Roads in the Edendale Area; Willowton Road and Old Greytown Road in the northern areas and the main roads in the western suburbs. The road network within the municipal area varies in standards with some areas having access to all weather roads, tarred roads, gravel roads or a lack of access roads. In addition, a corridor also links the Northdale and Edendale areas via the city centre. The roads in the central area are also said to be experiencing enormous strain due to the increase in traffic volumes.

4.7 IMPACT OF TOPOGRAPHICAL FEATURES

Topographical features have also emerged as one of the major limitations to the spatial transformation and expansion of Msunduzi. Generally, Msunduzi is characterized by undulating and rolling slopes typical of the KwaZulu-Natal Midlands region, with development occurring mainly along the valley lines. Vulindlela is separated from Edendale not simply by the imaginary urban rural divide, but also the escarpment that runs from Table Mountain road in the north-east through World's View along the western boundary to Edendale in the south. The MSDF identifies this area for conservation and other natural resource management purposes. In practical terms, it serves as a natural urban edge and an opportunity area for managing the urban rural interface.

However, it also contributes to urban fragmentation and undermines efforts towards the realization of a vision of Msunduzi as an integrated, efficient and sustainable city. Integration between the Greater Edendale area on the one hand and Signal Hill, Napierville and Prestbury areas on the other cannot be achieved due to topographical limitations. Furthermore, the huge track of land located between Woodlands and Chase Valley (currently under timber plantations) cannot be developed, in part, due to unfavorable slopes and the associated geotechnical conditions. This establishes areas to the east of the city centre as opportunity areas for future expansion. The recent increase in middle income housing in Lincoln Mead and many development proposals between Pietermaritzburg and Ashburton are some of the indicators of increased development pressures in this area. However, the applicable scheme controls are inappropriate for the attainment of this vision.

According to the Msunduzi Municipality Environmental Management Plan (2010), Pietermaritzburg is situated in the basin of Msunduzi River and its tributaries. An escarpment rises approximately 400m above the city to the West and North West. Altitude within the municipality ranges from 495 to 1795 meters above sea level and the municipality generally slopes from west to east. The mountains around the city bowl create a distinction between the urban and rural parts of the municipality. While this has provided opportunities to manage the urban/ rural interface, it has limited the city's expansion potential resulting in the formation of several small urban hubs outside the city.

5 INSTITUTIONAL ASSESSMENT

Effective implementation of housing projects requires both horizontal and vertical integration and coordination. Vertical integration emphasises a need for spheres of government to work together within a legal framework that defines roles and responsibilities and bestows to each of them some powers to make decisions that impacts on the development of sustainable human settlements. Horizontal integration, on the other hand, entails structured engagement with stakeholders at a local level and effective participation of all the interested and affected parties in the implementation of the human settlement programme and individual projects. Stakeholders fall within the governance, support and community leadership/representative structures.

5.1 GOVERNANCE AND SERVICE DELIVERY

5.1.1 NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS

The National Department of Human Settlements is responsible for the formulation, monitoring and facilitation of all housing programmes in South Africa. It develops laws and policies that facilitate the development of sustainable human settlements. It sets the national housing targets, goals and objectives and monitor implementation accordingly. The following are priority focus areas that the Department has prioritised.

- Accelerated delivery of housing opportunities.
- Access to basic services.
- More efficient land use.
- An improved property markets.

5.1.2 PROVINCIAL DEPARTMENT OF HUMAN SETTLEMENT

The provincial Department of Human Settlements on the other hand, has the power to make specific laws and policies for the province. It is also at this level that national housing targets are divided amongst local municipalities based on housing needs analysis and delivery targets for each municipality. The Provincial Department of Human Settlement is responsible for the implementation of human settlement projects and involvement of other stakeholders in the process

5.1.3 UMGUNGUNDLOVU DISTRICT MUNICIPALITY

The Umgungundlovu District Municipality does not have any legislated housing related powers but performs various functions, which have serious implications for the development

of human settlements. The district Municipality is responsible for district spatial and development planning which includes planning across municipal boundaries and ensuring the alignment among local municipalities' strategic plans. They provide direct support to local municipalities in their bulk infrastructure projects and spatial planning which includes township establishment in some instances.

5.1.4 MSUNDUZI MUNICIPALITY

The Msunduzi Human Settlements Sub Unit plays a lead role in housing delivery, since housing delivery is one of their mandates. The primary role of the municipality is to take all reasonable and necessary steps, within the framework of national and provincial legislation and policy, to ensure that the inhabitants within its area of jurisdiction have access to adequate housing. The new human settlements plan envisages a more demand driven housing process that will enable municipalities to assume overall responsibility for housing programmes within their areas of jurisdiction. As such, municipalities must be accredited and demonstrate their capacity to plan, implement and maintain projects and programs that are integrated with their IDPs.

Msunduzi Human Settlements Sub Unit received accreditation level 1 for housing delivery from the Department of Human Settlement (DOHS).

5.1.5 DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

EDTEA is the provincial lead agent for environmental management and shares its powers with national government. They are responsible for implementing national legislation, have the functional powers to prepare provincial legislation in specific areas and must cooperate with other spheres of government. One of the mandates of EDTEA is to facilitate environmental impact mitigation and promote sustainable environmental management development. Environmental Impact Assessments (EIAs) are a tool used by government to assist in deciding whether projects should go ahead or not. It considers all the advantages and disadvantages of a project proposal from an environmental perspective. The EIA process involves completion of information in an application form for submission to the relevant competent authority. The initiation and conclusion of the application process is undertaken at a Regional Level where it categorically manifests itself with applications pertaining to exemption, basic assessment, scoping/ full EIA applications, amendment of authorization and unlawful commencement application.

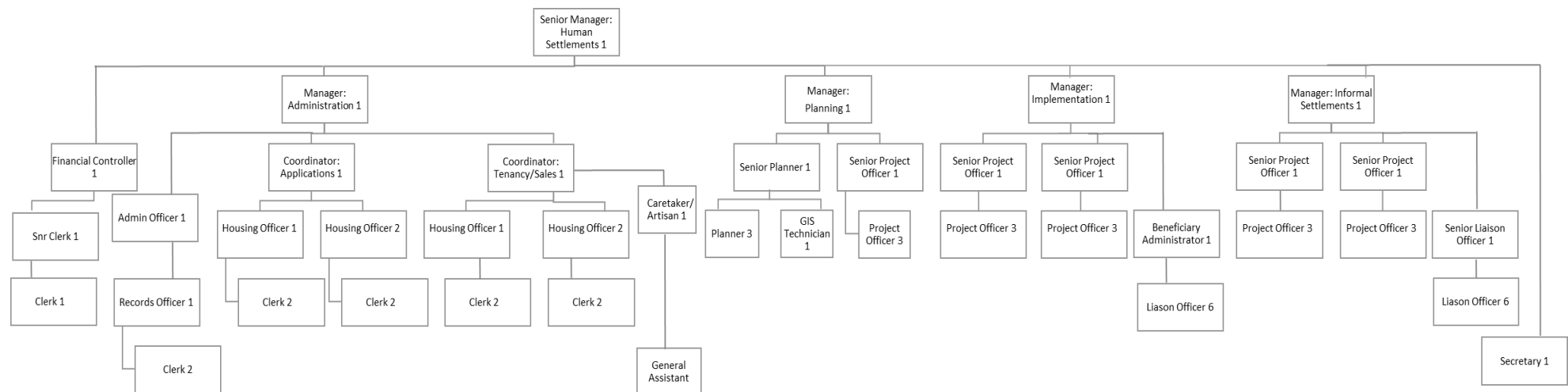
As part of the approval of some housing projects, an environmental authorisation is required, which includes the receipt of a Record of Decision (ROD) from the Department of Environmental Affairs and Rural Development, which supports the approval of a project.

The assessment of housing projects within the Msunduzi municipality, prior to housing processes that has to be followed, can now be strengthened by utilising the EMF as a tool that can inform and assess the suitability of the locality of housing projects within Msunduzi.

5.2 MSUNDUZI MUNICIPALITY

The role of the Msunduzi Municipality in the development of sustainable human settlements is defined in the Housing Act. It involves spatial planning, delivery of basic services and coordinating the activities of government departments responsible for the different public facilities. The municipality deals with this mandate from both administrative and perspectives. The Municipality is currently acting as a developer and has delivered several housing projects through funding from the Department of Human Settlements.

FIGURE 27: APPROVED HUMAN SETTLEMENTS ORGANISATIONAL STRUCTURE (2013)



The existing structure of the Human Settlements Sub Unit is -made up of four (4) Sections with each focusing on key programmes of human settlements (refer to figure 27):

- Informal Settlement
- Planning
- Project Implementation; and
- Housing Administration

5.2.1 INFORMAL SETTLEMENT SECTION

This section facilitates the National Upgrading Support Programme, which seeks to identify and incrementally upgrade informal settlements. The programme involves the identification, categorisation and prioritisation of informal settlements for upgrading initiatives.

One of the main challenges the Section is facing in dealing with Informal Settlement is massive land invasions and mushrooming of more informal settlements. The Municipality is having a challenge in fighting this phenomenon. What is even more challenging about land invasions is that they are targeting land that has already been identified for human settlements.

5.2.2 PLANNING

This Section performs the following functions:

- Identifies and facilitates the acquisition of well-located land to implement the relevant national housing subsidy programmes.
- Ensure alignment between the Human Settlements Sector Plan, Spatial Development Framework Plan and Infrastructure Development Sector Plan.
- Prepare and package human settlements projects business plans to secure funding from relevant sources.
- Develop strategic policies to enhance the development of integrated human settlement within the Municipal area.

5.2.3 PROJECT IMPLEMENTATION

This Section is responsible for the provision of infrastructural services that are in-line with the municipal acceptable standards and top structures that comply with the National Housing Code, National Building Regulations, the NHBRC standards as well as Municipal requirements. The section also facilitate the process of acquiring MIG funding to ensure that services delivered are in-line with the municipal acceptable standards, as well as ensuring that quality control is maintained during the construction of both infrastructure services and top structures.

Some of the challenges in this section include:

- Poor workmanship on houses that were delivered from 1994 – 2002. This is being addressed through rectification programmes which include the rectification of Wire-walled houses.
- Most of projects that were undertaken post 1994 were never completed and closed out, and approximately 11 000 units have never been transferred to the beneficiaries. The Municipality has appointed a Conveyancer to verify and transfer these units.

5.2.4 HOUSING ADMINISTRATION

The Section administers all property management activities for Council's Housing Rental Stock, Odd and free standing properties.

The unit is also in the process of disposing of the ex-state owned pre-1994 properties within the Edendale area by application of the Extended Enhanced Discount Benefit Scheme (EEDBS). The section furthermore supports the National mandate of capturing the need for housing on the National Housing Needs Register (NHNR), a web based program housed at a National level.

Some of the challenges in respect of the administration of the Housing Rental stock include:

- Poor payment of rentals and services, the lack of information on the status of the current tenants occupying the units (many cases of subletting by previous tenants), deceased tenants (lease holder) which have passed away, leaving family members who can't afford the rentals etc. but are still on the billing system.
- Lack of qualified data that both Housing Administration and Finance work from in terms of rental collection and also the systems being used by the sections to perform property management activities.
- There has also been minimal maintenance of the rental stock due to lack of funding resulting from non-payment of rentals.

5.3 SERVICE DELIVERY AGENCIES

5.3.1 ESKOM

Eskom is responsible for the provision of electricity in areas outside of the formal towns, particularly farmlands and rural settlements. The norms and standards for the development of sustainable human settlement includes the provision of electricity for heating, cooking and lighting. This establishes ESKOM as a key role-player in the development of sustainable

human settlement and their involvement throughout the project circle is critical. Eskom is also responsible for generation and distribution of electricity.

5.3.2 WATER SERVICES AUTHORITY

The Msunduzi Local Municipality in terms of Section 11 of the Water Services Act No 108 of 1997, and has:

- i. ...a duty to all consumers or potential consumers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services.
- ii. This duty is subject to -
 - (a) the availability of resources;
 - (b) the need for an equitable allocation of resources to all consumers and potential consumers within the authority's area of jurisdiction;
 - (c) the need to regulate access to water services in an equitable way;
 - (d) the duty of consumers to pay reasonable charges, which must be in accordance with any prescribed norms and standards for tariffs for water services;
 - (e) the duty to conserve water resources;
 - (f) the nature, topography, zoning and situation of the land in question; and
 - (g) the right of the relevant water services authority to limit or discontinue the provision of water services if there is a failure to comply with reasonable conditions set for the provision of such services.

5.3.3 UMNGENI WATER

Umgeni Water is a public entity to provide water services - water supply and sanitation services - to other water services institutions in its service area. The organisation operates in accordance with the Water Services Act (Act 108 of 1997) and the Public Finance Management Act (Act 1 of 1999), amongst others, and is categorised as a National Government Business Enterprise. Umgeni Water reports directly to the Department of Water and Sanitation.

The Msunduzi Municipality was designated as a separate WSA in 2003 and has signed and entered into a Bulk Services Agreement with Umgeni Water, which came into effect from

December 2012. This is a 10 year agreement that regulates the supply and sale of bulk water from Umgeni Water to Msunduzi Municipality.

5.4 SUPPORT INSTITUTIONS

5.4.1 HOUSING DEVELOPMENT AGENCY

The Housing Development Agency is a national special-purpose established in terms of the Housing Development Agency Act, No. 23 of 2008. It has two primary objectives that is to identify, acquire, hold, develop and release well-located land and buildings for human settlement; and to provide project delivery services in the form of planning, capacity support and capability, and project management. The HDA works on projects in particular areas at the specific request of provinces and local municipalities. Its strategic priorities include informal settlement upgrade, catalytic projects and housing delivery in mining towns.

5.4.2 SOCIAL HOUSING REGULATORY AUTHORITY

The Social Housing Regulatory Authority (SHRA) was established in August 2010 by the Minister of Human Settlements in terms of the Social Housing Act, No. 16 of 2008. The SHRA is classified as a public entity in terms of Schedule 3A of the Public Finance Management Act. Its aims and objectives are as follows:

FIGURE 28: PUBLIC FINANCE MANAGEMENT ACT. AIMS AND OBJECTIVES



The Social Housing Investment Programme may invest in social housing projects or social housing institutions (SHIs) in accordance with the investment criteria set out in the social housing Regulations. Capital investment is made through Restructuring Capital Grants, Provincial Institutional Subsidies, and Debt Funding. There are instances where delivery agents can contribute their own equity or may secure donor funds.

5.4.3 NATIONAL HOME BUILDER'S REGISTRATION COUNCIL

The National Home Builders Registration Council (NHBRC) is a regulator body of the home building industry. Its goal is to assist and protect housing consumers who have been exposed to contractors who deliver housing units of substandard design, workmanship and poor-quality material. The NHBRC was established in 1998, in accordance with the provisions of The Housing Consumers Protection Measures Act (Act No. 95 of 1998). Its mandate is to protect the interests of housing consumers and to ensure compliance to regulated building industry standards. All home builders, regardless of the size or cost of the homes they build, must be registered with the NHBRC in terms of the law (Housing Consumers Protection Measures Act no 95 of 1998). Similarly, housing projects should be enrolled with the NHBRC for quality assurance purposes.

5.5 FINANCIAL SUPPORT INSTITUTIONS

5.5.1 NATIONAL HOUSING FINANCE CORPORATION (NHFC)

The National Housing Finance Corporation (NHFC) is one of several Development Finance Institutions (DFIs) created by the South African Government to sustainably improve on the socio-economic challenges of the country. The developmental financial focus of the NHFC is specifically about finding workable models on affordable housing finance for the low- and middle-income target market. It was established in 1996. Its core mandate is to offer housing finance, project facilitation and technical assistance to private and public entities ensuring availability of housing stock for the target market. As a means of sustaining its funding programs, the NHFC searches for better ways to mobilize finance for affordable housing from sources outside the state in partnership with a broad range of organizations.

The NHFC defines its end-beneficiary target market as “any South African household with a monthly income that is between R1 500 and R15 000”, namely, the low- to middle-income household also known as the Gap market. This market sector is mostly able to contribute towards its housing costs but finds it hard to access bank-funded housing finance.

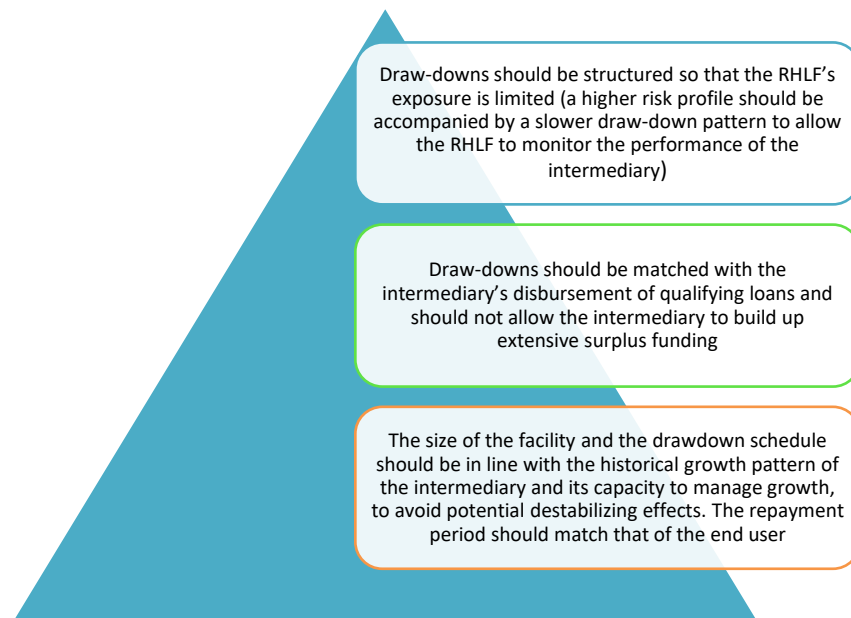
The NHFC, in the affordable housing finance market sector, adopts a role of Financier, Facilitator and Innovator, to ensure viable housing finance solutions; growth of sustainable human settlements; and mobilization of relevant partnerships, through enhanced insights and knowledge gained.

The NHFC provides housing finance to retail intermediaries, property developers and social housing institutions as well as supports and capacitates emerging housing intermediaries through strategic partnerships.

5.5.2 RURAL HOUSING LOAN FUND (RHLF)

Rural Housing Loan Fund (RHLF) was established in 1996 by the national Department of Human Settlements with initial grant funding from the German development bank, KfW.

FIGURE 29: RHLF CRITERIA



RHLF was set up as a wholesale development finance institution with the mandate of enabling low income earners to access small loans that they could afford to repay. Borrowers use these loans to improve their housing conditions incrementally.

RHLF facilitates housing micro loans through intermediaries who may be retail, community based or NGO housing finance lenders. These partners borrow funds from RHLF and on-lend to individual borrowers throughout the rural areas of South Africa, including small towns and secondary cities. Structured loans are the primary product that the RHLF offers. They are provided to intermediaries to establish, support or develop a housing loan operation addressing the need of individual households. These loans are structured to match the intermediary's underlying product profile and are disbursed according to the criteria indicated on the figure above.

5.5.3 NATIONAL URBAN RECONSTRUCTION HOUSING ASSOCIATION (NURCHA)

The National Urban Reconstruction Housing Association (NURCHA) is an innovative development finance company that provides Bridging Finance and Construction Support Services to Contractors and Developers. The NURCHA finances and supports the construction of Subsidy and Affordable Housing, Infrastructure and Community Facilities. They also provide Account Administration, Project, and Programme Management Services to Local and

Provincial Authorities. The NURCHA is specifically geared to provide project finance from conventional financial institutions to the developers and the Implementing Agents. It offers certificate lending on receiving a valid payment certificate whereby it will bridge finance the payment certificate for the period until the employer makes payment towards the certificate agreed. The NURCHA places a very high premium on the viability of projects and provides finance to projects, which are viable and profitable for the contractor. The latter can apply for construction bridging finance from the NURCHA if a recognized public or private employer has awarded a valid and viable contract.

The Affordable Housing Programme provides development finance loans to reputable private sector developers who provide entry level bonded, high density and gap housing within South Africa. The NURCHA will collaborate with developers who have a proven record of accomplishment within the affordable housing market. This ensures that we create a tailor-made solution to suit your development funding needs. The loan will be geared depending on the risk profile of the client with the loan period not exceeding 24 months. The NURCHA's funding categories and end unit price parameters are as follows:

- Gap Housing Market (selling price not exceeding R350 000).
- Affordable Housing (selling price not exceeding R500 000).
- Sectional Title Units (selling price below R500 000).

5.6 TRADITIONAL LEADERSHIP

5.6.1 INGONYAMA TRUST LAND

Ingonyama Trust Land is subject to the policies and legislation that governs all land administered by Ingonyama Trust Board. The trust holds the land on behalf of the members of communities that occupy and use the land. The powers and functions of the ITB are contained in section 2A (2) of the Ingonyama Trust Act, which provides as follows:

The Board shall administer the affairs of the Trust and the trust land and without detracting from the generality of the afore-going the Board may decide on and implement any encumbrance, pledge, lease, alienation or other disposal of any trust land, or of any interest or real right in such land.

Section 2(2) of the Act requires the trust to be administered for the 'benefit, material welfare and social well-being of the members of the tribes and communities' listed in the schedule to the Act – all the tribes and communities residing on Ingonyama Trust land. The trustees are bound to adhere to this provision.

Section 2(5) provides that the trust may not ‘encumber, pledge, lease, alienate or otherwise dispose of’ any of its land or any real right to such land, without the prior written consent of the traditional or community authority concerned. Thus, the traditional authority (elsewhere called tribal authority) can control the use to which their land is put. The effect of this is that, as landowner, the Trust enters into land use agreements, e.g., leases and the like, but it cannot do so unless and until it has the written consent of the relevant traditional authority. In some cases, the Ingonyama Trust leases the land, or makes it available, under an appropriate agreement to a traditional authority, who, in turn, sub-leases it to a third party (ibid).

Effectively, this means that the Trust administers the land in Vulindlela for the benefit of the community, and the land may not be encumbered without the consent of the relevant traditional council.

5.6.2 TRADITIONAL COUNCILS

The Traditional Leadership and Governance Framework Act, 2003 (Act 41 of 2003), provides for the recognition of tribal communities and the establishment of traditional councils and leadership. These councils have functional linkages, thus partnerships or operational connections between themselves and municipalities. Traditional councils have been given a strong voice in development matters and may now enter into partnerships and service-delivery agreements with government in all spheres.

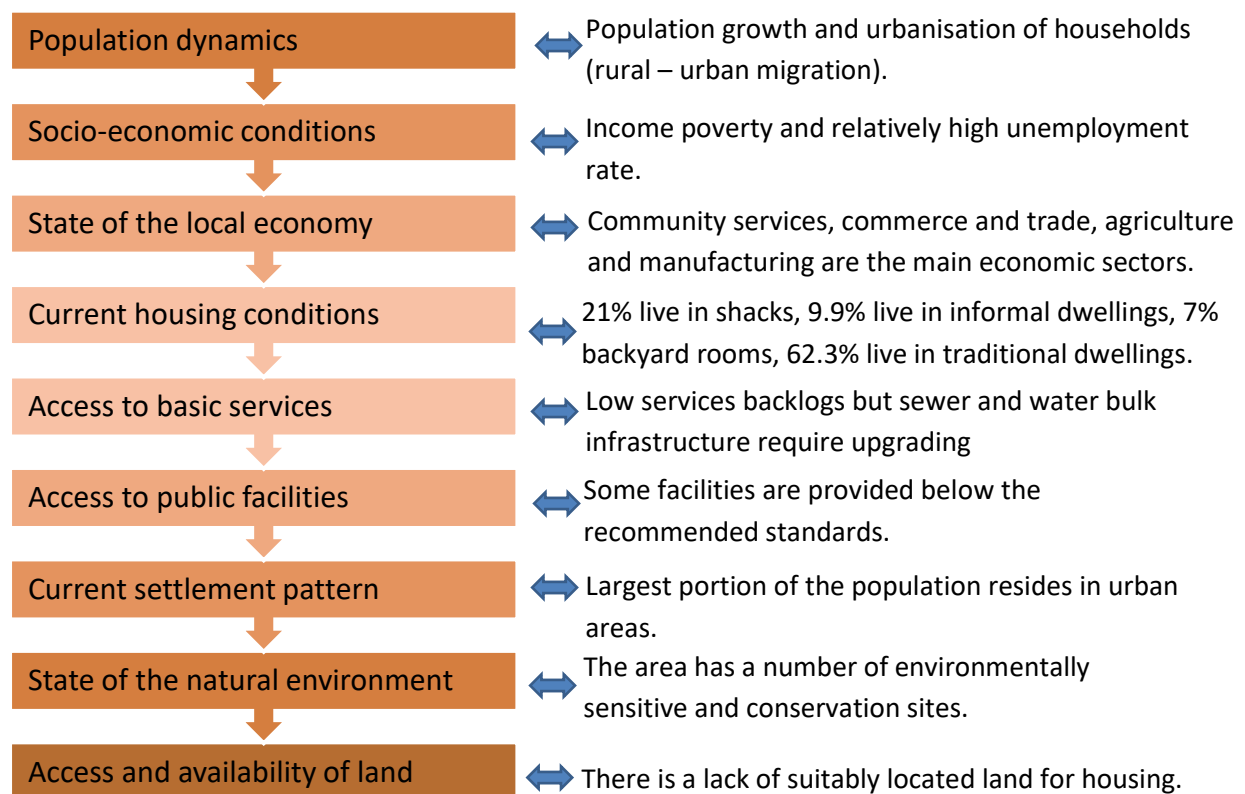
There are five traditional councils in Msunduzi, namely Zondi/Mpumuza, Fuze/Mafunze, Ximba, Zondi/Inandi and Nxamalala, all of which is in Vulindlela. This has certain implications for housing delivery in this area, which must be considered when housing delivery is planned.

6 STRATEGIC ANALYSIS

6.1 DRIVERS OF DEVELOPMENT AND GROWTH OF HUMAN SETTLEMENTS IN MSUNDUZI

The development and growth of human settlements in the Msunduzi Municipality reflects the cumulative effect of various factors that jointly and separately influence decisions on where households settle and reside. These factors range from population growth trends and patterns, spatial impact of the apartheid past and access to basic services and public facilities, through issues pertaining to the performance of the local economy to the state of the limits the natural environment poses on this phenomenon (refer to the figure below).

FIGURE 30: DRIVERS OF SETTLEMENT GROWTH



Msunduzi municipality is experiencing rapid urbanisation and population growth. The population of Msunduzi Municipality has increased from 621 793 in 2011 to 679 039 in 2016. This accounts for an increase of 57 246 people over a 5-year period. Msunduzi is expected to grow more than 60% to 1.1 million people in 2030 and double to 1.34 million people in 2050 (medium growth scenario).

It is anticipated that the CBD, Ashburton and Eastern Areas will experience the most substantial population growth over the next 40 years, as a result of planned growth. This

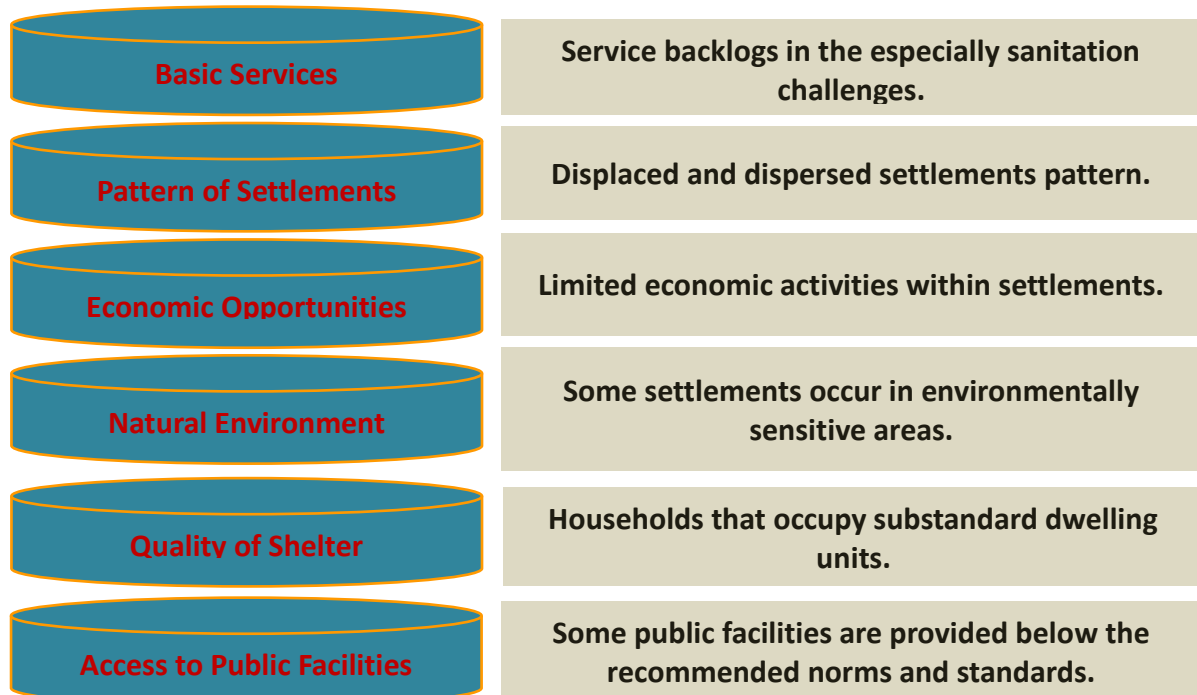
planned growth will be due to the location of the area in proximity to the N3 corridor and the R56 corridor and being the anticipated location for future expansion.

It is also evident that the Greater Edendale / Imbali area will continue to grow by means of densification that will take place through higher occupancy numbers of existing structures, due to limited space available for expansion to the southwest (Msunduzi SDF, 2015). The need for land to accommodate this growing population is thus evident.

6.2 SUSTAINABILITY OF THE EXISTING HUMAN SETTLEMENTS

Msunduzi has made substantial progress in improving the quality of life within its area of jurisdiction. Approximately 95% households have access to electricity, and 92% have access to water within their yards. However, access to sewer system remains one of the key factors that compromises sustainability of settlements.

FIGURE 31: HUMAN SETTLEMENT SUSTAINABILITY



6.3 CONSTRAINTS TO HOUSING DEVELOPMENT

While government housing grants and subsidies serve as an opportunity for the development of sustainable human settlements and meeting the housing needs of local communities, several factors have potential to impede realisation of this ideal. Firstly, some of the land that could potentially be accessed for housing is still subject to the Subdivision of Agricultural Land Act, Act No. 70 of 1970. These properties may not be used for settlement purposes unless the Department of Agriculture has released them from agricultural use.

FIGURE 32: HOUSING CONSTRAINTS



Secondly, implementation of human settlement projects is the mandate of the national and provincial Human Settlement. It involves the coordination of the activities of various government department, the municipality and service delivery agencies. However, it is common for government departments to identify projects and develop programmes separately. This makes coordination difficult and delays the development of settlements into sustainable human settlements in line with the national policy.

Other housing development constraints include the following:

- An increasing problem with illegal land invasion, which creates queue jumping and occupation of land that was earmarked for housing projects.
- The release of suitably located land for housing that is being delayed by the state. Many parcels have been identified but the state is delaying release of these parcels.
- Land/ legal problems are affecting the transfer of land for housing and completed houses.
- A suitable organisational structure and staffing in the Municipality have not been approved. This will contribute to more effective housing delivery.

6.4 KEY DEVELOPMENT ISSUES

The following are some of the key human settlement development issues facing Msunduzi Municipality:

- Land invasion;
- Release of suitably located land for housing being delayed by the state.
- Land/ legal problems are affecting transfers both of land for housing and completed houses;
- Suitable organisational structure and staffing in the human settlements sub unit;
- Ageing infrastructure (rental flats);
- Insufficient funding for repairs and maintenance which relates to poor rental payments;
- Possibility of transferring certain rental units under Enhanced Extended Discount Benefit Scheme (EEDBS) policy (National Department of Human Settlement Policy); and
- Delays by DOHS in investigation of rental stock for the EEDBS transfers.

7 HUMAN SETTLEMENT DEVELOPMENT STRATEGY

The Msunduzi Municipality previously followed a “mass housing delivery approach” based on chasing pre-set delivery targets and paid limited attention to the quality of the environments being created. It implemented projects in peripheral areas further from job opportunities and the central business district. These projects occurred in the form of monotonous settlements of RDP houses that perpetuated urban sprawl and segregated the poor from the neighbouring communities.

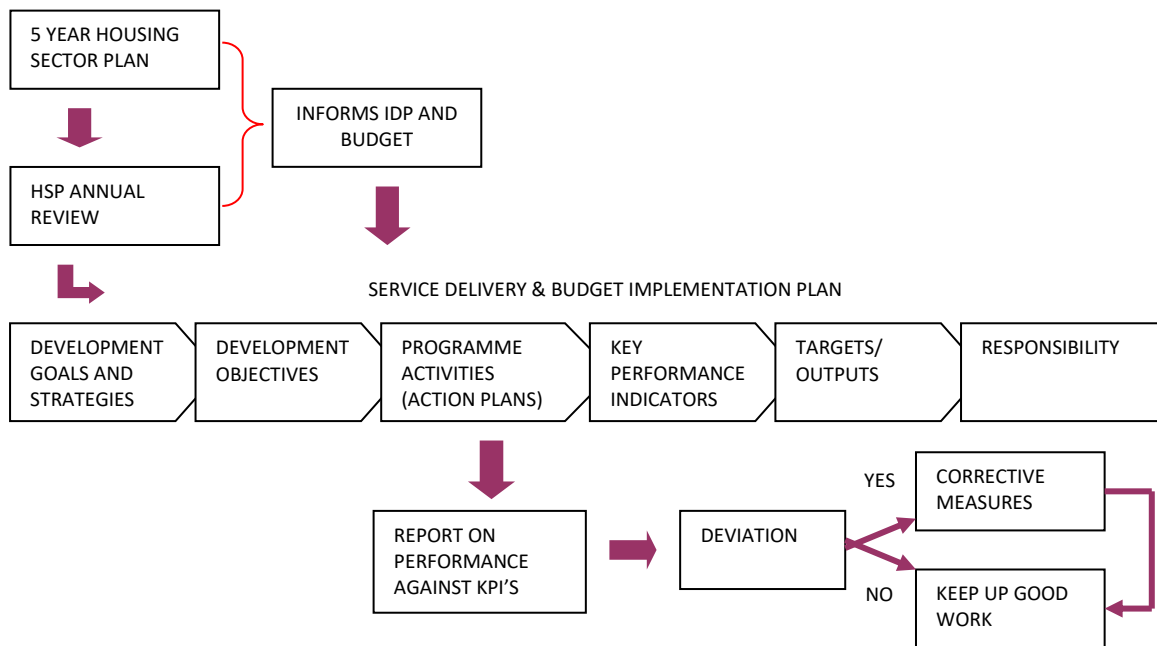
The municipality seeks to shift away from this and adopt a strategic approach in line with the long-term development vision it outlined in the IDP and the “Breaking New Ground” policy of the national government. The new approach goes beyond the simple construction of houses and focuses on building sustainable communities using housing development as a catalyst. It promotes equality, affirms inherent human dignity, and enables access to adequate housing. As such, the municipality’s IDP identifies the development of sustainable human settlements as one of the priority programs.

The MLM seeks to drive programs to build integrated and socially cohesive human settlements. This includes upscaling the delivery of subsidized housing, unlocking housing opportunities across the income spectrum and using housing development as a catalyst for social and economic development. As such, the strategy:

- facilitates and promotes synergies while living space for each locality to develop a unique character based on its strengths and location advantages;
- acknowledges and seeks to refine the development vision outlined in the IDP by indicating the desired future situation in respect of the development of human settlements;
- outlines the human settlement development strategy which provide objectives statements and serve as a road map to the desired future situation; and
- presents the strategic intervention areas/initiatives which essentially are the activities that should be undertaken to achieve the objectives.

As figure 23 below indicates, the new approach contributes seeks to contribute to the realisation of the municipal development vision; gives effect to the mission statements; outlines strategies and activities; and provides for on-going monitoring and evaluation of the human settlement development programme. The latter forms an integral part of the municipality’s performance management system (PMS).

FIGURE 33: STRATEGY OUTLINE



7.1 DEVELOPMENT VISION

Human Settlement Development Strategy for Msunduzi Municipality embraces the vision statements as introduced in the IDP and refined in various sector plans including the SDF and EMF. The Integrated Development Plan captures the vision statement as follows:



In pursuit of the development vision, the municipality will:

MISSION STATEMENT:

“...ensure that the Municipality functions effectively and in a sustainable manner in order to deliver services of excellence to the community”

7.2 GUIDING PRINCIPLES

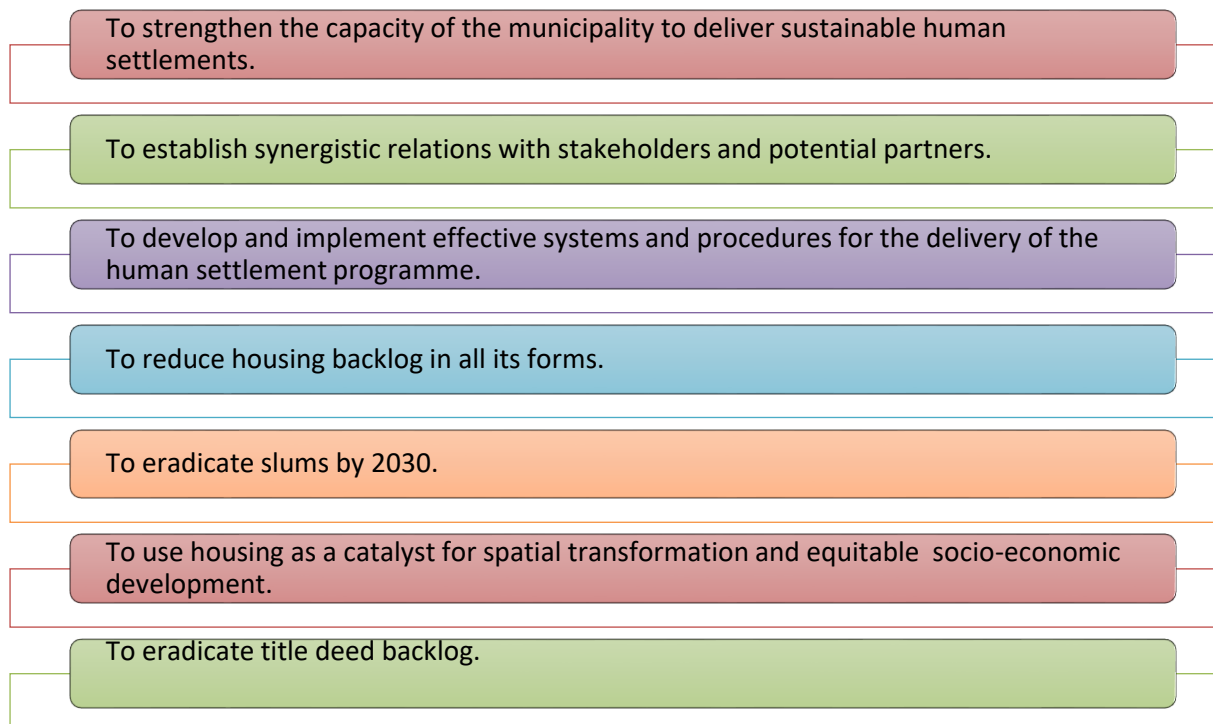
Further to the development principles the National Government outlined in the SPLUMA and the ones the municipality listed in the IDP and the SDF, the Msunduzi Municipality Housing Sector Plan is anchored on the following overarching concerns and guiding principles:

Responsibility	It is the responsibility of the entire municipality, not just a single department, to achieve the ideal of integrated sustainable human settlements. All departments within the municipality will play their roles and perform their functions towards the attainment of this goal.
Lead	The Sustainable Human Settlement Unit will play a lead role in coordinating and managing activities towards the attainment of this goal. The municipality will create capacity and resource this unit in line with the demands of the human settlement programme.
Alignment	The strategic focus is to improve both living and built environments to achieve the National Human Settlement Outcome 8, promote realisation of housing right and give effect to the SGD 11.
Quality	While the drive to create more housing opportunities will continue, this will occur within an overarching objective to pursue the development of quality living environments.
Partnerships	The programme will adopt a people-centred approach and a partnership-based service delivery process that creates opportunities across the income segments of the community within the spirit of co-operative governance and synergistic relations with the private sector.
Innovation	Innovation will drive the design, packaging and implementation of housing/sustainable human settlement projects. This includes consideration of alternative building materials, creative designs and systematic mix of housing products and/or land uses in space.
Safe and healthy	Places where people live and houses that they occupy should not be harmful to their health and well-being. The municipality will identify all risks and take necessary steps to minimise impact or eliminate risk altogether where possible.
Variety	New developments should include a variety of land uses, plot sizes, building types, street widths and public places.
Efficiency	Development proposals must seek to achieve greater resource efficiency, in terms of both materials and energy. This will apply during construction and post-construction phases. Assessments should be carried out to determine the most cost-effective solutions in both short and long-term.

The Msunduzi Municipality will therefore promote the development of sustainable human settlements which are affordable, safe and secure on a progressive basis by upscaling delivery on human settlements (housing delivery); securing and coordinating funding for human settlement development; innovation; and introducing effective measures to manage development of sustainable settlements across the spectrum.

7.3 DEVELOPMENT OBJECTIVES

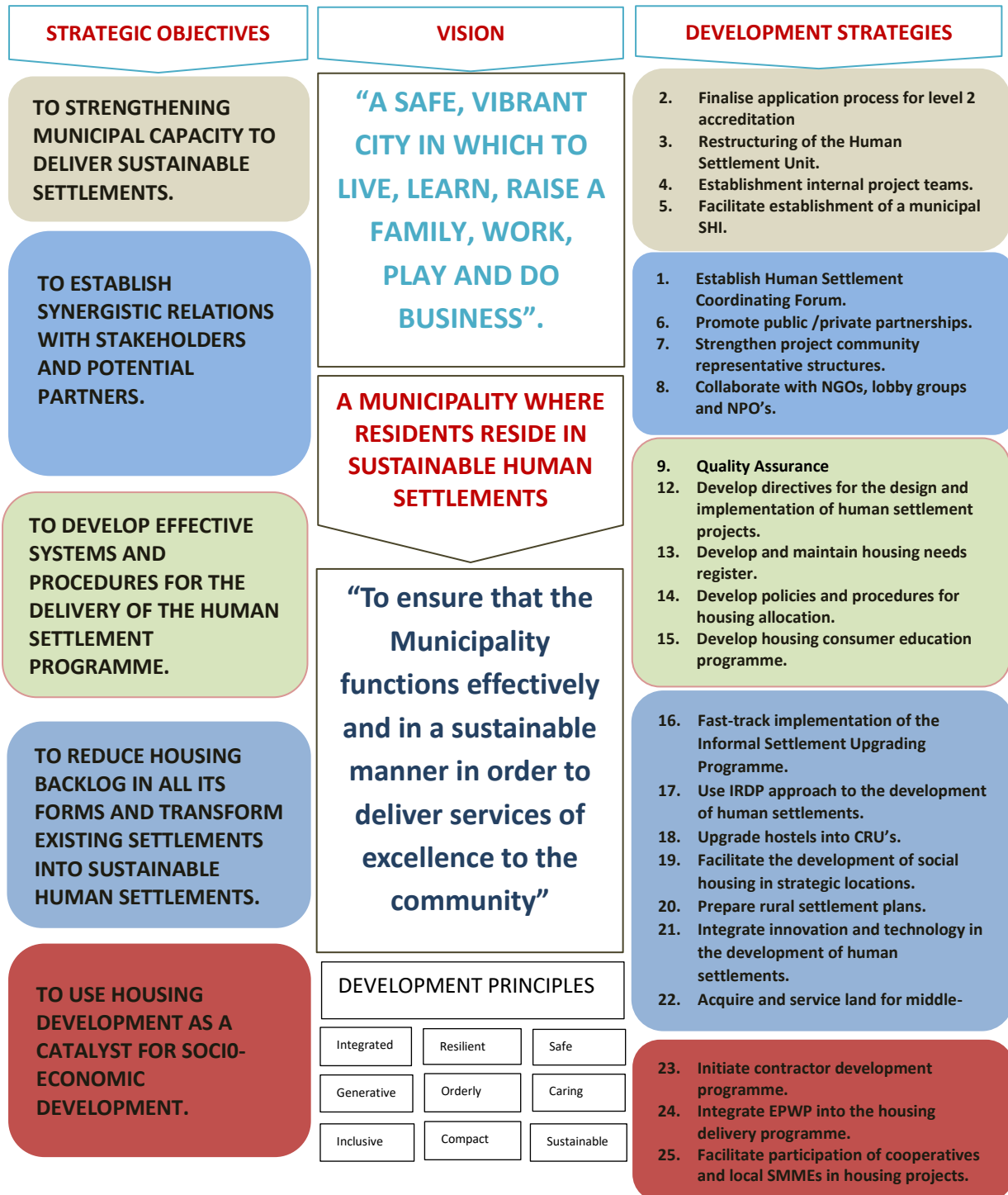
Human settlement encompasses different components making up an urban environment. The main criteria with regard to the development of sustainable human settlements are commitments to ecological sustainability, economic sustainability, social sustainability, technical sustainability, institutional sustainability and political sustainability. Further to this commitment, the objectives of the Msunduzi Municipality Human Settlement programme are as follows:



7.4 HUMAN SETTLEMENT DEVELOPMENT STRATEGY

Recognising that housing provision has a key role to play in the success of the municipality's efforts to address poverty, create employment, improve socio-economic conditions and create sustainable futures, the human settlement development seeks to improve existing and create new living environments that promote both economic and social cohesion. It aligns closely with and contributes to the municipality's overarching five-year Integrated Development Plan (IDP), which is built on the five core strategic pillars of an economically

generative city, a safe city, a caring city, an inclusive city and most importantly a well-governed city.



7.5 MUNICIPAL CAPACITY TO DELIVER SUSTAINABLE HUMAN SETTLEMENTS

7.5.1 LEVEL 2 ACCREDITATION

The Msunduzi Municipality has compiled a detailed business plan and made an application to the MEC for Human Settlement for level 2 accreditation. This will empower the municipality to undertake the following activities:

- **Subsidy budget planning and allocation, and priority programme management and administration** which includes housing subsidy budgetary *planning* functions across national housing programmes and projects; subsidy/fund allocations; and project identification functions.
- **Priority programme management and administration** may include the following responsibilities or specific priority programmes where agreed: programme and project evaluation and approvals; and, contract administration; subsidy registration; programme management including cash flow projection and management and technical (construction) quality assurance functions.
- **Programme management and administration responsibilities for all national and provincial housing programmes:** this includes project and programme approval and evaluation; contract administration; subsidy registration; programme management including cash flow projection; procure service providers; contract management and technical (construction) quality assurance functions.
- Level 2 accreditation requires the municipality to have sufficient capacity for programme management, project management, quality assurance, cash flow management and subsidy administration.
- The following activities should be undertaken to assist the municipality to meet its operational needs identified in the Accreditation Business Plan and address the findings of the independent assessment of capacity for accreditation:
 - ensuring sufficient operational capital for the performance of the accredited functions;
 - conducting a technical assessment of capacity within the provincial department and identifying staff and assets that should be transferred or seconded to the municipality for the purposes of performing the accredited responsibilities;
 - facilitating access of the municipality to the HSS for Level 2 accreditation;
 - facilitating access by the municipality to capacity and support programmes located in other government departments or agencies; and
 - providing direct capacity and support.

Performance Indicators:

- MEC Assessment Report.
- Compliance certificate issued by the MEC.
- Implementation Protocol Signed between the Municipality and PDHS.

7.5.2 RESTRUCTURING OF THE HUMAN SETTLEMENT UNIT

While the municipality is already undertaking some of the above-outlined activities, level 2 accreditation introduces additional and mostly specialised activities. This requires the municipality to restructure and remodel the Human Settlement Unit to create capacity to perform new functions efficiently and effectively. A new organogram/structure which aligns with the additional functions more closely will be developed with the following being the key components:

- Strategy and Planning Department which will be responsible, among others, for forward planning and coordination; policy, research, integration and compliance; and national housing programmes and accreditation management.
- Development and Delivery Department which will include social facilitation; subsidy administration; project management; quality assurance; civil and structural engineering; and architecture.
- Urbanisation unit which will deal mainly with the prevention of illegal occupation of land and upgrading of informal settlements.
- Public Housing and Customer Service which will deal with consumer education; tenancy and home ownership management; and communication and customer services.
- Strategic Support and Administration unit which will be responsible for administrative functions; secretariat services; financial management; risk management; and performance management.

A detailed skills training and development programme will be developed to re-skill the existing staff members, but where necessary, the municipality will request the MEC to second staff or outsource some of the functions in the short-to medium term.

Performance Indicators:

- Approved organogram for the new Human Settlement Department/Unit.
- Full-staff complement by

7.5.3 ESTABLISHMENT OF PROJECT TEAM

Successful projects are usually the result of careful planning and collaboration of a project's team members. The municipality will establish project teams and assign them to different

projects from inception to completion. Each team will comprise of all technical skills required for an effective implementation of the project such as project management, town planning, social facilitation, civil engineering, structural engineering and building inspectors. A project team will be responsible for the following:

- Overseeing the planning and implementation of each project.
- Monitor project progress against an approved programme.
- Providing technical advice on different aspects of a project.
- Advising the municipality on the feasibility of each project.
- Resolving challenges and problems that may cause unnecessary delays in the implementation of a project.
- Providing technical support to the Project Manager and the Implementing Agent where applicable.

Project teams will meet at least every second monthly to discuss progress and devise corrective measures/strategies where a project is experiencing challenges.

Performance Indicators:

- Each project has a dedicated internal project team.
- Bi-monthly project team meetings.

7.5.4 ESTABLISHMENT OF A MUNICIPAL SOCIAL HOUSING INSTITUTION

Social Housing is a rental or co-operative housing option which requires institutionalised management provided by an accredited Social Housing Institution (SHI) in designated Restructuring Zones (RZs). The Capital City Housing (CCH) is the only SHI that has focused on the delivery of social housing within the Msunduzi Municipality. Since establishment, the CCH has delivered about 300 units in Acacia Park and an additional 280 units in Signal Hill. In view of the extent and urgency of need for social housing within the city, the Municipality undertake the following as a means to create additional capacity to upscale the delivery of social housing within its area of jurisdiction:

- In the short-term, the municipality will explore the use of PDHS database of SHI to procure service providers for current and urgent projects. This will entail a closed tender process for the SHIs that are on the PDHS database.
- In the medium term, the municipality will issue a call for tenders inviting prospective and qualifying SHIs to register on the municipality's database/panel for consideration for future social housing projects.
- In the long-term, the municipality will establish a municipal SHI which will take the implementation of social housing projects and property management thereof within the

Msunduzi Municipality. The municipality will undertake this activity with the assistance of the Social Housing Regulatory Authority (SHRA).

Performance Indicators:

- 3 social housing projects per annum.
- 1000 of units delivered per annum.

7.6 SYNERGISTIC RELATIONS WITH KEY STAKEHOLDERS AND POTENTIAL PARTNERS

Partnership occur when two or more organization agree to work together to achieve or share complementary housing objectives. The partnership can take many forms. It can be based around joint investment or resource (such as time, expertise, information, funding, etc), development sites and material. It can be based around joint risk-taking and benefit sharing, or it can be based on shared responsibility.

7.6.1 HUMAN SETTLEMENT COORDINATING FORUM

The Msunduzi Municipality has a Housing Forum that meets quarterly to receive progress reports from service providers and oversee the implementation of the housing programme. The forum draws its membership from the municipal officials, councillors and implementing agents. The shift in approach away from housing to sustainable human settlements and level 2 accreditation necessitates the restructuring of the Housing Forum into a Human Settlement Coordinating Forum. The proposed structure will draw membership from the following:

- The Msunduzi Municipality officials from different departments and the councillors;
- Appointed Implementing Agents (IAs);
- Government departments such as the Departments of Health, Education, Rural Development and Land Reform, Cooperative Government and Traditional Affairs, Sports and Recreation, etc;
- Support organisations such as the National Home Builders Registration Council (NHBRC), Housing Development Agency (HDA), SHRA, etc; and
- Organised business, labour, military veterans and other interest/lobby groups.

The municipality will develop detailed terms of reference for the Human Settlement Coordinating Forum, but its responsibilities may include the following:

- Overseeing the implementation of the human settlement programme and providing advise to the municipality where applicable.
- Alignment of infrastructure projects with human settlement projects and overseeing the practical implementation of projects.

- Alignment of service delivery plans of different government departments with the human settlement programme of the municipality.
- Receive reports from government departments regarding the provision of social facilities in human settlement projects.

The terms of reference will spell out in detail membership, duties and responsibilities, frequency of meetings and other details pertinent to the efficient functioning of the forum.

Performance Indicators:

- Human Settlement Coordinating Forum launched in....
- Quarterly meetings

7.6.2 COMMUNITY REPRESENTATIVE STRUCTURES

Section 16 of the Municipal Systems Act, 2000 as amended, requires the Municipality to develop a culture of municipal governance that compliments formal representative government with a system of participatory governance. As such, the municipality must, among others, encourage and create conditions for meaningful community participation and stakeholder engagement in its business. This includes the implementation of human settlement projects. The Msunduzi Municipality will facilitate the establishment of a community representative structure for each human settlement project to operate from project inception to project closure. The municipality will capacitate the committee by:

- Providing training sessions on the housing programme, packaging of human settlement projects, roles and responsibilities and reporting.
- Developing a Constitution which details the roles and responsibilities, membership, portfolios and meeting procedures.
- Regular meetings depending on the phase of the project (bi-monthly meetings during planning stage and monthly meetings during implementation stages).

The Constitution will spell out the manner of operation of the representative structure and will be binding to the members of the committee and the beneficiary community.

Performance Indicators:

- Number of projects with duly established community representative structures.
- Frequency of meetings the community representative structures.

7.6.3 COLLABORATION WITH INTEREST GROUPS

Successful and effective implementation of human settlement projects depends, among others, on the level of cooperation with all stakeholders including organised interest groups

that operate within the beneficiary communities. These may include those representing military veterans, informal settlement dwellers, environmental lobby groups, etc. The municipality will facilitate the signing of a Memorandum of Agreement (MoU) with each of them. The MoU will recognise the issues affecting the communities; specify the terms for the participation of these groups in the implementation of the human settlement programme; and the role they will play in this regard. This will improve working relations, mitigate risk such as land invasion and prevent unauthorised occupation of housing units.

Performance Indicators:

- Number of projects MoUs signed.

7.7 SYSTEMS AND PROCEDURES FOR DELIVERY OF HUMAN SETTLEMENT PROJECTS

7.7.1 QUALITY ASSURANCE AND RISK MANAGEMENT

Quality Assurance, in short refers to a program for systematic monitoring and evaluation of the various aspects such as design processes and workmanship characteristics of a project, to ensure that standards of quality are being met. An important principle of quality is that benefits derived from the quality system must outweigh the cost of establishing and running the system. These benefits will include customer satisfaction, quality infrastructure and structurally sound housing units. In addition to the existing quality management measures, the municipality will introduce the following activities:

- Project team should comprise of experienced professionals who are registered with the statutory professional bodies regulating their professions. The municipality will determine level of required experience and training based on the size and complexity of each project.
- A project will proceed to the implementation stage only if all statutory and regulatory approvals have been obtained. These include town planning, environmental authorisation, water use licence, etc.
- Layout plan, engineering services designs and house plans will be presented to the Project Teams for assessment and before they are submitted formally to the municipality for approval. Each of these must be certified by the relevant professional for accuracy, correctness and compliance with municipal design standards.
- Relevant members of the internal project team must conduct regular inspections, record and document their findings, and where necessary, provide guidance to the contractor and others working on site on the project.
- The municipality will specify Construction Industry Development Board (CIDB) grading required for each project based on project size and complexity.

- The municipality will develop detailed norms and standards that will be applied in the delivery of housing units and the associated infrastructure.
- Develop an electronic system which integrates the reports of the building inspectors, approval of works, evidence for work being approved and monitoring.

Performance Indicators:

- Approved quality assurance framework.
- Legal compliance.
- Electronic monitoring system

7.7.2 DIRECTIVES FOR THE DESIGN AND IMPLEMENTATION OF PROJECT

The proposed directives are a set of design and planning guidelines that will help to ensure the new approach to housing as set out in the HSP happens in a consistent and positive manner. The directives will inform the design process and layout of all future human settlements' projects that the municipality undertakes. The line departments will also use the directives to assess and comment on development applications submitted for approval through the land use process, whether they be from other public sector organisations or private developers. The directives will deal with the following:

- Performance standards for each settlement focusing on risk reduction, ensuring public health and structural stability.
- Minimum layout design standards including block sizes, site sizes for different housing products, etc.
- Minimum standards for the design and provision of services such as water, sanitation, electricity (energy) and stormwater.
- Roads and street design guidelines.
- Standards for the provision of public facilities.
- Design and typology of housing units and other buildings.
- Building technologies and materials.

Performance Indicators:

- Approved Directives.
- Number of projects that complies with the directives.

7.7.3 HOUSING NEEDS REGISTER

The national housing needs register (NHNR) is a central database that offers households the opportunity to register their need for adequate shelter by providing information about their current living conditions, household composition and to indicate the type of housing assistance they require from government. Records of households that have registered their

need on other systems/waiting lists are received from provincial human settlement departments and municipalities. The records received by the DHS are validated before being added to the NHNR. The NHNR has the functionality that ensures that the allocation of housing opportunities that are created through the various programmes contained in the National Housing Code is done in a fair, transparent and auditable manner. The following activities will be undertaken as a matter of urgency towards the implementation of the NHNR in the Msunduzi Municipality:

- Development of a strategy for the implementation of the National Housing Needs Register in Msunduzi.
- Training of staff on the NHNR.
- Infrastructure for data capturing and processing.

Performance Indicators:

- Number of people registered on the NHNR.
- Number of people allocated houses from the NHNR.

7.7.4 HOUSING ALLOCATION POLICY AND PROCEDURES

Allocation of housing opportunities and the identification of beneficiaries for housing projects are some of the most contested aspects of the housing development programme. Allegations of corruption and maladministration in the process characterize this process in many municipalities. The Msunduzi Municipality will develop a housing allocation policy and the associated procedures to address this issue and ensure that housing opportunities target the most deserving members of the public/community. The policy will consider different housing products and targets markets and differentiate between full ownership and rental accommodation. It will be consistent with the national housing qualification criteria.

Performance Indicators:

- Approved housing allocation policy and procedures.
- Number of households allocated houses in accordance with the policy.

7.7.5 HOUSING CONSUMER EDUCATION

The delivery of low-cost housing to the deserving beneficiaries has become a major challenge facing government. In fact, it has become one of the national priorities in the focus to end poverty. In the Msunduzi Municipality, this occurs in the form of acute housing backlog that must be overcome and unsustainable human settlements in the Vulindlela area. In addition, many of those that need to benefit from the delivery of housing still lack the necessary information that will enable them to access opportunities that the government has created. They cannot access housing subsidies, obtain title deeds and use their housing units as

collateral to secure funding for upgrades. They are in a situation where they cannot carry out their obligations as important stakeholders and active participants in the delivery of housing. As a result, the Msunduzi Municipality will undertake a comprehensive consumer education programme and campaign to position potential beneficiaries to take advantage of the housing programme and take good care of their housing units once they have benefitted.

Performance Indicators:

- Number of project beneficiaries that received consumer education.

7.8 LAND ACQUISITION, ASSEMBLE AND RELEASE

The primary aim of this program is to facilitate the release of strategically and suitably located land to for the development of a range of housing products to reduce housing backlog and develop sustainable human settlements. The programme includes private, public and state-owned land.

7.8.1 LAND IDENTIFICATION, ASSESSMENT AND PRIORITISATION

The municipality will undertake a detailed land identification exercise to identify, map and assess all strategically located land that is suitable for housing development. This is in addition to municipal land already earmarked for this purpose. The municipality will use the SDF as a guide for land identification and the following criteria for assessment:

- Ownership of land.
- Restrictive conditions of title and other encumbrances.
- Current land use.
- Existing zoning.
- Size and potential yield for different housing products.
- Availability of services.
- Location in relation to employment and other urban opportunities.
- Market value of the land as determined by the municipality for rating purposes.
- Geotechnical, topographical and other environmental conditions should allow cost-effective development and servicing of the land.
- The use of the land for housing purposes should be in accordance with IDP and the associated sector plans.

The result of this exercise will be a land audit and evaluation report including the associated maps and schedules. Land so identified and assessed will be prioritised for different human

settlement interventions in line with the provisions of the SDF. The exercise will include both settled and vacant land.

Performance Indicators:

- Land identification report
- Hectares of land identified for human settlement purposes.
- Schedule of prioritised land parcels.

7.8.2 LAND ACQUISITION AND ASSEMBLE IN THE GREATER EDENDALE AREA

The municipality will intensify the initiative to acquire land in the Greater Edendale Area for urban renewal, upgrading of the area into a sustainable human settlement and delivery of services. The initiative entails engaging with the land owner, land valuation and price negotiations, facilitating signing of sale agreements and transfer of the land to the municipality. The municipality will undertake land expropriation as a last resort and where necessary. The municipality will give priority to the land parcels identified for the upgrading of the existing informal settlements.

Performance Indicators:

- Amount of land in hectares acquired for housing purposes.
- Number of households that will benefit.

7.8.3 PUBLIC PRIVATE PARTNERSHIPS

The Msunduzi Local Municipality has a responsibility to create housing opportunities not only for low income communities, but across the housing market spectrum. While the municipality will intervene directly in the case of the poorest of the poor (those earning less than R3500/month), the municipality will enter into public private partnerships for the development of housing for gap market, serviced sites and middle to high income markets. In this regard, the municipality will enter into partnership arrangements with the landowners/developers for the development of either municipal or privately-owned land for different housing products including self-help site and service schemes. The partnership arrangement will be structured as follows:

- The landowners/developers should develop the land by installing all the necessary services and sell the land or sites to the municipality and/or the Department of Human Settlement for the development of housing units for the poor.
- Alternatively, the landowner/developers may enter into a development agreement with the municipality in terms of which the municipality will undertake detailed planning of the area, obtain all the necessary development approvals and provide services.

The initiative may be undertaken with the involvement of financial institutions such as financial banks, Development Bank of Southern Africa (DBSA), National Housing Finance Corporation (NHFC), and others who will provide finance for the packaging of the project and provision of services. Urban Renewal programs may also be considered for assistance in this regard.

The benefit of this approach is that the land owners will realise the value of their assets and will be enticed to release the land for housing development. It will facilitate the renewal of areas such as the Greater Edendale and prevent the area from degenerating into a huge low-cost housing township. It will provide for the development of a mixture of residential units ranging from low cost to middle income housing, and low density to higher density development.

Performance Indicators:

- Number of projects based on private public partnership model.
- Number of housing opportunities created.

7.8.4 STRATEGIC RELEASE OF MUNICIPAL LAND

The Land Regularisation Programme forms the basis of a sustainable property economy through expediting the release of municipal vacant sites on public tender. It will support sustainable economic growth through private sector investment and increase the rates, taxes and service repayment base of the municipality. The process has two phases: an audit of all council-owned property and the implementation of a land release strategy. The property audit identifies properties that are vacant and/under-utilised. Properties that can be released to public tender or withheld for public sector investment are also identified. In the short term, the programme seeks to verify and quantify the total number of properties under the control of the municipality. In so doing, it legitimises local government in the eyes of its ratepayers, updates the existing database of council-owned property and provides strategic property plans for the release of council-owned property.

In the longer term, the council will have a clear land release strategy that will not only grant ownership, but also access to council-owned land. The process allows transfer to legal tenants, provides economic incentives to invest in strategic parcels of land and identifies specific precincts that stimulate economic and social development.

Performance Indicators:

- Schedule of council owned land.
- Amount of land released by public tender.

7.9 REDUCING HOUSING BACKLOG AND DEVELOPING SUSTAINABLE HUMAN SETTLEMENTS

7.9.1 INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME

The Msunduzi Municipality will adopt an integrated residential development programme approach to the development of new and upgrading of existing settlements into sustainable human settlements. This marks a significant shift in focus away chasing housing units towards addressing settlement inefficiencies, development of more compact settlement forms and provision of a range of housing and social economic opportunities. As the name suggests, this programme provides a tool to plan and develop integrated settlements that include all the necessary land uses and housing types and market price categories to become a truly integrated community.

The delivery of IRDP projects will unfold in three phases. The first phase will encompass planning, land acquisition and township establishment while the second phase will focus on the servicing of residential stands in a variety of market price categories as well as stands for other land uses to ensure a holistic and sustainable community. The third phase will focus on the construction of housing units for qualifying housing beneficiaries and the sale of stands to non-qualifying beneficiaries and to commercial interests.

Performance Indicators:

- Number of IRDP projects.
- Number of housing opportunities

7.9.2 UPGRADING OF INFORMAL SETTLEMENTS

The Msunduzi Municipality will facilitate the implementation of the Informal Settlement Upgrading Strategy as part of a process towards the eradication and upgrading of informal settlements within its area of jurisdiction. The core of the strategy is the Informal Settlement Response Plan which presents a three-year programme of detailed activities for the upgrading process. It groups informal settlements into five categories categorises informal settlements into five categories based on their upgrading needs. Some of the informal settlements are complex, fall within more than one category and requires different interventions for adequate upgrading. Upgrading process will transform informal settlement into sustainable human settlement by upgrading land tenure rights, providing basic services, development of public facilities and unlocking economic development opportunities. Each category deals with a particular type of informal settlement and therefore the type of interventions differs according to the category as follows:

- Upgrading of land tenure rights in Category A informal settlements. This constitutes only 2.7% of all 70 informal settlements that have been included in the Upgrading of Informal Settlements Programme, that is Edendale Unit J and Edendale Unit BB. Basic and/or permanent services are provided in the most parts of these settlements with the challenge being the upgrading of land tenure rights and transfer of ownership of land to the residents. Other aspects of upgrading in these settlements may include upgrading of the existing infrastructure, construction of top structures, provision of public facilities.
- Provision of basic services and upgrading of land tenure rights in category A(+B1) informal settlements. More than 50% of each of these informal settlements has permanent basic services. The remaining parts require permanent services as an initial step towards achieving full upgrade. It is therefore considered that the Upgrading of Informal Settlements Programme (UISP) from Phase 1 to Phase 4 is the most appropriate response. 5 informal settlements fall within this category.
- Provision of basic services and upgrading of land tenure rights in category B1(+A) informal settlements. More than 50% of each of these settlements do not have permanent basic services or has haphazard interim services such as communal taps or VIP toilets. The remaining part of the settlement has basic permanent services and therefore Phase 4 of the UISP can be implemented. In Phase 4 both the EPHP and the Consolidation Programme can be used to provide top structures, however other programmes can also be used if they are applicable. 8 informal settlements fall within this category.
- Provision of interim services as a precursor to full upgrading on category B1 informal settlements. These settlements do not have any basic services or have only some services but not all of the necessary services. It is therefore necessary to apply the UISP Phase 1 – 3 in the short to medium term. Full upgrade of these settlements will occur eventually but investment into interim and then permanent services are required as the main priority. 41 settlements fall within this category.
- Provision of emergency services to the B2 and C category informal settlements pending relocation of households to other areas where they will be provided with services, shelter, security of land tenure and access to public facilities. 15 settlements fall within this category.

Performance Indicators:

- Number of informal settlements upgraded.
- Number of informal settlements provided with basic services.
- Number of informal settlements provided with emergency services.
- Number of informal settlements relocated.

7.9.3 UPGRADING OF HOSTELS INTO COMMUNITY RESIDENTIAL UNITS

The Msunduzi Municipality will facilitate the development of community residential units (CRUs) through the upgrading/redevelopment of hostels, and new units on strategically located sites and/or as part of the IRDP projects. The primary aim of this initiative is facilitating the provision of secure, stable rental tenure for lower-income individuals and households earning between R800 and R3 500 a month, who are unable to enter the formal private rental and social housing market. It includes public housing stock that cannot be transferred and has to be managed as rental accommodation.

CRU financing is only applicable to developments on land owned by municipalities and provincial government Human Settlement Departments. The land and top structures must remain in the ownership of either provincial or local government and cannot be transferred to tenants or any other ownership entity.

Priority projects in this regard includes the upgrading of East Street Hostel, which includes the acquisition of the surrounding properties for the expansion, the development area; and redevelopment of Imbali Hostel area in Unit 1 Imbali Township.

Performance Indicators:

- Number of CRU projects over a period of three years.
- Number of units delivered through the CRU programme per annum.

7.9.4 SOCIAL HOUSING

There is no doubt that the need for social housing within the city is huge and continues to grow. This is suggested mainly by the responses Capital City Housing (CCH) has received in the take-up of units in Acasia Park, Signal Hill and the new develop along Richmond Road. Estate Agents have also indicated that the demand for rental housing has increased thus pushing rental up. Unfortunately, this increase in demand has not been met by concomitant increase in delivery. Private sector developments have focused mainly on the delivery of middle to up-market units in exclusive areas.

According to the social housing policy, social housing should be delivered through Social Housing Institutions with the municipality playing a supportive/facilitatory role. This report has not undertaken an in-depth capacity assessment of the CCH, but anecdotic evidence suggests that the CCH lacks sufficient capacity and resources to deliver additional social housing at scale. Any attempts to meet the existing demand for social housing requires that various options for augmenting the capacity of the CCH be explored. These include Private Public Partnerships and inviting new SHIs into the municipal area.

The municipality should work towards delivering an average of 1000 rental housing units per annum. Implementation of this program should be based on a clear understanding of the

target market. Accurate and up-to-date information indicating the socio-economic profile, expenditure pattern, current situation in respect of housing and nature of housing need should be collected and captured in the form of a data base. The information should be updated regularly in the light of changes in the household situation, local development trends and changes in government policy.

- Eights areas were initially identified as potential RZs, but only five of these present real and immediate opportunities for the delivery of social housing. These are:
- Greater Edendale Corridor
- Central area
- Signal Hill/Foundry Park
- South-east area
- Southern area

Social housing potential in Ambleton and the North-western area may only be realized once a detailed spatial planning exercise has been undertaken. Otherwise these areas are strategically located and can make a significant contribution to the restructuring of the city. The northern area may also be included in this package of RZs, but the main focus, in the short to medium terms should be slums clearance and urban consolidation. As in the Edendale area, social housing would introduce new housing products in the area and thus contribute to the efficient use of the existing infrastructure.

The municipality will adopt a phased approach in the development of social housing within the areas identified as RZs. As much as all the areas identified generally meet the criteria, some are more suited than others. The less suited areas would require a level of stakeholder engagement and spatial planning before any social housing project is suggested in the area.

The first phase will focus on the areas that meet the following criteria:

- Availability of state or municipal owned land large enough to enable delivery at scale.
- Availability of bulk infrastructure.
- Limited potential for conflict arising from what others may see as intrusion into their neighbourhoods.

The municipality has assessed and prioritised 8 sites within the RZs for the development of social housing.

Finally, the municipality must fast-track its negotiations with SpoorNet in respect of the Imbali Lodge. This is a rare opportunity and one of the potential quick wins in terms of social housing delivery. Serious consideration should also be given to establishments such as Fort Napier.

Performance Indicators:

- Number of social housing projects over a period of three years.
- Number of units delivered through the Social Housing programme per annum.

7.9.5 RURAL HOUSING

Over the last few years, the Msunduzi Municipality facilitated the implementation of a rural housing project consisting of about 25000 units in the Vulindlela area using institutional housing subsidy and rural housing approach. In addition, the municipality has prepared and adopted a local Area Plan (LAP) for the area including the newly incorporated ward. The Vulindlela LAP (VLAP) identifies areas for intervention and provides guidelines for the development sustainable rural humans settlements.

Further to the LAP, the municipality will facilitate the preparation of traditional settlement master plans (TSMPs) for each of the traditional council areas. It is noted that the preparation of these plans is not a legal requirement, but one of the key activities in the improvement of and transformation of the existing rural settlement into sustainable human settlement.

Settlement plans provide an opportunity for the preparation of detailed development frameworks for rural areas. The plans should serve as a guide for the development and future allocation of land for different land uses. As such, it is recommended that future settlement plans should be prepared for each tribal ward (isigodi) and provides for the following:

- Areas where settlement may or may not occur. This will be derived from an overlay of a series of environmental information such as floodlines, slope, wetlands, etc.
- Land reserved for the future location of public facilities such as schools, clinics, etc.
- Vacant sites land within the settlement area where residential sites may still be allocated. This is critically important as it provides for the consolidation of settlements.
- Establishment and application of standards such as minimum lot size so as to promote equity and facilitate effective use of land.
- Roads with a particular focus on bus routes and local access roads. It is noted that not all households may enjoy direct road access.
- Agricultural land which includes both arable and grazing land.

Settlement plans should be prepared with full involvement of local communities and traditional councils. They should be simple and easy to follow and should provide guidance to traditional councils for the allocation of land for different uses.

Performance Indicators:

- Number of rural housing units developed per annum.
- Number of settlement plans prepared per annum.

7.9.6 GAP HOUSING

The “Gap housing” housing segment in Msunduzi describes the shortfall, or ‘gap’ in the market between residential units supplied by the state (which cost just more than R100 000) and houses delivered by the private sector (which are not less than R250 000). This housing segment in Msunduzi municipality is huge and represents a significant demand within the city. In order to address this housing segment, the following are proposed:

- Identification of suitable land for GAP housing within Msunduzi municipality;
- Provision and sale of site and service schemes in order to promote Gap housing supply;
- The sale of discounted serviced sites to aspirant owner-builders. This action will serve the lower-end of the gap housing segment;
- The sale of discounted land to institutions (such as development companies, banks, etc.) wishing to deliver housing products at lower prices. This action will serve the upper end of the gap housing segment.

It is important to bear in mind that more cost-effective building technologies and materials will contribute to delivering the gap housing product in greater numbers.

Performance Indicators:

- Number gap housing opportunities.

7.9.7 TITLE RESTORATION PROGRAMME

The South African National Housing Policy is premised on freehold tenure system. It seeks to provide beneficiaries of state support not only with a house, but also to the title deed to a piece of land on which the house stands. In the past, output figures and rapid delivery received top priority at the expense of the detriment of the transfer of individual properties. This resulted in many beneficiaries not receiving title to their land. The Msunduzi Municipality, with the assistance of the Provincial Department of human Settlement (PDHS) has initiated a process to remedy the situation within its area of jurisdiction. The initiative entails the completion of the following activities:

- Finalisation of township establishment process which may entail amendment to the approved layout plan, conditions of establishment and the General Plan; proclamation; and opening of township register.
- Verification of beneficiaries to ensure that properties are transferred to the rightful project beneficiaries.
- Registration of each property in the Deeds Office and handover of title deed to the respective beneficiary.

The transfer of title deeds to rightful owners is not an end in itself. It is also a means to achieve a series of other development objectives. An effective system where all residents have access to their title deeds (and are aware of their usefulness) creates and allow beneficiaries to realise the value of their assets; opens up more personal investment to residents thereby physically transforming housing into homes, and townships into neighbourhoods; distributes property ownership more equitably in the country thus achieving more balanced patterns of ownership; gives households their first entry into the property market, which can lead to improved housing conditions over generations as individuals and households trade up in the housing ladder; and is a catalyst in transforming and expanding the real estate sector.

Performance Indicators:

- Number of townships finalised per annum.
- Number of title deeds issued per annum

7.9.8 INNOVATION AND TECHNOLOGY

The development of sustainable human settlements and affordable housing in the Msunduzi Municipality will seeks to do more than simply create decent spaces for living. In addition, the municipality will promote new affordable settlement and housing design models that incorporate sustainable features to harness renewable energy, reduce the cost of construction and maintenance while they also help to empower residents and connect them to outside resources. The problem of providing low-cost housing of an acceptable quality could possibly be solved by using alternative construction methods and improving the awareness regarding these methods. The municipality will investigate the use of alternative eco-friendly building technologies which will meet all the requisite standards for quality, norms and standards.

The resilience of houses depends on the design, maintenance and a multitude of internal and external stressors. The impact of climate change on the settlements and individual housing units is expected to be significant. Many settlements are already under pressure from settlement growth, poverty, inadequate maintenance due to neglect and affordability challenges. All future developments will therefore be designed to withstand anticipated effect of climate change and to limit any negative contribution to climate change that may result from their construction and maintenance. This includes energy consumption, carbon emissions, soil erosion, etc.

Performance Indicators:

- Percentage reduction in the cost of construction.
- Number of units built using alternative technologies.

7.10 HOUSING DELIVERY AS A CATALYST FOR SOCIO-ECONOMIC DEVELOPMENT

The main aim of this programme is to deliver better human settlement outcomes based on community contribution and empowerment of the emerging contractors. This is achieved by developing livelihoods interventions which lead to outcomes such as job creation, developing a culture of savings, skills transfer, and community empowerment, building of community assets and social security and cohesion.

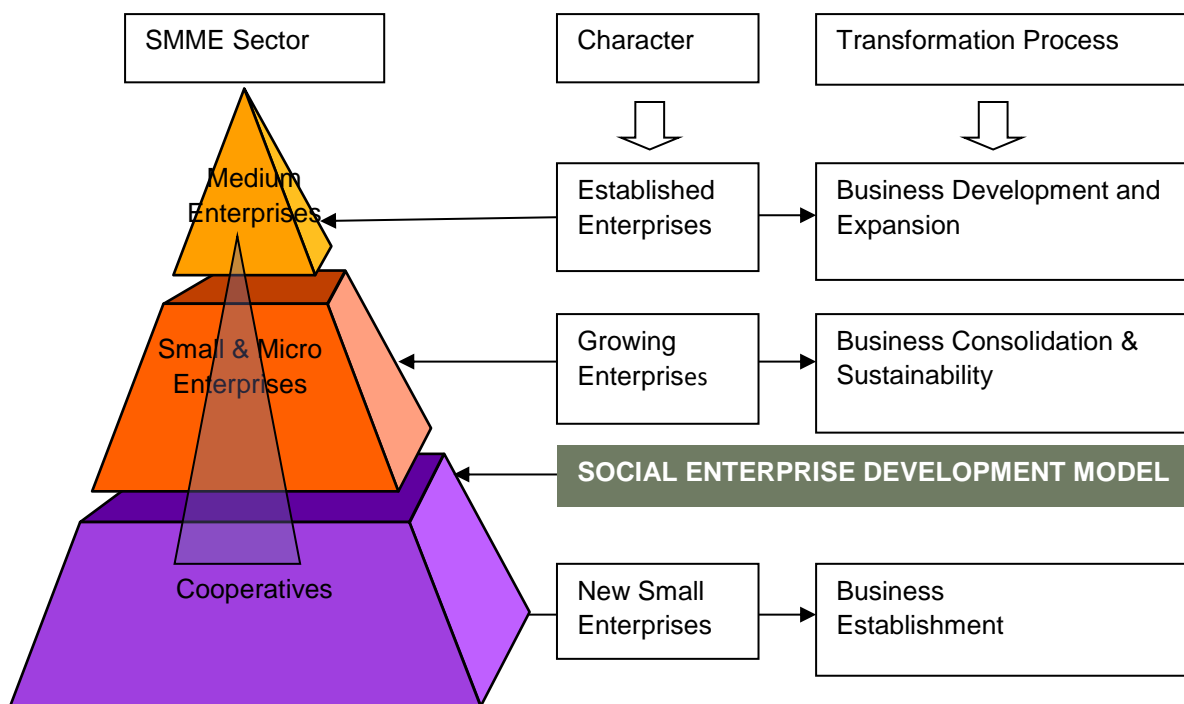
7.10.1 CONTRACTOR DEVELOPMENT PROGRAMME

Small, Medium and Micro Enterprises (SMMEs), also referred to as small business, play an important role in an economy. They can be key drivers of economic growth, innovation and job creation. The government has put policies, strategies and programmes in place which aim to create an enabling environment for small business.

Small enterprise development is key to addressing unemployment, gender equality, health and other poverty related issues. It is an important tool and essential element to economic growth. It calls for government institutions and private sector to invest time, knowledge and capital to help SMMEs establish, expand or improve businesses. The programme will target youth, disabled and women owned enterprises and SMMEs generally.

The Enterprise Development Model should be a well-planned operation that aims to exit and graduate contractors from the programme with measurable improvements and involves commitment of financial and human resources by both the lead departments and the participating emerging contractors. The lead departments will use an appropriate portion of their procurement of infrastructure budget to support the objectives of this programme.

FIGURE 34: ENTERPRISE DEVELOPMENT MODEL



Performance Indicators:

- Number of contractors that received training per annum.
- Number of cooperatives involved in human settlement projects.
- Number of units built by beneficiaries of this programme

7.10.2 JOB CREATION THROUGH EXPANDED PUBLIC WORKS PROGRAMME

The Msunduzi Municipality will integrate the Expanded Public Works Programme (EPWP) in the implementation of human settlement projects within its area of jurisdiction. The Expanded Public Works Programme (EPWP) is a government strategic intervention programme aimed at alleviating poverty, reducing unemployment and providing livelihoods for the most disadvantaged sector of society. The Programme is focused on the unemployed, under-skilled and under-qualified persons and aims to address unemployment and increase economic growth, to improve skills levels through education and training and to improve the environment for industry to flourish. The existing training programmes must be coordinated and linked to the EPWP to ensure achievement and success of their efforts. The incentive grant may provide a source of funding for training programmes for EPWP.

Performance Indicators:

- Number of people employed through EPWP in human settlement projects.

7.11 PREPARATION OF SETTLEMENT PLANS

The transformation of rural settlements in Vulindlela into sustainable human settlements is an important focus of the human settlement sector plan. Although a local area plan has been developed for Vulindlela, which now also includes a portion of ward 39, this plan needs to be refined further into the preparation of settlement plans.

Rural settlements in traditional /communal land have emerged because of the breakdown in land administration system in the rural villages, and movement of households from remote areas to well located settlements along the main transport routes. These areas should be prioritised for settlement planning, and this should entail the following:

- Mobilization of traditional councils in support of settlement planning initiative.
- Formalization of institutional arrangements and clarification of roles and responsibilities and cooperation between the municipality and institutions of traditional leadership in respect of land allocation and land use management.
- Preparation of settlements plans indicating spaces where different land uses may be located and areas where settlement should be discouraged.
- Delineation of settlement edge indicating the land required to accommodate further expansion and social development needs over a defined period of time (five to ten years). The edge will also be used to promote compaction.
- Introduction and application of planning standards including average site size.

Fragmented development has high infrastructure costs and should be discouraged. To achieve future environmental, economic and social sustainability settlements should be planned to be able to demonstrate self-reliance and an ability to maximize infrastructure efficiency and service provision. Planning for settlement purposes should identify the constraints and opportunities of the land, and seek to achieve a carefully planned community, enhance the quality of the environmental, and avoid resource and hazardous issues. As such:

- settlements should be located on land that is suitable for this land use and capable of supporting all of its aspects;
- isolated settlements should not be promoted if residents are dependent upon public transport to access basic social and services infrastructure;
- development of settlements should avoid areas of natural significance, economic resource, high landscape and areas with cultural heritage value, and potential increased risk associated with impacts of climate change; and
- development of settlements on areas adjoining land with the above values should incorporate buffers as necessary to help protect those values and to avoid future land use conflict.

Performance Indicators:

- Identification and prioritisation of areas in Vulindlela that requires settlement plans.
- Number of settlement plans prepared in Vulindlela.

8 IMPLEMENTATION PLAN

8.1 UPGRADING OF INFORMAL SETTLEMENTS

8.1.1 CATEGORY A (+B1)

PROJECT NAME	WARD	NO. OF SITES	TOTAL PROJECT BUDGET	2019/2020				2020/2021				2021/2022			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Upper Snathing			R 7 716 346.42												
Maqinase			R 13 778 119.59												
Caluza			R 83 556 313.67												
Georgetown			R10 888 863.55												
Dambuza			R 14 552 415.26												
Total			R 130 492 492.49												

8.1.2 CATEGORY B1 (+A)

PROJECT NAME	WARD	NO. OF SITES	TOTAL PROJECT BUDGET	2019/2020				2020/2021				2021/2022			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Peace Valley			R 25 199 941.35												
Malukazi			R 50 519 220.95												
Esgodini			R 59 953 638.07												
Harewood			R 61 696 177.21												
Lay Centre			R 17 736 758.43												
Nhlasatshe			R 13 675 297.80												
Magaba			R 32 564 046.28												
Panekeni			R 10 853 753.35												
Total			R 272 198 833.44												

8.1.3 CATEGORY B1

PROJECT NAME	WARD	NO. OF SITES	TOTAL PROJECT BUDGET	2019/2020				2020/2021				2021/2022			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Anniedale			R 2 519 757.06												
Bantine Place			R 1 155 813.39												
Below Ashdown Bakery Site			R 1 346 033.59												
Crest Place			R 373 939.63												
Crosby Farm			R 9 382 485.17												
Dennis Field			R 2 277 632.27												
Edendale J2			R 17 031 250.26												
Ezitendeni			R 951 486.32												
Gudlintaba			R 4 555 264.54												
Hantshi & Hlengwa			R 29 537 866.11												
Hollingwood			R 1 469 583.21												
Imbali Crossing			R 1 628 700.46												
Imbali Unit 4			R 3 951 812.31												
Jika Joe			R 13 148 789.36												
Macebisa			R 4 588 281.31												
Maryvale			R 2 487 933.61												
Masson			R 3 219 872.96												
Mbucwana			R 11 016 681.21												
Mkhondeni			R 4 556 457.86												
Motha			R 8 534 389.11												
Nhlalakahle			R 12 289 556.21												
Nkululeko/Regina Road			R 2 551 580.51												
Peace Valley 3			R 6 656 805.56												
Seven Ox			R 2 042 405.31												
Shamrock			R 5 509 873.19												
Shayamoya			R 5 001 986.16												
Skomplaas			R 2 647 050.86												
Slangspruit			R 23 905 115.46												
Slovo Village			R 5 574 808.26												

PROJECT NAME	WARD	NO. OF SITES	TOTAL PROJECT BUDGET	2019/2020				2020/2021				2021/2022				
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Smero			R 32 911 151.81													
Swapo A			R 69 794 530.36													
Swapo B			R 9 043 564.31													
Swapo C			R 17 094 897.16													
Tehuis-Edendale			R 12 862 378.31													
Wayside Place			R 1 310 465.96													
Welgefontein			R 11 239 382.36													
Willowfontein Bulwer			R 26 546 461.81													
Willowfontein KwaKhuzwayo			R 12 575 967.26													
Willowfontein Phupha			R 21 741 120.86													
Willowfontein Quarry			R 2 678 874.31													
Willowfontein Terminus			R 2 933 461.91													
Total			R 410 645 764.73													

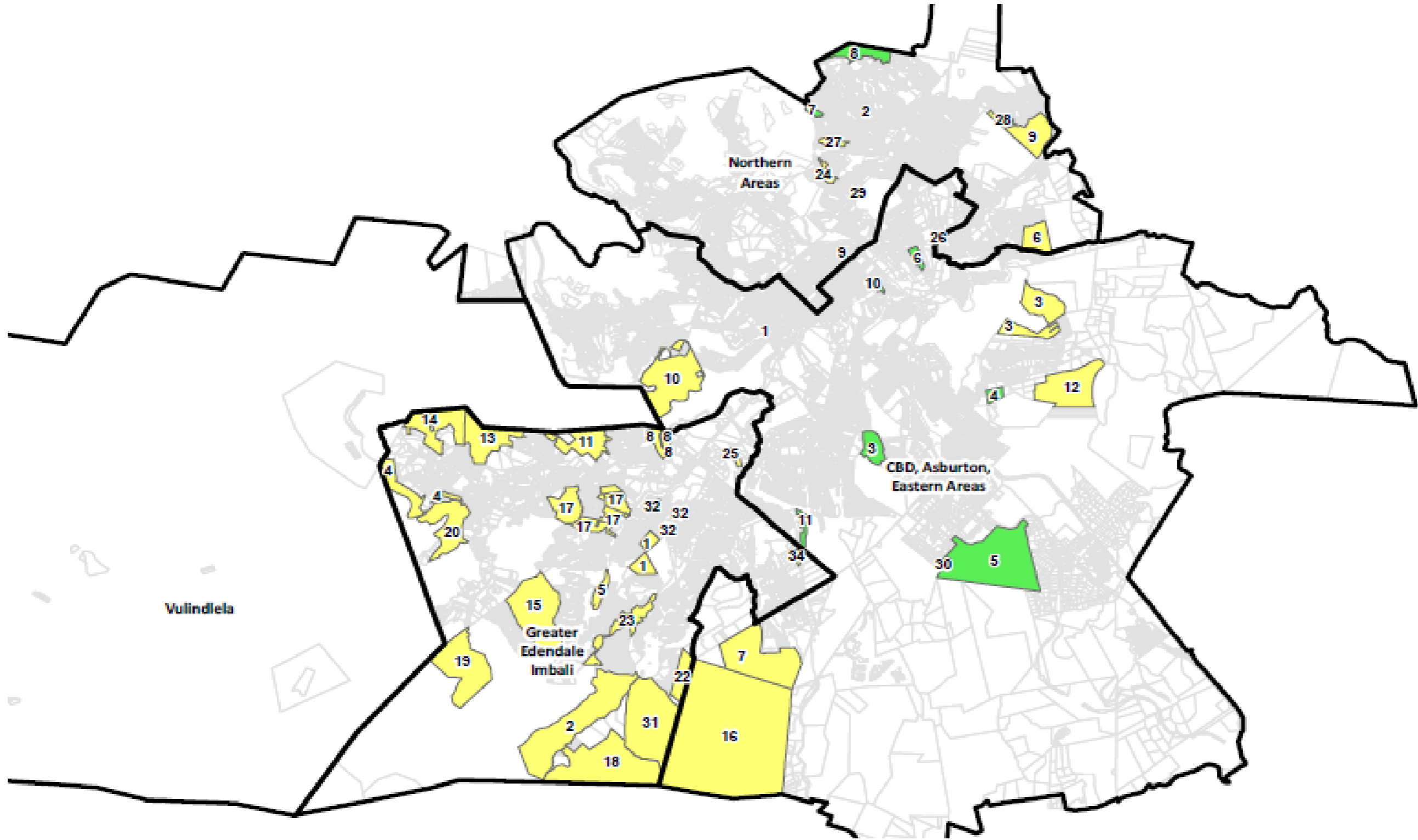
8.2 PROJECT PIPELINE

8.2.1 PRELIMINARY PLANNING PHASE

PROJECT NAME	IMPLEMENTING AGENT	CURRENT STAGE	START DATE	ANTICIPATED COMPLETION DATE	ESTIMATED NUMBER OF UNITS	PROJECT NUMBER	WARD	PROPERTY DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
Khalonyani	Mosegedi & Associates	Feasibility Study	September 2014	2019	1000		12	Rem of Erf 10000 Edendale					
Harewood Housing Project	Yet to be appointed	Feasibility Study	2014	2020	1000	K15020002	20 & 23	Rem of Erf 441 Plessis-Laer Erf 1 and 2 of Harewood					
Glenwood South East Sector	Yet to be appointed	Pre-feasibility study	2013	2018	3000	K15020001	38	Erf 1 of Glenwood two					
Sinathingi	Verern Builders & Developer	Pre-feasibility study	2016	2021	TBD		11	Rem of the Farm Willow No.16454					
Bhobhonono/Masomini	Yet to be appointed	Pre-feasibility study	2016	2021	TBD		20	Rem of Erf 10000 Edendale					
Willowfontein Terminus	Yet to be appointed	Pre-feasibility study	2017	2023	TBD		14	Rem of the Farm Willow No.16454					
Nhlazatshe/Snathingi	Yet to be appointed	Pre-feasibility study	2017	2023	TBD		11	Rem of Erf 10000 Edendale					

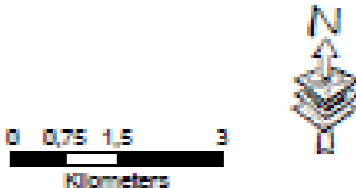
8.2.2 DETAILED PLANNING/FEASIBILITY STUDY PHASE

PROJECT NAME	IMPLEMENTING AGENT	START DATE	ANTICIPATED COMPLETION DATE	ESTIMATED NUMBER OF UNITS	PROJECT NUMBER	WARD	PROPERTY DESCRIPTION	2019/20	2020/21	2021/22	2022/23	2023/24
Edendale J2 and Quarry	Linda Masinga & Associates	2012	2018	1000	K14090005	15	Rem of the Farm Willow No.16454 Rem of Portion 240 of the Farm Wilge					
Willowfontein Bulwer	Linda Masinga & Associates	2012	2018	1000	K14090004	14	Rem of the Farm Willow No.16454					
Collingwood	Mabune Consulting	May 2014	2018	1000	K14120003	35	Erf 1853 Pietermaritzburg Erf41,42,43,44,45,46,47,49,50,51,52 and 53 of Hollingwood Erf 111,112,116,117,118 and 119 of New England					
Kwa30	Mosegedi & Associates	September 2014	2019	400		10	Rem of the Farm Willow No. 16454 Erf 4252 Edendale S					
Peace Valley 2	BESG	2008	2018	480		23	Erf 277 Plessis laer					
Copesville	uMpheme Development (Pty) Ltd	2008	2017	681		29	Erf 2284 Copesville					
Signal Hill/Peace Valley 3	SLB-MBK Joint Venture	2013	2018	3000	K15020003	26	Portion 1 of Erf 3127 of Pietermaritzburg					
Shenstone City	Royal Haskoning DHV	September 2017	2018	TBD		18	Rem of the farm Slang Spruit No.1105, Portion 1 of the Farm Slang Spruit No.1105					



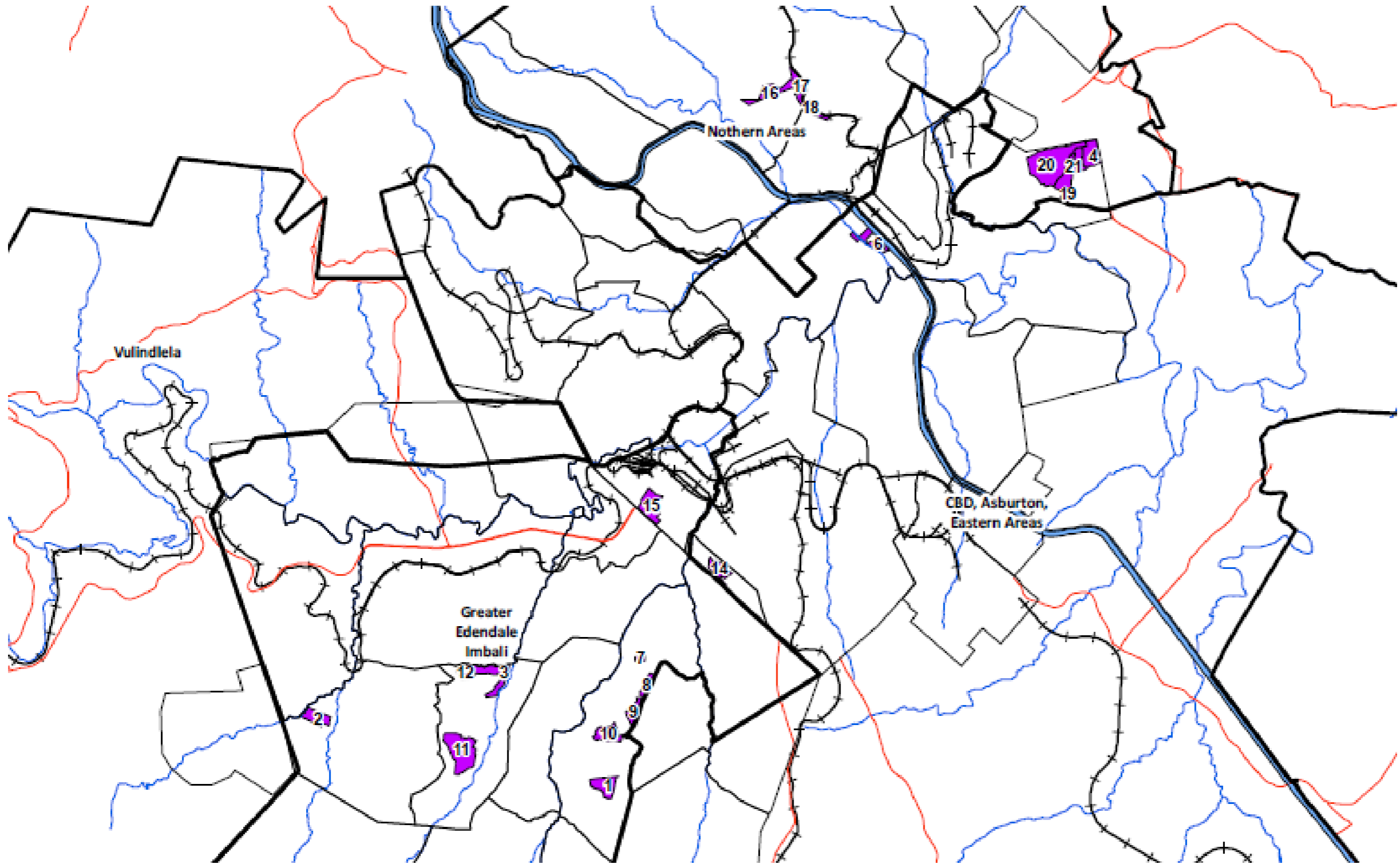
DEVELOPMENT PLANNING PROJECTS

- ABM Boundaries
- Planning Stage
- Rental/Social Housing
- Cadastral



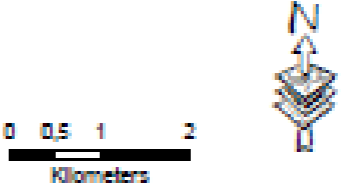
8.2.3 IMPLEMENTATION PHASE

PROJECT NAME	START DATE	ANTICIPATED COMPLETION DATE	ESTIMATED NUMBER OF UNITS	PROJECT NUMBER	WARD	PROPERTY DESCRIPTION	APPROVED BUDGET	2019/20	2020/21	2021/22	2022/23	2024/25
Edendale S Phase 8 Ext	May 2015	September 2017 for Engineering Services	428			Rem of the Farm Willow No.16454 Erf 4252 Edendale S						
Edendale S Phase 8 Ext	August 2016	May 2018	428			Rem of the Farm Willow No.16454 Erf 4252 Edendale S						
Msunduzi Wirewall Rectification	January 2014	April 2019	2086									
Willowfountain EE (Phase1)	March 2018	To be confirmed once a new IA has been appointed	73			Rem of the Farm Willow No. 16454						
Lot 182 Sinathing Housing Project	April 2018	September 2018	133			Erf 182 Edendale						
Msunduzi Operation Sukuma Sakhe(OSS1) Housing Project	July 2015	December 2017	117									
JIKA JOE CRUs Project	23 January 2017	23 January 2020	1164 Community Residential Units			Portion 1889 of Erf 1687 of Pietermaritzburg Erf152,251,368,439,445,543,1129,1749 of Pietermaritzburg Portion 1 and 2 Erf 1016 of Pietermaritzburg						
Msunduzi Operation Sukuma Sakhe(OSS2) Housing Project	February 2017	December 2018	216									
Thembalihle Housing Project	01 August 2018	31 December 2020	401		38	Excel spreadsheet						
Thamboville Housing Project	09 August 2019	18 December 2019	203		38	Excel spreadsheet						
Glenwood Q-section Housing Projects	01 August 2018	18 October 2019	216		38	Excel spreadsheet						
Site 11 Housing Agent	01 August 2018	18 June 2019	252		32	Excel spreadsheet						



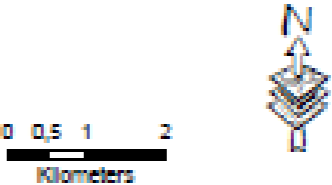
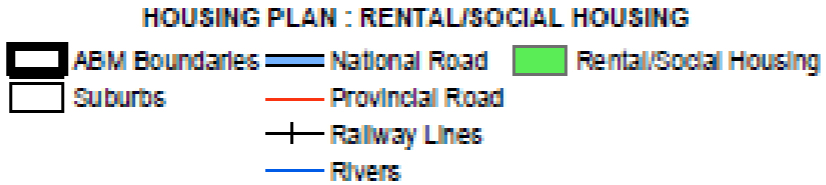
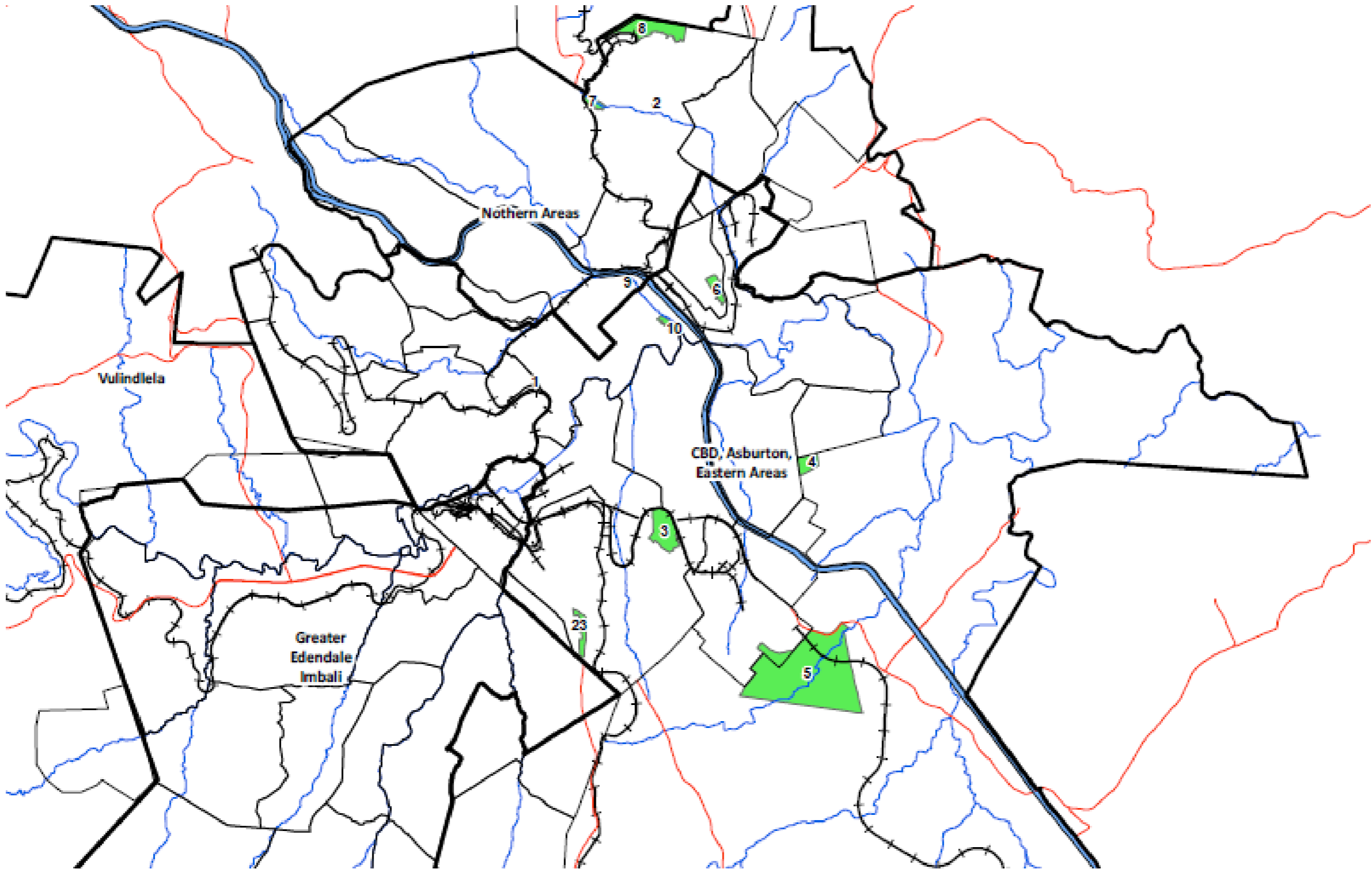
HOUSING PLAN : PROJECT IMPLEMENTATION

ABM Boundaries	National Road	Implementation stage
Suburbs	Provincial Road	
	Railway Lines	
	Rivers	



8.2.4 SOCIAL HOUSING PROJECTS

NO	PROJECT NAME	DELIVERY AGENT	PROJECT TYPE	WARD	NO. OF UNITS	BUDGET	ERF NO.	NUMBER OF UNITS									
								2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
1	Westgate Grange	MHA	SH newbuild	13			Erf 267, 281 & 282 of 1771 Pietermaritzburg		504	446							
2	Baverstock Road		SH newbuild	27			Erf 209 210 of 1887 Pietermaritzburg				300						
3	Signal Hill Phase 2		SH newbuild	26			REM OF ERF 3127 PIETERMARITZBURG					300					
4	Bombay and Lucia Roads		SH newbuild	28			Rem Of ERF 2267 of 1786 Northdale					150					
5	Oribi Village		SH demolition and rebuild	24			Erf 3356, Pietermaritzburg					300					
6	Ethembeni		SH newbuild	37			Erf 1 of 573 New England				300	300					
7	Sirius		SH newbuild	35			Erf 18, 20 & 21 New England				300						
8	Padca Property		SH newbuild	37			Erf 234 New England					300					
9	Shorts Retreat		SH newbuild	37			Portions of Shortts Retreat			500	500						
10	Orthman Road		SH newbuild	35			Erf 82 & 100 of 122 Pietermaritzburg					400					



8.2.5 COMMUNITY RESIDENTIAL UNITS

NO	PROJECT NAME	DELIVERY AGENT	PROJECT TYPE	WARD	NO. OF UNITS	BUDGET	ERF NO.	NUMBER OF UNITS									
								2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
1	Ambleton 3	Msunduzi muni	CRU newbuild	18			Remainder of erf 1878, Ambleton				500						
2	Glenwood SE sector	Msunduzi muni	CRU newbuild	37			Remainder of erf 2, Glenwood				250	250					
3	Woodpecker Road extension	Msunduzi muni	CRU newbuild	28			Remainder of erf 2429, Northdale				0	300					
4	Regina Road 1	Msunduzi muni	CRU newbuild	28			Remainder of Northdale				0	300					
5	Edendale priority projects	Msunduzi muni	CRU newbuild	16, 21, 22			Edendale 5 Priority Projects					300					
6	Tatham Grounds (Jika Joe)	Msunduzi muni	CRU newbuild	33			Remainder of Townlands			600	200	300					
7	East Str hostel and Adjoining site	Msunduzi muni	CRU demolition and rebuild	32			Remainder of erf 252, Pietermaritzburg					500					
8	Shorts Retreat	Msunduzi muni	CRU newbuild	37			Portions of Shortts Retreat				500	500					

8.2.6 PROPOSED INCLUSION OF NEW HUMAN SETTLEMENT PROJECTS

The following projects housing project areas have been included in the IDP, as per Council Resolution of 26 August 2015.

No.	Areas	Ward
1	Snathing Phase 1	11
2	Edendale T2	
3	Unit 18 extension	15
4	Edendale Unit EE Phase 3	17
5	Bhobhonono/Masomini	20
6	Smero	20
7	Woodlands	32
8	Willowfontein Terminus	14
9	Phupha Phase 1	14
10	Buntine Place	23
11	Maryvale	34
12	Nhlalakahle	31
13	Nkululeko	28
14	Masson	29
15	Yellowwood Place	32
16	Baverstock Road	27
17	Oribi Village	24
18	Woodpecker Road Extension	28
19	Regina Road 1	28
20	Shorts Retreat	37
21	East Street Hostel	32

Additional Informal Settlements

	Additional Informal Settlement	No.
1	Marikana	207
2	Shawela	42
3	Thembalihle/Zamokuhle	190
4	Unit BB Above 73 Site	53
5	Pavillion	99
6	Thembalihle Extension	168
7	Emadakaneni	62
8	Woodstock	80
9	Shayamoya 1	510
10	Ashdown Extention	97
11	Unit N Phase 4	60
12	Entabeni / Pata	106