

UMHLATHUZE MUNICIPALITY

DRAFT MUNICIPAL HUMAN SETTLEMENTS PLAN (MHSP) REVIEW



**2019/2020
March**

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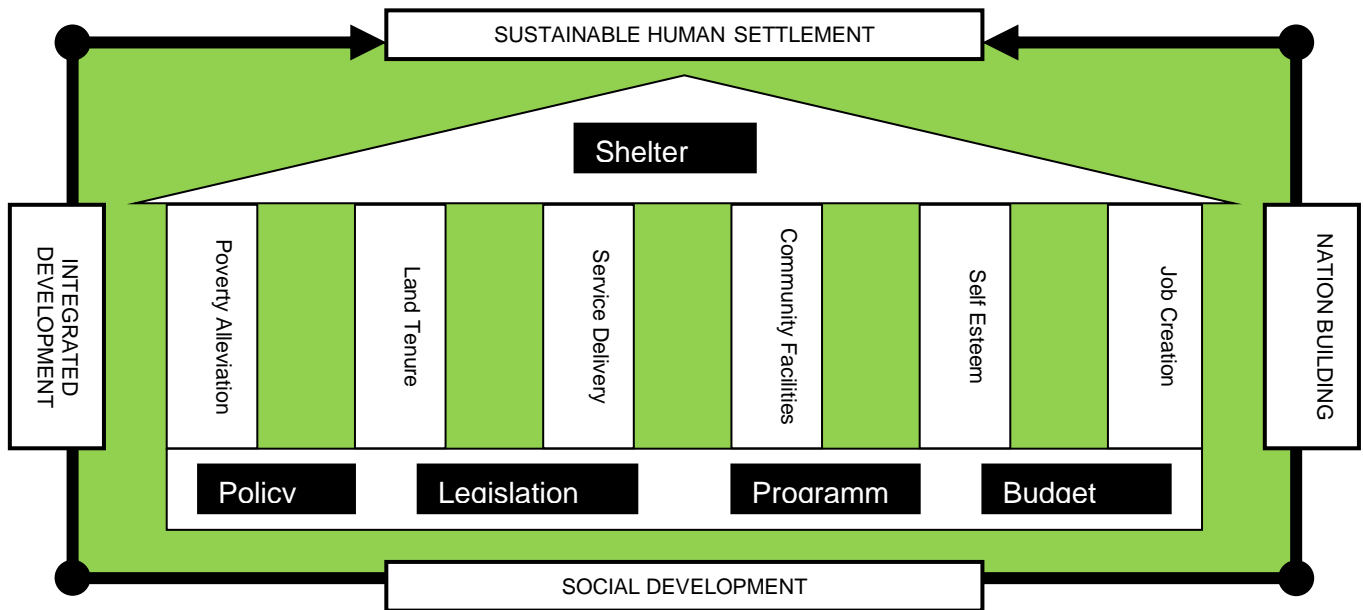
DATA DISCLAIMER

- *Post 2016, the uMhlathuze Municipality consists of 34 Wards and has increased in size by approximately 50% from 79 334 Ha to 123 325 Ha*
- *Only official population data was available for the newly demarcated municipal area*
- *All other analysis in respect of infrastructure and socio-economic issues had to be based on a combination of the pre 2016 LGE municipal ward data from the uMhlathuze and former Ntambanana Municipalities respectively*
- *There are gaps in the spatial representation of data as there is no seamless alignment of 2011 and 2014 wards with the new municipal boundary of uMhlathuze*

1. INTRODUCTION

Housing refers to an integrated approach to development using the delivery of shelter as the primary focus. As indicated in Figure 1 below, housing includes, among others, the development of housing units, service delivery, the upgrading of land tenure rights, social and community development and planning policy issues. Future housing projects should facilitate the attainment of all of these development goals.

Figure 1: Housing Concept



Housing delivery within the uMhlathuze Municipal area of jurisdiction occurs in two different forms. In the first instance, State funded/supported housing in which the municipality serves as a developer and in agreement with the Department of Human Settlements and Implementing Agents (IAs). The second pertains to private sector developments.

The National Housing Code states that every municipality, as part of its integrated development planning “must take all reasonable and necessary steps within its framework of national and provincial housing legislation and policy to ensure the constitutional right to have access to adequate housing is realised on a progressive basis”. In order for the municipality to fulfil its role, it must carry out the following housing functions:

1. Housing delivery goals
2. Identify land for housing
3. Housing development

One of the requirements of the municipality is to develop a Human Settlements Sector Plan/Housing Chapter of the IDP, which forms part of the Municipality’s Integrated Development Plan (IDP).

The human settlements sector plan is a strategic management tool to assist local municipality to focus its energy to ensure that all activities in the human settlements sector plan are working towards the goal of housing delivery. The human settlements sector plan aims at achieving the following objectives:

1. to integrate housing development plans into the municipality plans.
2. to develop a comprehensive human settlements plan for City of uMhlathuze providing strategic direction and guidance.
3. to develop a single shared vision and housing development plan between City of uMhlathuze and KZN department of Human Settlements.

The Human Settlements Sector plan for the City of uMhlathuze is founded or guided in the context of National, Provincial and Municipal directives. All the three spheres of government have their own vision, mission and strategies.

1.1 VISION, MISSION AND STRATEGIES FOR DIFFERENT SPHERES OF GOVERNMENT

1.1.1 National Department of Human Settlements Vision, Mission and Strategy

Vision: “A nation housed in sustainable human settlements”.

Mission: "To facilitate the creation of sustainable Human Settlements and improved quality of household life.”

Strategy: As part of laying the foundation for transforming the functioning of human settlements and the workings of the space economy, the 2014 - 2019 Medium Term Strategic Framework focuses on reforms aimed at achieve the following:

- (a) Ensuring that poor households have adequate housing in better living environments
- (b) Supporting the development of a functionally and equitable residential property market
- (c) Improving institutional capacity and coordination for better spatial targeting.

Over the next five years priority will be given to:

- (a) Scaling up the Upgrading of informal settlements
- (b) Transfer of all title deeds for subsidy units
- (c) Developing a more coherent and inclusive approach to land
- (d) Implementing a coherent multi-segmented social rental-housing programme that includes backyard rentals
- (e) Dealing with affordable market with a particular emphasis on a constructive engagement and strengthening partnerships with the private sector to improve delivery
- (f) Consolidating the Development Finance Institutions

1.1.2 KZN Provincial Department of Human Vision, mission and Strategy

Vision: “Together Breaking New Ground to achieve decent, integrated and sustainable human settlements”.

Mission: To deliver suitably located housing opportunities and security of tenure over the next five years through collaborative partnership, legislative planning processes and empowerment of women in construction.

Strategic Objectives:

- Ensure financial viability of the Department
- Provision of skilled resources
- Implement projects that ensure spatial, social and economic integration
- Accelerate the delivery of slums clearance projects and Outcome 8 Projects
- Accelerate the creation of rental housing opportunities, and implement projects that ensure spatial, social and economic integration
- To fast-track the transfer of the title deeds to promote home ownership

1.1.3 King Cetshwayo District Vision, Mission and Strategy

Vision: “The King Cetshwayo District Municipality will facilitate the provision of adequate, sustainable human settlements aligned with the SDF, promoting economic growth taking cognizance of our responsibilities to future generations”.

Mission: The mission of King Cetshwayo District Municipality in terms of human settlements provision is:

- To create sustainable Human Settlements and improved quality of household life through:
- the integrated planning of human settlements provision of a choice of housing types,
- ensure the availability of services where human settlements are developed,
- Eradicate slums by providing adequate housing,
- improving the quality of health,
- Community participation, nation building and good governance.

1.1.4 City of uMhlathuze Vision, Mission and Strategy

In terms of the relevant procedures established in Chapter 3 of Part 3 of the National Housing Code, municipalities are responsible for identifying land suitable for housing development and to make applications for housing subsidies. Central to this process is the development of a multi-year Municipal Housing Plan as part of an approved IDP and Spatial Development Framework.

Long term vision of the Municipality is:

“The Port City of uMhlathuze offering improved quality of lives for all its citizens through sustainable development.”

Human Settlements Vision:

“City of uMhlathuze to provide improved living conditions for the citizens of uMhlathuze through sustainable human settlements with more opportunities for affordable houses, local economic development and creation of job opportunities through economic development and Expanded Public Works Programme (EPWP)”.

Strategic Objectives:

In line with the IDP Goals and Objectives, the following KPA's need to be noted:

GOALS	OBJECTIVES	STRATEGIES
2.1 Integrated infrastructure and efficient services	2.1.1 To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	2.1.1.1 Eradicate water services backlogs through provision of basic water services
		2.1.1.2 Eradicate sanitation services backlogs through provision of basic sanitation services
		2.1.1.3 Eradicate electricity supply backlogs through provision of basic electricity supply services
		2.1.1.4 Provide a weekly domestic solid waste removal service to the community
		2.1.1.5 Provision of public transport infrastructure facilities
		2.1.1.6 Provision and Maintenance of storm water and coastal engineering infrastructure
		2.1.1.7 Strive to improve reliability and service life of Municipal infrastructure, facilities and assets
	2.1.2 To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlements and quality housing	2.1.2.1 Improve community standard of living through accelerated development of Integrated Human settlement

NATIONAL KPA 6 : CROSS CUTTING		
GOALS	OBJECTIVES	STRATEGIES
6.1 Integrated Urban and Rural Development	6.1.1 To plan and manage existing and future development	6.1.1.1 Review and Implement Spatial Development Plan
		6.1.1.2 Develop precinct framework plans
		6.1.1.3 Review of Human Settlement Sector Plan

1.1.5 Batho Pele

The **values** of Batho Pele can be summarised as follow:

- To introduce a new approach to service delivery which puts people at the centre of planning and delivering services;
- To improve the face of service delivery by fostering new attitudes such as increased commitment, personal sacrifice, dedication and; and
- To improve the image of the Public Service.

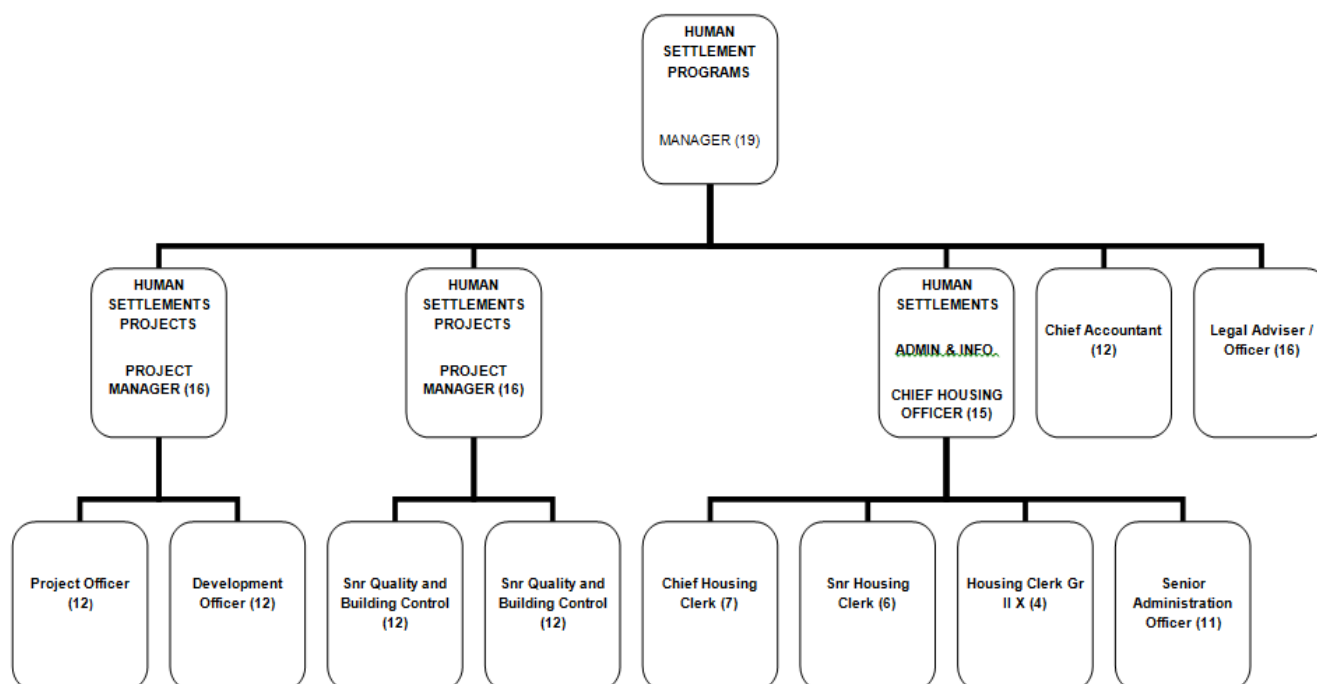
The following are relevant Batho Pele **principles**:

- 1) **Consultation**: it involves both listening and talking to customers in terms of what services do they need, how they would want them delivered and when they would like them delivered.
- 2) **Services Standards**: Citizens should be told about the level and quality of the services they receive.
- 3) **Access**: Ensuring every end user has equal access to the services to which they are entitled.
- 4) **Courtesy**: Customers should be treated with respect and consideration. Officials must be polite and friendly to customers.
- 5) **Information**: customers should be given full accurate information about public services they are entitled to receive.
- 6) **Openness and transparency**: the practice of close doors and secrecy are no longer acceptable. Government should be open about day to day activities, how much departments receive and how that money is spent.
- 7) **Redress**: Redress is making it easy for people to tell government if they are not happy with the services provided. An apology, full explanation and effective speedy remedy should be offered when the promised standards of service have not been delivered.
- 8) **Value for money**: Making best use of the available resources. Its means eliminating waste, fraud and corruption and finding new ways of improving services at little or no cost.
- 9) **Encouraging innovation and Rewarding Excellence**: using new ways of doing things and encouraging partnerships with different sectors in order to improve service delivery.
- 10) **Customer Impact**: it about how the nine principles linked together to show how we can have improved overall service delivery.
- 11) **Leadership and Strategic Direction**: Leadership should create an atmosphere which allows for creativity. Management must ensure that goals are set and that planning is done.

1.2 MUNICIPAL INSTITUTIONAL ARRANGEMENTS FOR HUMAN SETTLEMENTS

The Municipality has dedicated Human Settlements Section within the City Development Department. The section consists of 17 positions of which 14 have been filled and 4 are vacant. These positions are Manager: Human Settlements Programmes (filled); 2 Project Managers (filled); Legal Adviser (vacant); Accountant (filled); 2 Project Officers (filled); 2 Senior Quality & Building Control Officers (filled); Chief Housing Officer (Administration & Information-filled); Administration Officer (filled); Senior Housing Clerk (filled); Chief Housing Clerk (filled) and 2 Housing Clerks (filled). The main objective is to enhance the immediate human settlements project management capacity. The section works together with other internal sections such as Planning (Land Use management, Administration & Development), Property, Legal and Infrastructure & Technical Services Department. It is the responsibility of the section to liaise with department and other stakeholders in the delivery of housing.

Diagram 1: City Development Human Settlement Structure



1.2.1 Municipal Housing Accreditation

One of the objectives of the National Department of Human Settlements Comprehensive Plan, as outlined in the Outcome 8 imperative for the Development of Human Settlements, is to expand the role of municipalities in the management and development of sustainable and Integrated Human Settlements. To this end, the National Department of Human Settlements has approved a policy framework for the accreditation of municipalities to administer housing programmes. The municipal accreditation programme is a progressive one that entails incremental delegation and ultimate assignment of housing functions to municipalities.

The uMhlathuze Municipality was granted **Level 2 accreditation** that means that the Municipality has the delegated authority to perform the following human settlements related tasks:

- Adoption of an updated Municipal Housing Sector Plan aligned to provincial and municipal strategic plans and frameworks
- Adopting infrastructure investment plans underpinning the MHSP
- Implementing an effective Performance Management System
- Clear operational plan for ensuring the expenditure of the Housing Subsidy capital budget

Level 2 accreditation means that the Municipality has the delegated authority to manage programme and administration of all housing instruments/ programmes.

1.2.2 Institutional Arrangements

In line with the provisions of section 10 of the Housing Act no. 107 of 1997, the municipality was accredited to administer housing function as indicated above under Municipal Accreditation. These functions are delegated to enhance coordinated development (horizontal integration) and fast-track delivery (vertical integration). The municipality will capitalize on its status to evolve efficiency that will strengthen its own capacity to administer the housing programmes and improve the quality and pace of delivery in construction of sustainable human settlements. Trainings programmes on beneficiary and subsidy administration have been conducted with municipal official and further trainings will be conducted. The Housing Subsidy system is already in operation.

The municipality is currently using service providers as Implementing Agents. The current institution preferred arrangement for housing delivery in the municipality is based on the turnkey strategy, as outlined in Chapter 3a of the housing code. More specifically, the turnkey contractor is appointed by the Developer through a public tender to do all the work related to the successful completion of the project, including:

- Planning of approved land
- Township establishment process
- Design and installation of internal reticulation services and the construction of houses

The provincial department of Human Settlements funds all housing projects, the municipality is regarded as the project manager (Developer) and the implementing agents are the project executors.

1.2.2.1 Roles and Responsibilities of the Stakeholders

The sustainable Human Settlements process involves a number of stakeholders with different specific roles and responsibilities to attend to. The key role players in the Human Settlements process varies from broad public (beneficiaries), Department of Human Settlements (National and Provincial), Municipality, Implementing Agents, Housing Institutions, National Housing Finance Corporation, National Home Builder's Registration Council, Non-Governmental Organizations & Community-Based Organizations, Ingonyama Trust, Traditional Councils, Banking Institutions, Social Housing Regulatory Authority, Housing Development Agency, Construction Industry Development Board, Rural Housing Loan Fund etc. A summary of some of their respective functions is provided hereunder:

Table 1: Roles and Responsibilities of Stakeholders

Stakeholders	Roles & Responsibilities
National Department of Human Settlements	<ul style="list-style-type: none">○ Provider funding for housing development○ Make human settlements policies and legislations○ Development human settlements delivery strategies and programmes○ Monitor housing delivery in the Country

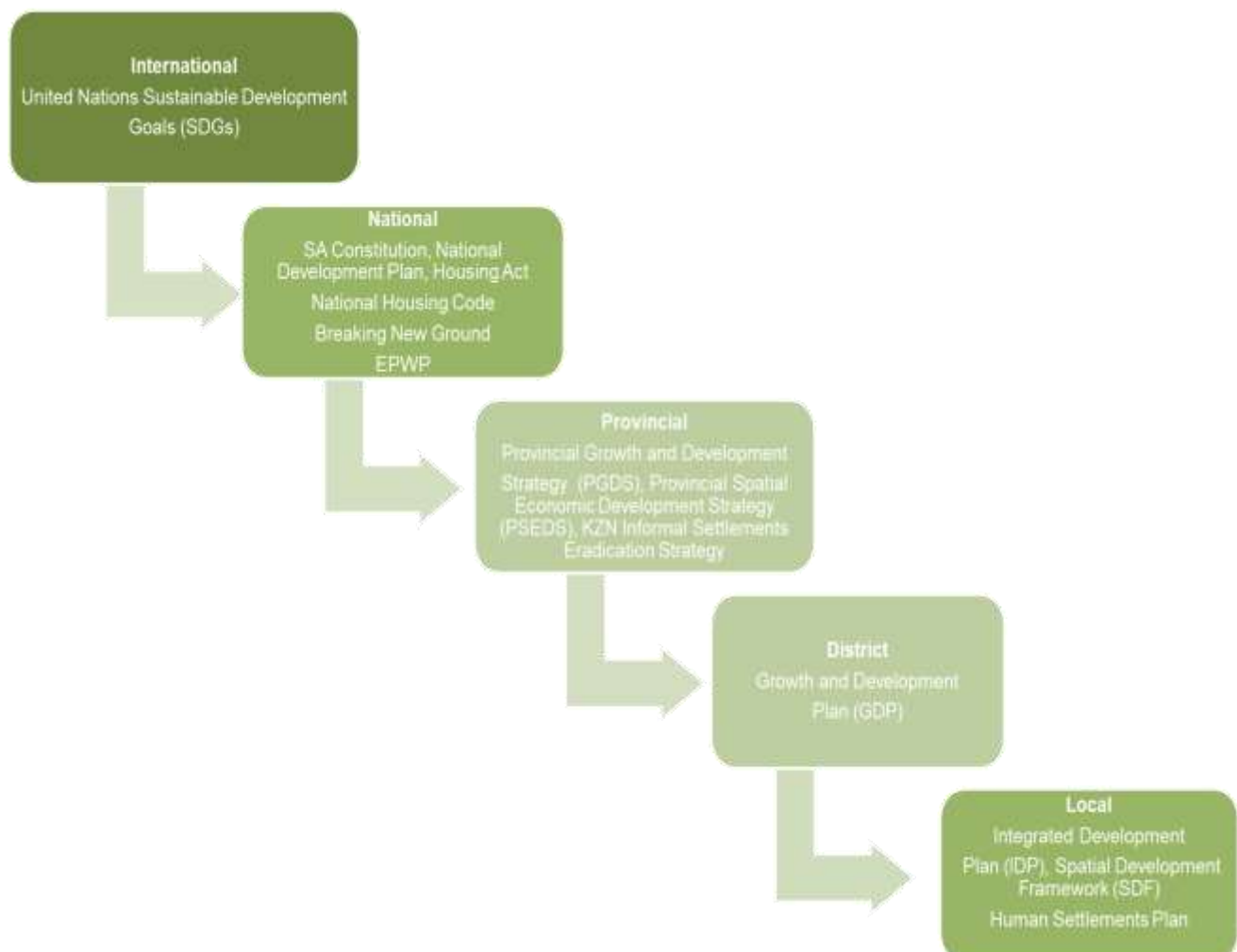
Stakeholders	Roles & Responsibilities
Provincial Department of Human Settlements	<ul style="list-style-type: none"> Set Provincial human settlements development goals Ensure provision of adequate human settlements in the Province Assist and support municipalities to perform their functions and duties related to human settlements Develop the human settlements delivery and implementation plan for the Province Project management, Evaluation and Monitoring
Municipalities	<ul style="list-style-type: none"> Identify and designate suitable land for human settlements development Provision of basic and infrastructure services (i.e. water, sanitation, roads, electricity) Plan human settlements development for its inhabitants Project management, Evaluation and Monitoring
Housing Institutions	<ul style="list-style-type: none"> Provide housing support in a form of capacity building (e.g. Rental housing processes)
National Housing Finance Corporation	<ul style="list-style-type: none"> Provide wholesale funding to intermediaries or micro-lenders who lend money to low and moderate income people who wish to construct, extend or improve their own homes.
National Home Builders Registration Council	<ul style="list-style-type: none"> Project potential housing consumers from unfair homebuilders and provide standards for the home industry. Project enrolment Developer's registration
Non-Governmental Organizations and Community-Based Organizations	<ul style="list-style-type: none"> Housing development Financing Research and training in human settlements processes.
Implementing Agents	<ul style="list-style-type: none"> Project Management Development of houses Quality Assurance
Ingonyama Trust Board	<ul style="list-style-type: none"> Land release
Traditional Councils	<ul style="list-style-type: none"> Project Monitoring Land Release Project approval
Banking Institutions	<ul style="list-style-type: none"> Provision of housing finance
Broad Public (beneficiaries)	<ul style="list-style-type: none"> Maintenance of homes
Housing Development Agency	<ul style="list-style-type: none"> Fast-tracking the acquisition and release of state, private and communally owned land for human settlement developments Provide project management services for the development of human settlements
Construction Industry Development Board (CIDB)	<ul style="list-style-type: none"> Sustainable growth, capacity development and empowerment Improved industry performance and best practice Transformed industry, underpinned by consistent and ethical procurement practices

Stakeholders	Roles & Responsibilities
	<ul style="list-style-type: none"> Enhanced value to clients and society
Social Housing Regulatory Authority	<ul style="list-style-type: none"> Promote the development and awareness of social housing by providing an enabling environment for the growth and development of the social housing sector. Provide advice and support to the Department of Human Settlements in its development of policy for the social housing sector and facilitate social housing programmes. Provide best practice information and research on the status of the social housing sector. Support provincial governments with the approval of projects applications by social housing instructions. Provide assistance when requested with process of the designation of restructuring zones Enter into agreements with provincial governments and the National Housing Finance Corporation to ensure the coordinated exercise of powers

2. LEGISLATIVE AND POLICY FRAMEWORK

The following is a summary of some of the policy and legislative framework within which human settlements delivery takes place.

Figure 2: Contextual Background



2.1 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) replaced the Millennium Development Goals which were in existence for 15 years. The Sustainable Development Goals is a universally shared common global vision of progress towards a safe, just and sustainable space for all human beings to thrive on the planet. 17 Sustainable Development Goals (SDGs) are intended to be “action-oriented, concise and easy to communicate, limited in number, aspirational, global in nature and **universally applicable to all countries**, while taking into **account** different national realities, capacities and levels of development and respecting national policies and priorities.

Figure 3: Sustainable Development Goals



The following three SDGs are noted given their relevance to the context in which uMhlathuze is functioning. Sustainability and integration issues are at the focus of the spatial transformation program being pursued by the municipality.

Table 2: Application of SDGs to uMhlathuze

SDG	Goal Description	Application to uMhlathuze
6	Ensure available and sustainable management of water and sanitation for all.	<ul style="list-style-type: none"> ○ The uMhlathuze Municipality is a Water Services Authority (WSA) and the Water Service Provider (WSP). ○ The Municipality has prepared Water and Sewer Bulk Master Plans to inform water and sewer planning and investment. These plans will also require updating post the August 2016 Local Government Elections. ○ Backlog eradication is a priority. In context of the revised municipal boundaries, exact backlogs have to be confirmed. ○ The municipality aims to achieve universal

SDG	Goal Description	Application to uMhlathuze
		coverage of water and sanitation services over its whole area.
9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	<ul style="list-style-type: none"> ○ The establishment of a Techno Hub in Richards Bay is being pursued, on a co-development principle, between the Richards Bay IDZ (Industrial Development Zone) and the uMhlathuze Municipality. ○ During 2002, the Downstream Aluminum Centre for Technology (DACT) was launched with support from the DTI. The Centre is an incubator that assists potential entrepreneurs from local and emerging communities.
11	<p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p> <p>Goal 11.1 ... that citizens have access to adequate, safe and affordable housing and basic services, and upgrade slums.</p> <p>Goal 11.3 ... that all countries must enhance inclusive and sustainable urbanization and capacities for participatory, integrated and sustainable human settlement planning and management ...</p> <p>Goal 11.a ... countries must support positive economic, social and environmental links between urban, peri-urban and rural areas ...</p> <p>Goal 11.b requires that by 2020 all countries must increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters etc.</p>	<ul style="list-style-type: none"> ○ The uMhlathuze Municipality has resolved to establish Human Settlement Restructuring Zones. These restructuring zones are intended as an instrument (among others) to pursue restructuring of South African cities. This is essentially about integration: economic, racial and social. Restructuring is largely about moving away from housing interventions that entrench/enforce or in any way maintain the spatial status quo, which reinforces certain social and economic disparities. ○ In line with the above, two Human Settlement projects have been initiated within these identified restructuring zones namely the Aquadene Integrated Human Settlements Project (bulk services under construction) and Phase 6 and 8 of the Dumisani Makhaya Village project.

uMhlathuze's integrated planning and Spatial Development Framework processes are based and influenced by policies and planning processes at international, national, provincial and district levels. It

is the intention of uMhlathuze Municipality to contribute to growth and development within King Cetshwayo District, KwaZulu-Natal and to South Africa at large.

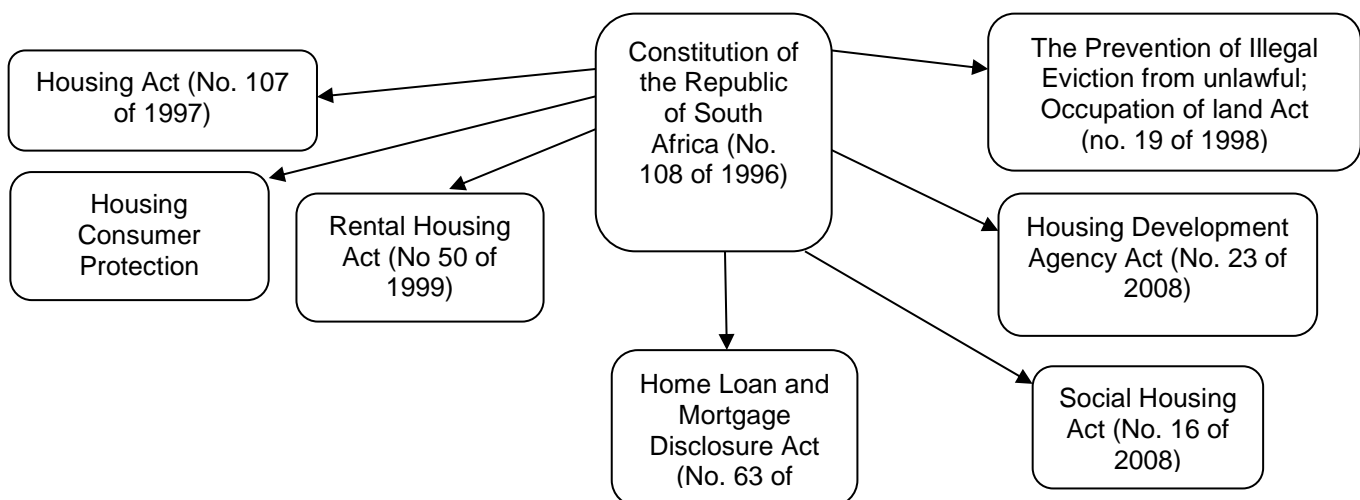
The uMhlathuze Municipality, through its Mission and Vision, intends to contribute to ensure that the objectives of the United Nations (UN) Sustainable Developments Goals (SDGs) are realised and implemented.

The goal to significantly access adequate, safe and affordable housing; support social, economic and environmental links as well as increasing human settlements which mitigate and adapt to climate is of particular relevance to the Municipality and is addressed in the National Housing Code; National Upgrading Support Programme; National Development Plan; Provincial Growth and Development Strategy and Outcome 8 strategic objectives.

2.2 OVERVIEW OF RELEVANT NATIONAL POLICY AND LEGISLATION

The following provides a summary of the national policy and legislative context within which human settlements delivery takes place in South Africa.

Figure 4: National Policy and Legislation



2.2.1 THE SOUTH AFRICAN CONSTITUTION, ACT NO. 108 OF 1996

The Constitution of the Republic of South Africa (Act 108 of 1996) is the supreme law of the country. The sections of the Constitution that are relevant with respect to this project are the following:

- In terms of Sections 26, 27 and 29 of Chapter 2 - Bill of Rights - everyone has the right to access to adequate housing, health care services, social security and education.
- In terms of Schedules 4 and 5, the Province has legislative competence in regard to (*inter alia*): Environment; Urban and Rural development; Welfare; Housing, Health Services; Regional planning and development; (concurrent competence with national) and Provincial planning and Provincial Roads and Traffic (exclusive competence).

The Constitutional Act broadly outlines the roles and responsibilities of the different spheres of Government where:

- **National Government** has the power to develop laws and policies that deal with matters that apply at a national level. The National Housing Policy is developed at a national level to facilitate an effective and equitable housing sector. National government is also responsible for development of National housing targets, goals and objectives.
- **Provincial Government** has the power to make specific laws and policies for the province in terms of all functional areas including housing. National Housing targets are subdivided amongst local municipalities based on housing needs analysis and delivery targets for each Municipality.
- **Municipalities** have the power to administer matters such as housing and all others relating to implementation of development projects in their areas. Municipal Housing objectives and targets are defined in the Municipality's Human Settlements Plan. Section 152 & 153 state that the Municipalities are responsible for integrated development planning in order to ensure sustainable provision of services, promote socio-economic development, promote a safe and healthy environment, give priority to the basic needs of communities and to encourage involvement of communities.

2.2.2 NATIONAL DEVELOPMENT PLAN

Chapter 8 of the National Development Plan outlines the proposed strategy (vision 2030) to address the challenge of apartheid geography and create the conditions for more humane and environmentally sustainable living and working environments.

The Key principles of the National Development Plan (Chapter 8) in relation to human settlements are stressed herewith. To fundamentally reshape human settlements by 2050 (with significant progress by 2030), South Africa needs:

- To address inequities in the land market that makes it difficult for the poor to access the benefits of life in towns and cities.
- Stronger measures to reconfigure towns and cities towards more efficient and equitable urban forms.
- Housing and land policies that accommodate diverse household types and circumstances.
- Municipalities that put economic development and jobs at the heart of what they do and how they function.

In the first five-year period (2012-2017), the following steps were proposed:

Develop a more coherent and inclusive approach to land

- All municipalities should be encouraged to formulate a specific land policy, as part of their integrated development plan, showing how vacant and under-used land will be developed and managed to achieve wider socio economic and environmental objectives (within the initial focus on well-located vacant and under-used-state-owned land to support affordable housing).
- Municipalities should examine how poorer people access land and accommodation, and then develop ways to support and regularise these processes to give people more security.
- Government departments responsible for land and taxation should work together to develop instruments to capture some of the increase in land values resulting from public investment in infrastructure, helping to recoup some of the costs of this investment to use for public benefit.
- Administrative procedures for land development should be scrutinised to eliminate unnecessary inefficiencies, without compromising the need for careful evaluation of proposals. Municipalities should report on turnaround times.

Radically revise the housing finance regime

- Prevent further state support for housing in poorly located areas and prioritise development in inner cities and around transport hubs, corridors and economic nodes.
- Shift state investment from support for top structures to incentivise the acquisition of well-located land and support the development of the public environment needed for sustainable human settlement.
- Shift housing funding away from building single houses to supporting the development of a wide variety of housing types with different tenure arrangements (including affordable rental and social housing).
- Encourage housing development as part of a mix of activities and land-use-types.

Revise the regulations and incentives for housing and land use management

- Strengthen the link between public transportation and land use management with the introduction of incentives and regulations to support compact mixed-use development within walking distance of transit stops and prioritise higher density housing along transit routes
- Incentive new private housing developments to include a proportion of affordable housing.
- Support the growth of housing in the gap market by addressing obstacles in supply (lack of serviced land and delays in regulatory approval) and demand (provision of affordable loans by financial institutions).
- Require all new developments to be consistent with a set of sustainable criteria (to be developed urgently and collaboratively across the spheres of government).
- Require all local spatial development frameworks to incorporate a growth with investment in bulk infrastructure. Introduce a proactive element into land-use management systems by allowing municipalities to proactively rezone land to achieve specific objectives such as densification along transit routes.
- Work towards increased household mobility and greater spatial flexibility by reviewing the restrictions on the sale of government provided houses and giving consideration to alternatives to fixed location subsidies such as housing vouchers or grants for purchasing building materials.

2.2.3 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

The ultimate purpose of the NSDP in the South African setting is to fundamentally reconfigure apartheid spatial relations and to implement spatial priorities in ways that meet the constitutional imperative to provide access to basic services and economic opportunities to all, to alleviate poverty and inequality.

The NSDP puts forward a set of four normative principles which UMhlathuze municipality has to adhere to. These are:

Principle 1: Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of poverty alleviation

Principle 2: Government spending on fixed investment should be focused on localities of economic growth and / or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and create long-term employment opportunities

Principle 3: Where low economic potential exists investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities

Principle 4: In order to overcome the spatial distortions of Apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways to the global economy.

2.2.3.1 National Development Agreement: Outcome 8

A National Delivery Agreement (ministerial performance agreement) has been established between the Presidency and the National Department of Human Settlements (NDoHS). This is one of fourteen outcomes for developments which were formulated which form part of the National Medium Term Strategic Framework for the period 2014-2019. The fourteen outcomes are as follows:

1. Improved quality of basic education
2. A long and healthy life for all South Africans
3. All people in South Africa are and feel safe
4. Decent employment through inclusive economic growth
5. A skilled and capable workforce to support an inclusive growth path
6. An efficient, competitive and responsive economic infrastructure network
7. Vibrant, equitable and sustainable rural communities with food security for all
8. Sustainable human settlements and improved quality of household life
9. A responsive, accountable, effective and efficient local government system
10. Environmental assets and natural resources that are well protected and continually enhanced
11. Create a better South Africa and contribute to a better and safer Africa and World
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship
13. Social Protection
14. Social Cohesion

The National Department of Human Settlements MTSF Priorities Target for 2014/15 to 2018/19 are provided herewith.

Table 3: MTSF Priorities for 2014/2015 to 2018/2019

Primary MTSF Target	Secondary Target	5-Year Target	Annual Target
750 000 households in informal settlements upgraded to level 2 services	households located in 2 200 informal settlements	750 000	150 000
563 000 individual subsidy units (linked with title deeds target)	5 854 units for military veterans included	5 854*	1 951
		557 146	111 230
110 000 Gap Housing	70 000 FLISP	70 000	14 000
	40 000 DFIs	40 000	10 000
35 000 Affordable rental through the private sector	10 000 mineworker housing	10 000	2 000
	25 000 affordable private rental	25 000	5 000
27 000 state led social housing	-	27 000	5 400
10 000 CRU	-	10 000	2 000
900 000 Title Deeds backlog eradicated	-	900 000	180 000
Total number of housing opportunities created by the state* (excl private rental and title deeds backlog)		1 460 000	293 801

2.2.3.2 KZN Delivery Agreement: Outcome 8

The department identified priority 8 as an area to focus within the department's core. Hence the departmental policies will give priority to the following:

- **Informal Settlements Upgrading:** The department will focus on eradication of informal settlements in high density municipalities such as eThekweni and uMhlatshuze
- **Rental Market:** the department will implement the 5 year Rental strategic Plan which was launched on 24 May 2013.
- **Job Creation and Decent Work:** The department remains committed to poverty alleviation and job creation in the Province through labour programmes (EPWP).
- In line with the **National Sector priorities**, the KZN Department of Human Settlements MTSF priorities for 2014/15 to 2018/19

Table 4: MTSF Performance Indicators and Targets

MTSF	Performance Indicators	Targets
Informal Settlements upgrade phase 2	Number of projects implemented	317
Housing Opportunities through People Housing Process	Number of houses built	13,231
Affordable Rental Housing Opportunities	Number of house/units built	4,708

Affordable Housing Opportunities (utilisation of Government Guarantee Policy and Finance Linked Individual Subsidy Scheme)	Number of house built	927
Investment in Public Space	Number of projects completed	9
Eradication of Title Deeds backlog	Number of Transfers	46,576
Availability of well-located land	Number of Hectares acquired	4,157
Use of Catalytic projects to direct investment	Number of projects implemented	6
Accreditation and assignment of municipalities	Number of municipalities accredited	5
Installation of sanitation facilities for households in rural areas with high backlog	Number of VIP's installed	16,338
Engagement with HAD and SHRA	Operationalization of Medium Term Operational Plan	Operational plan operationalised for HDA
Strengthening coordination with key departments contributing to human settlements development especially COGTA, Water Affairs (water boards), Environmental, Public Enterprise, Energy (Eskom) etc.	Number of government structures established	1

2.2.4 HOUSING ACT (ACT NO. 107 OF 1997)

The National Housing Act was introduced to response to the Constitutional human settlements related objectives. The Act introduced a variety of programmes which provides the poor households access to adequate housing. The Policy Principle set out in the White Paper on Housing aim to provide poor households with houses as well as basic services such as potable water and sanitation on an equitable basis.

Key Elements include of the Housing Act include:

- It defines housing related functions of national, provincial and local spheres of government.
- It requires the Minister to set out a National Housing Code which includes a national housing policy and administrative guidelines.
- It provides for a South African Housing Fund, and describes how funds will be allocated and managed.
- Repeals previous housing legislation.

Subsequent amendments to the Housing Act include:

- The Housing Amendment Act (No. 28 of 1999)
- The Housing Second Amendment Act (No 60 of 1999)
- The Housing Amendment Act (No. 4 of 2001)

2.2.5 NATIONAL HOUSING CODE (2009)

The National Housing Code (as revised in March 2009) 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 appropriate housing development.
- Promoting private sector development and playing the role of developer.
- 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

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.

2.2.6 BREAKING NEW GROUND

The Breaking New Ground Principles should form basis for housing project prioritisation. A number of key mechanisms have been incorporated in the new Comprehensive Plan or Breaking New Ground (BNG) Plan for the Development of Sustainable Human Settlement to achieve the objectives outlined above. The key mechanisms of this plan include the following:

- Supporting the entire residential property market
- Spatial restructuring and the establishment of sustainable human settlements
- Supplementing existing housing instruments with supplementary instruments to provide flexible solutions to demand side needs. These instruments place greater emphases on flexibility and responses to local circumstances, particularly the physical context within which housing is being delivered.
- Adjusting the current institutional arrangements within government.

The critical need for institutional and capacity-building as a key component of new human settlement planning:

- In order to address increased demand and accommodate greater responsiveness to demand a number of amendments will be made to the financial arrangements of the existing housing subsidy scheme.
- Greater emphases will be placed on the contribution of housing delivery towards the alleviating of income poverty and the creation of direct and indirect employment opportunities.
- Several interrelated strategies are suggested to provide housing related information to stakeholders and communities.
- The need for improved systems to enable accurate monitoring and evaluation of housing intervention.

2.2.7 EXPANDED PUBLIC WORKS PROGRAMME

The EPWP aims at alleviating and reducing unemployment by the provision of work opportunities. The principles/guidelines of the above plan/programme are taken into account in the existing housing projects and will be taken into account when new Municipal projects are implemented.

2.2.8 PREVENTION OF ILLEGAL EVICTION FROM AND UNLAWFUL OCCUPATION OF LAND ACT 1998 (AMENDED IN 2005 AND 2008 (PIE)

The PIE Act is a critical piece of legislation in South Africa giving effect to Section 26 (3) of the Constitution of the Republic of South Africa, 1996, which states that:

“No-one may be evicted from their home, or have their home demolished without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions”

Key Elements of the PIE Act include:

- The Act protects the rights of tenants and prohibits unlawful eviction.
- It provides for a legal, fair and just process of eviction, if eviction is necessary.
- It describes how to evict unlawful occupiers.
- It provides for urgent proceedings in instances where there is threat of damage, danger or extreme circumstances.
- It describes the eviction process that will be followed if it is carried out by the State.
- It repeals the Prevention of Illegal Squatting Act of 1951, and other out of date legislation.

Considering “all the relevant circumstances” is an attempt to ensure that considerations counting for and against the execution of an eviction in a given context will be weighed carefully and judiciously before a person is deprived of access to their current home, or, indeed, to any permanent home. Therefore and in summary the act aims to both protect ‘unlawful occupiers’, from illegal eviction and to protect land-owners and local government from unlawful occupation and to define the process by which these issues may be resolved.

2.2.9 RENTAL HOUSING ACT 50 OF 1999 ACT

The Rental Housing Act regulates the relationship between landlords and tenants in all types of rental housing. Section 2(1) (a)(i) of the Act stipulates that is the government’s responsibility to “promote a stable and growing market that progressively meets the latent demand for affordable rental housing among persons historically disadvantaged by unfair discrimination and poor persons, by the introduction of incentives, mechanisms and other improve conditions in the rental housing market”.

Section 7 of the Rental Housing Act provides for the establishment of provincial Rental Housing Tribunals to resolve disputes between landlords and tenants concerning “unfair practices”. Section 14 (1) of the Act states that a local authority may establish a Rental Housing Information Office to advise, educate and provide information to tenants and landlords in regards to their rights and obligations, as well as to refer parties to the Tribunal and keep records of enquiries to submit to the Tribunal on a quarterly basis.

2.2.10 SOCIAL HOUSING ACT 16 OF 2008

In 2008 the Social Housing Act was passed, providing the enabling legislation for the Social Housing policy. The Act aims to establish and promote a sustainable social housing environment and defines the functions of national, provincial and local governments in respect of social housing, allows for the undertaking of approved projects by other delivery agents with the benefit of public money and gives statutory recognition to social housing institutions (SHI’s).

Key Elements of the Act include:

- The Act describes definitions and general principles related to social housing.
- It describes the roles and responsibilities in terms of National Government, Provincial Government and Municipalities.
- It establishes a Social Regulatory Authority that operates in terms of the Public Finance Management Act (PFMA) and reports to the Minister.

- The composition, appointment, functioning and powers of the Regulatory Authority are described.
- The Act allows for the accreditation of Social Housing institutions which develop and provide social housing making use of public funds.
- It describes the requirements, financing options, functions and management of Social Housing Institutions.

2.2.11 HOUSING CONSUMER PROTECTION MEASURES ACT (NO. 95 OF 1998)

The Act provides for housing consumers. It also provides for the establishment of the National Home Builder's Regulation Council (NHBRC). The NHBRC is established as a juristic person that provides protection to housing consumers.

The Act describes details such as objectives of the council, composition, staffing and financial matters and it provides for the registration and deregistration of home builders. It also restricts activity of a home builder unless they are registered.

The NHBRC is mandated to publish a Home Builders Manual in the Act and the Manual describes technical and other requirements as well as agreements between housing consumers and home builders. It further provides for legal enforcement with regard to mortgagees, conveyancers and other parties.

2.2.12 HOUSING DEVELOPMENT AGENCY ACT (NO. 23 OF 2008)

This Act establishes the Housing Development Agency and provides for its functions and powers. The Act acknowledges the lack of housing delivery and various factors impacting on housing delivery, and as such, the Housing Development Agency (HDA) is established as a juristic person, to assist with fast tracking housing development. The HDA is mandated to identify, acquire, hold, develop and release land which is suitable for human settlements and can also project manage housing development. The HDA is mandated to ensure that the required planning, budgeting and provision of infrastructure required for housing development takes place. The functions, appointment, staffing, regulatory and other matters relating to the establishment and functioning of the Board are also described.

2.2.13 LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT 32 OF 2000

To provide for the core principles, mechanisms and processes that is necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, and ensure universal access to essential services that are affordable to all. In summary, key elements of the Act include:

- To define the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures;
- To provide for the manner in which municipal powers and functions are exercised and performed;
- To provide for community participation; to establish a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government;
- To provide a framework for local public administration and human resource development;
- To empower the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts;
- To provide for credit control and debt collection;
- To establish a framework for support, monitoring and standard setting by other spheres of government in order to progressively build local government into an efficient, frontline

development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment; to provide for legal matters pertaining to local government; and to provide for matters incidental thereto.

2.3 OVERVIEW OF RELEVANT PROVINCIAL POLICY AND LEGISLATION

2.3.1 PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

The strategic and targeted nature of the Provincial Growth and Development Strategy implies that specific interventions will be undertaken within key geographical areas of Need and Potential.

- The Principle of **Environmental Planning** (Bioregional Planning) refers to understanding and respecting the environmental character (potential and vulnerability) and distinctiveness of places and landscapes and promoting balanced development in such areas.
- The Principle of **Economic Potential** aims to improving productivity and closing the economic performance gap between the various areas of KwaZulu-Natal towards economic excellence of all areas. Rapid economic growth that is sustained and inclusive is seen as a pre-requisite for the achievement of poverty alleviation.
- The Principle of **Sustainable Communities** promotes the building of places where people want to live and work. Again the sense of Quality of Living refers to the balance between environmental quality, addressing social need and promoting economic activities within communities. Often communities within the rural context of KwaZulu-Natal are not located in the areas with perceived highest economic potential. Where low economic potential exists planning and investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities towards building sustainable communities.
- The Principle of **Local Self-Sufficiency** promotes locating development in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally.
- The Principle of **Spatial Concentration** aims to build on existing concentrations of activities and infrastructure towards improved access of communities to social services and economic activities. In practical terms this promotes concentration along nodes and corridors with multi-sectoral investment i.e. roads, facilities, housing etc. This principle will further assist in overcoming the spatial distortions of the past. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways.
- The Principle of **Sustainable Rural Livelihoods** considers rural areas in a way which is integrated with other decision making associated with the Sustainable Livelihoods framework. This principle requires that spatial planning consider the locality and impact of human, physical, natural, financial and social capitals of an area and spatially structures these in support of each other. Another aspect of this principle is promoting spatial planning in a continuum where rural areas are not addressed as completely separate entities to urban centres, but rather a gradual change in landscape with the potential progression of rural areas to more closely resemble the service standards and quality of living achieved in some urban contexts.
- The Principle of **Balanced Development** promotes the linking of areas of economic opportunity with areas in greatest need of economic, social and physical restructuring and regeneration at all

spatial scales. In practical terms the principles sought to find a balance between the potentially competing land uses by understanding the relationship and integration between major dimensions within the province and promoting a synergetic mixture of land uses in support of each other at various spatial scales.

- The Principle of **Accessibility** simply promotes the highest level of accessibility to resources, services, opportunities and other communities. This is intrinsically linked to transportation planning and should consider localised needs for the transportation of people and goods by various modes of transport as guided by the scale and function of a region.

2.3.2 PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY: CORRIDOR AND NODAL FRAMEWORK

The 2007 PSEDS (Provincial Spatial Economic Development Strategy) has been updated to enhance the original nodes and corridors. In particular, the updated study needs to provide guidance on what types of interventions are needed and which localities. More specifically, it has a rural development focus to address poverty issues and represents a move away from a hierarchical tiered structure to a balanced and integrated network of towns and cities.

The PSEDS has been undertaken in line with the comparative advantage approach as summarized hereunder:

- Focusing on what type of development should take place in different regions/districts helps to overcome some challenges of spatial prioritization.
- Investment should occur in the sectors which provide the greatest socio-economic return to investment.
- It is important to know what each district does best, specifically comparatively best.

To this end, the following set of new criteria was applied for the identification of nodes:

1. Economies of Scale factors as informed by population density contribution to GDP and diverse services to international, national and provincial clients.
2. Strategic factors relating to medium population density areas with high economic growth or high potential for future economic growth.
3. Local influence factors such as centres that are significant as district and municipal centers providing services to the district and local municipality.
4. Poverty alleviation factors relating to high levels of poverty, low unemployment and spatial isolation.

In context of the above, the following set of provincial mapping has been prepared:

Figure 5: PSEDS Criteria for Identification of Nodes

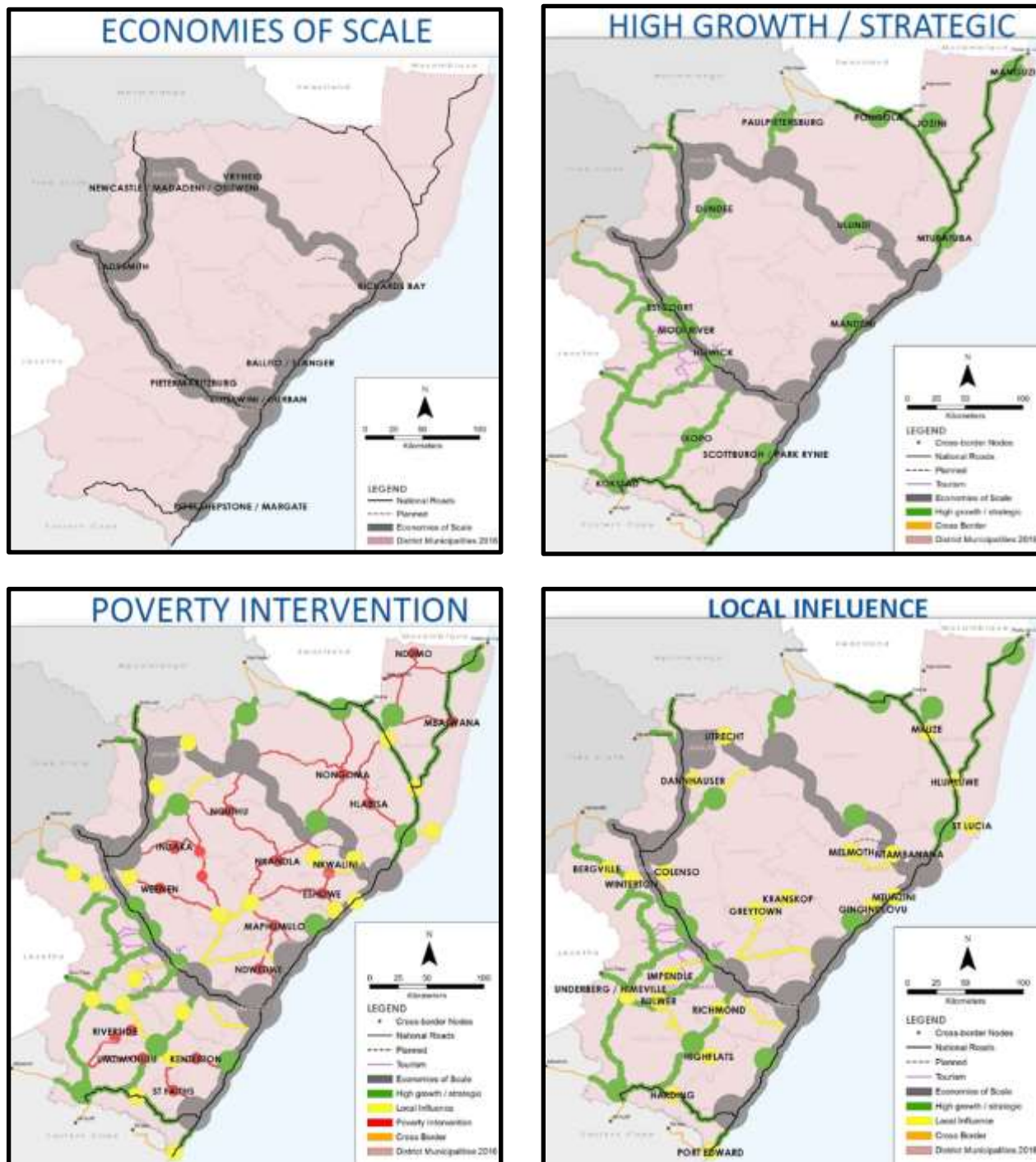
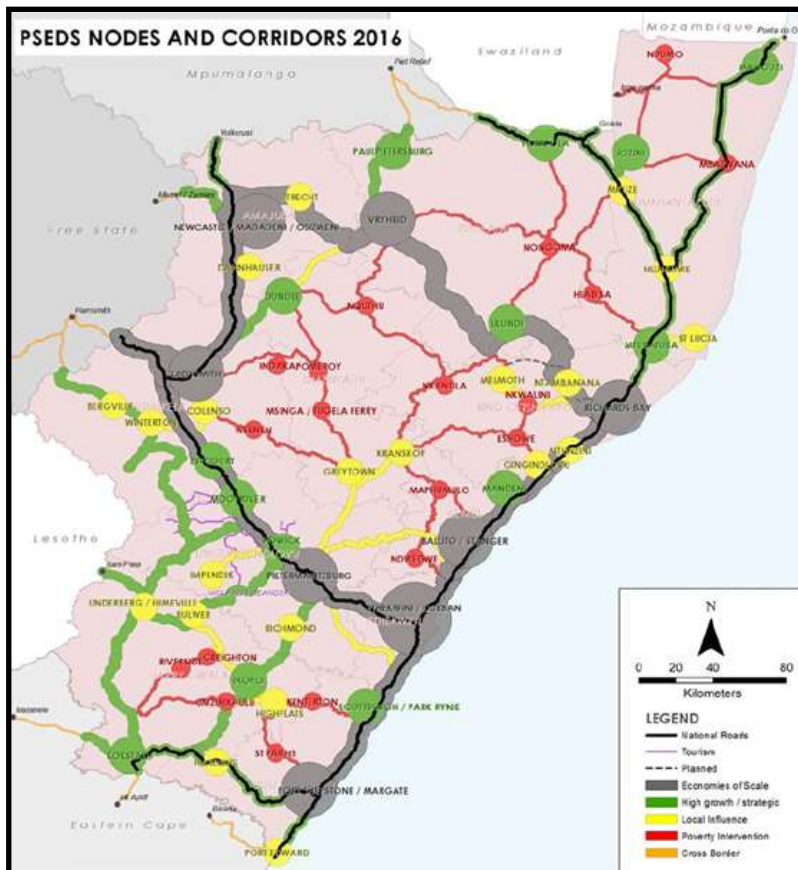


Figure 6: Composite mapping of PSEDs Nodes and Corridors



2.3.3 KWAZULU-NATAL ELIMINATION AND PREVENTION OF RE-EMERGENCE OF SLUMS ACT, 2007

The main aim of the above Act is:

- to provide for the progressive elimination of slums in the Province of KwaZulu-Natal;
- to provide for measures for the prevention of the re-emergence of slums;
- to provide for the upgrading and control of existing slums

The KZN Slums Act aims to achieve these goals primarily through formalizing informal settlement planning in the overall Municipal planning processes. This requires Municipalities to enumerate existing informal settlements and their overall living conditions and thereafter to report on progress to date in both the development of prioritized informal settlements and on improving living conditions in other settlements.

Section 16 of the Act, dealing with the eviction of unlawful occupiers was disputed by civil society and the matter was referred to the Constitutional Court for a decision. This section requires a private land owner to evict unlawful occupiers in terms of the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act of 1998 within a specified period and if failing to adhere, requires the Municipality to proceed with the eviction in terms of PIE Act.

2.3.4 KWAZULU-NATAL INFORMAL SETTLEMENTS ERADICATION STRATEGY

The 2009 National Housing Code's Informal Settlement Upgrading Programme adopts a broad and inclusive definition for informal settlement. It characterizes informal settlements as settlements demonstrating one or more the following characteristics:

- Illegality and informality;
- Inappropriate locations;
- Restricted public and private sector investment;
- Poverty and vulnerability; and
- Social stress.

The KZN Informal Settlement Eradication Strategy is a developmentally focused strategy which seeks to bring about more rapid, equitable and broad based responses to the challenge of informal settlements in the province. This focus is strongly in line with the National Housing Code and current developmental priorities of government as recently reflected in the Outcome 8 National Development Agreement. Given the scale of the informal settlement challenge, its complexity and the limited human and financial resources available, the strategy seeks to be practical and achievable.

The scale of informal settlement in KwaZulu-Natal coupled with the undulating topography and challenging underlying land legal issues increases the challenge. The Strategy therefore recognizes that a range of different responses are necessary and that there needs to be flexibility for Municipalities to address specific challenges which vary from one settlement or municipality to another.

The multi-pronged Strategy promotes the following main developmental actions and responses in respect of addressing the basic infrastructure and housing needs of informal settlements:

- **RAPID UP-FRONT PRELIMINARY ASSESSMENTS AND CATEGORISATION** of all informal settlements in order to obtain an adequate profile and to enable the determination of the appropriate developmental response(s).
- **FULL UPGRADING** (full services, top-structures and tenure) where appropriate, affordable and viable.
- **INTERIM BASIC SERVICES** for settlements viable and appropriate for long term full upgrading but where this is not imminent (a situation which often prevails).
- **EMERGENCY BASIC SERVICES** for settlements where long term upgrading is not viable or appropriate but relocation is not urgent or possible (a situation which also often prevails).
- **RELOCATIONS** as a last resort for settlements where this is an urgent priority.

A key objective of the Strategy is to give effect to the KwaZulu-Natal Elimination and Prevention of Re-Emergence of Slums Act (Act No. 6 of 2007). The purpose of this Act is to provide for: 'the progressive elimination of slums in the Province of KwaZulu-Natal; measures for the prevention of the re-emergence of slums; and the upgrading and control of existing slums'. The Act obliges all Municipalities to assess the status of informal settlement and to plan accordingly.

The uMhlathuze Municipality has identified 7 informal settlement projects that will be implemented in accordance with the requirements of the KZN Informal Settlements Eradication Strategy. Some of families within the identified settlements will have to be relocated to another project area due to unstable land conditions and some are situated within the flood lines. However, the relocation process will be the Municipality's last option.

3. STRATEGIC APPROACH TO HOUSING DELIVERY

The uMhlathuze Municipality, aims to meet the strategic outputs of Outcome 8 by:

- Promoting a variety of Housing Typologies and Densities to provide for all Demand Categories;
- Formalising emerging urban settlements of provide formal housing;
- Improving the living environment of households in the informal settlements through incremental access to basic services and structured in situ upgrading (where suitable);
- Creating other forms of tenure through Social Housing/Rental and building new Community Residential Units whilst upgrading the existing hostel blocks;
- Pursuing all available options for the release of suitable, well located state owned land for sustainable human settlements; and
- Enabling opportunities in the GAP market for households earning between R3501-R15000 per month.

It is important that the housing delivery be planned and implemented in conjunction with other facilities and services including economic opportunities, education, health, water and sanitation provision, etc. The delivery of human settlements is aligned to the municipal IDP (Integrated Development Plan) and the SDF (Spatial Development Framework). Integrated human settlements are one of the pillars to attaining spatial transformation. The delivery of human settlements is also intertwined with the delivery of infrastructure as outlined in more detail herewith.

3.1 INTEGRATED DEVELOPMENT PLAN

Housing and infrastructure provision are key to the key performance areas of basic service delivery and infrastructure management as well as cross cutting issues as summarised in the IDP Goals and Objectives hereunder:

Table 5: Extract of Relevant IDP Goals and Objectives

GOALS	OBJECTIVES	STRATEGIES
2.1 Integrated infrastructure and efficient services	2.1.1 To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	2.1.1.1 Eradicate water services backlogs through provision of basic water services
		2.1.1.2 Eradicate sanitation services backlogs through provision of basic sanitation services
		2.1.1.3 Eradicate electricity supply backlogs through provision of basic electricity supply services
		2.1.1.4 Provide a weekly domestic solid waste removal service to the community
		2.1.1.5 Provision of public transport infrastructure facilities

GOALS	OBJECTIVES	STRATEGIES
		2.1.1.6 Provision and Maintenance of storm water and coastal engineering infrastructure
		2.1.1.7 Strive to improve reliability and service life of Municipal infrastructure, facilities and assets
	2.1.2 To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlements and quality housing	2.1.2.1 Improve community standard of living through accelerated development of Integrated Human settlement

NATIONAL KPA 6 : CROSS CUTTING		
GOALS	OBJECTIVES	STRATEGIES
6.1 Integrated Urban and Rural Development	6.1.1 To plan and manage existing and future development	6.1.1.1 Review and Implement Spatial Development Plan
		6.1.1.2 Develop precinct framework plans
		6.1.1.3 Review of Human Settlement Sector Plan

3.2 SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework (SDF) is one of the key sector plans in a municipality's IDP. The preparation of a SDF for uMhlathuze Municipality was *“to provide the framework to guide the overall spatial distribution of current and desirable (future) land uses within the municipality”*.

All planned human settlements projects takes into account the Spatial Development Framework Plan, in particular where housing should be provided and economic opportunities as acknowledged by the Provincial Spatial Economic Development Strategy and other relevant strategies.

This is to ensure that the Spatial location of current and future infrastructural investments addresses the challenges of reducing poverty and unemployment, reducing the housing backlog, creating jobs and meeting the provisions of all socio-economic and human rights contained in South Africa's Constitution.

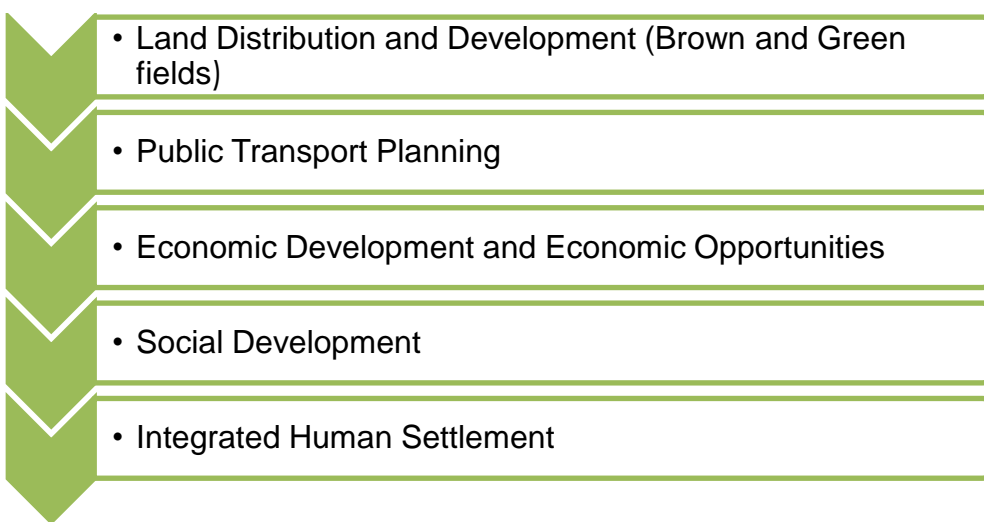
Settlements should be located and designed in such a way as to facilitate structural and functional integration. This means that, there should be transport opportunities in a reasonable walking distance from houses to connect residents to other modes of transport, job opportunities and bigger shops and metropolitan facilities, as well as smaller shops and parks in close proximity to housing developments to fulfil the immediate local needs of residents.

3.2.1 SPATIAL TRANSFORMATION

The concept of Transformation is always associated with social change in South Africa. The National Development Plan 2030 makes a strong statement about the need to “address the challenge of apartheid geography” which is defined in terms of living, working and environmental sustainability. SPLUMA is identified as a tool to give effect to Spatial Transformation.

According to SACN (2013) ... in order to achieve spatial transformation in the cities, government have to rein in the real changes not only in the physical realm but also in the way we approach both the problems and the solutions. The uMhlathuze Municipality, like any other municipality in country is required to undertake processes of spatial transformation in line with the National Development Plan, Provincial Growth and Development Strategy & Plan, Spatial Planning and Land Use Management Act. The uMhlathuze Municipal Spatial Transformation Concept is derived from five key Pillars:

Figure 7: Pillars of Spatial Transformation



The main objective of uMhlathuze Municipal Spatial Transformation Concept is to address the integrated development, city compacting, structural elements, equal access to land, create sustainable economic development & opportunities which will contribute to job opportunities. It is also to prioritise development within and along Municipal Nodes and Corridor as well as developing a development partnership with neighbouring Municipalities. Settlement patterns and particularly the physical segregation of areas should be improved to make the area more economically viable.

At a human settlement level, the following targeted interventions can be implemented:

- Transportation in the region should be improved.
- More appropriate standards should be used for the rural areas, e.g. in terms of walking distances to facilities
- Stimulating development in all settlements in the area
- Water provision to farms and rural areas
- Reasons for ongoing urbanisation should be explored
- Spin-offs from service delivery and development should be promoted
- Economic spin-offs should also create social benefits

3.2.2 SPATIAL DEVELOPMENT PRINCIPLES

The municipal vision is underpinned by the following spatial development principles:

- Sustainable growth and development
- Quality, affordable services
- Financial health and fiscal discipline
- Transformation and integration
- Accountable and transparent local government
- Recognition - diversity
- Respect - fundamental rights
- Equity
- Focus on supply side economics and asset management
- Safe and secure living environment
- Importance of a Metropolitan Open Space System and natural assets

3.2.3 SPATIAL DEVELOPMENT RATIONALE

The physical segregation and distortion of the area is evident, with Ngwelezane, Esikhaleni, Vulindlela and Nseleni forming separate physical entities within the urban area. These areas are however completely reliant on Empangeni and Richards Bay for employment, goods and services. Although Empangeni and Ngwelezane are growing physically closer together, it is not currently possible to integrate Vulindlela, Esikhaleni and Nseleni physically with any of the other urban areas. Empangeni and Richards Bay have a strong peripheral dependency, with large tribal areas which have a high population density, situated outside the formal urban areas. In terms of population density, concentration and service demands, large sections of these tribal areas can be classified as emerging urban settlements.

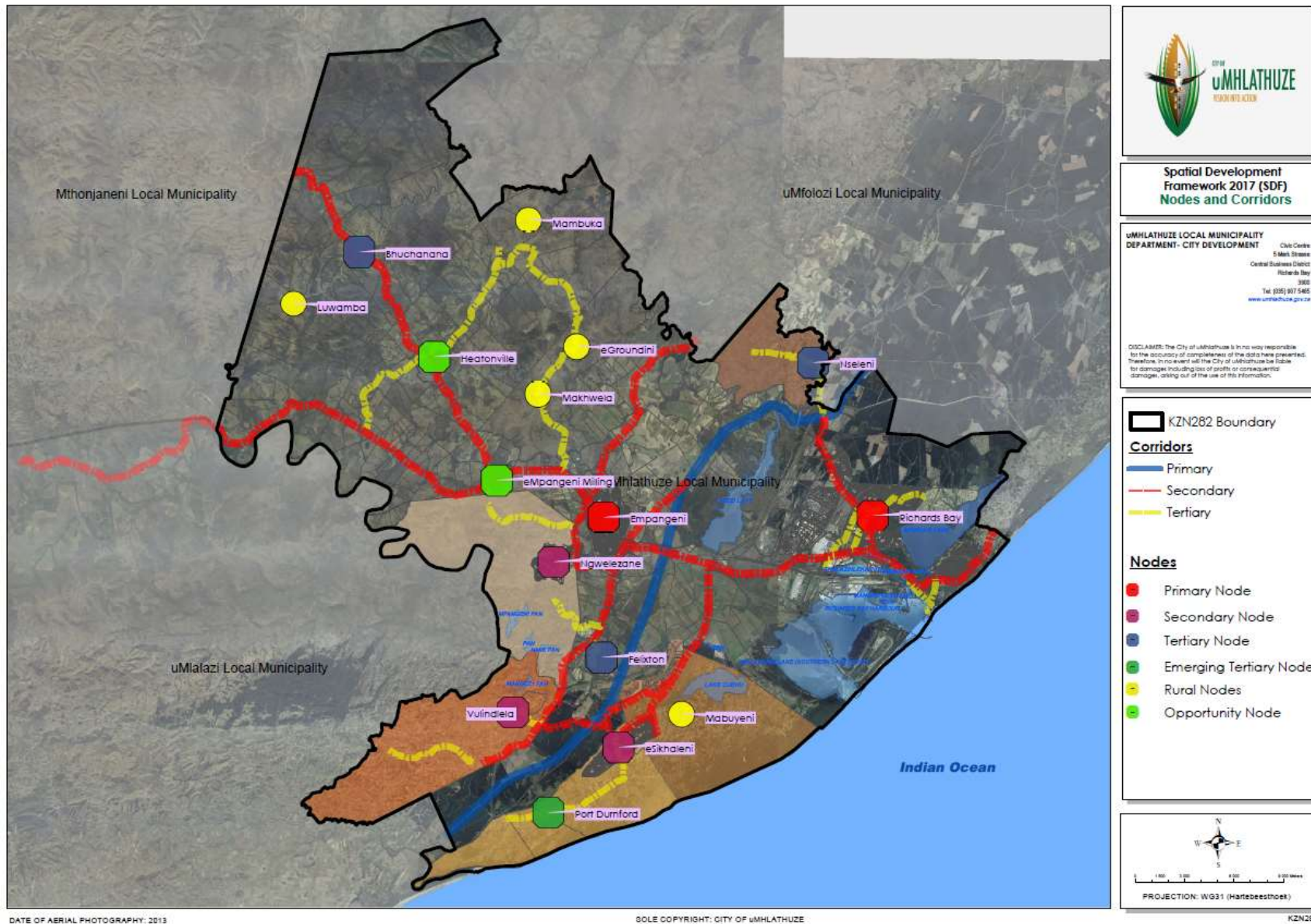
The Strategic Development Rationale for the City of uMhlathuze is therefore to develop the area with a **hierarchy of nodes**. Nodes will also be established in the rural areas to provide access to social and economic opportunities. Several of the densely populated rural areas can be classified as emerging urban settlements, where the future urban form should be shaped from an early stage to ensure efficiency and enable formalisation and upgrading.

The Strategic Development Rationale puts forward an incremental development approach, where the upgrading of existing services and provision of new services are focused in specific areas according to settlement and nodal classification. The formalization emerging urban settlements and identification of nodes in rural areas would provide the directives to shape the future urban form and would determine the priority areas for infrastructure service provision. This would ensure that areas with high population concentrations situated outside the primary nodes in the area, particularly in rural areas, are first in line to benefit from upgrading and new service provision. This approach would also ensure that existing service levels are maintained and pressure on services is alleviated. This requires the cooperation of all levels of government and service providers, to ensure coordinated, focused and integrated efforts towards community upliftment and development.

Table 6: Summary of uMhlathuze Settlement Classification

PRIMARY SETTLEMENTS		RICHARDS BAY AND EMPANGENI
<ul style="list-style-type: none"> Centres of employment, industrial and commercial activity. Continue to serve as main municipal administrative centres. Main public transportation nodes (Richards Bay Taxi City and Empangeni A and B-Ranks). A range of specialized services and facilities are available to a larger hinterland. 		
SECONDARY AND TERTIARY SETTLEMENTS		ESIKHALENI, NSELENI, VULINDLELA, NGWELEZANE AND FELIXTON
<ul style="list-style-type: none"> Formalized towns, mainly residential in nature. Most community facilities are available at these locations, and therefore provide their resident communities with basic commercial and recreational facilities. More specialized services and facilities are obtained from the primary settlements. Opportunity to formalize better employment opportunities at all secondary settlements. 		
PERI-URBAN AREAS		UNFORMALIZED AREAS MAINLY ADJACENT TO THE FORMALIZED SECONDARY NODES OF ESIKHALENI, VULINDLELA, NSELENI AND INCLUDES MZINGAZI AND PORTIONS OF MANDLAZINI
<ul style="list-style-type: none"> Characterized by dense population; small stands not necessarily able to support agricultural activities; Continuous infill-development takes place; pressure for connections to municipal infrastructure (individual connections) and possible health impacts as a result of over-crowding and lack of community services. In-situ rural housing projects not necessarily viable as a result of high densities. Opportunities for formalization for some of these areas. Township establishment possible on municipal land but limitations exist on Ingonyama Trust Board (ITB) land. <p>(Note: The Mandlazini and Mzingazi area, albeit considered part of the Richards Bay formal area, are in the process of formalization)</p>		
OPPORTUNITY NODES		HIGHLY ACCESSIBLE AREAS WITH UNTAPPED POTENTIAL
<ul style="list-style-type: none"> Characterized by good accessibility but very limited development economic opportunities. Potential to provide services and economic opportunities to surrounding hinterland 		
RURAL SETTLEMENTS		DENSER SETTLEMENTS WITHIN THE TRADITIONAL COUNCIL AREAS
<ul style="list-style-type: none"> Identified in line with the uMhlathuze Rural Housing Projects. Accessible locations for community services and infrastructure. Specific planning and development interventions are required to identify community services that are to be encouraged at these nodes. 		
SCATTERED SETTLEMENT		
<ul style="list-style-type: none"> Remainder of the Municipal Area. Potentially viable for in-situ rural housing projects if not too far removed from Secondary or Rural Settlements. 		

Map 1: Municipal Nodes and Corridors



3.2.4 PROVINCIAL HUMAN SETTLEMENTS MASTER SPIAL PLAN

In view of the aim of the Human Settlements Master Plan for KZN to translate the Provincial Growth and Development Strategy into a detailed implementation plan for assisting with the identification of suitable land for housing delivery in the province, it logically flows that the overall approach and structure of the Human Settlements Master Plan should be closely informed by and aligned with Strategic Goal 3 (Human & Community Development) of the provincial growth and development plan. The provincial growth and development plan, which focusses on the implementation of the PGDS essentially consists of a number of key components which includes a clearly defined long term development vision, a set of strategic goals and supportive strategic objectives to pursue this vision, and clearly defined development targets for achieving each of these strategic objectives. The Human Settlements Master Spatial Plan will specifically focus on Goal 3; Human & Community Development and Objective 12 which addresses the promotion of sustainable human settlement.

The Human Settlement Master Spatial Plan document is structured as follows:

- The first part of the document provides a status quo analysis consisting of the following elements:
 - Chapter 2 summarises the policy and planning regulatory framework in which human settlement is currently taking place within the province as well as the impact thereof on human settlement and human settlement patterns.
 - Chapter 3 discusses the various settlement typologies in operation and how these typologies could shape the understanding of settlement patterns in the province. It also analyses the potential human settlement demand in the province and planned responses and delivery targets.
 - The potential human settlement demand and planned targets are summarised in Chapter 4.
 - Chapter 5 describes the historical housing supply and delivery trends in the province.
 - Chapter 6 looks at the demographic and migration trends and patterns and its impact for human settlement patterns in the province.
 - Chapter 7 deals with the provincial socio-economic profile and patterns and its influence of human settlement patterns.
 - The provincial spatial planning priorities are summarised in Chapter 8.
 - The availability of infrastructure and related constraints relevant for future human settlement patterns are discussed in Chapter 9.
 - Chapter 10 deals with the institutional and financial capacity and constrain on human settlement development.
 - The second part of the document outlines the strategic plan for the provincial human settlement spatial master plan and includes the following components:
 - Chapter 11 synthesizes a set of overall principles for sustainable human development in the province.
 - Building on these principles, the overall objectives for human settlement in the province is summarised in Chapter 12.
 - Chapter 13 deals with the identification of well-located land for sustainable human settlement from a provincial perspective. It identifies provincial level human settlement focus areas and describes the estimated housing needs in these focus areas and its alignment with the provincial and municipal SDFs.
 - Chapter 14 describes the proposed interventions and implementation plan and quantifies the potential land needs in the provincial human settlement focus areas, proposes an investment allocation procedure, and provides a risk analysis with critical success factors for implementation of the master plan.

3.3 UMHLATHUZE MUNICIPAL HUMAN SETTLEMENTS PLAN

Section 9 (1) of the National Housing Act states that every municipality must, as part of the municipality's process of integrated development planning (IDP), take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to:

- 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;*
 - iii) *services in respect of water, sanitation, electricity, roads, stormwater drainage and transport are provided in a manner which is economically 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.*

The Municipal Human Settlements Plan enables the Municipality to strategically plan housing development within its area of jurisdiction.

A strategic approach has been adopted with respect to the formulation of the uMhlathuze Municipality Human Settlements plan as noted hereunder:

- **Optimal Use of Existing Information:** Optimal use of existing information was made. The City of uMhlathuze Integrated Development Plan, and subsequent reviews thereof, was used as the base. Other key information sources included the municipal SDF, and provincial and national literature.
- **Holistic Approach:** Social, economic, physical and institutional factors were taken into account during the project, in order to ensure that housing occurs in an integrated and co-ordinated manner within the municipal area.
- **GIS:** This has entailed, *inter alia*, the mapping of all spatial informants and the existing and proposed housing projects.

It is noted that this plan has been prepared strictly in accordance with the guideline document issued by the provincial Department of Human Settlements to all local municipalities. The plan accordingly provides the following:

- an overview of the local context;

- information regarding current housing demand;
- identification of land suitable for future housing development;
- an overview of the current housing situation;
- information regarding planned projects;
- information regarding integration of housing with other sectors;
- reference to the uMhlathuze Integrated Development Plan and Spatial Development Framework;
- a set of performance indicators; and
- information regarding housing institutional arrangements

3.4 HOUSING DELIVERY PROGRAMMES

The Human Settlements plan for the municipality focuses on the following housing delivering programmes which are aligned to the National and Provincial plans:

3.4.1 INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME (IRDP)

The programme provides for planning and development of integrated housing development. Projects can be planned and developed in phases and provides for a holistic development orientation.

Phase 1: Land, Services and Township proclamation

This phase entails planning, land acquisition, township establishment and provision of serviced residential and other land use stands to ensure a sustainable integrated community.

Phase 2: Construction

This phase comprises the house construction for qualifying housing subsidy beneficiaries and the sale of stands to non-qualifying beneficiaries and to commercial interests etc.

3.4.2 RURAL SUBSIDY: INFORMAL LAND RIGHTS

The programme is used to extend the benefits of the housing subsidy scheme to those individuals living in areas referred to as “rural” area where they enjoy functional security of tenure as opposed to legal security of tenure.

3.4.3 COMMUNITY RESIDENTIAL UNITS (CRU)

This programme facilitates the provision of secure, stable rental tenure for the lowest income persons who are not able to be accommodated in the formal private rental and social housing market. It also provide a framework for dealing with the many different forms of existing public sector residential accommodation, including Hostels Redevelopment Projects. CRUs provide affordable rental accommodation for those households whose total income is between R800 and R3500 per month.

3.4.4 SOCIAL HOUSING

The programme seeks to provide housing opportunity in a rental or co-operative housing options for low income persons at a level of scale and built form which requires institutional management and which is to be provided by accredited social housing institutions and in designated restructuring zones. Social Housing provide affordable rental accommodation for those households whose total income is between R3501 and R15000 per month.

3.4.5 UPGRADING OF INFORMAL SETTLEMENTS PROGRAMME (UISP)

The main objective of the programme is to give effect to Part 3 of the Housing Code: This programme emphasizes in situ upgrading over relocations and emphasizes an incremental, infrastructure-led approach. The key objective of this programme is to facilitate the structured in situ upgrading of informal settlements as opposed to relocation to achieve the following complex and interrelated policy objectives:

Tenure Security: to enhance the concept of citizenship, incorporating both rights and obligations, by recognising and formalising the tenure rights of residents within informal settlements;

Health and Security: to promote the development of healthy and secure living environments by facilitating the provision of affordable and sustainable basic municipal engineering infrastructure to the residents of informal settlements. This must allow for scaling up in the future; and

Empowerment: to address social and economic exclusion by focusing on community empowerment and the promotion of social and economic integration, building social capital through participative processes and addressing the broader social needs of communities.

3.4.6 NATIONAL UPGRADING SUPPORT PROGRAMME (NUSP)

The National Department of Human Settlements (NDoHS) established a partnership with Cities Alliance and with funding provided by the World Bank and commissioned an appraisal of 16 pilot and priority projects in 2008 to assess progress in informal settlement upgrading. This assessment plus an analysis of the overall progress in informal settlement upgrading concluded that the orthodox approach was unlikely to meet the government's stated ambition to 'eradicate' all informal settlements by 2014, and that a radical shift in approach was required to an increased emphasis on incremental upgrading (National Upgrading Support Programme Assessment Report February 2009).

The report formulated the establishment of the NUSP and a proposed a refinement of the targets and approach of the UISP. The NUSP has been approved by the NDHS and is included in the department's medium-term strategic plan, and was included as a particular item in the Performance Agreement between the President and Minister for Human Settlements signed in April 2010.

The National Upgrading Support Programme, (NUSP) aims to assist Municipalities and Provincial Departments in achieving their Delivery Agreement targets, while at the same time promoting incremental upgrading, participatory planning and livelihoods-based approaches to the upgrading of informal settlements.

The identified NUSP household targets are illustrated in the table 1 below:

Table 7: NUSP Households Targets

Province	Provincial Allocation Formula (%)	Informal Settlements Households Share of National Target
Eastern Cape	14.86	59 400
Free State	6.60	26 400
Gauteng	24.19	96 800
KwaZulu-Natal	19.05	76 200
Limpopo	7.80	31 200
Mpumalanga	6.62	26 480
Northern Cape	2.33	9 320
North West	7.21	28 840
Western Cape	11.34	45 360
Total	100	400 000

3.4.7 UPGRADING OF INFORMAL SETTLEMENTS PROGRAMME

The programme facilitates the structured upgrading of informal settlements. It applies to in situ upgrading of informal settlements as well as where communities are to be relocated for a variety of reasons. The programme entails extensive community consultation and participation.

3.4.8 FINANCE LINKED SUBSIDY PROGRAMME (FLISP)

The programme is for applicants whose total household income is above R3500 per month but below R15 000 per month. This subsidy is based on a sliding scale – the less your total household income, the greater the subsidy. This subsidy provides a once-off down payment which is to be used as a deposit to secure a mortgage/bond from a commercial bank. Applications for FLISP subsidies are made to the Provincial Department of Human Settlements.

3.4.9 ERADICATION OF TITLE DEEDS BACKLOG

3.4.9.1 PRE-1994 HOUSING STOCK (ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME)

The programme applies to state financed properties first occupied before 1 July 1993 and stands or units contracted for by 30 June 1993 and allocated to individuals by 15 March 1994. The programme entails discounting of an amount up to the amount of R 31929.00 on the purchase price/purchase price balance/loan of the properties in question.

3.4.9.2 POST-1994 HOUSING STOCK (DUMISANE MAKHAYE VILLAGE)

The programme applies to state financed properties first occupied after July 1994. These are all low income houses or RDP houses

3.4.10 SOCIAL AND ECONOMIC AMENITIES PROGRAMME

The programme aims at the provision of adequate amenities in existing townships and new housing areas. The grant can be used for the following amenities:

- Community Halls
- Parks
- Sports fields
- Taxi Rank facilities
- Informal trading facilities

4. SPATIAL ANALYSIS

The uMhlathuze Local Municipality is located in the King Cetshwayo District Municipality in the North-Eastern part of KwaZulu-Natal. The uMhlathuze LM is bordered by the following LMs within the King Cetshwayo District:

- Mfolozi (KZ 281)
- uMlalazi (KZ 284)

Following the 2016 Local Government elections, the former Ntambanana Local Municipality was disestablished and a portion of its former area was included into the uMhlathuze Local Municipality.

Richards Bay and Empangeni are the most significant economic centres in the Local Municipality and in the District Municipality as well. Richards Bay, as a harbour and industrial town, attracts people from surrounding towns, rural settlements and from beyond the district. Empangeni's role as an industrial, commercial and service centre to the settlements of Esikhaleni, Eshowe, Nkandla, Buchanana (Ntambanana) and other rural settlements attracts many people to the range of higher order services available in the town.

The uMhlathuze Municipality has an area of 123 325Ha. The portion of the former Ntambanana Local Municipality accounts for 43 991Ha of this. Post the 2016 Local government Elections, the uMhlathuze population is estimated at to be in the region of 410 465 people.

The municipality has vast areas of commercial farmlands as well as a number of areas that are significant from an environmental perspective.

The municipal area includes the formal towns of Empangeni, Richards Bay, eSikhaleni, Ngwelezane, eNseleni, Vulindlela and Felixton. Rural settlements include Buchanana, Luwamba, Makwela, Mambuka, Hluma, Matshana and Mabuyela.

Mapping is provided of the uMhlathuze Municipality's regional context as well as wards.

4.1 LAND OWNERSHIP

The following table provides a breakdown of the land ownership in terms of hectares (Ha) and percentages (%).

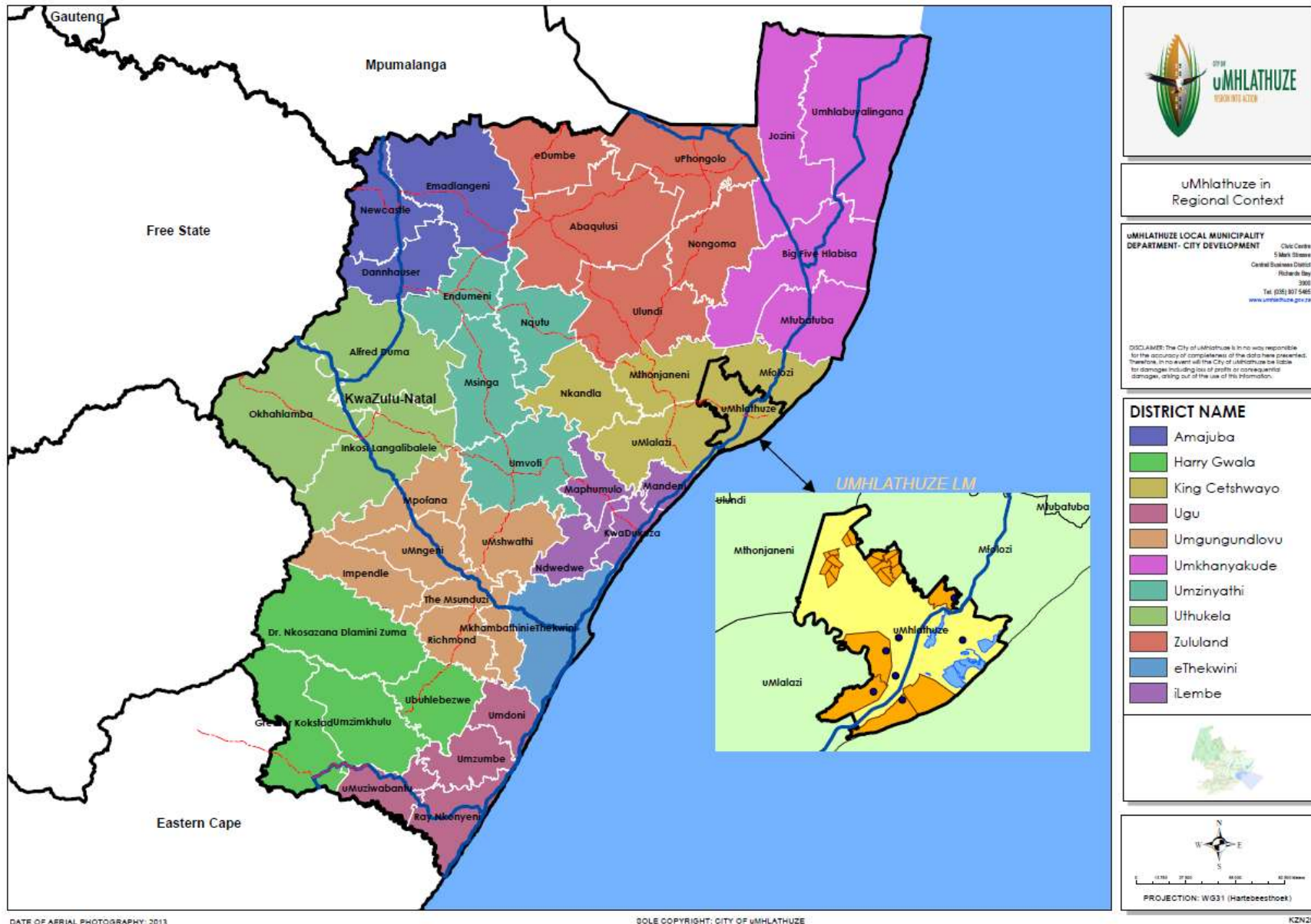
Table 8: Land Ownership Breakdown

Land Owners	Area(Hectares)	Percentage (%)
Province of KZN	14167	11.49
City of uMhlathuze	4259	3.45
Transnet	2989	2.42
IDZ	107	0.09
Ingonyama Trust Board	63795	51.73
Private	32467	26.33
Lakes	5541	4.49
Total	123325	100.00

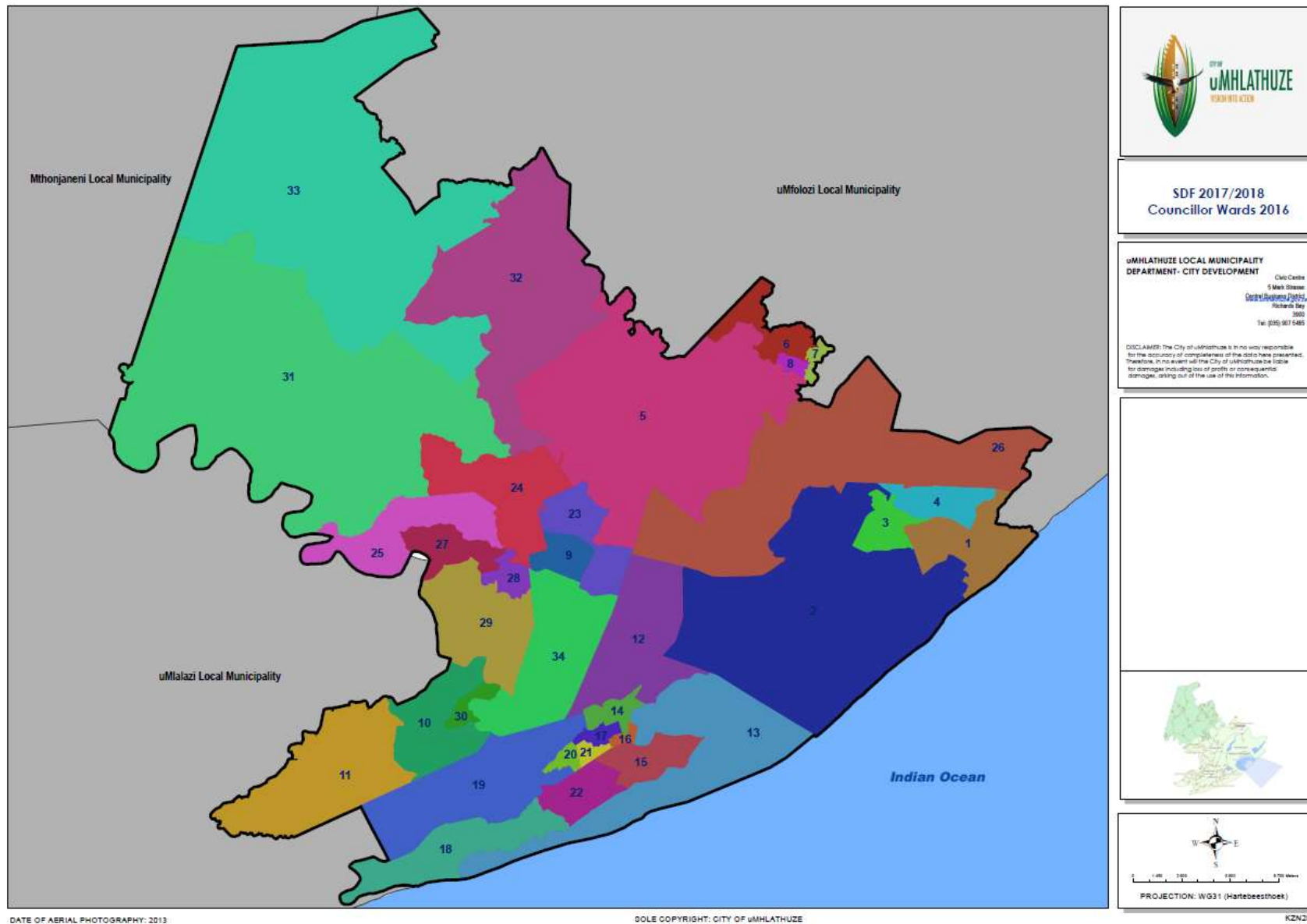
Identified State Owned Land for Human Settlements Development

Erf Number	Ownership	Hectares
11488	State	217
16833	State	920 (100 ha required)
Portion 1 of Erf11489	State	368
16715	State	537
Total		2042

uMhlathuze Human Settlements Plan 2018/2019
Map 2: uMhlathuze in Regional Context



Map 3: uMhlathuze Municipal Wards



The previous table indicates that 26% of land within uMhlathuze Municipality is under private ownership and 51% under Ingonyama Trust Board which is normal administered by Traditional Authorities.

One of the biggest Municipal challenges in relation to land ownership is the distribution and allocation of land in the Ingonyama Trust Board land which is mainly administered by Traditional Authorities. Such distribution is common in the peri-urban and infill areas. This situation led to formation of unplanned settlements which put pressure to the Municipality from services provision perspective.

The summary of challenges that are associated with settlements within Peri-Urban and Infill Areas (non-formalised settlements) can be further explained as follow:

- i. **Lack of proper planning:** Under ideal circumstances, settlement planning takes place prior to land allocation and development. The main objective of settlement planning being to ensure and promote sustainable communities and settlements taking into consideration environmental factors, climate change, geotechnical conditions, biodiversity, land legal and basic services issues. Non-planned settlements contribute to generally unsustainable communities and livelihood challenges.
- ii. **Limited basic services:** Unplanned settlements are always subjected to limited services, since planning in these areas always come afterwards and inevitably create challenges for the design and installation of infrastructure. The provision of services in such unplanned areas is treated as in-situ upgrades which is a reaction to community needs with limited sources.
- iii. Settlements are located in the **high risk areas** i.e. environmental sensitive, flood prone areas, wetlands and unstable soils, under power lines, on top of water pipes, sewer pipes etc.: Some structures within non-formalised settlements are located within the environmental sensitive areas and other high risk areas as listed where no formal planning and development would have taken place if planned.
- iv. **Undesirable Impact on food security:** Land allocation also takes place for residential purposes without assessment of the agricultural value of the land. Sometimes good agricultural land is transformed and used for residential/settlement purposes. The high demand of residential land in the Traditional Council areas has led to a situation where residential development takes precedent in agricultural areas which has a significant impact to food security for humans.
- v. **Undesirable Impact on prime land for grazing:** The random allocation of land without proper guidelines and guiding development frameworks in the peri-urban/infill areas has also contributed to a shortage of grazing land. This has led to a situation where livestock associations from some of these areas are applying to the Municipality to lease land for grazing purposes.
- vi. **Insufficient land for future social and economic facilities due to random distribution of land:** The majority of land that is allocated for residential purposes has led to an increase in population density in these areas. This means that, the demand for land for educational, health and economic facilities also increases. However, the major challenge is that in most cases such needs cannot be accommodated in these areas due to insufficient land being reserved for such purposes.

The following inset provides images of peri-urban settlement tendencies between 2006 and 2013.

Figure 8: Peri-urban Development adjoining Ngwelezane

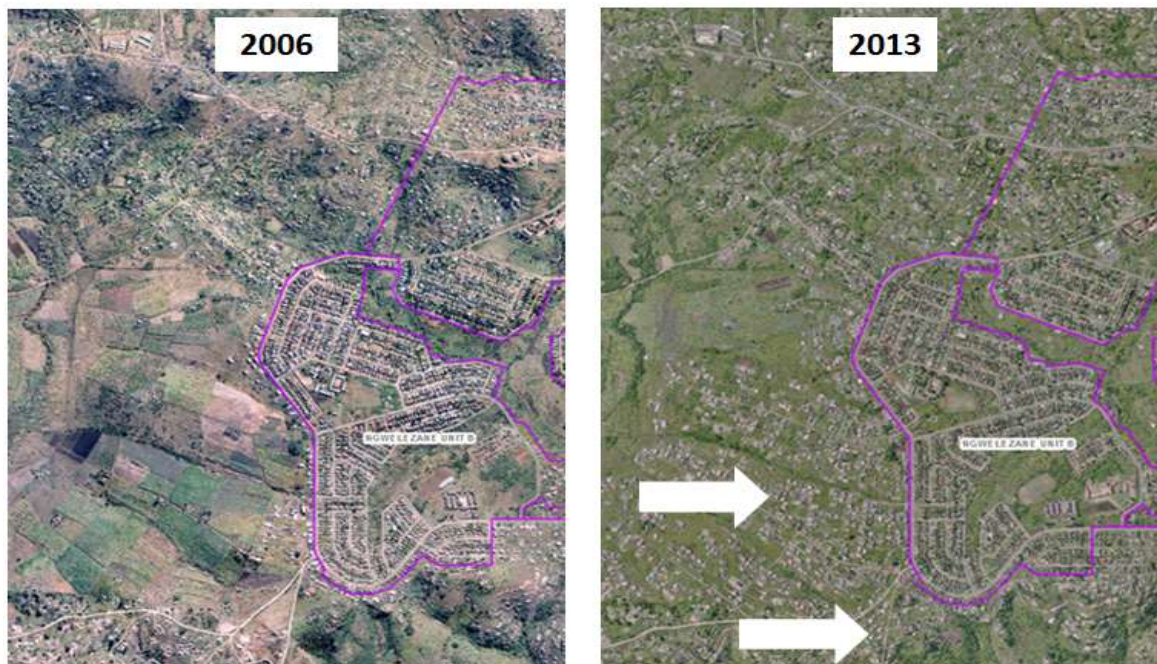


Figure 9: Peri-urban Development adjoining the Richards Bay Airport



5. SOCIO-DEMOGRAPHIC ANALYSIS

uMhlathuze has a racially and culturally diverse community. The Black African community makes up the largest sector 85% of the community followed by the White community (7%). The Indian and Coloured community makes up 3% and 1% respectively.

uMhlathuze Municipal area has a female population of (51.3%) that is higher than the male population (48.7%) and it has the largest portion out of the other five local municipalities with 36% of the population residing in this local municipality.

5.1 POPULATION AND HOUSEHOLD NUMBERS

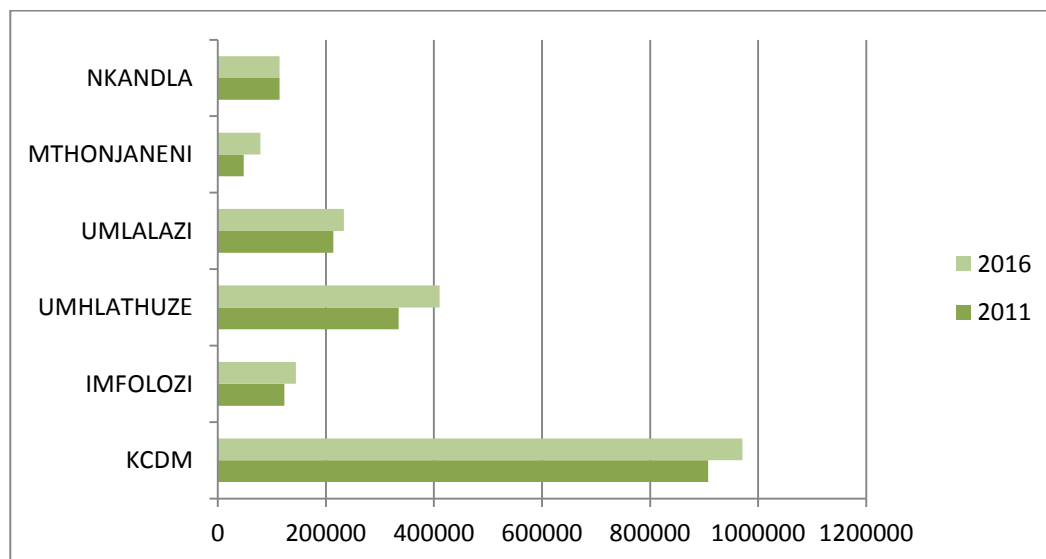
The population increase (according to the 2016 Community Survey) in the King Cetshwayo District, broken down per municipality is indicated in the following table.

Table 9: Population Numbers in King Cetshwayo District Municipality (KCDM)

	KCDM	IMFOLOZI	UMHLATHUZE	UMLALAZI	MTHONJANENI	NKANDLA
2011	907519	122889	334459	213601	47818	114416
2016	971135	144363	410465	233140	78883	114284
% Growth	7,01%	17,47%	22,73%	9,15%	64,97%	-0,12%

Source: Community Survey 2016

Figure 10: Population Numbers in King Cetshwayo District Municipality (KCDM)



There are higher population densities in the formal urban, and surrounding areas, as well as the Traditional Council areas.

Population growth scenarios have been applied to the base figure from the 2016 Community Survey. Adequate data and research is not available at this time to apply an historic growth trend as the composition of the municipality, in terms of boundaries and wards, has changed post the Local Government Elections of 2016.

Table 10: Population Growth Scenarios from 2016 to 2030

	2 016	2 017	2 018	2 019	2 020	2 021	2 022	2 023	2 024	2 025	2 026	2 027	2 028	2 029	2 030
1.5% Increase	410 465	416 622	422 871	429 214	435 653	442 187	448 820	455 552	462 386	469 322	476 361	483 507	490 759	498 121	505 593
Households	103 915	105 474	107 056	108 662	110 292	111 946	113 625	115 330	117 060	118 816	120 598	122 407	124 243	126 107	127 998
2% Increase	410 465	418 674	427 048	435 589	444 301	453 187	462 250	471 495	480 925	490 544	500 355	510 362	520 569	530 980	541 600
Households	103 915	105 993	108 113	110 276	112 481	114 731	117 025	119 366	121 753	124 188	126 672	129 205	131 790	134 425	137 114
3% Increase	410 465	422 779	435 462	448 526	461 982	475 841	490 117	504 820	519 965	535 564	551 631	568 180	585 225	602 782	620 865
Households	103 915	107 033	110 244	113 551	116 957	120 466	124 080	127 803	131 637	135 586	139 653	143 843	148 158	152 603	157 181
4% Increase	410 465	426 884	443 959	461 717	480 186	499 393	519 369	540 144	561 750	584 220	607 588	631 892	657 168	683 454	710 793
Households	103 915	108 072	112 395	116 890	121 566	126 429	131 486	136 745	142 215	147 904	153 820	159 973	166 372	173 026	179 947
5% Increase	410 465	430 988	452 538	475 165	498 923	523 869	550 062	577 565	606 444	636 766	668 604	702 034	737 136	773 993	812 693
Households	103 915	109 111	114 566	120 295	126 310	132 625	139 256	146 219	153 530	161 207	169 267	177 730	186 617	195 948	205 745

The following base data has therefore been used:

- A baseline population in the uMhlathuze Municipality of 410 465 people in 2016 as per the Community Survey
- A calculated household size of 3.95 as derived from 2011 census data
- A total number of 103 915 households in the municipal area derived from the above

From the above, the following is highlighted:

- At a steady population increase of 1,5% per annum, the municipal population will surpass 500 000 people by 2030.
- The municipality will reach a population of 500 000 before 2021 if a population growth rate of 5% takes place over the next few years.
- At such a 5% per annum population growth rate the number of households in the municipality will double by 2030.

Table 11: Household Numbers and Sizes

Ward	Number	Households	Size
1	12146	3406	3.57
2	12255	3931	3.12
3	9058	2586	3.50
4	12473	2941	4.24
5	15564	3391	4.59
6	12544	3549	3.53
7	5895	2232	2.64
8	5136	1815	2.83
9	13558	4317	3.14
10	11311	2513	4.50
11	9130	1513	6.03
12	8574	1963	4.37
13	14928	2688	5.55
14	12316	3263	3.77
15	12251	3064	4.00
16	7801	1878	4.15
17	10462	3346	3.13
18	14887	2880	5.17
19	12019	2983	4.03
20	8551	2488	3.44
21	6950	1931	3.60
22	9181	1960	4.68
23	10704	3323	3.22
24	18332	4371	4.19
25	13870	3162	4.39
26	11524	2909	3.96
27	8874	2673	3.32
28	7441	2355	3.16
29	15368	3368	4.56
30	11360	3915	2.90
31	9820	2074	4.73
32	9474	1586	5.97
33	10707	1941	5.52
	364464	92315	3.95

Source: Census 2011

It is estimated that 58% of the population resides within Traditional Council areas, followed by urban areas with 39% and a small portion of the population, 3%, on Farm Land.

5.2 GENDER BREAKDOWN

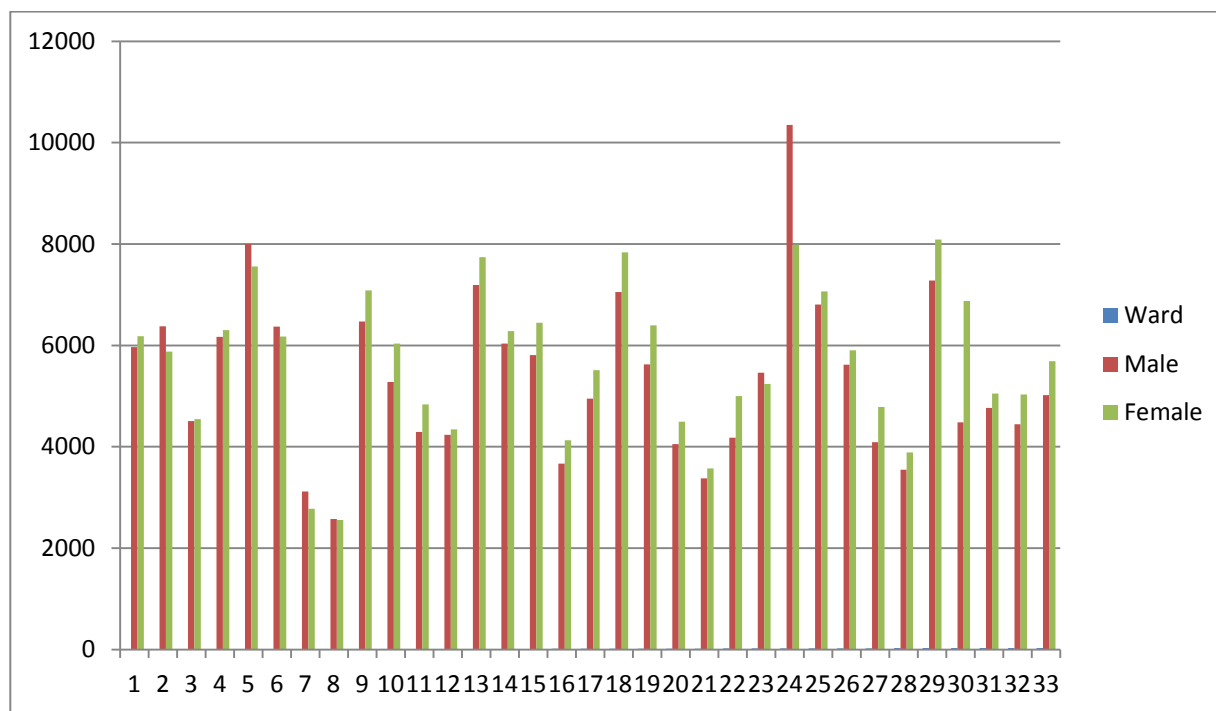
Table 12: Population and Gender per Ward

Ward	Male	Female	Grand Total
1	5966	6179	12145
2	6377	5877	12254
3	4510	4548	9058
4	6168	6304	12472
5	8003	7560	15564
6	6371	6173	12544
7	3116	2780	5896
8	2577	2559	5137
9	6473	7085	13558
10	5277	6033	11310
11	4295	4836	9131
12	4234	4341	8574
13	7190	7738	14928
14	6033	6283	12315
15	5808	6444	12252
16	3669	4132	7801
17	4949	5514	10463
18	7050	7837	14887
19	5626	6394	12020
20	4055	4497	8552
21	3377	3573	6950
22	4180	5001	9181
23	5461	5242	10703
24	10346	7985	18331
25	6804	7067	13871
26	5622	5901	11523
27	4090	4783	8873
28	3550	3890	7440
29	7281	8086	15367
30	4485	6874	11359
31	4767	5052	9819
32	4443	5031	9474
33	5022	5688	10710
TOTAL	177175	187287	364462

The municipal wards that have the highest population numbers are wards 5, 13, 18, 24, 25 and 29.

In line with national and provincial trends, there are more females than males in the Municipality, i.e. 187 287 females and 177175 males. The wards where the number of males is higher than the number of females are wards 2, 5, 7, 8, 23 and 24. It is possible that single males live in these wards and are employed in the municipal area and that their families live elsewhere.

Source: Census 2011

Figure 11: Gender Breakdown per Ward


5.3 INDICATORS OF POVERTY

The 2016 Community Survey results indicated the following poverty headcount for the uMhlathuze Municipal area as well as the Municipalities in the larger district.

Table 13: Indicators of Poverty in the District

Province/District/Local municipality	2015 Grants and subsidies received as a % of Total income	Poverty			
		2011		2016	
		Poverty headcount	Intensity of poverty	Poverty headcount	Intensity of poverty
DC28: King Cetshwayo District	86.8%	11.1%	41.0%	7.7%	43.1%
KZN282: uMhlathuze	16.4%	4.1%	41.6%	2.3%	39.6%
KZN286: Nkandla	74.5%	24.2%	41.2%	17.9%	44.2%
KZN281: Mfolozi	83.7%	10.0%	41.5%	7.2%	42.7%
KZN283: Ntambanana	92.9%	16.9%	41.3%	15.0%	41.9%
KZN284: uMlalazi	36.6%	15.6%	40.4%	12.7%	44.2%
KZN285: Mthonjaneni	48.2%	16.4%	40.9%	11.4%	43.0%

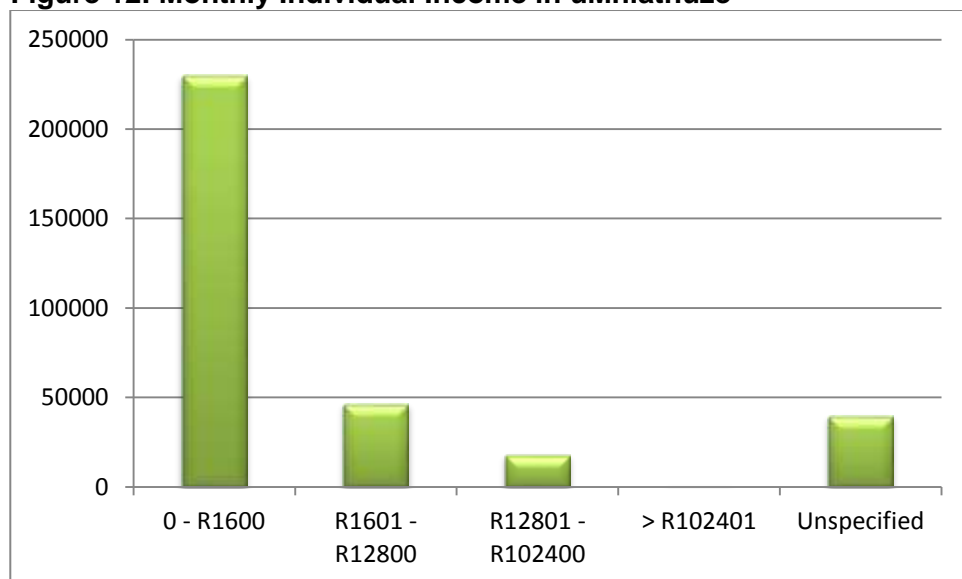
The following mapping provides an indication of income and employment levels in the uMhlathuze Municipality.





Income levels and the number of dependents have a significant impact on the ability of an employed person to meet the financial needs of his/her dependents. Very high numbers of persons in Wards 5, 6, 13, 15, 18, 25 and 29 earn less than R1600 per month.

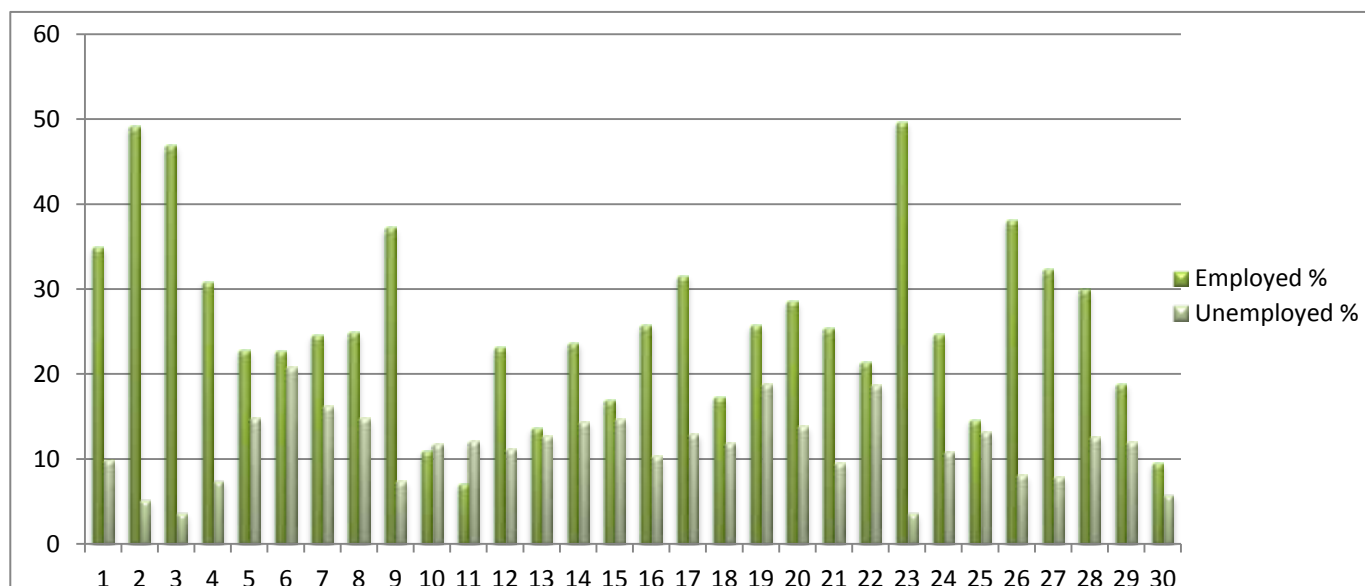
Figure 12: Monthly Individual Income in uMhlathuze



Source: Census 2011

The above figure indicates that a very large portion of the municipality earn less than R1600 per month.

Figure 13: Percentage Employment per Ward



The above figure and table on the left shows the percentage of persons in the respective municipal wards that are employed and unemployed. The highest percentage employment is in Ward 1, 2, 3, 9, 23 and 29. These wards largely correlate with the developed urban areas of Richards Bay and Empangeni. Unemployment levels seem to be highest (as a percentage) in Wards 6, 19 and 22. These wards largely correlate with areas that are developing (densifying) on the urban periphery of Esikhaleni and Nseleni. With the wards to be incorporated there is positive rate of employment as

compared to unemployment. The highest rate of unemployment from the wards to be incorporated in found in ward 5.

Education levels are provided for the 2001 and 2011 census years in the following table. Comparisons are made with the levels in the country, the King Cetshwayo District as well as the local municipalities in the King Cetshwayo district. The following table provides a summary of the situation while more explanatory figures are provided hereafter of specific situations.

Table 14: Comparative Education Levels

	No Schooling		Higher Education		Matric		Primary Educational Enrolment	
							aged 6-13	
	2001	2011	2001	2011	2001	2011	2001	2011
South Africa	17.9	8.4	8.4	6.7	22.1	27.8	91	93.1
DC28: Uthungulu	31.6	15.7	5.8	4.2	18.3	29.5	88.3	89.6
uMhlathuze	18.5	7.2	10.9	7.3	27.6	36.9	90.1	91.7
Nkandla	49.8	28.8	2.5	1.7	11.5	21.0	88.7	86.7
Mfolozi	29.6	14.6	2.3	1.2	14.5	30.3	89.3	88.2
Ntambanana	38.0	21.2	1.5	0.8	10.4	23.1	86.4	91.3
uMlalazi	39.2	22.5	3.5	2.9	13.2	22.9	87.0	88.9
Mthonjaneni	37.3	23.3	3.9	2.3	14.7	22.1	85.6	88.9

Although there has been a slight increase in the primary enrolment levels at national and district level, it remains concerning that, in some instances, nearly 10% of children of school going age, are not attending school. Reasons could relate to access, affordability and other poverty related factors such as HIV/Aids for this. The number of persons that do not have any education (no schooling) has declined between 2001 and 2011 as indicted in the figure hereunder.



5.4 HOUSING TYPOLOGY

The following table has been extracted from the 2016 Community Survey and provides an indication of the respective housing typologies of the main dwellings in the local municipalities of the King Cetshwayo district.

Table 15: Housing Typology per Local Municipality

Province/District/Local municipality	Main dwelling							
	2011				2016			
	Formal	Traditional	Informal	Other	Formal	Traditional	Informal	Other
DC28: King Cetshwayo District	142 048	54 380	4 757	1 792	159 371	58 094	7 466	867
KZN282: uMhlathuze	76 478	6 836	2 568	727	92 812	6 697	4 315	511
KZN286: Nkandla	7 142	15 138	79	103	3 711	18 030	91	
KZN281: Mfolozi	18 572	5 851	850	310	19 556	8 005	1 823	56
KZN283: Ntambanana	6 812	5 846	117	51	7 105	4 676	222	
KZN284: uMlalazi	27 359	16 370	828	504	29 285	16 974	469	226
KZN285: Mthonjaneni	5 685	4 338	313	97	6 902	3 712	546	74

Some of the implications of the abovementioned demographic profile for housing in the uMhlathuze Municipal Area are as follows:

- A high proportion of households in the municipal area reside in traditional houses. The housing development focus should therefore be on improving the conditions of these rural households.

6. INFRASTRUCTURAL ANALYSIS

The availability of bulk infrastructure, as well as the additional capacity within the infrastructure system is another crucial factor when considering any form of development. The urban centers of Richards Bay and Empangeni are well serviced with major arterials, electricity, telecommunications, water, sanitation, waste disposal, housing, medical and emergency services. However, this is not the case for the former peri-urban and rural areas, where infrastructure and services are often a challenge due to population densities.

6.1 WATER AND SANITATION

The City of uMhlathuze has formulated a level of service policy and this is defined in the Free Basic Water (FBW) policy. The policy identifies and deals with the following levels of water services:

- (a) Supply of water through communal water services i.e. Standpipe.
- (b) Supply of uncontrolled volume of water to a household where a water meter is installed.

The City of uMhlathuze has formulated a Level of Service Policy for Sanitation in rural and urban areas. In formalised urban areas a waterborne system is implemented and in rural areas Ventilated Improved Pit (VIP) Latrines are installed. It must be noted that in peri-urban areas or dense settlements adjacent to urban areas, which are close to a Water Resource, it will be advisable that shallow sewers be installed in order to protect a water resource.

About 89% of households in uMhlathuze obtain water from the uMhlathuze Municipality whereas 3% households obtain water from Water tankers. Very few household are still reliant on Borehole and spring to obtain water. More than 43 000 households obtain water through pipes inside the dwelling. The Community Survey of 2016 indicates that more than 45 000 households have access to safe drinking water in uMhlathuze Municipal. The Municipality continues to strive in an effort to ensure that all residents have access to clean water.

Table 16: Main Source of Drinking

Main source of drinking water	No of Households
Piped (tap) water inside dwelling	47511
Piped (tap) water inside yard	53778
Piped water on communal stand	2591
Borehole in yard	100
Rain-water tank in yard	599
Neighbours tap	1232
Public/communal tap	817
Water-carrier/tanker	3476
Borehole outside yard	251
Flowing water/stream/river	94
Well	0
Spring	19
Other	35

Source: Community Survey 2016

The Municipality currently receives funding through the Municipal Infrastructure Grant (MIG), of which **70%** is for water and **30%** for sanitation. It has been proven that such funding is not adequate to reduce backlogs for sanitation.

At commencement of the 2016/2017 financial year a total of **98.80%** households had access to the basic RDP level of water supply service. The basic level for the provision of water is communal supply less than 200 metres from a household.

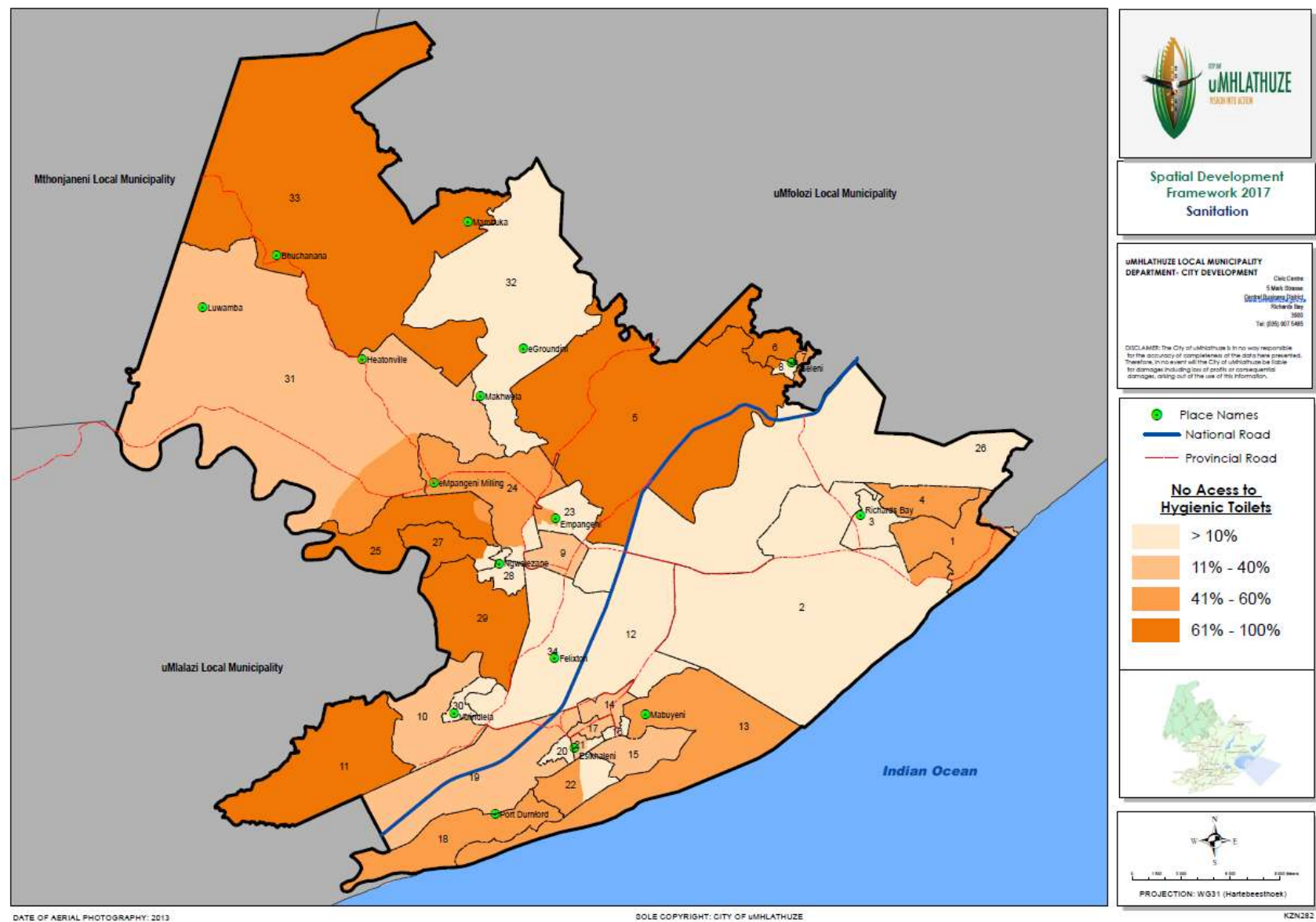
At commencement of the 2016/2017 financial year a total of 88.10% households had access to the basic level of service for sanitation. The basic (RDP) level is one VIP toilet per household.

The following mapping is based on the 2011 Census Data, it spatially depict access to water and sanitation in the municipal area.

Map 7: Access to Water



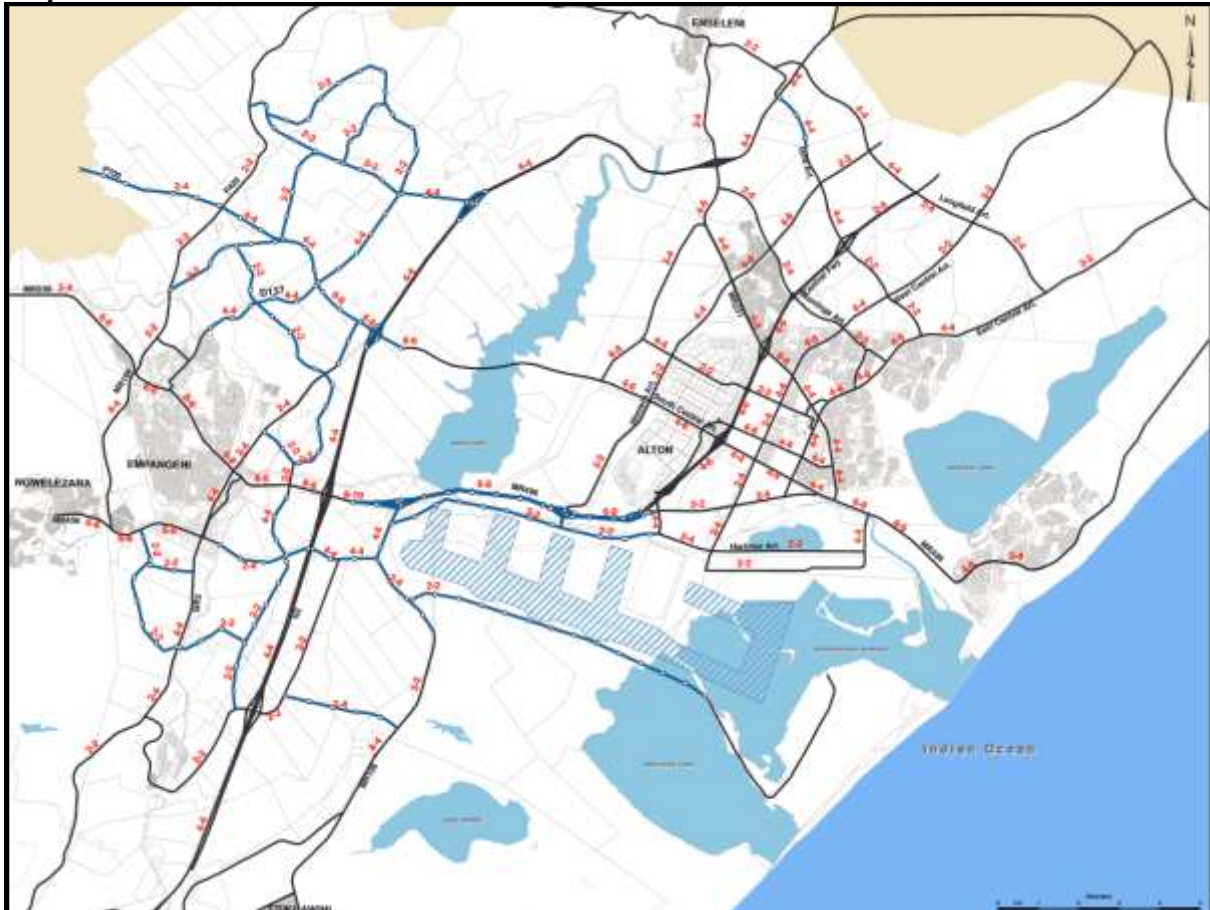
Map 8: Access to Sanitation



6.2 ROAD TRANSPORT

The Municipality has finalized a Review of its Arterial Road Framework Plan that extends beyond the boundaries of the existing formal urban areas into the proposed expansion areas as indicated hereunder.

Map 9: Arterial Road Framework Plan



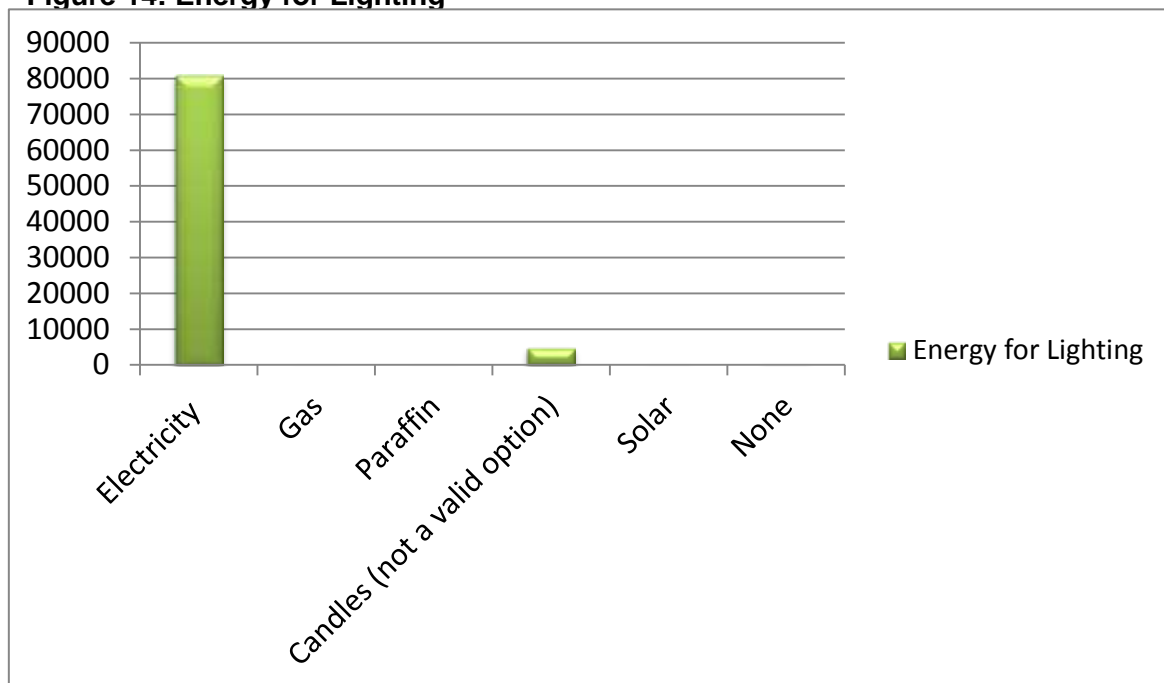
A further study of the Public Transport Amenities in the municipal area has also been completed. As part of this study the following was completed:

- Deliver a status quo analysis of public transport facilities in the City of uMhlatuze (bus/taxi stops, routes and ranks)
- Analyze the need for and possible location of a truck stop facility
- Develop concept layouts for all bus/taxi ranks within the City
- Undertake a study to identify a site for a truck stop site

6.3 ENERGY

The uMhlathuze Municipality has developed an electricity master plan in 2016. The City of uMhlathuze is a licensed electricity provider, however in rural areas electricity is still supplied by ESKOM. The main objective of Energy Sector Plan is to provide a background and basis for the development of an Energy and Climate Change Strategy for the City of uMhlathuze so as to provide and sustain bulk infrastructure services for anticipated development. The following figure indicates number of people with access to different types and uses for electricity:

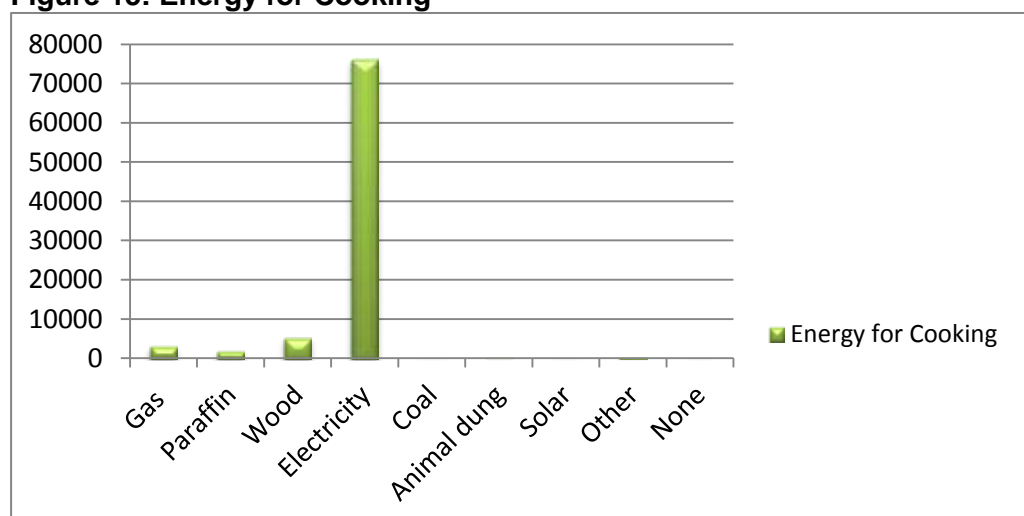
Figure 14: Energy for Lighting



Source Census 2011

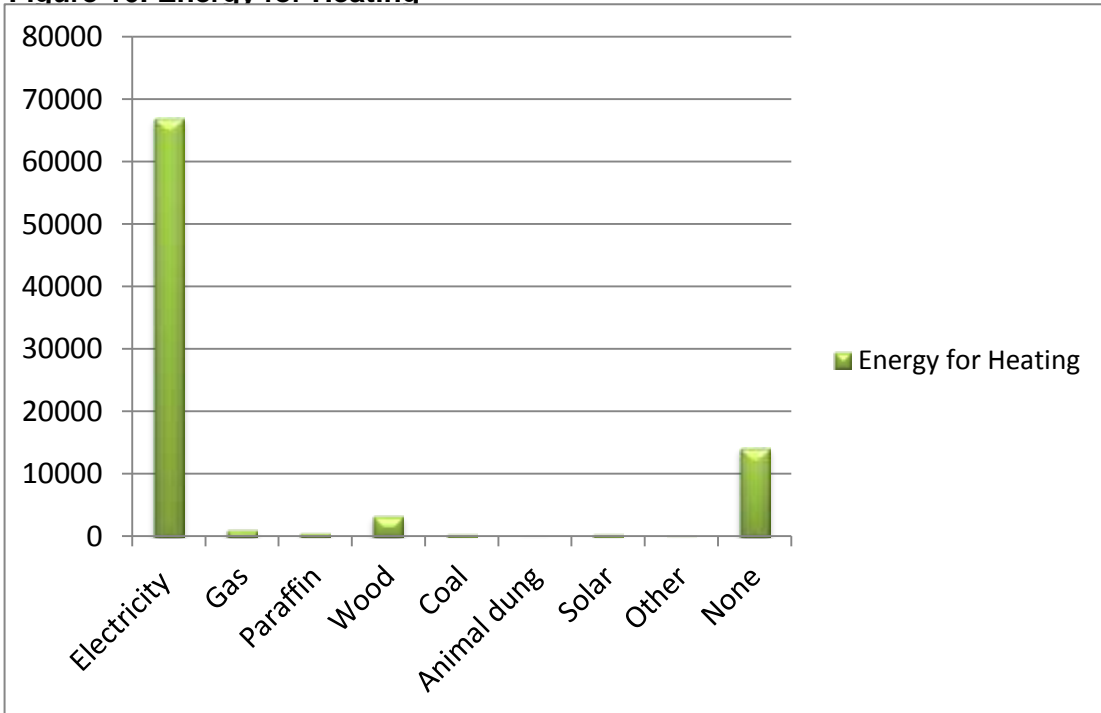
According to Census 2011, 93 % of households in the uMhlathuze Municipality use electricity for lighting. This is a great achievement for the municipality towards to realization of the Millennium Development Goals. Only about 5% of households still use candles for lighting.

Figure 15: Energy for Cooking



It is pleasing to note that Census 2011 indicated that about 87% households use electricity for cooking. Only 6% indicated dependency on wood and only 3% of households use gas for cooking.

Figure 16: Energy for Heating



It is encouraging to note that some 78% of all households indicated in 2011 that they use electricity for heating purposes. Surprisingly about 16% of households indicated “none”, which means that they do not have access to any of the heating sources or either they opt not to use these sources for heating.

The City of uMhlathuze has no electricity backlogs in its area of supply. The total backlogs of 5654 exist in the areas within the municipality which are directly serviced by Eskom. Municipality is only doing infills for new customers. The main focus of the municipality is on infrastructure provision and maintenance and also provision of public lighting in Traditional Authority Areas.

7. THE ENVIRONMENT

The **geomorphology** of the landscape is generally described as a low-relief area that is bounded by a coastline and a high-relieve terrain on the landward side. Forming part of the Zululand Coastal Plain, the area indicates a history of erosion and sedimentation, and sea level fluctuations.

The municipal area falls within an area which is recognized as the second richest floristic region in Africa: containing approximately 80 % of the of South Africa's remaining forests, rich birdlife and many other significant flora and fauna species. The uMhlathuze Municipal Area supports more than 170 Red Data species, which has been reported as amongst the highest in the country for an area of its size.

The geology and geomorphology of the area controls the transport and storage of water and influences the **hydraulic functions of the ground water system**. Furthermore, the soils are very permeable and almost all the rainfall infiltrates into the groundwater, where it is temporarily stored before being discharged into the streams, lakes and wetlands.

7.1 ENVIRONMENTAL ASSETS

The environmental assets of the areas are briefly described hereunder:

Economic Development: Coastal Dunes contain heavy minerals that are sought after for mining, which is a key sector in the context of regional economic development and national plans.

Tourism: The beaches are significant tourism assets for the municipality, attracting an Annual Beach Festival a hosting beach events at Alkanstrand, and providing a seasonal holiday destination and on-going recreational amenity. Other tourism assets worthy of preservation are the area's lakes and forests, heritage sites, conservation areas around Mzingazi River, and the estuary found south of the Port. The proposed developments of the waterfront, has a strong tourism focus. Environmental assets and socio-economic indicators have therefore been considered in the conceptual plans for the Waterfront.

More toward the inland, there are a number of game ranches and lodges that attracts a significant number of visitors annually.

Water Resources: The coastal Lakes (Lake Mzingazi, Lake Cubhu and Lake Nseze) are important water resources for the municipality. The development of Richards Bay in particular, with its industrial development, has seen a significant increase in the abstraction rates of these lakes over the past 20 years.

Ecological Features: Water logged areas have been drained to accommodate development but has in the process, created important hydrological and ecological linkages. In certain instances, these artificial regimes, have resulted in the formation of valuable natural assets that support high levels of biodiversity and species endemism. An example of such is the Thulazihleka Pan system in Richards Bay.

7.2 ENVIRONMENTAL SERVICES MANAGEMENT PLAN

An ESMP has been prepared for the pre 2016 uMhlathuze area of the Municipality that outlines, amongst others, the following critical goals Environmental Services Management:

- To define cohesive and functional spatial management units within the municipal area that need to be managed in order to optimise the delivery of environmental services.
- To develop management plans for each management unit that identify the management activities required to secure environmental services supply.

The areas that provide environmental services to the City are spatially defined, and the following “Levels” of protection were determined:

Level 1: Environmental Corridors: Included in this zone are areas of high biodiversity and environmental significance that require a high level of legal protection.

Level 2: Conservation Zone: Included herein are areas of biodiversity/ environmental significance, which are not viable for proclamation but that require some form of legal protection. No transformation of the natural assets or the development of land for purposes other than conservation should be permitted in this zone. Sustainable use of renewable resources is permitted.

Level 3: Open Space Linkage Zone: Included in the open space linkage zone are areas that provide a natural buffer for Level 1 and 2 Zones, areas that provide a natural link between Level 1 and 2 Zones and areas that supply, or ensure the supply of, significant environmental services. Transformation of natural assets and the development of land in these zones should only be permitted under controlled conditions.

Level 4: Development Zone: Includes all areas that are not included in Level 1, 2 and 3 zones. Areas in this zone are either already developed or transformed and contain land and natural assets that are not critical for environmental service supply.

7.3 AIR QUALITY

Air quality management plays an integral part in land use planning and zoning. A study was initiated to assess air quality within the pre 2016 uMhlathuze Municipality. The main objective of the air quality investigation was to inform the Spatial Development Framework for the City of uMhlathuze to ensure all environmental aspects were considered for current and future planning.

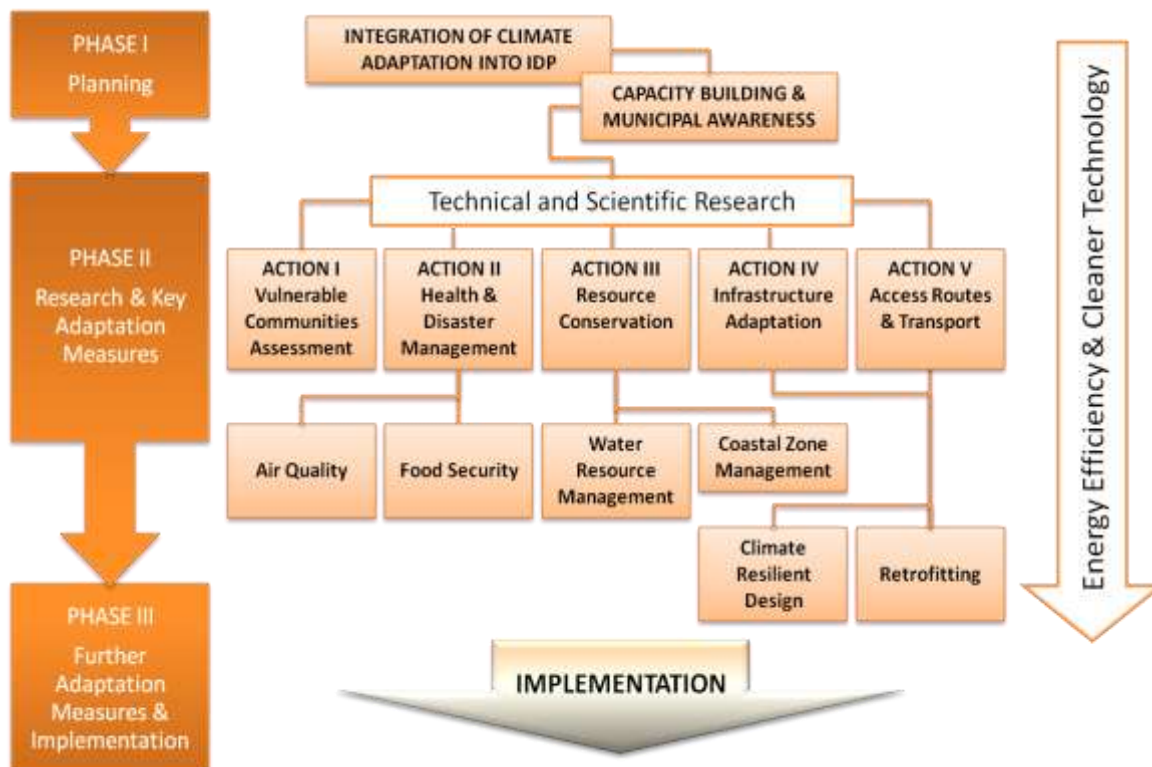
The study had the following focus areas and it is now opportune that the study be extended to include the extended municipal area:

- Determination of ambient air quality limits to be adopted as targets for areas within the City of uMhlathuze;
- Determination of areas where local air quality limits are exceeded or are in danger of being exceeded;
- Determination of buffer zones for existing industrial areas; and,
- Identification of possible future industrial development areas that would not impact on the health and well-being of the residents in uMhlathuze or on the sensitive environment.

7.4 CLIMATE CHANGE

Climate change strategies are drafted on the basis of two fundamental principles, i.e. **mitigation** and **adaptation**. To this end, a Climate Change Municipal Action Plan is in place that also has to be extended/reviewed to include the enlarged municipal area. The areas that were added to the Municipality experience climate change in a different manner and are generally more vulnerable. The Municipal Action plan adopts a phased approach to allow for a systematic and realistic response to potential climate impacts.

Figure 17: Phased Approach to Municipal Action Plan



7.5 BIODIVERSITY AND DEVELOPMENT

The greater uMhlathuze Municipal Area supports more than 170 Data species, which according to the South African National Biodiversity Institute, ranks amongst the highest in the country for an area of its size. This remarkable concentration of Red Data Species is one of the main reasons that most of the remaining percentage of undeveloped, indigenous land cover, is considered irreplaceable by Ezemvelo KZN Wildlife for meeting its conservation objectives in the Province.

Table 17: Biodiversity Significance

Vegetation Type	Red Data Species (Significance)	Conservation Target
Grasslands	124	100 % following a detailed survey. Conservation of a substantial portion of the remaining natural asset in the region is required if conservation objectives are to be pursued
Forests	90	
Nseleni River_Lake Nsezi System	70	
Large Wetlands	55	
Estaries	28	
Lakes	18	
Mhlathuze River System	11	
Swamp Forests	9	

All of the remaining ecosystem types are important for supporting Red Data Species, implying that there is a direct conflict with future development imperatives. The Spatial Development Framework has identified such development opportunities for the area. Port expansion with associated industrial development is the single most significant opportunity in the area with tremendous potential to grow the local, regional and national economy. Existing planning approaches in the area also present opportunities to enhance conservation and hence tourism objectives. The limited space to accommodate the growth demand in the area reflects the realities of ecological risks that may arise and the anticipated conflict between conservation and development. The situation highlights the need for closer collaboration and coordinated planning between environmental stakeholders and prospective developers.

8. HOUSING DEMAND AND PRIORITISATION

The uMhlathuze municipal area is characterized by a shortage of suitably well-located land for housing development. However the municipality has identified a number of potential land parcels that have potential for housing development.

There are portions of land within the City of uMhlathuze which are not developable due to limitations such as private land ownership, lack of suitable infrastructure, environmentally sensitive wetlands, geotechnical and environmental considerations; however there is an urgent need to give careful consideration to the process of urban densification and the identification of well-located land for development.

8.1 WAYS OF DETERMINING HOUSING DEMAND/NEED

It is vitally important that due to limited budget and economic challenges the country is faced with, the housing projects should be delivered primary in areas where there is a greatest need. Housing Demand can be calculated in a number of different ways/methods as expanded upon hereunder.

8.1.1 WAITING LIST

Housing waiting list have a number of short coming including, including applicants putting their names down on more than one municipality waiting list and the problems related to maintenance of such large waiting list. Also many potential beneficiaries do not place their names on this list.

8.1.2 CENSUS

The current preferred method of calculating housing demand is through the use of statistical data collected in census 2001-2011. Census data on household income levels can be used to determine areas of greatest need based on poverty levels while census data on housing typologies which indicate the number of informal dwellings per ward can be used to determine are of greatest need based on housing backlog.

8.1.3 NATIONAL HOUSING NEEDS REGISTER

The National Housing Needs Register (NHNR) is a web based application that contains records related to the need of households for adequate shelter based on captured housing needs questionnaires. The records captured on the NHNR is one of the main sources that is to be used by Provinces and Municipalities for planning and budgeting processes related to Human Settlements Development Grants.

The purpose is to create a single integrated database of potential human settlements beneficiaries. It is a tool to support a fair, equitable, transparent, and inclusive selection and approval process for all housing development projects undertaken through the Integrated Residential Development Programme (IRDP).

Benefits of the NHNR can be summarised as follow:

- It allows for the allocation of housing opportunities in a manner that greatly reduces malpractices and corruption.
- It is a web based system requiring users to connect to the internet and be registered to gain access eliminating the need for physical installations thereby reducing the time required for implementation.

- Municipalities and Provinces will be able to obtain a better understanding of the housing needs and backlog within their respective areas.
- It serves as a reliable planning and budgeting tool to enable the delivery of housing based on identified need.
- It will assist to understand the different dynamics and needs of potential beneficiaries for various tenure options in the province.

Currently the municipality does not have credible data on the housing demand/needs of the citizens of the uMhlathuze municipality. The municipality relies mainly on the census statistics, and there are limitations to this method, data can be outdated. The municipality is in the process of implementing/rolling out the National Housing Needs Register (NHNR). The municipality was one of the nine municipalities that showed interest in piloting implementation of the NHNR programme in KZN.

8.2 HOUSING DEMAND/NEED IN UMHLATHUZE

The removal of slums and informal settlements is a priority of the National and Provincial Department of Human Settlements, and the census of 2011 identified 5100 informal dwellings, with the majority of dwellers located in Khoza/Bhejane, in Dube and Mkhwanazi Traditional Authorities these areas are therefore the areas of greatest need in relation to informal settlements upgrade and slums clearance projects. The Slums backlog has therefore been estimated at 2800 and the total rural housing backlog is estimated in 6622.

An estimated total of 1200 informal structures are located in the Mandlazini and Mzingazi Agri-Villages. Out of the estimated total, the housing backlog estimate is 600.

The total estimated Social Housing/Community Residential Unit backlog is 5000, which led to the Esikhaleni Hostels and the establishment of rental housing units in Richards Bay and Empangeni.

It is evident that the majoring of people living in the peri-urban areas are workers who cannot afford formal private rental and students with limited choice in respect of available student accommodation.

The Department of Human Settlements has initiated a process to establish housing demand databases within municipalities. The aim of the database is to assist municipalities in determining the demand for housing within their area of jurisdiction more accurately.

The municipality has appointed the Implementing Agent to undertake feasibility studies for Dube and Mkhwanazi Traditional Authorities slums clearance project for the area known as Mzingwenya River Settlement.

A summary of the Municipal housing backlog or potential beneficiaries per subsidy instrument is provided hereunder:

- Urban Greenfield low income housing: **10000** including Mandlazini and Mzingazi housing backlog
- Social/Rental and Community Residential Units: **5000**
- Rural Housing: **6622** including slums clearance estimated at **2800**

8.3 HOUSING PRIORITIES

8.3.1 INFORMAL SETTLEMENTS

Informal settlement is a reality in all urban contexts particularly where a large degree of economic activity is prevalent that creates the expectation of employment opportunities. The uMhlathuze Municipality is no exception. Perceptions and definitions are important when considering informal settlement and or slums. A number of interpretations exist in this regard, but for the purpose of this document, informal settlements are regarded as those areas where settlement is concentrated and has been increasing in density in recent years on urban/peri-urban land that is not formalised, i.e. where Township Establishment procedures have not been finalised. Typically, these informal settlements are located in areas that have been earmarked/reserved for other purpose, notably conservation corridors, wetlands, buffer strips. Importantly, what is regarded as informal settlements in this document, are areas that have generally been settled with some form of permission albeit on a portion of Traditional Council land abutting a formal town area.

In 2014, Project Preparation Trust (PPT) was appointed by the National Department of Human Settlements to provide participatory based planning support to uMhlathuze municipality to produce development frameworks across all seven informal settlements in the municipality. Council so far has not approved the Settlement Assessment and Planning overview and close out report by PPT.

The following seven informal settlements were targeted for assessment and planning

1. uMzingwenya River settlement
2. Bhejane/Khoza (Nseleni) Traditional Authority areas
3. Mzingazi Agri-Village and Buffer Strip settlement
4. Mandlazini Agri-Village and Buffer Strip settlement
5. Mkhwanazi (Vulindlela) Traditional Authority areas
6. Ngwelezana Hospital
7. Vulindlela

8.3.1.1 The uMzingwenya Informal Settlement and Slums Clearance

The Mzingwenya settlement situated within a flood risk zone between Mdlebe Ntshona Road and the Mzingwenya River. Essentially, the settlement is found to consist of varying residential dwellings ranging from:

- Basic or low income dwellings
- Middle income type of dwellings
- Upmarket dwellings
- Train type dwellings erected and driven by private housing entrepreneurs as rental housing

Attempts to manage or prevent the situation has proven to be rather complex in view of the fact that land ownership vests with two Traditional Authorities; namely the KwaMkhwanazi Authority having jurisdiction on land adjacent to Esikhaleni Section J, and KwaDube Authority which is involved with the portion adjacent to Esikhaleni section H.

Map 10: The uMzingwenya Settlement

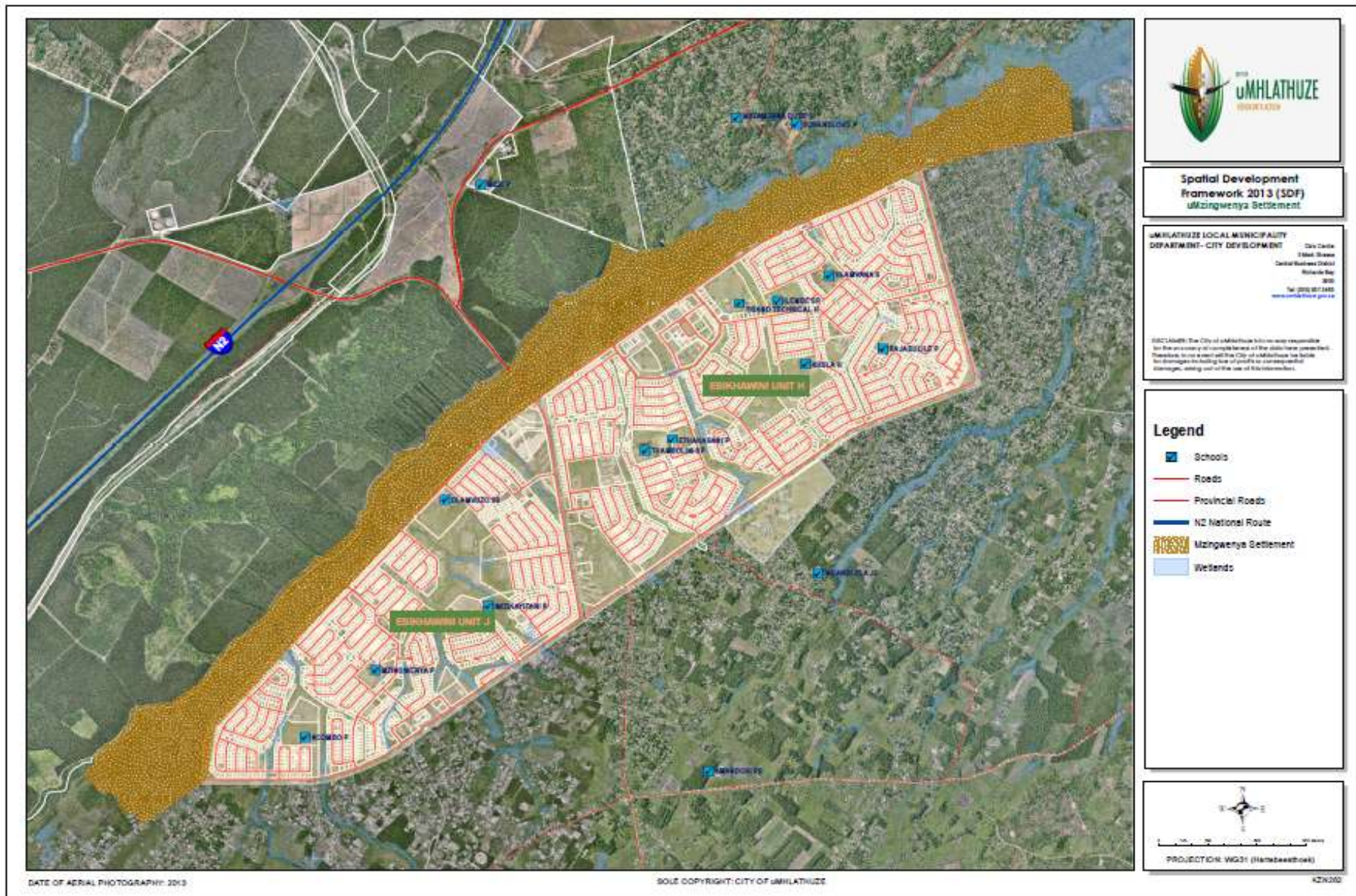
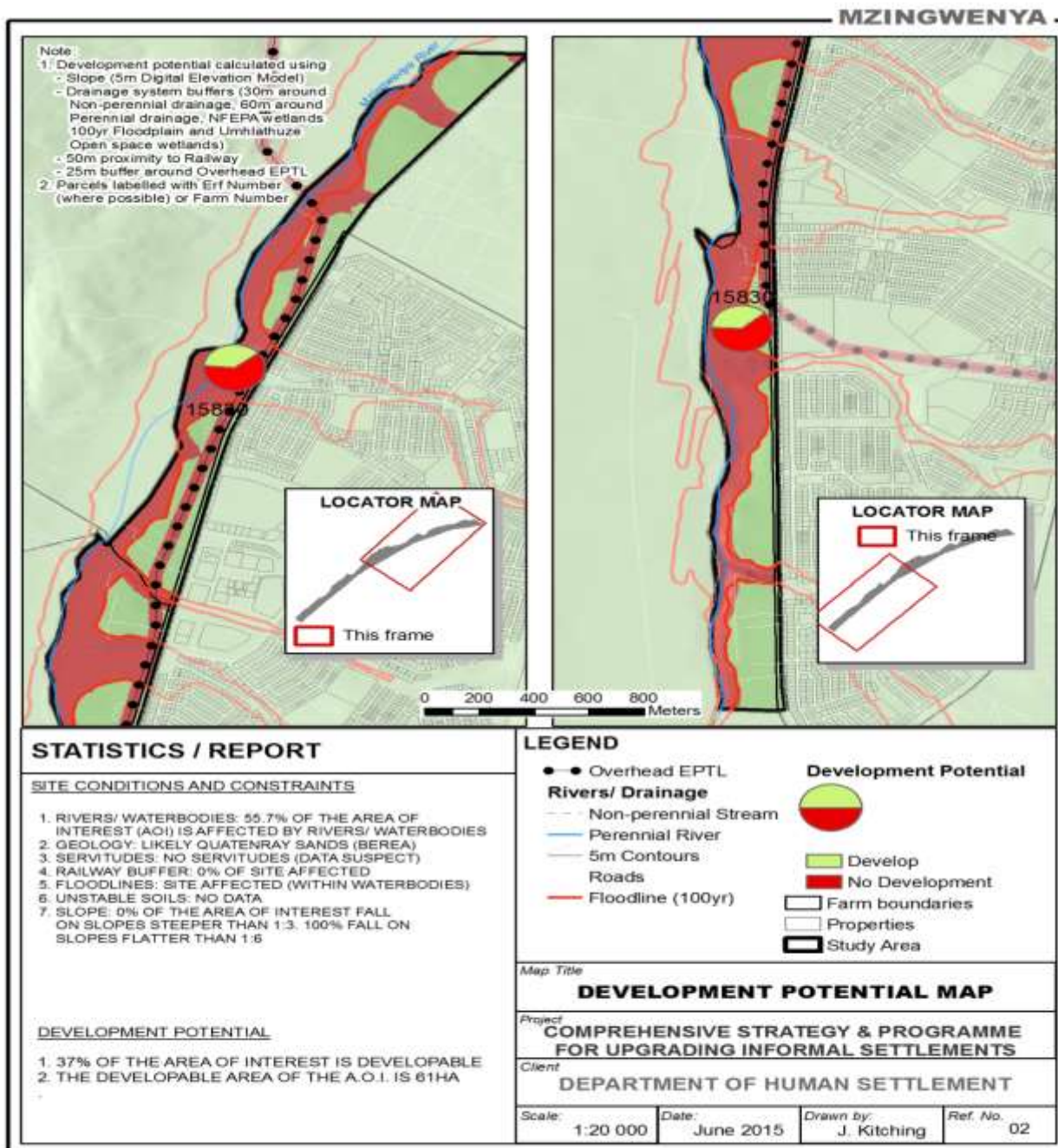


Figure 18: uMzingwenya Land Development Potential



It is estimated that at least 1800 out of 4000 households living in this area within the 1:100 year floodline, therefore the informal settlement may well be regarded as the Municipality's largest disaster area with respect to the flood risks. The Municipality will have to access at least 100 ha portion land for the Greenfield housing development to relocate mostly affected people from uMzingwenya River.

The Municipality has informed the Department of Human Settlements about the land required for the development of low income housing.

Table 18: uMzingwenya River Informal Settlement Classification

Informal Settlement Category-Criteria		C	Bulks Availability (Yes/No/Upgrade)
Criteria		Imminent relocation	
Informal Settlement Classification		<ul style="list-style-type: none"> ○ Site Not and appropriate for long term upgrading ○ Urgent need for relocation (e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc). ○ Relocation destination available (either in-situ upgrade or green fields project with unallocated sites or site for emergency transit camp and emergency funding available. 	Yes but capacity will require upgrade
Possible area for relocation		SDF Expansion Area A	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers

8.3.1.2 Nseleni Informal Settlement and Slums Clearance

The Nseleni settlement situated on the outskirt of Nseleni Township some of the structures are situated close to a 100 year floodline and some are built on a slightly steep area. Essentially, the settlement is found to consist of varying residential dwellings ranging from:

- Informal
- Basic formal or low income dwellings
- Train type dwellings erected and driven by private housing entrepreneurs as rental housing

The land belongs to Khoza/Bhejane Traditional Authority which made it difficult to the Municipality to control the allocation of land in unsuitable land.

Map 11: Nseleni Peri-Urban Settlement



Figure 19: Nseleni Land Development Potential

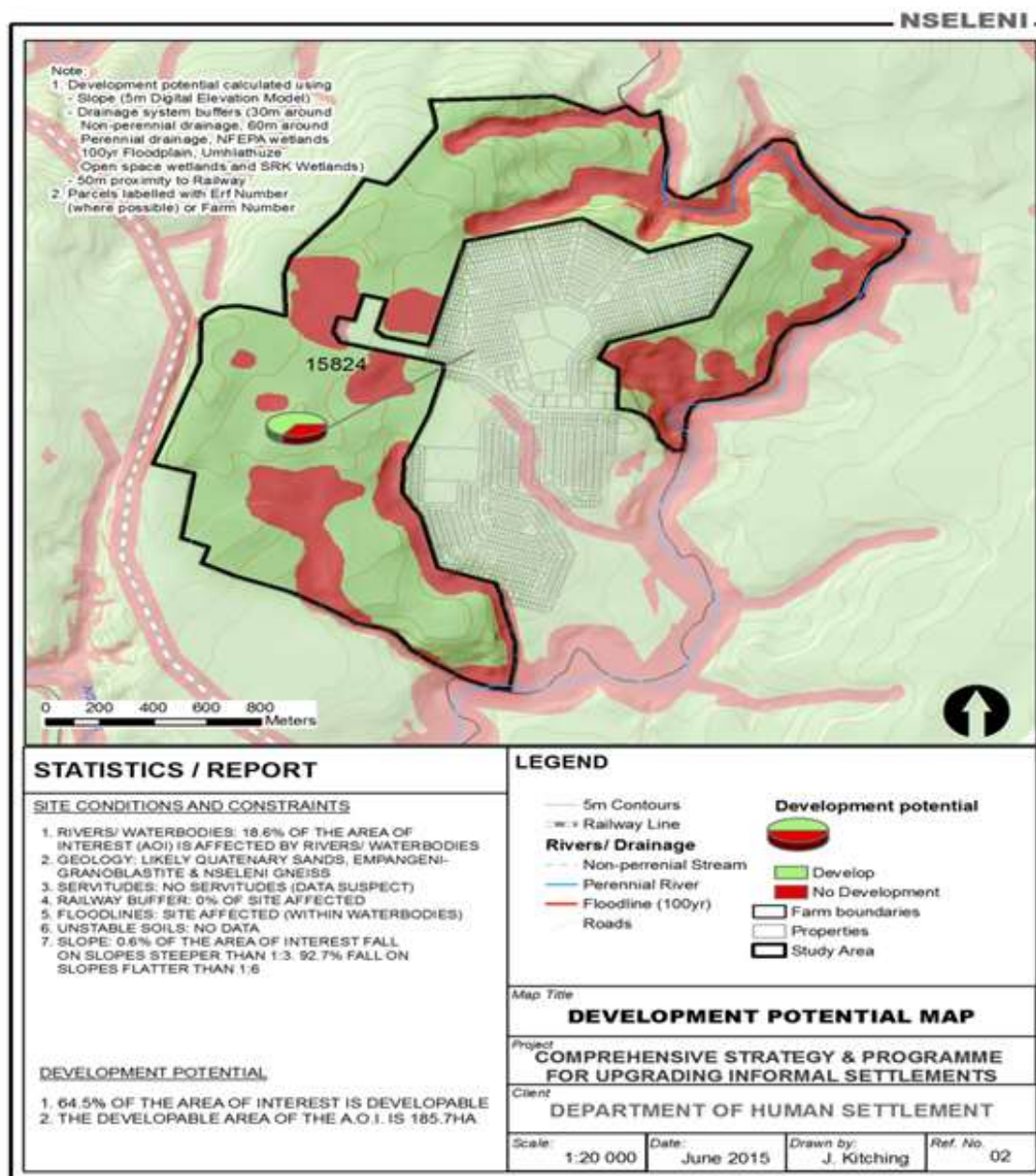


Table 19: Nseleni Informal Settlement Classification

Informal Settlement Category- Criteria		C	Bulks Availability (Yes/No/Upgrade)
Criteria		Imminent relocation	
Informal Settlement Classification	Settlement	<ul style="list-style-type: none"> • Site NOT and appropriate for long term upgrading • Urgent need for relocation (e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc). • Relocation destination available (either in-situ upgrade or green fields project with unallocated sites or site for emergency transit camp and emergency funding available. 	Yes but capacity will require upgrade
Possible area for relocation		Municipal greenfield Housing Development.	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers

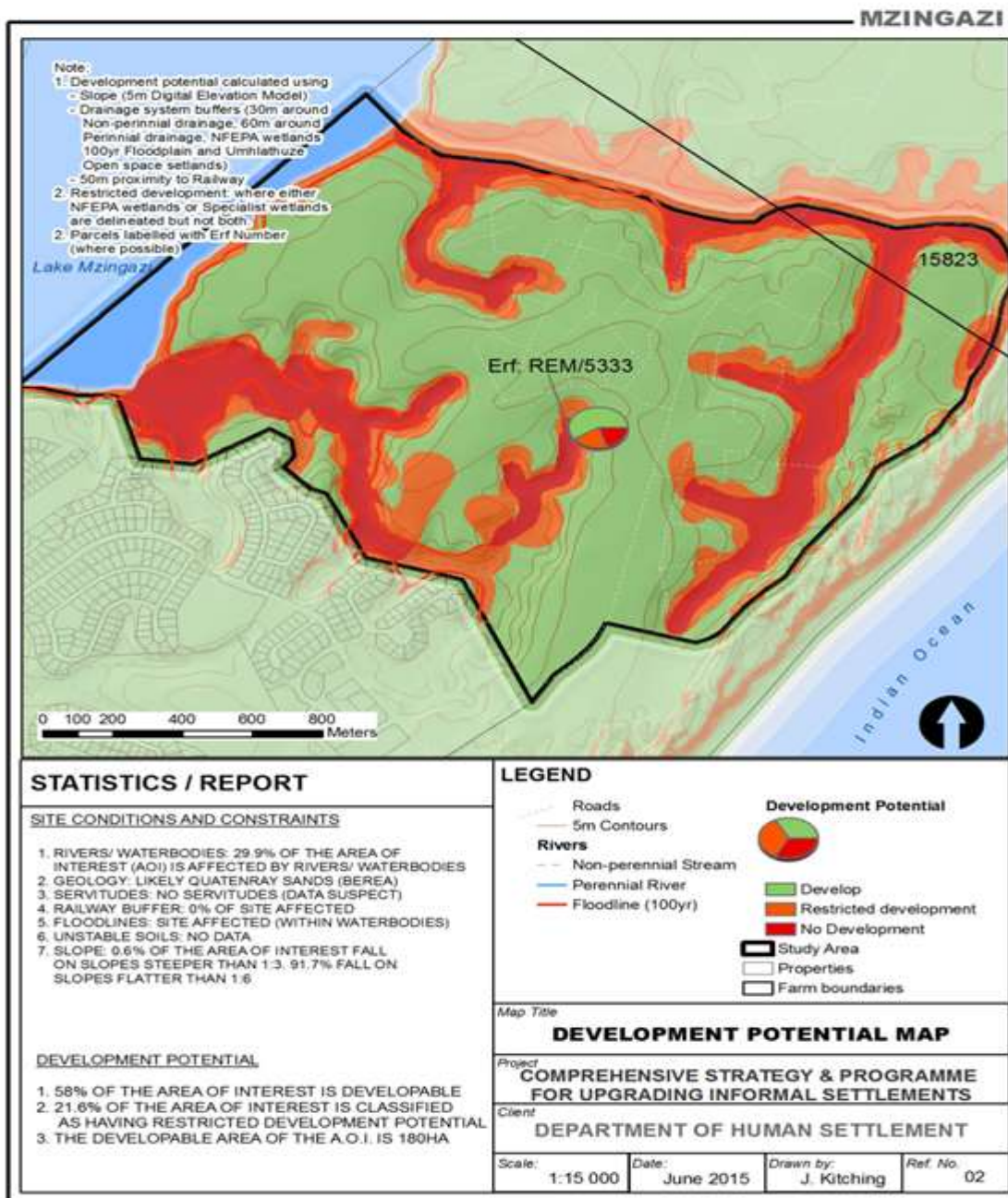
8.3.1.3 Mzingazi Informal Settlement and Slums Clearance

The Mzingazi Agri-Village is owned by the City of uMhlathuze and is located adjacent to Meerensee Extension 5. As early as 1990, Council initiated a process to formalise the Village and transfer the properties to the identified beneficiaries. At the time, the beneficiary list consisted of 201 families. This grew to 565 in the late 1990's. The Surveyor General diagrams were handed over to the families as an indication of Council's commitment to transfer ownership.

Map 12: Mzingazi Informal Settlement



Figure 20: Mzingazi Land Development Potential



The uMhlathuze Council is currently also planning for the installation of waterborne sewer in Mzingazi and an EIA (Environmental Impact Assessment) has been approved. Recent indications are that more than 1000 families reside in the area. It is essential that an appropriate sanitation solution is provided for the community of Mzingazi as the Village borders one of the main fresh water sources in the municipal area, Lake Mzingazi.

Table 20: Mzingazi Informal Settlement Classification

Informal Settlement Category- Criteria		B1	Bulks Availability (Yes/No/Upgrade)
Criteria		Interim Basic Services (eventual full upgrade when resources and timing permit)	
Informal Settlement Classification		<ul style="list-style-type: none"> • Site viable and appropriate for long term upgrading (land, bulk services, topography, environmental, geotech all "OK") • BUT Project implementation not ready (i.e. cannot be expedited in the next year or two due to lack of available funding, land not yet secured and some areas have no access to bulk services. 	Yes but will capacity will require upgrade
Possible area for relocation		Municipal greenfield Housing Development	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers
Informal Settlement Category- Criteria		B2	Bulks Availability (Yes/No/Upgrade)
Criteria		Emergency Basic Services (eventual relocation when resources and timing permit)	
Informal Settlement Classification		<ul style="list-style-type: none"> • Site NOT viable and appropriate for long term upgrading • BUT NO urgent need for relocation e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc.) 	Available in the surrounding areas but relocation will be considered as the solution.
Possible area for relocation		Municipal greenfield Housing Development	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers

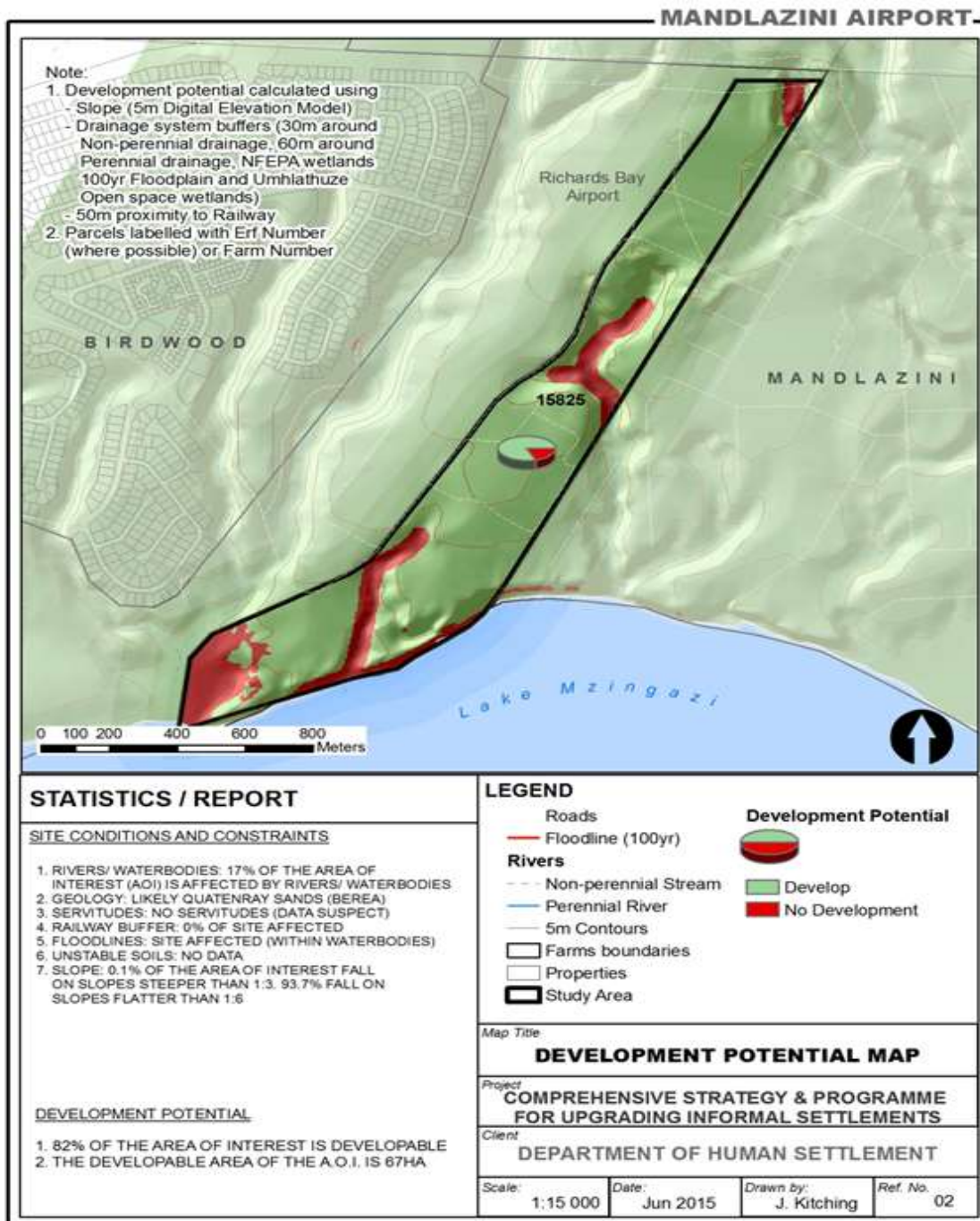
Source: Department of Human Settlements

There is an outstanding Mzingazi Land Claim initiated by Mbuyazi Traditional Authority. The Municipal cannot proceed with the Mzingazi township establishment process before this matter is resolved. The current status also has implication on the proposed High School Development in the area, which cannot be finalized until the land claims issues are resolved.

8.3.1.4 Mandlazini Informal Settlement and Slums Clearance

The Mandlazini-Airport Buffer Strip measures approximately 65 hectares in extent and according to a November 2011 survey, there are approximately 500 residential structures in the buffer strip. Some of the structures are of an informal/temporary nature while other structures are built from brick and mortar. The land in question is owned by the uMhlathuze Municipality. There are two main concerns relating to the settlement in this buffer strip. In the first instance, some of the structures are believed to be located within a watercourse. In the second instance, this settlement is located within the predicted 55dBA noise contour as determined by the 2010 Update of the Richards Bay Airport Master Plan.

Figure 21: Mandlazini-Airport Buffer Strip Land Development Potential



Map 13: Mandlazini-Airport Buffer Strip Informal Settlement



The Mandlazini Informal Settlement falls under two (2) categories due to its nature of location, i.e. Category B1 and Category B2.

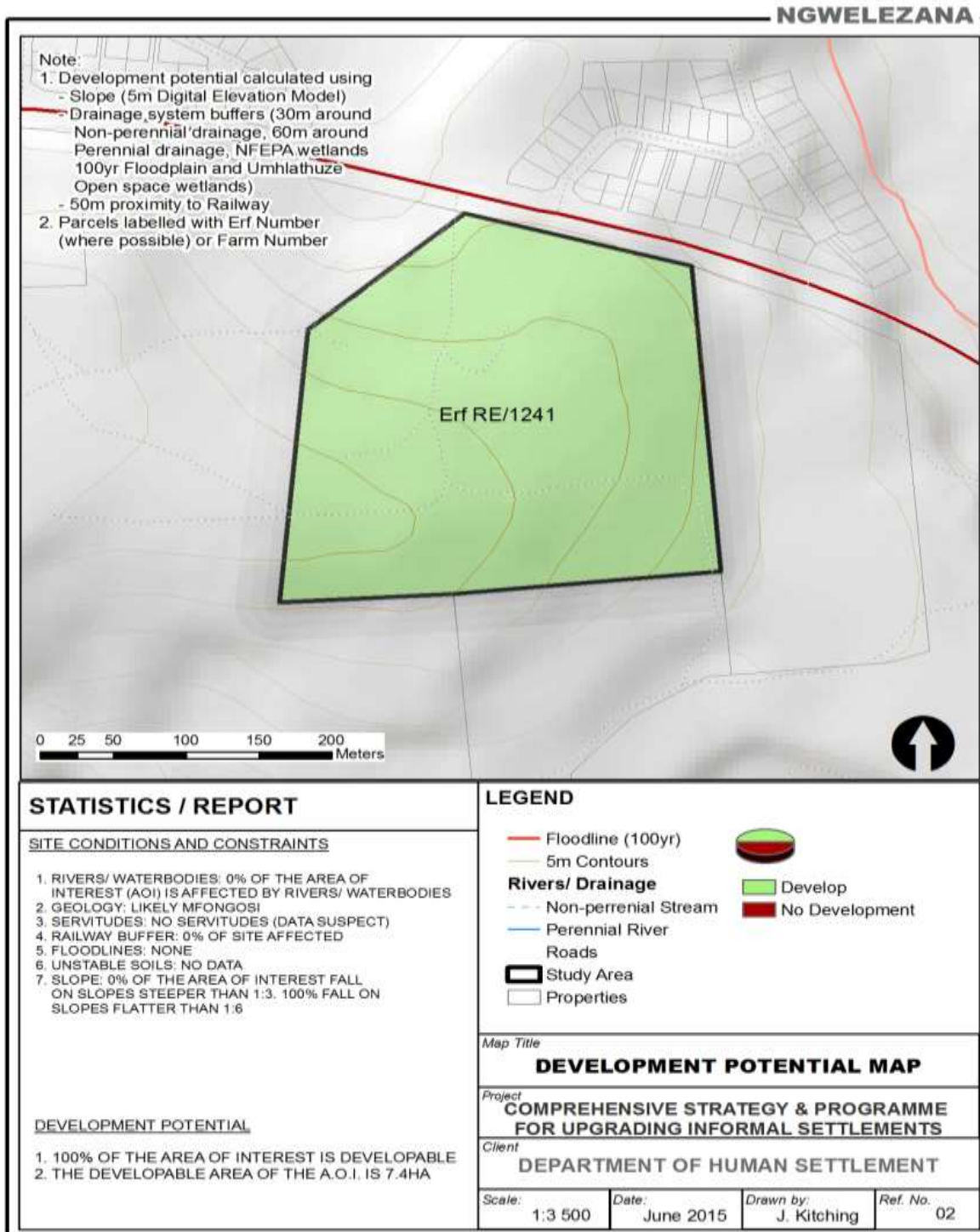
Table 21: Mandlazini Informal Settlement Classification

Informal Settlement Category- Criteria		B1	Bulks Availability (Yes/No/Upgrade)
Criteria		Interim Basic Services (eventual full upgrade when resources and timing permit)	
Informal Settlement Classification		<ul style="list-style-type: none"> • Site viable and appropriate for long term upgrading (land, bulk services, topography, environmental, geotech all "OK") • BUT Project implementation not ready (i.e. cannot be expedited in the next year or two due to lack of available funding, land not yet secured and some areas have no access to bulk services. 	Yes but capacity will require upgrade
Possible area for relocation		Municipal greenfield Housing Development	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers
Informal Settlement Category- Criteria		B2	Bulks Availability (Yes/No/Upgrade)
Criteria		Emergency Basic Services (eventual relocation when resources and timing permit)	
Informal Settlement Classification		<ul style="list-style-type: none"> • Site NOT viable and appropriate for long term upgrading • BUT NO urgent need for relocation e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc.) 	Available in the surrounding areas but relocation will be considered as the solution.
Possible area for relocation		Municipal greenfield Housing Development	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers

8.3.1.5 Ngwelezane Informal Settlement

Erf 1241 settlement is situated within Ngwelezane Hospital consisting of individual free standing structures and train type structures driven by private housing entrepreneurs as rental housing. The land belongs to the Department of Public Works.

Figure 22: Ngwelezane Land Development Potential



Map 14: Ngwelezane Hospital Settlement



Table 22: Ngwelezane Informal Settlement Classification

Informal Settlement Category- Criteria	B2	Bulks Availability (Yes/No/Upgrade)
Criteria	Emergency Basic Services (eventual relocation when resources and timing permit)	
Informal Settlement Classification	<ul style="list-style-type: none"> • Site NOT viable and appropriate for long term upgrading • BUT NO urgent need for relocation e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc.) 	Yes
Possible areas for relocation	Municipal greenfield Housing Development	uMhlathuze Village Phase 8: Yes Aquadene Housing Development: Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers

8.3.1.6 Vulindlela/University of Zululand Informal Settlement

Vulindlela/University of Zululand settlement is situated on the outskirts of Vulindlela Township. Some of the structures are built on a slightly steep area. Essentially, the settlement is found to consist of varying residential dwellings ranging from:

- Informal
- Basic formal or low income dwellings
- Train type dwellings erected and driven by private housing entrepreneurs as rental housing

The land belongs to Mkhwanazi Traditional Authority which made it difficult to the Municipality to control the allocation of land in unsuitable land.

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Figure 23: Vulindlela/University of Zululand Settlement Land Development Potential

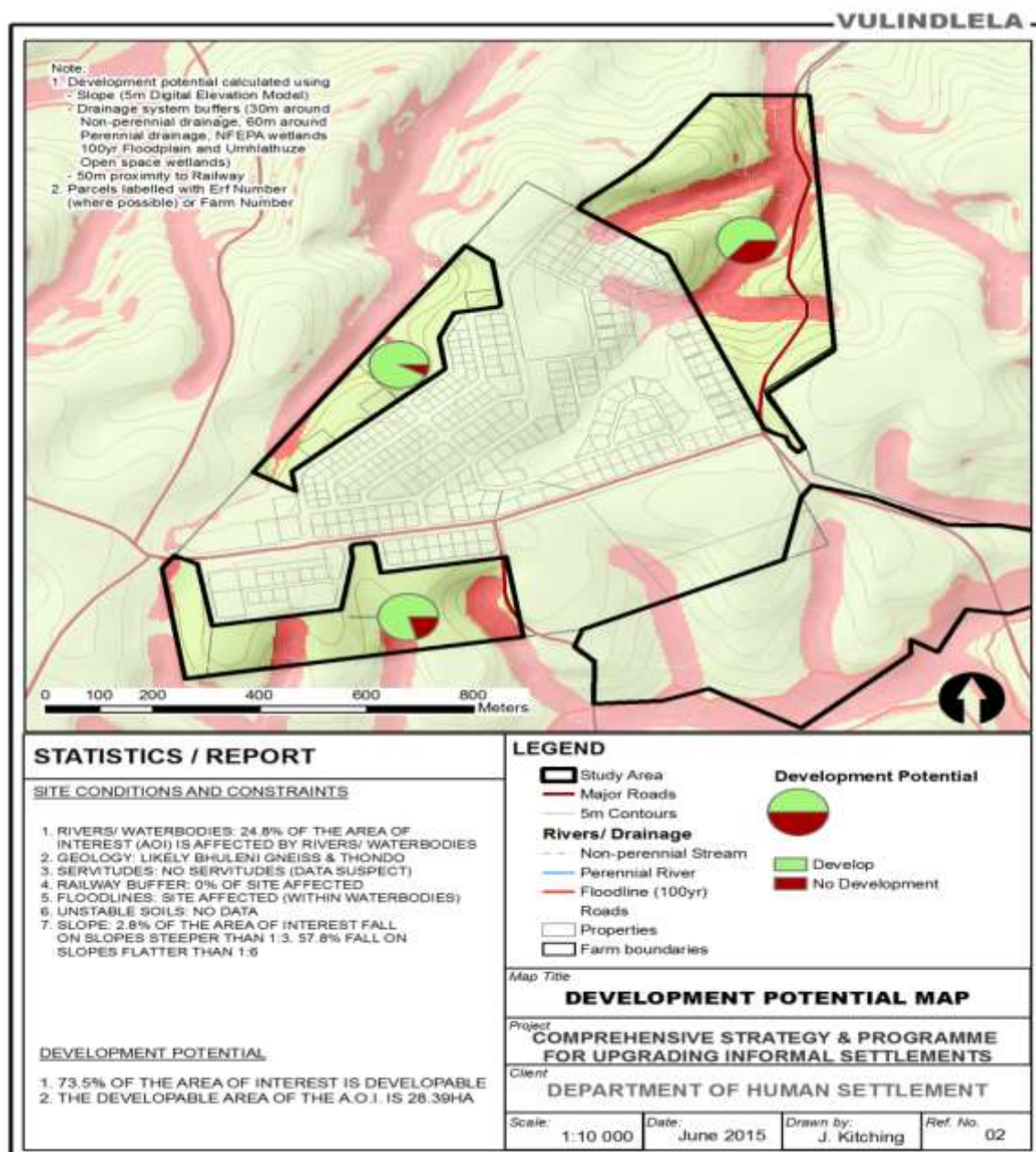


Table 23: Vulindlela/University of Zulu-Land Informal Settlement Classification

Informal Settlement Category-Criteria		C	Bulks Availability (Yes/No/Upgrade)
Criteria		Imminent relocation	
Informal Settlement Classification		<ul style="list-style-type: none"> • Site NOT and appropriate for long term upgrading • Urgent need for relocation (e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc). • Relocation destination available (either in-situ upgrades or green fields project with unallocated sites or site for emergency transit camp and emergency funding available). 	Yes
Possible area for relocation		Municipal greenfield Housing Development	Available in the surrounding areas, the Municipality is busy with infrastructure upgrade plans in order to accommodate envisaged consumers

The provision of government housing subsidies in Mzingazi and Mandlazini Village will be twofold as a result that the some 570 and 562 beneficiaries from Mandlazini Village and Mzingazi Village, respectively benefited from government land reform programme (i.e. access to serviced stands) but do not have adequate houses. These beneficiaries are likely to benefit from consolidation subsidies subject to qualifying criteria being met.

The upgrade of some of the informal settlements will not be viable since development may be constrained by certain factors such as geotechnical conditions, Geohydrological conditions, flood-lines, topography etc.

During the later part December 2014, the municipality began with the installation of electricity services to the community of Mzingazi and Mandlazini informal settlements. This was part of the incremental informal settlement upgrade approach.

It is very important to consider that any development in the City of uMhlatuze is guided by the Spatial Development Framework. To this end, new township development will be in line with the SDF expansion areas and areas that require intervention, i.e. the all listed areas above, are indicated as intervention areas of the SDF.

8.3.2 RURAL HOUSING

Dube has the largest number of traditional dwellings with 2 695 (27%), followed by Zungu/Madlebe with 2 110 (21%), Mkhwanazi 1 457 (15%), Khoza 1401 (14%) and Mkhwanazi 1259 (13%). Whilst many of the 10 034 **traditional dwellings** offer more than adequate housing, often in idyllic settings, the reality is that many of these traditional dwellings do not provide satisfactory shelter, compounded by the absence of basic services and amenities. Based on the infrastructure backlogs determine in the district infrastructure master plan 66% of these households are below the acceptable RDP minimum standard in 2004/5. This therefore indicates that the backlog or need for rural housing can be calculated at **6622** housing units.

8.3.3 SOCIAL HOUSING/COMMUNITY RESIDENTIAL UNITS

There are 6 119 “**living quarters**” and whilst these are not considered housing units for purposes of the census, they should be considered when assessing housing needs.

The largest number are to be found in Vulindlela, namely 1854, outnumbering the other types of housing by a ratio of 2.7:1.0. However an inspection of these units in Vulindlela indicates that many of these living quarters have been developed to cater for the needs of students studying at the University, and are probably suitable for the intended use. The next significant number of “living quarters” is the 1 510 within uMhlathuze, the vast central area encompassing the port and extending inland beyond Empangeni, northeastwards to Khoza and to the southwest to Felixton.

The Esikhaleni Hostels Socio-Economic Survey of 2003, shows 1402 individual “quarters” with a population of 4 709 (head of household 1 477, dependents 1 563, spouses 129, lodgers 1 540). According to the survey 87% of respondents regard the hostels as their permanent residence.

However due to the large number of living quarters catering for students it is estimated that only 30% of the total figure should be included in the social housing backlog estimations. The housing backlog in terms of Social Housing or Community Residential Units can be estimated at **3000 Units**.

8.3.4 MIDDLE INCOME HOUSING

There is a large gap between middle income housing prices in the townships and those in Richards Bay/Empangeni, which makes it difficult for the majority of middle income earners to move to Richards Bay and Empangeni.

This need for middle income housing in Richards Bay and Empangeni, has grown significantly in recent years, it is due to the fact that middle income earners are entering this market in increasing numbers, and now reportedly constitute roughly one-third of the market.

8.3.5 UPPER INCOME HOUSING

The demand for upper income housing in Richards Bay and Empangeni can be met by a number of planned projects including The Ridge, Coastal Dune Nodes, Royal Creek, and Westview etc. Furthermore, with much of the land surrounding these towns in private ownership, this demand will be supplied by the private sector.

8.3.6 EMERGENCY HOUSING PROGRAMME

The Emergency Housing Programme is a programme provided for in Part 3 Volume 4 of the National Housing Code. According the Housing Code “The main objective of this Programme is to provide temporary assistance in the form of secure access to land and/or basic municipal engineering services and/or shelter in a wide range of emergency situations of exceptional housing need through the allocation of grants to municipalities”.

Application of the Programme

	Policy reference	Situation Category	When to use	Considerations to be addressed by the intervention
On-site assistance	1.1	Temporary assistance. on-site No relocation	Settlements devastated by fires or severe weather events (e.g. informal settlements). The site of the emergency is suitable for future permanent development	<ul style="list-style-type: none"> Reducing vulnerability Building method Materials to used (material offered must be the same for all beneficiaries) Permanent future solution on the site or on another site within an acceptable timeframe Community negotiation 9partnerships with NGO's)
	3.2	Temporary assistance. on-site Resettlement at a later stage to a permanent temporary settlement area	Settlement devastated by fires or severe events (e.g. informal settlements). The site of the emergency is not suitable for permanent settlement but is habitable on a temporary settlement basis (i.e. absence of imminent threat to health and safety OR the hazards can be addressed/mitigated)	
Relocation with assistance	1.2	Relocation to a permanent location with assistance on a temporary basis	Settlements devastated by fires or severe weather events or eviction where land is uninhabitable (imminent threat to health and safety) and households must be resettled.	<ul style="list-style-type: none"> Length of stay on relocated or resettled site Key trade-offs including choices between on-site settlement or relocation, as well as between temporary or permanent relocation.

Policy reference	Situation Category	When to use	Considerations to be addressed by the intervention
		Resettlement land is suitable for permanent housing development	<ul style="list-style-type: none"> ○ Key land use trade-offs ○ On-site assistance to be provided in conjunction with relocation (i.e. transit camps, TRAs, starter kits) ○ Length of time needed to provide accommodation (TRAs can take a long time to establish) ○ Location of the site in relationship to key facilities, resources and amenities ○ Community engagement with all stakeholders including with the receiving community. ○ Budgeting for maintenance of temporary established areas
1.3	Temporary assistance through resettlement to an existing developed area	<p>Settlements devastated by fires or severe weather events or eviction where land is uninhabitable (imminent threat to health and safety) and households must be resettled.</p> <p>Resettlement land is suitable for permanent housing development.</p> <p>Resettlement land is located within an existing developed area</p>	
3.1	<p>Assistance with relocation to temporary settlement area</p> <p>To be relocated again, once a permanent housing solution is possible</p>	<p>When household are settled on land or in buildings that are temporarily or permanent uninhabitable for any reason</p> <p>Settlement devastated by fires or severe weather events (e.g. informal settlements)</p>	<ul style="list-style-type: none"> ○ Maintenance of areas established under the programme, and long term solution for qualifiers and non-qualifiers ○ Destruction of livelihoods and fragmentation of social networks
3.3	Temporary assistance with resettlement to a permanent temporary settlement area	<p>When households are settled on land or in buildings that are temporarily or permanently uninhabitable for any reason</p> <p>Settlement devastated by fires or severe weather events (e.g. informal settlements)</p> <p>Suitable land for permanent housing is not available. Available</p>	

	Policy reference	Situation Category	When to use	Considerations to be addressed by the intervention
			land is a site established on a permanent basis for temporary settlement.	
Formal house repair or reconstruction	2	Permanent formal housing to be repaired or rebuilt	<p>When formal housing is destroyed or damaged (usually caused by fires or severe weather events) and the site is suitable for permanent settlement</p> <p>This can only be used if the home owner does not have insurance other stipulations apply</p>	<ul style="list-style-type: none"> Emergency housing used as an interim measure while housing is being built (alignment with disaster relief is applicable) Contracting of local labour and skills transfer Limitations on use of the programme in cases of formal house reconstruction (cannot be applied to backyarders, those covered by superstructure insurance, or those without secure tenure). Additionally, no more than the project linked subsidy can be used to repair or reconstruct the dwelling.

8.3.6 OPERATIONAL SUKUMA SAKHE

The OSS initiative prioritises households that need urgent interventions. Once a need is identified through the Sukuma Sakhe war room, relevant officials in the department are notified. The departmental inspectors and project managers visit the identified site to assess the problem, and then the extent and urgency is confirmed and recorded. The programme prioritises the poorest of the poor, mostly falling within the definition of “vulnerable groups” these includes the indigents, women, children and disabled persons.

8.4 SUMMARY OF COMPLETED HOUSING PROJECTS AND PRIORITIES

The following table provides a priority list for the delivery of housing projects in the uMhlathuze Municipality. However, it is important to note that this list is drawn from current available information on the projects in question and that depending on new information which may come to light, this list may be amended on a yearly basis (with sufficient justification to the Department of Human Settlements). Furthermore this list of projects is divided into a number of sections i.e. Slums clearance, rural housing, PLS etc.

Table 24: Human Settlements Projects for a period of 2014/15 to 2018/19: Current, Completed and Planned Projects

HUMAN SETTLEMENTS PRIORITYPROJECTS	Sites / Units	Est. Value (R/Mill) Stage 1	Est. Value (R/Mill) Stage 2
CURRENT AND COMPLETED PROJECTS			
RURAL HOUSING			
1. Bhejane / Khoza (Wards 5,6,7 & 8)	1200 (completed)	2.9	105.6
2. Dube (Wards 12,13,14,15,16 & 17)	1500 (13 outstanding houses))	3.6	107.1
3. Mkhwanazi (Ward 10, 11,17, 18, 19, 22 & 30)	1000 (48 outstanding houses)	2.4	57
4. Somopho South (former Ntambanana Ward 7)	1161 (completed)		44.5
5. Obizo (former Ntambanana Ward 8)	1000 (completed)		50.9
TOTAL	3700	8.90	340.8
PLS & GREENFIELD PROJECTS			
6. Dumisani Makhaye Village Phase 7 (Ward 23)	547 (541 built and 06 outstanding houses)	-	93
TOTAL	898	-	111.5
HOSTEL UPGRADE / CRU PROGRAMME			
7. Esikhaleni (Ward 20 & 21)	360 (100% complete)		12.6
TOTAL	360		12.6
ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME			
	No. of houses transferred	500 000	
8. Nseleni (Ward 8)	75		
9.Ngwelezane (Ward 27 & 28)	40		
10.Esikhaleni (Ward 16,17,20,21, & 22)	156		
11.Vulindlela (Ward 30)	Nil		
TOTAL	271	500 000	
PLANNED PROJECTS			

CRU/SOCIAL			
12. Aquadene Superblock : Phase 1 (Ward 26)	1000 units: Phase 1 of Aquadene Superblock (Block A & B) Total estimated number of units = 1579	44 million for external bulks per year for six years	
13. Dumisani Makhaye Village Phase 6: Ward 9	1020 Social Housing	Planning & Design: R4,200,840.00	
14. SDF Expansion Area A: Phase 3	3636	To be determined during project planning process	
TOTAL	5799		
RURAL HOUSING			
15. Buchanana Housing Development	1500	To be determined	
16. Luwamba Housing Project	1000	To be determined	
17. Mkhwanazi Rural Housing Project No. 2	1000	To be determined	
18. Madlebe Rural Housing Project No. 2	1000	To be determined	
19. Bhejane/Khoza Rural Housing Project No. 2	1000	To be determined	
20. Dube Rural Housing Project No. 2	1000	To be determined	
TOTAL	6500	To be determined	
PLS & GREENFIELD PROJECTS			
21. SDF Expansion Area A	+/- 1300	To be determined during project planning process	
22. Aquadene Housing (Low Income Housing)	615:low income (Council owned land)	R44 million for external bulk per year for six years	
23. Dumisane Makhaye Village Phase 8	130 single residential houses	Planning & Design: R4,200,840	
TOTAL	2045	To be determined during project planning process	
IN SITU UPGRADE PROJECTS			
24. Mzingazi Village (Ward 1)	Approximately 300 sites (Draft layout has been completed and services have	To be determined during project planning stage	

	been provided)		
25. Mandlazini Village (Ward 4)	Approximately 300 sites (Draft layout has been completed and have been provided)	To be determined during project planning stage	
26. IDT Area (People's Housing Process) – Ngwelezane	250 (layout amendment to be initiated)	1.8	
TOTAL	850	1 800 000	
INFORMAL SETTLEMENTS UPGRADE AND RELOCATION			
27. Vulindlela/University of Zulu-Land In-situ Upgrade and Relocation	Draft layout has been completed in line with NUSP	To be determined during project planning stage	
28. Nseleni Informal Settlement Relocation	Draft layout has been completed line with NUSP	To be determined during project planning stage	
29. Ngwelezane Informal Settlement (Erf 1241, Ngwelezane Hospital)	Draft layout has been completed in line with NUSP	To be determined during project planning stage	
30. Mkhwanazi, Bhejane and Dube Informal Settlement Upgrade and Slums Clearance	The IA has been appointed for uMzingwenya Informal settlements which include Mkhwanazi and Dube. With Nseleni Informal Settlements a letter for reservation of funds has been submitted to the Department.	To be determined during project planning stage	
TOTAL	Still to be determined	Still to be determined	
CATALYTIC PROJECT (INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME)			
31. Empangeni Mega Housing Project	10 000	R55 938 043 for internal bulk and R40 Million for external bulk	To be determined

9. HOUSING AFFORDABILITY AND ELIGIBILITY

Currently persons who fall under the gap market category (i.e. R7501-R15000) have a challenge in accessing government housing subsidy and bonds from financial institutions. In most cases this category include professional such as nurses, teachers, administration clerks etc.

The President of the Republic of South Africa, Mr. JG Zuma in his State of the National Address on 9 February 2012 stated that R1 billion guarantee funds announced in 2010 to promote access to loans will start its operations in April 2012 and will be managed by the National Housing Finance Corporation. The scheme will enable the Banks to lend to people earning between R3500 and R15 000. The fund will be able to obtain a subsidy of up to R83 000 from Provinces, to enable them to obtain housing finance from an accredited Bank.

Each National Housing Programme has its specific eligibility criteria. The general eligibility criteria are clarified below:

A person only qualifies for a housing subsidy if he or she is:

- A lawful resident of South Africa or in possession of permanent residence status
- Legally competent to contract (must be 18 years old and above)
- Not yet benefited from Government assistance
- Previously owned a fixed residential property
- Married or cohabiting
- Single with financial dependents who reside permanently with housing subsidy applicant.
- Earns between R0 – R3500
- Persons classified as military veteran with proof of service and details of social services received
- Persons classified as aged (60 and above) with or without financial dependents qualify: Aged persons can be qualified as persons who have attained minimum age set to qualify for Government's old age social grant.
- Persons classified as physically challenged qualifies whether single, married or cohabiting or single with financial dependents
- Single persons without financial dependents qualify for a serviced site or can apply to the MEC for a waiver in order to receive a low income housing subsidy.

Financed Linked Individual Subsidy (FLISP): According to the 2012 State of Nation Address by the President of Republic of South Africa, Mr. JG Zuma, persons earning between R3501 – R22 000 will now qualify for the Financed Linked Individual Subsidy as from April 2012. This quantum was revised in April 2018 to R22 000 from R15 000.

Housing Consolidation Subsidy: Persons who are beneficiaries of Land Restitution Programme qualify for a Housing Consolidation Subsidy and the follow criteria are applicable:

- Serviced site: qualify for a housing consolidation subsidy
- Unserviced site: qualify for a subsidy to service the site and for the construction of a top structure
- Where not site has been provided: a person qualify for the purchase of a serviced site and/or a housing subsidy for the construction of a structure.

Community Residential Units (CRU): The programme facilitates the provision of secure, stable rental tenure for the lowest income persons (e.g. income less than R3500 per month) who are not able to be accommodated in the formal private rental and social housing market.

Social/ Rental Housing: The Social Housing programme seeks to provide a rental or co-operative housing options for low income persons at a level of scale. The targeted persons are people earning between R3501 – R1500 per month.

Enhanced Extended Discount Benefit Scheme (EEDBS): This programme applies to state financed properties first occupied before 1 July 1993 and stands or units contracted for by 30 June 1993 and allocated to individuals by 15 March 1994. The programme entails discounting of an amount up to the prevailing housing subsidies on the loan/purchase price/ purchase price balance of the properties in question.

9.1 BENEFICIARY NOMINATION CRITERIONS

The following criterions will be used by the Municipality for housing beneficiary identification.

The Primary Criterion

Municipality will use the National Housing Needs Register for it identification of potential beneficiaries to benefit on it Integrated Residential Development Programme (IRDP). The committee will be the ones responsible of the selection of the criteria to be used guided by the municipal priorities in terms of beneficiary nomination.

The Secondary Criterion

This criteria will be used to select the qualifying applicants pertains to vulnerability. This includes families with children headed households and women headed households with children.

The Third Level Criterion

This criterion constitutes the indigent beneficiaries. The indigent beneficiaries are defined as follows:

- Physically challenged persons or beneficiaries within physically challenged family member residing with them;
- The aged, in respect of a female beneficiary refers to a person of 60 years or older and in respect of a beneficiary in refers to a person of 62 or older.

NB: Sukuma-Sakhe programme can also be used to profile beneficiaries in terms of the above-mentioned criterions.

10. LAND SUITABLE FOR FUTURE HOUSING DEVELOPMENT

One of the primary challenges facing the uMhlathuze Municipality is the identification of suitably located land for development. The Municipality has recognized this need through focusing much of its capacity to the investigation of land that is suitable for housing development. The identification of land is a priority of the Municipal IDP and SDF.

The uMhlathuze Municipality's Spatial Development Framework identifies a number of expansion areas as future development nodes. All these properties are privately owned. However, the Municipality is heavily reliant on stakeholders such as Department of Human Settlements, Housing Development Agency (for social housing development) and the Department of Rural Development & Land Reform to assist with acquiring of suitable land for housing development which is currently privately owned or state owned.

These expansion areas were identified given due consideration to, amongst others, geotechnical, air quality and environmental constraints. Apart from these listed constraints, planning principles were also applied. Some of the main principles relate to developing a more integrated urban structure, infill development and also creating economic opportunities in proximity to areas of dense settlement. Out of eight proposed expansion areas, seven of them will accommodate housing development in different categories (i.e. medium, high, mixed etc). These include the following:

The following information is provided in respect of each of the identified expansion areas.

- location
- ownership
- availability of bulk and/or connector services
- accessibility in terms of transport and economic opportunities
- linkage to Spatial Development Framework

Table 25: Land Suitable for Housing Development: SDF Proposed Expansion Areas

PROJECT NAME	LOCATION	LAND OWNERSHIP	PROJECT TYPE	BULK AVAILABILITY	SDF LINK
Expansion Area A	Esikhaleni-Vulindlela Corridor	State	Mixed Residential	Yes	Yes
Expansion Area B	Felixton	Private	Mixed Residential	No	Yes
Expansion Area D	Empangeni	Private	High Residential	No	Yes
Expansion Area E	Empangeni	Private	Mixed Residential	No	Yes
Expansion Area F	Richards Bay-Birdswood-Mandlazini & Veldenvlei	State	Mixed Residential	No	Yes
Expansion Area G	Nseleni Interchange	Private	Mixed Residential	No	Yes
Expansion Area H	Empangeni (Empangeni Mega Housing)	Council	Mixed Residential	No	Yes

10.1 EXPANSION AREA A

Expansion area A (Esikhaleni-Vulindlela Corridor) has been identified as priority number 1 for possible relocation of Mzingwenya settlement communities who are located in a 1:100 year floodline. The expansion Area A is currently subject to a commercial forestry lease with a small portion of the corridor having been developed as a municipal cemetery.

During 2007, the uMhlathuze Council commissioned a concept layout for the area that proposed a mix of residential, commercial and industrial uses. Of the 650 ha for which concept layout was done in 2007, nearly 300 ha was indicated for residential purposes. It is very important to bear in mind that as little as 100 ha could alleviate housing development pressures in Esikhaleni (the uMzingwenya settlement as well as overflow from the hostel refurbishment process) and from other critical intervention areas in the municipality. The current single residential development density in Esikhaleni is 24 units/ha. By applying the prevalent density to the possibly required 1300 units (for uMzingwenya alone) would require about 60 ha of land.

The City of uMhlathuze requires access to at least 100ha of land in the Esikhaleni Vulindlela Corridor (Area A). The following cost estimates have recently been provided:

- Cost for partially cultivated, uneven land = R60 000/ha
- Cost for level, well planted areas = R100 000/ha
- Estimated 50 ha @ R60 000 = R3 million
- Estimated 50 ha @ R100 000 = R5 million

It is therefore estimated that the uMhlathuze Council would require between R6 million and R10 million to purchase 100 ha of land in the Esikhaleni Vulindlela Corridor (Area A) for the purposes outlined above.

10.2 AQUADENE EXTENSION

The Proposed Aquadene Extension is situated in portions of Erf 11488 with an extent of approximately 217 hectares. It is understood that, this portion of land is in the ownership of the Department of Human Settlements. The proposed yield per hectare is 10 000m²/60m² which equals to 166 units in General Residential 2 zoning.

Advantages of the site include:

- Proximity to Infrastructure services
- Accessibility
- Close proximity to the economic opportunities
- Owned by organ of state

Map 16: SDF Expansion Area A



10.3 PLANNED PRIVATE HOUSING DEVELOPMENT

The following table provides some details on housing developments being pursued by the private sector.

Table 26: Planned Private Initiated Projects

PROJECT NAME	LOCATION	LAND OWNERSHIP	PROJECT TYPE	BULKS AVAILABILITY	SDF LINK
Carsdale Housing Development	Empangeni	Private	Mixed Residential	Yes: possibility to be upgraded	Yes
Hillview Extension	Empangeni	Private	Low-Medium Residential	Yes: possibility to be upgraded	Yes
Westview Medium Housing	Empangeni	Private	Low-Medium Residential	Yes: possibility to be upgraded	Yes
Royal Creek	Richards Bay	Private	Mixed Residential	Yes: possibility to be upgraded	Yes

11. UMHLATHUZE HOUSING STATUS QUO

In this section, details are provided in respect of Urban Projects, Rural Projects as well as the implication of land reform related issues on the municipal area.

11.1 URBAN PROJECTS

Table 27: Urban Projects

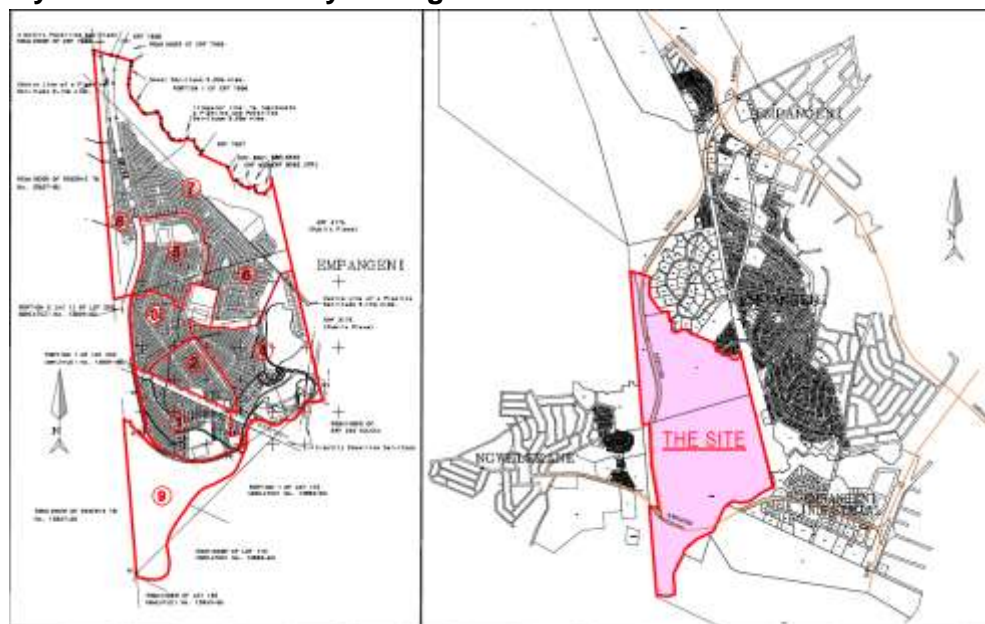
PROJECT NAME	REFERENCE NO.	WARD	NO. OF SITES/UNITS	FINANCIAL YEAR	STATUS
Dumisani Makhaye Village Phase 1	K199900054	9	1191	1997/1998	Completed
Dumisani Makhaye Village Phase 5	K199900054	24	313	2009/2010	Completed
Dumisani Makhaye Village Phase 7	K11010002	24	547	2018/2019	541 houses completed and 6 outstanding. Infrserv is currently busy with the construction of the outstanding house and they anticipate completion to be end of May 2019.
Dumisani Makhaye Village Phase 6 & 8		9 and 24	133 low income 1020 Social Housing 82 Flisp	2018/2019	External Bulk services are at 65%. Internal Bulk services are sitting at 60%.
Aquadene Housing		26	615 low income 1579 CRU/Social	2018/2019	Bulk water has been completed and sewer is at 97% completion. Internal services (water, sewer and roads) is at 27% overall progress, while bulk storm water is at 13% overall progress.
Empangeni Mega Housing Project		5, 24 and portion of 23	10061	2016/2017	The contractor for internal bulks services (water, sewer, roads and storm water) is at 22% overall progress. External bulk

PROJECT NAME	REFERENCE NO.	WARD	NO. OF SITES/UNITS	FINANCIAL YEAR	STATUS
					water is at 95% and the municipality has appointed a contractor for bulk sewer.
Esikhaleni Hostel Upgrade(CRU's)		20 and 21	360	2011/2012	All Flats have been completed

11.1.1 DUMISANI MAKHAYE VILLAGE

The total number of low income houses that have been constructed at Dumisani Makhaye Village is 2040 houses (Phase 1-3, 5 and 7). More than 1000 title deeds have been issued to beneficiaries of low income houses and further title deeds will be issued. Phases 1,2,3 and 5 of the project have been completed. To note, Phase 4 accommodates bonded houses which are not funded by human settlements department. The construction of Phase 7 will be completed in the 2019/20 financial year as only 06 houses are outstanding.

Map 17: Locality of Dumisani Makhaya Village



11.1.2 AQUADENE HOUSING PROJECT

The proposed Aquadene Housing development consists of 5 different phases, phase 1, 3 and 4 being owned by the Municipality and phase 2 and 5 being privately owned. The Municipal Planning at this stage will focus on phase 1, 3 and 4 as it will be easy to development these properties since they are owned by the Municipality.

Table 28: Aquadene Housing detailed Residential Units Plan

PHASE	PROPOSED HOUSING TYPE	EST. NUMBER OF SITES		AREAS IN (HA)	LAND OWNERSHIP
1	Low income and CRU/ Social Housing	Low income	CRU/Social Housing	36.3	Council
		359	756		
2	Low income/ medium income	212		11.7	Transnet
3	CRU/ Social Housing	331		3.8614	Council
4	Low income And CRU/ Social Housing	Low income	CRU/Social Housing	14.5	Council
		259	493		
5	Low and medium income	1039		58	Sappi

The main purpose is to put medium rise buildings along the main road (MR231) and put low rise (single residential) building in the centre of the proposed development and the existing Aquadene suburb. The bulk water installation has been completed while Internal bulk services are currently underway.

11.1.3 EMPANGENI MEGA HOUSING PROJECT (IRDP)

The Empangeni Mega Housing Project (formerly referred to as Waterstone Country Estate) is the Urban Greenfield project proposed in the vicinity of Empangeni. The project area is located to the east of the Qalakabusha Prison and Dover Combined School, Empangeni.

The project is classified as an integrated residential development programme (IRDP) which will provide a tool to plan and develop integrated settlements that include all the necessary land uses and housing types and price categories to become a sustainable integrated community. It encompasses integrated planning and development, providing for housing, social and economic needs of different income categories

The project is proposed to consist of the following human settlements programmes:

- **Low income Government Subsidy (RDP Housing):** The programme facilitates the provision of housing for the lowest income persons (e.g. income between R0 - R3 500 per month). The housing unit's size can range from 40 m² – 42 m² consisting of 2 bedrooms. Preliminary indications are that this type of development will cover 35% of the proposed development.
- **Finance Linked Individual Subsidy Programme (FLISP):** It is an instrument to assist qualifying households by providing a once off down payment to those households earning between R3501 – R15000 who have secured mortgage finance to acquire a residential property for the first time. The qualifying beneficiary will qualify for a subsidy of between R10 000 to R87 000 for a property to be financed to the tune of and not exceeding R300 000 purchase price - depending on the income/affordability level.
- **Social Housing:** The Social Housing programme seeks to provide a rental or co-operative housing options for low income persons at a level of scale. The targeted persons are people earning between R3 501 - R7 500 per month. The unit's size can range from 40 m² – 50 m² which can consist of 1,2 or 3 bedrooms.
- **Community Residential Units (CRUs):** The programme facilitates the provision of secure, stable rental tenure for the lowest income persons (e.g. income less than R3 500 per month) who cannot be accommodated in the formal private rental and social housing market. The unit's size can range from 40 m² – 45 m² which consist of 2 or 3 bedrooms.
- Preliminary indications are that the above three types of subsidy programmes (FLISP, Social Housing and CRUs) will cover 35% of the proposed development.
- **Bonded Housing:** The programme will also envisage facilitating the provision of private finance for housing to persons earning between R11000 – R26000, who qualify for formal private housing market. This programme is proposed to cover 30% of the proposed development.
- **Service Sites:** In-terms of the IRDP a site can be sold at a stand input cost.

The contractor for internal reticulation for bulks services (water, sewer, storm water and roads) is currently underway while bulk water is almost complete. The bulk sewer contractor has been appointed, they are currently attending to challenges regarding servitude issues.

11.1.4 ESIKHALENI HOSTELS / COMMUNITY RESIDENTIAL UNITS

There are seven (7) hostels located in various sites at Esikhaleni Township with a total of 20 blocks. Each block consists of 18 units. The number of units after the completion of refurbishment is 360 units of four roomed houses. All 20 Blocks (360 units) have been upgraded. About 306 families/households have been re-allocated to the refurbished units. An estimated 300 people have been relocated to uMhlathuze Village low income housing project.

Table 29: Status of Esikhaleni Hostel Refurbishment

HOSTEL NAME	STATUS
H862 (2 blocks)	Refurbished
H395 (3 blocks)	Refurbished
H396 (5 blocks)	Refurbished
J1169 (2 blocks)	Refurbished
J1083 (4 blocks)	Refurbished
J223 (2 blocks)	Refurbished
J464 (2 blocks)	Refurbished

Map 18: Esikhaleni Hostel Upgrades



11.2 RURAL PROJECTS

Table 30: Rural Projects

PROJECT NAME		REFERENCE NO.	WARD	NO. OF SITES	FINANCIAL YEAR	Status
Mkhwanazi Housing	Rural	K09090003	10,11,18,19,22 & 30	1000	2011/2012 2012/2013	952 houses built and 48 outstanding
Madlebe Housing	Rural	K10080001	24,25,27,28 & 29	1000	2011/2012 2012/2013	Completed
Dube Rural Housing		K11030015	12,13,14,15,16 & 17	1500	2012/2013	1487 house built and 13 house outstanding
Bhejane/Khoza Housing	Rural	K09090002	5,6,7 & 8	1200	2012/2013	Completed
Buchanana Housing	Rural		33	1500	TBD	Planning
Luwamba Housing	Rural	K14050027	31	1000	TBD	Planning

Madlebe and Bhejane Rural Housing projects have been completed. Mkhwanazi Rural Housing project is left with 48 houses to be built due to unbuildable site and KwaDube Rural Housing Project with 13 outstanding houses to double umuzi built by the contractor. The New Implementing Agent to complete outstanding house has been appointed and they have started with construction. They anticipate completion of top structure by end of August according to the Contract and their programme.

The Municipality received two rural housing projects from the former Ntambanana municipality and both projects are at a planning stage. Pre-feasibility studies have been done and submitted to the KZN Department of Human Settlements for the approval of funding for the next stage.

11.3 LAND REFORM PROGRAMMES

Land claims are made against the State in terms of the Restitution of Land Rights Act (No. 22 of 1994) and are resolved by way of physical land redistribution or other appropriate/practical means, e.g. financial compensation. Following the commencement of the Restitution of Land Rights Amendment Act (Act No. 15 of 2014), people who missed the 31 December 1998 deadline to lodge land claims now have an opportunity to lodge claims until 30 June 2019. It is important to note that the intention of land claims is **not** to stop development.

The Municipality is constantly engaging with the Land Claims Commission to attend to matters relating to land claims in the municipal area.

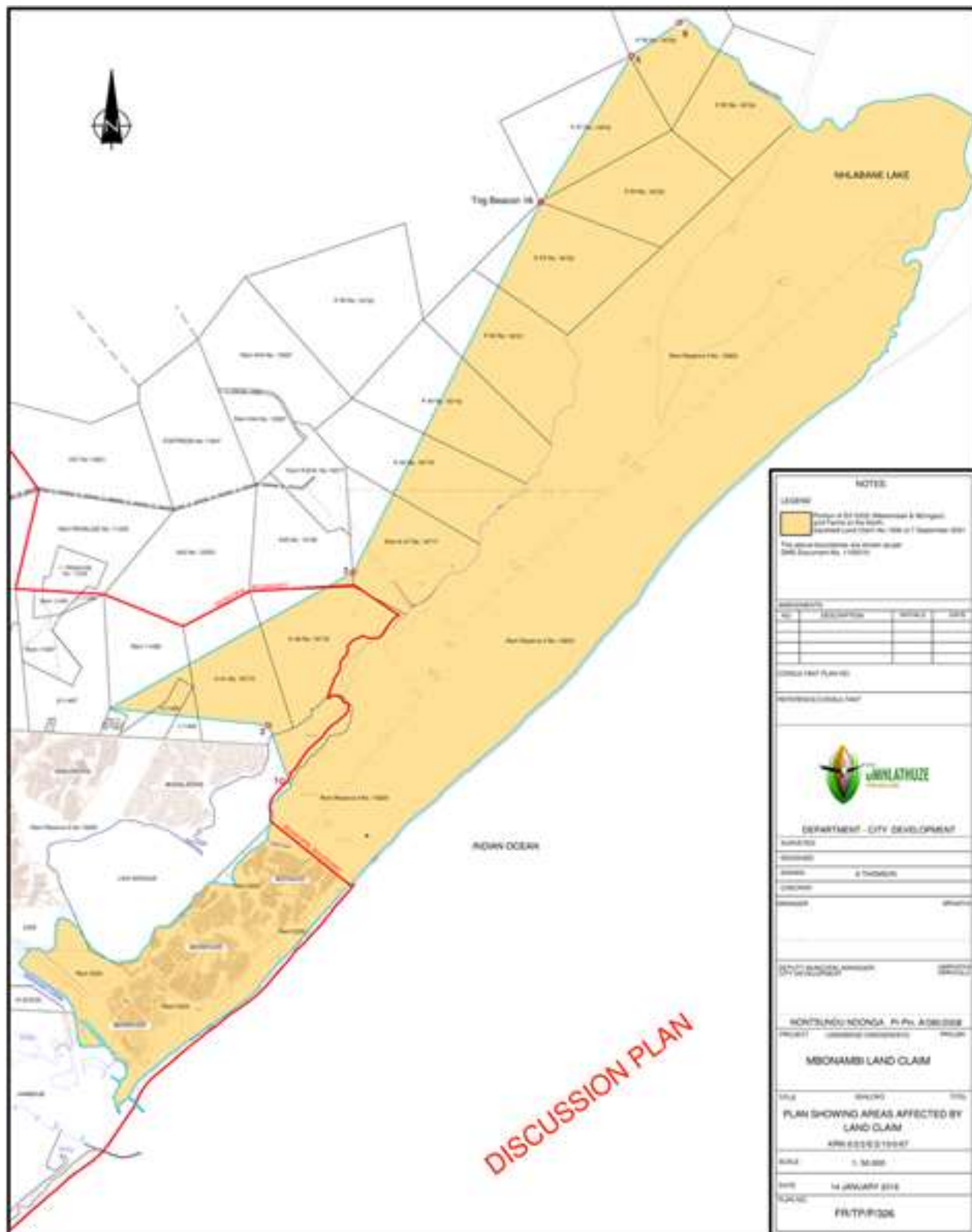
It has been determined that the following land claims in the municipality are being attended to:

1. Mandlazini / Mambuka Land Claim (Ref No Krn6/2/2/E/21/0/0/3)
2. Mambuka Amendment Claim (Amendment Notice 255 Of 2017)
3. Mbonambi Land Claim (Ref No Krn6/2/2/E/21/0/0/67)
4. Mndaba Group Land Claim (Ref No Krn6/2/2/E/21/0/0/53)

Mapping, based on information available, in respect of numbers 1, 2 and 3 above is provided. The relation of the Mambuka claim in relation to developments is also indicated.

[illegible]

Map 20: Mbonambi Land Claim



12. HOUSING DELIVERY PLAN

12.1.1 CURRENT AND PLANNED MUNICIPAL PROJECTS

Table 33:

Priority	Name	Type	Instrument	Ward	Sites	Houses Constructed	Project Value	Implementation Date/ Planned Implementation Date	Completion Date
1	Dumisani Phase 7	Urban Greenfield (Low Income housing)	PLS	24	585 Due to the wetlands only 547 sites can be constructed	541 units completed and 06 units outstanding	R 50,149,955	2011/2012	2017/2018
2	IDT Area (People's Housing Process Ngwelezane)	In-situ upgrade/ Slums Clearance	EPHP	27	Approx. 250 (138 sites approved by Department of Human Settlements)	47 were paid and 91 still outstanding	R 1,789,309	2013/2014	TBD
3	KwaDube Rural Housing	Rural Low income housing	Rural	12,13,14,15 , 16	1500	1487 houses completed and 13 houses remaining are currently being constructed.	R 5 123 688.75	2018/2019	2019/2020 (August 2019)
4	Mkhwanazi Rural Housing	Rural Low income	Rural	24,25,27,28 & 29	1000	952 house completed and 48		2018/2019	2019/2020 (August)

Priority	Name	Type	Instrument	Ward	Sites	Houses Constructed	Project Value	Implementation Date/ Planned Implementation Date	Completion Date
		housing				outstanding due to the IA failing to complete the project			2019)
5	Aquadene Housing	CRU/Social and Low income	IRDP	26	615:low income 1579: CRU/Social	Bulk water has been completed and Bulk sewer is at 97%. Internal services (water, sewer and roads) and bulk storm water installation is sitting at 22%. Bulk Storm-water is currently underway at 13%	Internal reticulation is R 181 248 404.62. Bulk sewer R 17 039 201.42. Bulk storm-water R 29 347 266.70	Internal Reticulation is 28 June 2018. Bulk storm-water November 2018	Internal Reticulation is 27 December 2020. Bulk storm-water 13 December 2018
6	Dumisani Makhaye Village Phase 6 and 8	CRU/Social	IRDP	9, 24	FLISP: 82 CRU/Social: 1020 Low income: 133 Total: 1235	The overall completion of the Reservoir and Sewer Pump Station contract is at 75%. Contract for internal services (Internal Sewer, Storm water Reticulation and Roads) is at 78% completion.	R 13 452 450.30 million for external bulk water and sewer. Internal Services R58,629,229,12	External Bulk water & sewer is June 2018. Internal services is June 2018	External bulk water & sewer is Mid-March 2019. Internal services is July 2019

7	Empangeni Mega Housing Project	CRU/Social/ low income housing and FLISP	IRDP	5, portion of 23 and 24	Approx. 10061 units Phase 1A:488 units Phase 1B:592 units Phase 1C: 665 units Phase 2:8316 units	The contractor for internal reticulation bulks services (water, sewer, roads) is underway and overall completion is at 20%. The contractor for bulk sewer has been appointed. Bulk water is almost complete at 95%.	R 69 021 855.76 for internal bulk services	External Bulk services (water) June 2017. Internal services November 2018	External Bulk service (water) April 2018. Internal services February 2020
8	SDF Expansion Area A	CRU/Social and low income housing	IRDP	17, 19, 20	1300: Low income housing sites (Mzingwenya River Settlement) 3636: CRU/Rental Housing	IA has been appointed and is busy with planning.	Cost for partially cultivated, uneven land = R60 000/ha Cost for level, well planted areas = R100 000/ha -Estimated 50 ha @ R60 000 = R3 million. Estimated 50 ha @ R100 000 = R5 million	TBD	TBD
9	Mandlazini Village In-Situ Upgrade	Urban In situ Upgrade and partial relocation (Urban Greenfield)	Informal Settlement Upgrade	4	Approximately 750 sites	Planning stage	R1,800,000 for Planning Stage (PDA process)	Planning process underway	TBD
10	Mzingazi Village In-Situ Upgrade	Urban In situ Upgrade and partial relocation (Urban	Informal Settlement Upgrade	1	Approximately 565 sites	Planning stage. An inception meeting was held in December 2018. Gabisa investment	R 8 765 575	Planning process underway	TBD

		Greenfield)				has been appointed as an IA for the project over a period of 3 years.			
11	Vulindlela/University of Zululand Informal Settlement	In situ Upgrade (Urban Edge/Peri-Urban) and partial (Urban Greenfield)	Rural/ Informal Settlement Upgrade	30	To be determined during project planning stage	Planning stage	Household count to be conducted in order to determine the number of households to be relocated	TBD	TBD
12	Nseleni Informal Settlement	In situ Upgrade (Urban Edge/Peri-Urban) and partial relocation (Informal Settlement Upgrade & Relocation	5,6,7 & 8	To be determined during project planning stage	Planning Stage	Request for Reservation of project funding has been submitted to the Department	Planning/alternative process underway	TBD
13	Ngwelezane Hospital: Erf 1241	Urban In situ Upgrade and partial relocation (Urban Greenfield)	Informal Settlement Upgrade & Relocation		To be determined during project planning stage	Planning Stage	Household count to be conducted in order to determine the number of households to be relocated	TBD	TBD
14	Mkhwanazi Rural Housing 2	Rural In-Situ upgrade	Rural	10, 11 13, 15 17, 18 19, 20, 22	1000	Pre-Planning	TBD	TBD	TBD
15	Madlebe Rural Housing 2	Rural In-Situ upgrade	Rural	24, 25 27, 28, 29	1000	Pre-Planning	TBD	TBD	TBD
16	Dube Rural Housing 2	Rural In-Situ upgrade	Rural	12, 13 14, 15 16, 17	1000	Pre-Planning	TBD	TBD	TBD
17	Bhejane Rural Housing 2	Rural In-Situ upgrade	Rural	5, 6,7, 8	1000	Pre-Planning	TBD	TBD	TBD

18	Buchanana Rural Housing	Rural income housing	Low	Rural	33	1000	Planning Stage	TBD	TBD	TBD
19	Luwamba Rural Housing	Rural income housing	Low	Rural	31	1500	Planning Stage	TBD	TBD	TBD

NB: Some of the families from the above-mentioned informal settlements areas will be relocated to a greenfield project as they are that they are situated within flood-lines, unstable land and wet lands.

12.2 SLUMS CLEARANCE, INFORMAL SETTLEMENTS AND RURAL DEVELOPMENT

In context of the above, the following priorities have been identified:

- Priority 1: Mzingwenya
- Priority 2: Mandlazini/Airport Buffer Strip
- Priority 3: Mzingazi Agri-Village
- Priority 4: Mkhwanazi
- Priority 5: Khoza/Bhejane (Nseleni)
- Priority 6: Dube
- Priority 7: Madlebe
- Priority 8: Ngwelezane Hospital (Erf 1241)
- Priority 9: University of Zululand (Vulindlela)

The rural areas of Bhejane/Khoza, Dube and Madlebe have been identified as the areas of greatest need for development. These areas have also been identified as both primary nodes of development through Ngwelezane, Esikhaleni and Nseleni and then directly identified as tertiary nodes for development in the IDP. The area surrounding Nseleni on the boundary of Bhejane/Khoza Traditional area and the area surrounding Esikhaleni on the boundary of the Dube Traditional area can be classified as informal or slum settlements.

The municipal rural housing projects (Madlebe, Mkhwanazi, Bhejane and Dube) are based on a dual or mixed methodology, which caters for both the requirement for rural housing and the upgrading of the existing slum settlements. These projects will comprise an in-situ upgrade of the informal settlement where possible linked to a rural development initiative in the surrounding traditional authority area.

12.3 GREENFIELD DEVELOPMENT

12.3.1 DUMISANI MAKHAYE VILLAGE

Phase 7 of the Dumisani Makhaye village comprises of 547 houses. A total of 541 houses have been completed, the balance of the 06 outstanding houses will be completed before end of May 2019. Phase 6 and 8 are currently at planning stage. The layout plan has been approved.

Table 34 Units per Phase for DMV

Phases	Number	Housing Instrument
Phase 6	1102	Flisp and Social Housing
Phase 8	133	RDP

Table 35 other sites provided in Phase 1:

Activity	Number
Mixed use low impact (shop)	1
Municipal, health and government	13
Education	3
Public Open Spaces	18
Conservation	5

12.3.2 IDT PROJECT: PEOPLE'S HOUSING PROCESS

Approximately 50 (20%) of the 250 sites have been consolidated in the IDT project. The project will be refined where the layout will be re-designed and further verification of beneficiaries. Prior to the layout design and verification of beneficiaries there are number of challenges that need to be addressed such as socio-political, legal/contractual, encroachment and land ownership.

The Municipality has done the verification of beneficiaries and has informed the Department of Human Settlements about the current status of this project for intervention in terms of giving a go ahead with the payment of qualifying beneficiaries. The municipality is also awaiting the Department of Human Settlement to provide Land surveyors and Town Planners to assist with redesigning the layout to rectify all the encroachments and un-registration of unbuildable sites from the beneficiaries' names

12.3.3 AQUADENE HOUSING PROJECT

The proposed Aquadene Housing development consists of 5 different phases, phase 1, 3 and 4 being owned by the Municipality and phase 2 and 5 being privately owned. The proposed development consists of single residential units (Integrated Residential Development Development) and Social Housing Units (Rental). The project consists of 615 RDP houses, 212 Flisp and 1000 Social Housing units. The external bulk water installation has been completed and the external bulk sewer is sitting at 97%. Internal services are anticipated to commence in June 2018. The layout plan has been approved.

Table 36 Units per Phase for Aquadene

Phase	Number	Housing Instrument
Area A	6 blocks and 615 RDP	Social Housing, Flisp and RDP
Area B	6 blocks	Social Housing

Table 37 Other sites provided in Phase 1:

Activity	Number
Mixed use low impact (shop)	1
Municipal, health and government	1
Education	1
Public Open Spaces	13
Commercial	1
Worship	3

12.3.4 EMPANGENI MEGA HOUSING PROJECT

The project is classified as a Catalytic project and it an Integrated Residential Development Programme (IRDP) which will provide a tool to plan and develop integrated settlements that include all the necessary land uses and housing types and price categories to become a sustainable integrated community. It encompasses integrated planning and development, providing for the housing, social and economic needs of different income categories. The layout plan for phase 1 has been approved while for stage 2 is still under-going planning process.

Table 38: Units per Phase for Empangeni Mega Housing

Phase	Number of Units	Housing Instruments
Phase 1A	488	Serviced Sites and Medium Density Residential
Phase 1B	592	RDP and High Density Residential
Phase 1C	665	Flisp and High Density Residential
Phase 2	8316	Planning
Total	10061	

Table 39 other sites provided in Phase 1:

Activity	Number
Mixed use low impact (shop)	1
Municipal, health and government	13
Education	3
Public Open Spaces	18
Conservation	5

12.4 COMMUNITY RESIDENTIAL UNITS

12.4.1 Esikhaleni Hostel Upgrade

The Esikhaleni Hostel Refurbishment Programme was started in 2002 and the refurbishment of 20 blocks (360 units) has been completed.

12.4.2 Nseleni Hostel upgrade: Old Transnet Housing Stocks

The above project still has been initiated. The consultant to conduct a social survey has been appointed and has completed the survey. The report has been submitted to the municipality to pave a way forward.

One of the primary concerns for this project is the availability of sites for relocating excess families from this project. Apart from potential relocations to the other low income housing project such as the Dumisani Makhaye village, a portion of the wooded farm area owned by Sappi in the immediate vicinity may provide the opportunity be a potential for settling the relocated families from the project. Relocations from this project should be accommodated in new green field project that are currently underway.

12.5 ERADICATION OF TITLE DEEDS BACK LOG (PRE AND POST 1994)

Pre-1994: The intention of this programme is to rectify, regularize and normalize occupancy to ensure that the Old housing stocks are occupied legally by rightful beneficiaries. The housing stocks are spread in all former R293 townships (Ngwelezane, Esikhaleni, Vulindlela and Nseleni)

Post-1994: To eradicate title deeds of houses constructed after 1994 in this case will be the Dumisani Makhaye Village Housing project.

Table 40: Delivery of title deeds

	Total Backlog	2015/16	2016/17	2017/18	2018/19	Total Delivered to date.	Current Total Backlog
Pre-1994 (EEDBS)	405	105	92	87	18 current	302	103
Post-1994 (DMV)	627		65	159	12 current	236	391
Total	1032	105	157	246	30 current	538	494

We anticipate that by end of 2019 all the properties that do not have problems/challenges should be transferred to beneficiaries while those that have problems, should all be addressed by end of 2020/2021 financial year.

Challenges:

- Release of Staff Houses owned by Department of Public Works to municipality in order to dispose to qualifying beneficiaries.
- Sort out multiple allocations in 58 units (Nseleni Hostels) and find alternative accommodation for the displacees.
- Sub-division of some properties especially Old Stock in various townships.
- Vulindlela Township Establishment.

12.6 OPERATION SUKUMA SAKHE (OSS)

The OSS initiative prioritises households that need urgent interventions. Once a need is identified through the Sukuma Sakhe war room, relevant officials in the department are notified. The departmental inspectors and project managers visit the identified site to assess the problem, and then the extent and urgency is confirmed and recorded. The programme prioritises the poorest of the poor, mostly falling within the definition of “vulnerable groups” these includes the indigents, women, children and disabled persons.

- 41 cases have been approved and the contractor (Stedone) has been appointed to construct the houses. The contractor was recently introduced to the Traditional Authorities affected.
- 19 cases were also approved for ward 33 and DoHS is working on the appointment of the contractor.
- 201 cases have been submitted to department and awaiting approval by DoHS. These cases were identified through different wards.
- The municipality is also in the process of appointing an Implementing Agent that will construct all OSS cases, to ensure that the construction of OSS cases is fast tracked as soon as the beneficiaries are approved by DoHS.

12.7 PRIVATE HOUSING DEVELOPMENTS

Table 41 Proposed Middle-High income Housing Projects

Project	Est. Sites	Potential issues/Comments
Aquadene medium income housing (Transnet and Mondli)	230	EIA and bulk sanitation to be upgraded
Sinkiniti	400	Potential for development to be investigated
Hillview Phase 2	230	EIA and DFA approval required, poss clayey soils
Wild-en-Weide ext.	1719	Access to private land may be difficult
Birdswood ext./ Sappi Development	407	EIA required
Wild-en Vilde –Brackenham buffer	50	Potential for development to be investigated
TOTAL SITES	3036	

It is estimated that the number of potential developments in the high income housing range is sufficient to meet the demand for housing in this range. It is also envisage that most of these developments will be completed through the private sector developers.

12.8 RELOCATIONS

It is critical that housing projects are not delayed due to the lack of alternative sites for relocations. Therefore a careful analysis of projects in existing settlements should be carried out to estimate the number of relocations required in the planned projects. Until this evaluation has been carried out at least 25% of all partial or full Greenfield developments should be allocated for relocations. Thereafter all new Greenfield projects should have a separate number of relocation allocations based on a careful analysis of the surrounding projects to allow for overflow from other projects.

12.9 MIDDLE INCOME OR CREDIT LINKED HOUSING (FLISP)

A number of potential projects in the middle-income range (R3 501 to R15 000) have been identified. While many of these projects will cater for income earners above the minimum R3 500 required for the Departments of Human Settlement's credit linked subsidy option, options for the inclusion of subsidy beneficiaries on the credit-linked scheme should be investigated on a project by project basis.

These potential projects may be drawn from the following possibilities; however the feasibility of each project will have to be evaluated before any definite estimates on the number of units to be produced is finalized. In all the Greenfield projects (Aquadene, DMV and Empangeni Mega Housing projects) flisp programme has been catered for in all of projects. The municipality has started with the process of marking the programme to all beneficiaries who are potential beneficiaries.

13. MUNICIPAL RESTRUCTURING ZONES

uMhlathuze Municipality has been identified by the Kwa-Zulu Natal Department of Human Settlements as one of the five Local Municipality with a possibility to be declared as Restructuring Zones. In order for the Municipality to be declared as a Restructuring Zone it has to identify areas that will be regarded as Municipal restructuring zones which conforms to the Spatial Development Framework and is aligned with the Integrated Development Plan.

Restructuring Zones will be used to open up areas which have major economic opportunities and from poor people have been excluded or to protect poor people from being displaced from areas within economic opportunities.

On demarcation and declaration as the Restructuring Zone, the Municipality will have access to Institutional and restructuring grants for rental/social housing establishment purposes.

The Municipal Restructuring Zones seeks to achieve the following three main objectives of restructuring:

- Spatial restructuring by bringing lower income (and often disadvantaged) people into areas where there are major economic opportunities.
- Social restructuring by promoting a mix of race and classes.
- Economic restructuring by promoting spatial access to economic opportunity and promoting job creating via the multiplier effect associated with building medium density housing stock.

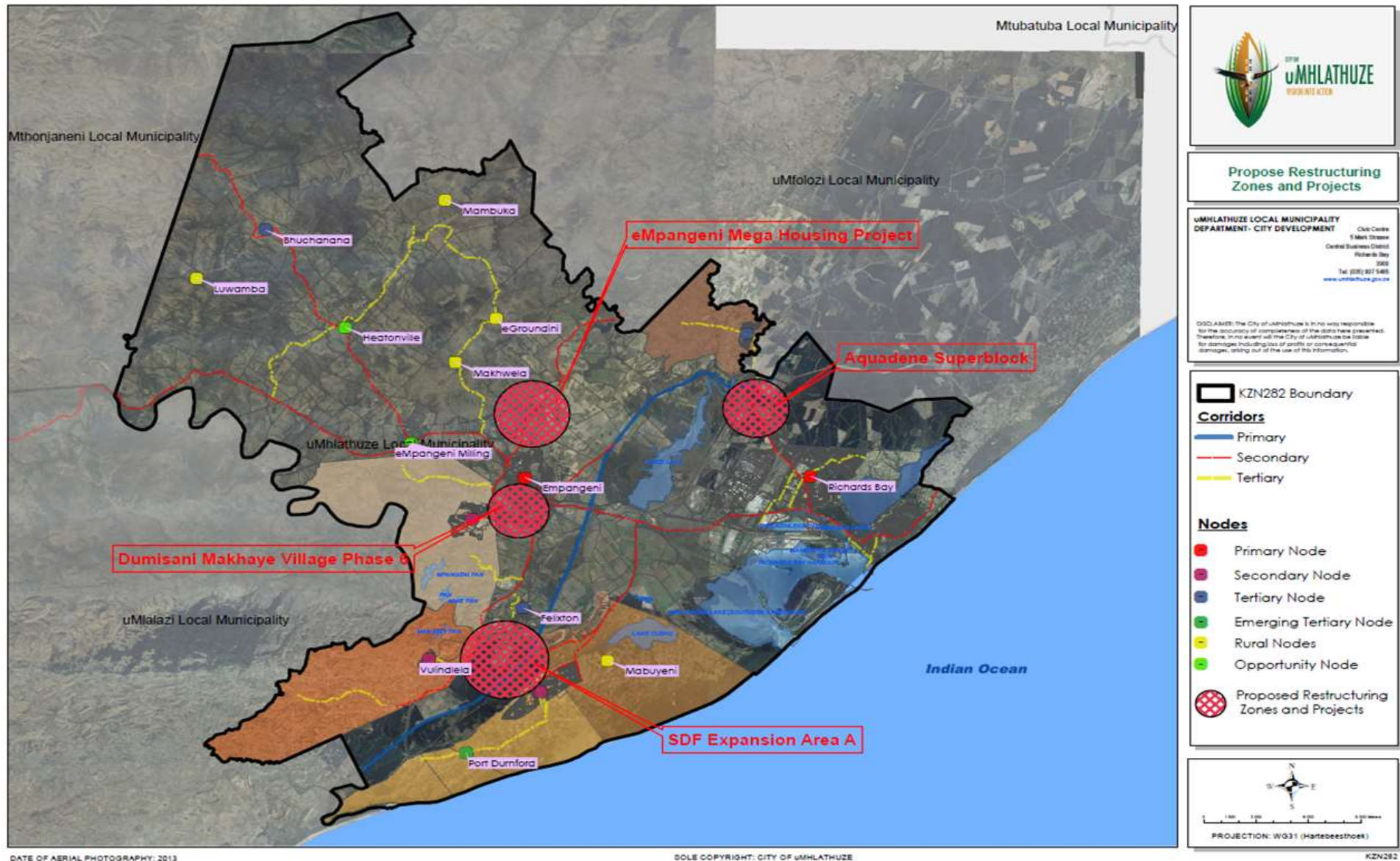
In terms of the Social Housing Act the Municipality cannot manage its rental blocks but will have to establish or work with the accredited Social Housing Institution/Association.

The uMhlathuze Municipality has identified Richards Bay and Empangeni as its Restructuring zones. The Municipality has identified the following projects within its proposed Restructuring Zones. The identified projects are:

- Aquadene Superblock: Phase 1
- Dumisani Makhaye Village Phase 6: Phase 2
- SDF Expansion Area A (Erf 16833): Phase 3
- Empangeni Mega Housing Project: Phase 4

The Municipality has also identified different portions of land which will be investigated for CRU/Social Housing Development in future.

Map 21: Human Settlements Restructuring Zones



13.1 RESTRUCTURING ZONE PROJECTS

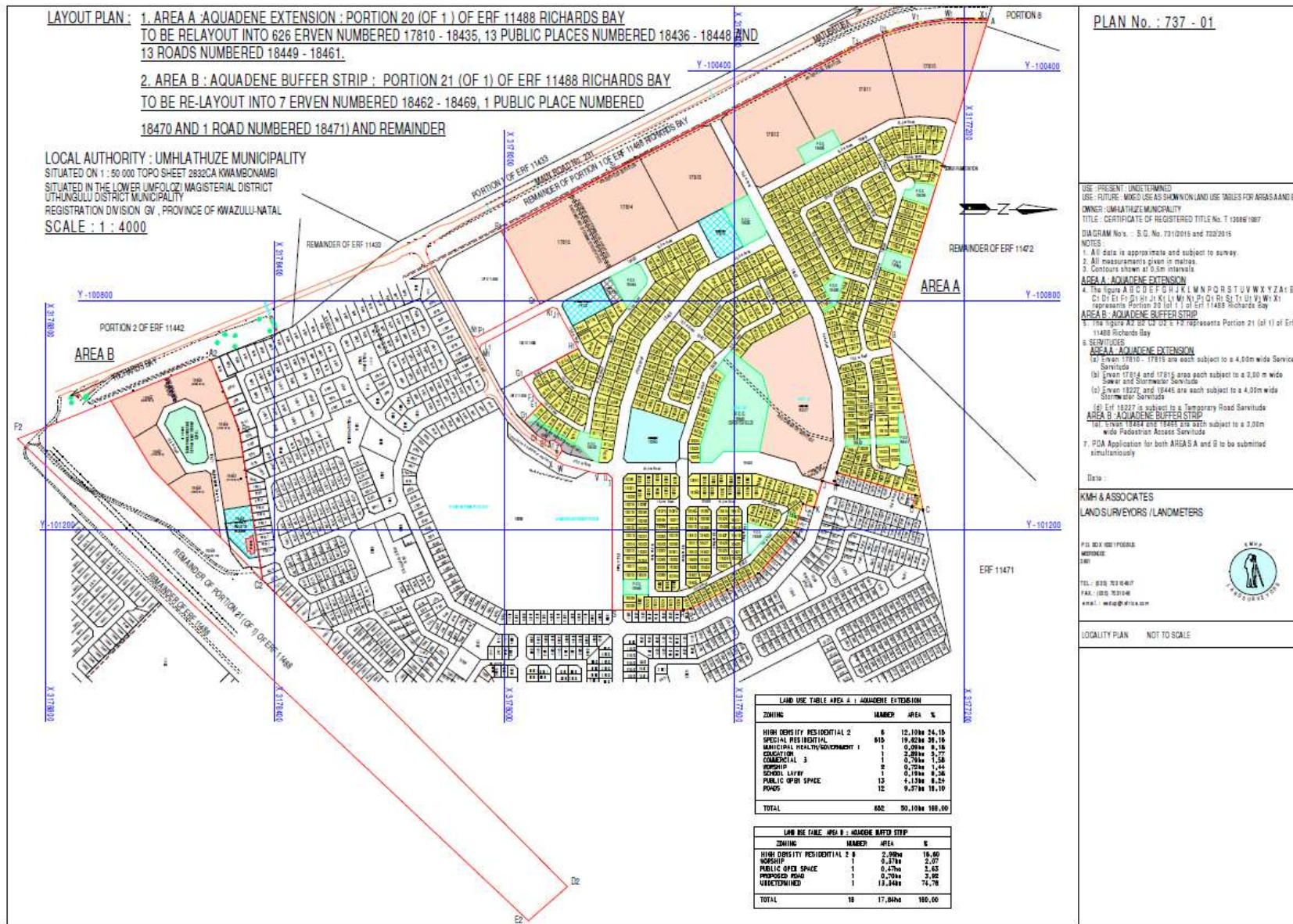
The municipality is currently busy preparing for the appointment of the Social Housing Institute (SHI) to implement the social housing programme within the Aquadene and Dumisani Makhaye Phase 6 & 8 Housing Projects. A report on land disposal to the SHI's has been prepared and submitted for Council approval. The municipality is currently busy also with the Social Housing Policy.

13.1.1 Aquadene Housing Project

The Aquadene Superblock Housing project consist of 5 different phases, phase 1, 3 and 4 being owned by the Municipality and phase 2 and 5 being privately owned.

Nine residential developmental blocks have been designed for future Social/Rental housing. In terms of the enhancements to the Social Housing Policy, all restructuring zones will only cater for Social Housing programme and will not include Community Residential Units (CRU). The remaining portion of land will be used for low income housing development. The main purpose is to put medium rise buildings along the main road (MR231) and put low rise (free standing) buildings toward the centre of the proposed development and the existing Aquadene suburb.

Map 22: Aquadene Layout



13.1.2 Dumisani Makhaye Village Phase 6

Initially, Dumisani Makahye Village Phase 6 was earmarked for middle income bonded housing. It has become apparent with the development of Dumisani Makhaye Village Phase 4 that consumers face financial accessibility constraints and an alternative housing opportunity is therefore being investigated.

The Municipality has a high demand for government related human settlements assistance. Therefore the successful implementation of Dumisani Makhaye Village Phase 6 as the Social Housing Programme will reduce the housing demand in the uMhlathuze Municipality.

Table 311: Estimated Number of Units in the Proposed Dumisani Makhaye Village Phase 6 CRU/Social Housing

SIZE (HA)	PROPOSED DEVELOPMENT	EST. NUMBER OF UNITS	PROPOSED ZONING	F.A.R	COVERAG E	HEIGHT	EST. UNIT SIZE (M ²)
40.9	Social/CRU	1020	High Density Residential 2	0.50	30%	3 Storeys	40

The estimated 1020 residential units will be divided into different superblocks of the project. The current Umhlathuze Village Phase 6 layout has been approved and incorporates the Social Housing Superblock. The municipality is currently busy preparing for the appointment of the Social Housing Institute (SHI) to implement the social housing programme within the Dumisani Makhaye Phase 6 Project.

13.1.3 Empangeni Mega Housing Project

The project is proposed to consist of the following human settlements programmes:

- Low income Government Subsidy (RDP Housing)
- Finance Linked Individual Subsidy Programme (FLISP)
- Social Housing
- Bonded Housing

Preliminary indications are that the above two types of subsidy programmes (FLISP and Social Housing) will cover 35% of the proposed development. Social Housing has been catered for in phase 2 of the project. The layout plan for phase 2 is still at planning stage.

13.2 PROPOSED RESTRUCTURING ZONE PROJECTS

Table 42: Planned Restructuring Zones Properties

Area	Erf Number	Ownership	Extent (Ha)	Status
Richards Bay: Aquadene	11488	State	217	Planning Stage
Empangeni: Expansion Area D	11455, 11477, Ptn 99 of 11477, 16689, Rem of Erf 16689, 15673, 17788, 11444, 11446, 14943, 14945, 11467, 11466, 11468, Rem of Erf11466	Private	1756.10 Developable: 495.81	To be Investigated

Richards Bay	Portion 2 of Erf 11489	State	75.6	To be Investigated
Richards Bay	16715	State	537	To be Investigated

14. HOUSING CONSUMER EDUCATION

The Housing Consumer Education Programme is an Department of Human Settlements initiative aiming at capacitating Municipal housing officials, Councillors, Traditional leaders, housing beneficiaries, implanting agents and other stakeholders to understand their role and involvement in the housing development.

Amongst others, the following are the outcomes of the Housing Consumer Education:

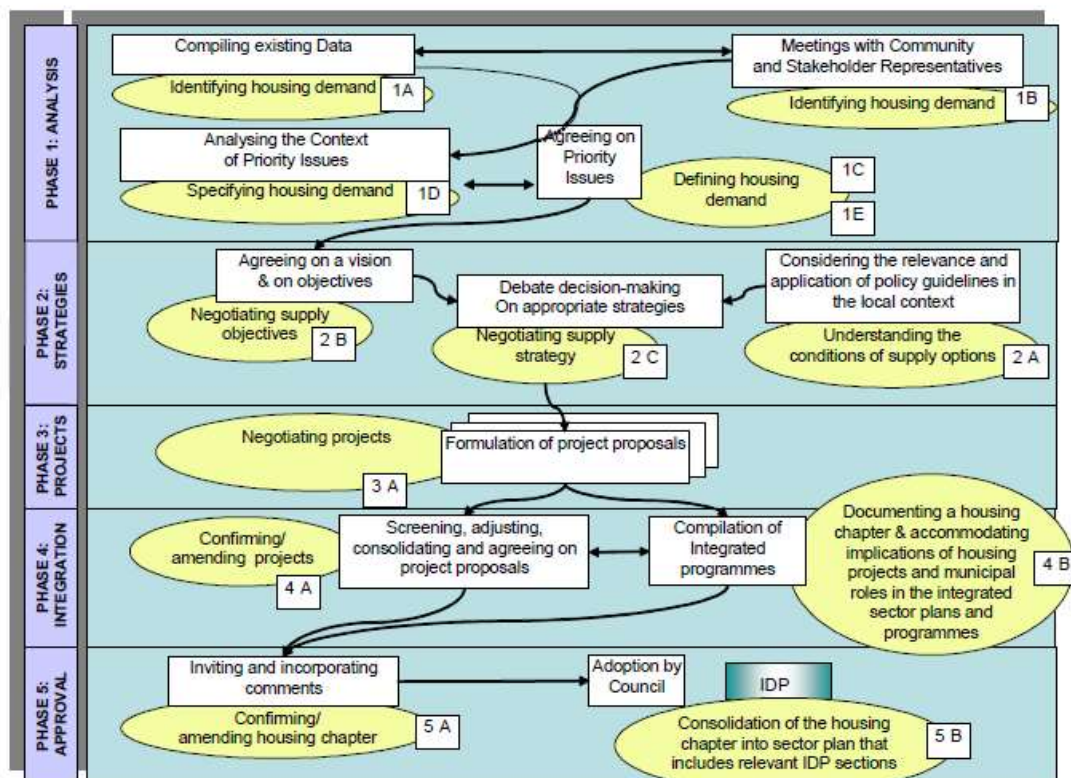
- How to prevent corruption.
- Understanding the mandate of National Department of Human Settlements.
- How to access information.
- Understanding the key housing legislation and policies.
- Understand the housing roles and responsibilities of all spheres of Government.
- Understand the housing subsidy as an asset (socio-economic benefit of owning a home).
- Understand the role of housing beneficiaries/consumers etc.

The uMhlathuze Municipality is embarking on a process of Consumer Education at a ward committee level. The programme is provided herewith.

15. PARTICIPATIVE PROCESS

The participative approach for the development of the municipal Human Settlements Plans can be summarised by the following diagram.

Diagram 2: IDP and Municipal Housing Sector Plan Alignment Model



Phase 1: Analysis: identify housing demand both through analyzing existing data and through meeting with communities and relevant stakeholders. Thereafter demand is specified and defined to ensure congruence with the IDP requirements.

Phase 2: Strategies: considering the relevance and applicability of housing sector policy guidelines within the municipal context. Targets for housing delivery would be specified and the methodology for their achievement clarified in this stage.

Phase 3: Projects: Housing projects formulated in the stage must fundamentally relate to the achievement of the objectives and strategies developed in phase 2.

Phase 4: Integration: The compilation of sector programmes and plans in this phase is meant to ensure that the collective impact and resource requirement of individual housing projects makes most efficient use of all available resources.

Phase 5: Approval: The stage requires the confirmation and amendment of projects to ensure:

- Alignment with overall IDP objectives and strategies;
- Consolidation of the requirements of individual projects from resources available;
- The technical, financial, environmental and institutional viability of projects individually and collectively;

- The achievement of coherence and integration between the projects of different sectors;

The benefits of scale to be achieved by structuring similar projects as part of an integrated programme.

It is essential to consultation and communicates with all stakeholders in the housing development process in order to monitor the project progress, address challenges and ensure access to information.

Housing Forum

The Housing Forum is the body that is responsible for making technical decisions and input regarding human settlements programmes and projects. It also attends and makes decisive decision regarding human settlements related challenges. It consists of Provincial Human Settlements officials, Municipal officials, Implementing Agents, Ward Councillor/s.

Project Steering Committee

The Project Steering Committee acts as support the Housing Forum making technical decisions and inputs that are project specific. It consists of Provincial Human Settlements officials, Municipal officials, Implementing Agents, Ward Councillor/s, Traditional Council representatives, Ward Committees.

Technical Team meetings

The Technical Team is a project specific committee responsible for the smooth implementation of the project, quality assurance, and safety assurance. It is also responsible for making technical decision and inputs in respect of the specific project. It consists of quantity surveyors, civil engineers, project managers, members of the Project Steering Committee, Ward Councillor/s, Municipal officials, Human Settlements officials, National Home Builders Registration Council, Implementing Agents, occupation and safety officers.

Public and Stakeholder Participation Programme

CLUSTER	WARDS	VENUE	DATE	TIME
Ward Committees	All Wards	eMpangeni Civic Centre Town Hall	05 September 2018 (Wednesday)	17:00
Amakhosi	Traditional Councils	Council Chambers, Richards Bay Civic Centre	06 September 2018 (Thursday)	11:00
Wards	1, 2, 3, 4, 5, 6, 7, 8, & 26	Mzuvukile Sports Ground	09 September 2018 (Sunday)	12:00
Wards	9, 23, 24, 25, 27, 28, 29, 31, 32 and 33	Ngwelezane Sports Ground	16 September 2018 (Sunday)	12:00
Wards	10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 30 & 34	Esikhaleni TVET Sports Ground	22 September 2018 (Sunday)	12:00
Stakeholders	All Stakeholders	Council Chambers, Richards Bay Civic Centre	27 September 2018 (Thursday)	15:00

16. PROJECT CASH FLOW

UMHLATHUZE PROJECT CASH FLOW								
	Sites	Mill Value	2014/15 1 July- 31 June	2015/16 1 July- 31 June	2016/17 1 July- 31 June	2017/18 1 July- 31 June	2018/19 1 July- 31 June	Total
Current Projects								
PLS/Greenfield Umhlathuze Village Phase 7	585	68.6	34.3	34.3				68.6
Umhlathuze Village Phase 6&8	212	13.2			5.00	8.20		13.2
IDT Project	250	1.70	0.85	0.85				1.70
Empangeni integrated Residential Housing Phase 1A & B	1745	39.2			19.2	20.00		39.2
Empangeni integrated Residential Housing Phase 2	4986	24.9			24.9			24.9
Hostel Upgrades Esikhaleni	360	20.0	5.28	9.62		5.10		20.0
EEDBS(Nseleni, Esikhaleni,Vulindlela,Ngwelezane)	+/-405	0.50			0.16	0.19	0.15	0.50
Aquadene Housing Project	855	44.0			44.0			44.0
TOTALS	12326	212.1	40.43	44.77	72.68	10.29	0.15	212.1

17. PERFORMANCE MEASUREMENT

17.1 MONITORING AND REVIEW

17.1.1 THE IMPLEMENTATION PROTOCOL

The implementation protocol is an agreement signed between the Provincial Department of Human Settlements and the Municipality. This forms part of the accreditation of municipalities which is review every three years. The following table illustrates the Municipal Performance Indicators which are directly linked to the Municipal Human Settlements Plan and a Medium Term Expenditure Framework (Human Settlements Development Grant Allocation):

Table 39: Implementation Protocol

OUTCOME: Meet Infrastructure & Household Service Needs & Address Backlogs							
OUTPUT 1:	TARGET 2016/2017		TARGET 2017/2018		TARGET 2018/2019		
Indicator							
	Site	Unit	Site	Unit	Site	Unit	
Integrated Residential Development Programme	0	0	449	0	669	0	
OUTPUT 2:							
Indicator							
Informal Settlement Upgrading	0	0	0	0	0	0	
OUTPUT 3:							
Indicator							
Community Residential Unit	0	54	0	0	0	150	
OUTPUT 4:							
Indicator							
Emergency Housing	0	0	0	0	0	0	
OUTPUT 5:							
Indicator							
EEDBS	80	0	40	0	0	0	
OUTPUT 6:							
Indicator							
Rectification	0	0	0	0	0	0	
OUTPUT 7:							
Indicator							
Rural Development	0	343	0	0	0	0	

Table 32: Medium Term Expenditure Framework: Human Settlements Development Grant Allocation

YEAR	PROJECT MANAGEMENT	PROPERTY MANAGEMENT	PLANNING	TOTAL
2016/2017	29 751 000	592 000	14 499 000	44 442 000
2017/2018	20 205 000	9 447 000	9 500 000	38 877 000
2018/2019	30 105 000	28 371 000	0	58 201 000

17.1.2 SCOPE OF MONITORING AND REVIEW SYSTEM

Council has a scorecard system for monitoring delivery across all units. The scorecard system has two components – the Service Delivery and Budget Implementation Plan (SDBIP) at a strategic level, and the Performance Management Monitoring at the project level. The SDBIP and the Performance Management Monitoring scorecards are updated quarterly. Auditors also monitor performance management scorecards. The Housing Sector Plan is updated during every IDP Period.

17.1.3 RISK MANAGEMENT

Objective	Risk	Possible Causes	Possible Impact	Control Measures
Human Settlements: Infrastructure and Services Provision	Government Subsidised Housing	Demand is higher than supply of housing due to lead time to deliver housing. Due to amongst other 1. Infrastructure challenges 2. Land availability 3. Funding constraints due to performance linked payments	1. Land Invasions 2. Vandalism of completed housing structure 3. Illegal occupation of completed housing structure 4. Community unrest / protests	1. The Municipal Human Settlements Plan 2. Level 2 Accreditation 3. Standard Operations 4. National Housing Needs Register
Good Governance	Housing Consumer Education	Lack of Education of new housing owners could result in 1. Lack of payment of rates and rentals 2. Registration sale 3. Renting of houses 4. Maintenance issues	1. Loss of revenue 2. Poor management of asset by beneficiary and eventual deterioration of property.	Facilitation of Consumer Education as an ongoing process

18. CONCLUSION AND RECOMMENDATIONS

The municipal IDP has identified human settlements as one of the municipality's first priorities. The current and planned human settlements projects have taken into account National and Provincial legislative guideline as well as Municipality Spatial Development Framework strategies and requirements.

It be noted that a housing plan cannot be limited to only housing, but needs to be promoted in such a manner that it gives meaning to the goal of creating viable communities.

It also be noted housing is more than just a structure but it also fulfils different types of needs such as physical, psychological, social, and economic needs.

- Physical Needs: security, peace and human dignity.
- Psychological Needs: sense of space and privacy.
- Social Needs: family gathering area
- Economic Needs: Investment opportunity

Based on the above mentioned statement, it the responsibility of the Municipality to take into consideration all different types of needs related to housing when planning the new housing development.

The Municipal Housing Sector Plan, like the Municipal Integrated Development Plan it need to be reviewed annually in order to accommodate new project s, update current projects information, alignment with National and Provincial Department of Human Settlements and other Sector Department programmes and Municipal sector plans.