

FINAL DRAFT REPORT

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REVISED MSINGA LOCAL MUNICIPALITY HOUSING SECTOR PLAN SEPTEMBER 2014

SUBMITTED TO:



MSINGA MUNICIPALITY
DEPARTMENT OF HUMAN SETTLEMENTS

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MSINGA LOCAL MUNICIPALITY: HOUSING SECTOR PLAN:

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ABBREVIATIONS

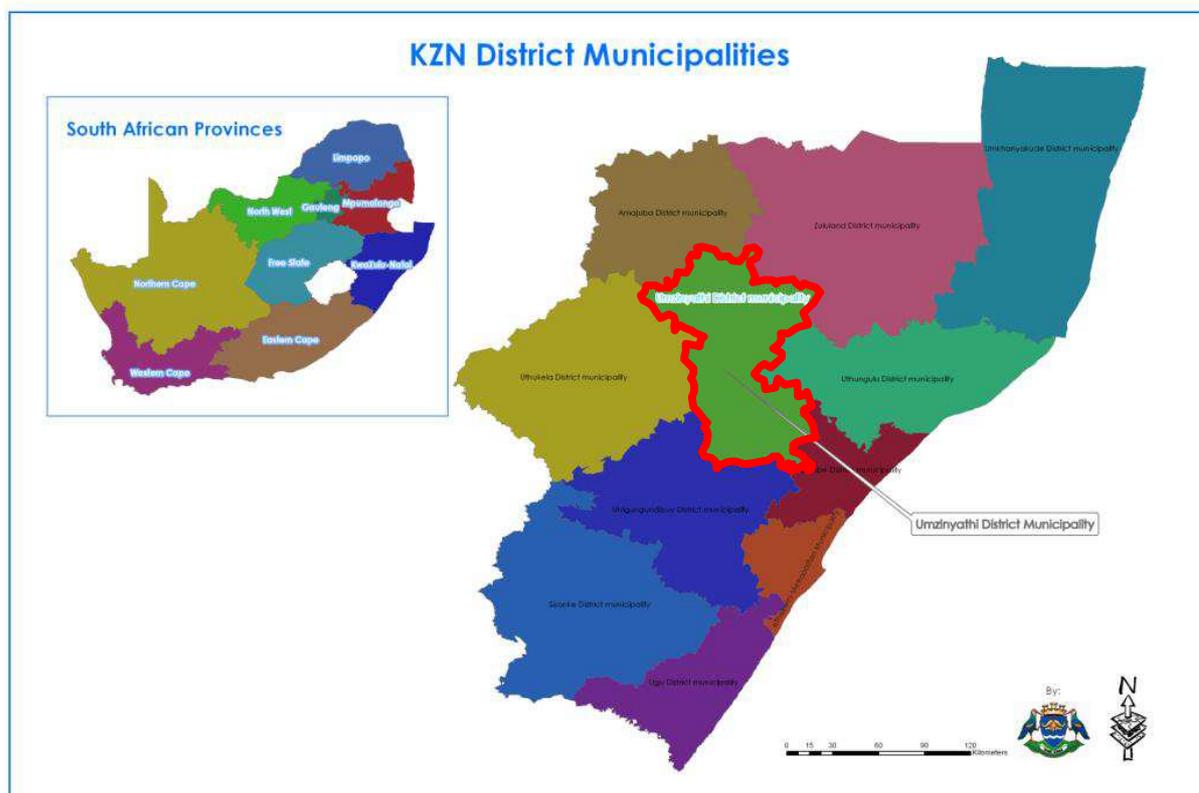
BNG	Breaking New Ground
CRO	Community Resource Organisation
DOHS	Department of Human Settlements
DRLDR	Department of Rural Development and Land Reform
DSD	Department of Social Development
EH	Emergency Housing Grant
GIS	Global Information System
Ha	Hectares
HSP	Housing Sector Plan
IA	Implementing Agent
IDP	Integrated Development Plan
KZN	KwaZulu-Natal
LED	Local Economic Development
MEC's	Member of the Executive Council
MIG	Municipal Infrastructure Grant
MTAS	Municipal Turn Around Strategy
MTEF	Medium Term Expenditure Framework
NDoHS	National Department of Human Settlements
NPO's	Not for Profit Organisations
NUSP	National Upgrading Support Programme
PGDS	Provincial Growth and Development Strategy
PHP	People's Housing Process
PLS	Project Linked Subsidy
PSEDS	Provincial Spatial and Economic Development Strategy

RAC	Rapid Assessment and Categorisation
RDP	Reconstruction and Development Programme
SDF	Spatial Development Framework
SHSS	Sustainable Human Settlement Strategy
UISP	Upgrading of Informal Settlement Program
USDG	Urban Settlement Development Grant
VIPs	Ventilated Improved Pit Latrines
WMA	Water Management Area

Municipal Locality Plan:

Provincial Context

The uMzinyathi District Municipality (DC24) is one of the ten districts of KwaZulu-Natal. The Municipality is bordered in the north by the aMajuba Municipality, in the west by the uThukela Municipality, in the south west by the uMgungundlovu Municipality, in the south east by the iLembe Municipality and in the east by uThungulu District Municipality, as shown on the Map 1 below:



The district consists of four Local Municipalities, namely:

- eNdumeni (KZ 241)
- Nquthu (KZ 242)
- Msinga (KZ 244)
- uMvoti. (KZ 245)

District Context



0. EXECUTIVE SUMMARY

MABUNE CONSULTING was appointed to undertake the Revision of municipal Housing Sector Plan for the **MSINGA LOCAL MUNICIPALITY** for the period **2014 - 2017**

The Housing Sector Plan is a strategic document intends to inform and guide the Msinga Municipality in the allocation of resources (financial and human) with regard to housing, access to services, administration, socio economic realities and monition.

The preparation and compilation of the document has followed key processes that as noted by various policies and strategy documentation. The KwaZulu-Natal Department of Human Settlements (KZNDHS) requires that the Housing Sector Plans be formulated in order to ensure that a coordinated strategy is put in place to guide human settlement development and respond to housing development imperatives.

The overall combined report outlines the municipal human settlement and housing development context, underpinning the strategic planning initiatives, identified and priority / key considerations and prioritised projects.

A Steering Committee (comprising of municipal officials, provincial human settlements official, technical consultants, political and community) was formulated with the key purposes and function:

- ✓ To coordinate the activities of the professional team, municipality and stakeholders and ensure compliance;
- ✓ To ensure transparency and consultation within the in respect of the project;
- ✓ To provide a platform for interacting with various role players within Msinga Municipality and improving communication between role players;
- ✓ To share knowledge and learning;
- ✓ To help disseminate knowledge and learning;
- ✓ To help identify strategic opportunities and issues.
- ✓ Create an administrative structure and deals mainly with contractual, technical and compliance matters

The Municipal housing sector plan also explores integration issues at various levels (i.e. Municipal Planning versus project and local area planning initiatives) and ensures that these are achieved in the strategies to address and promote holistic human settlement development. The municipal planning level integration activities can be summarised below:

- ✓ Ensure that there is a clear understanding of the content and applicability of the current IDP, SDF and relevant sector plans, including the Municipal Housing Sector Plan, at a local level.
- ✓ Identify gaps in the current IDP, SDF and Housing Sector Plan (including other sector plans) in order to inform reviews of the plans and to ensure their continuous updating and improvement.
- ✓ Ensure the coordination of all available area based planning information at a local level. These include GIS base information and sector plans such as the housing plan.
- ✓ Ensure alignment with specific provincial sector policies and policy directives such as BNG, Housing Code, Health policies, Welfare policies etc.
- ✓ Ensure alignment with provincial spatial policies such as PSEGS and PGDS
- ✓ Hold regular housing forum meetings to access relevant information from the sector departments as well lessons from any other project being implemented
- ✓ Ensure that housing and other relevant officials are effectively capacitated to understand the complex process of human settlements development and the various technical and social requirements at various project implementation level.

In order for the Municipality to efficiently implement and roll out the housing programme as outlined in the sector plans, the municipality must have the capacity to undertake project and local-area level integration activities, which include:

- ✓ Coordinate all available feasibility studies at a local level specifically related to any related projects, which have been implemented or investigated in the area. (I.e. Geotechnical, Environmental, Social studies etc.)
- ✓ Ensure up front identification of key issues and challenges facing community during early preparation through implementing detailed action planning workshops, socio-economic and enumeration surveys. These workshops and surveys should clearly defined community needs and reflect specific local conditions which will be relevant to the implementation of the housing project.
- ✓ Identify critical sectors which should be involved in the holistic development of the area e.g. HIV Aids, education, fire protection services, police, health, welfare.
- ✓ Identify assistance to special needs groups
- ✓ Commission participative local spatial development plans to identify specific shortages in the provision of or access to key social facilities e.g. education and health care, clinics and school.
- ✓ Identify key local stakeholders who will be either directly or indirectly involved in project planning, implementation and ongoing operation and maintenance.

- These stakeholders should be included in project processes from the outset (e.g. local community organisations, NGOs, interested parties etc.)
- ✓ Identify specific and ongoing projects which will enhance the sustainability of the settlement (e.g. food security, local economic development projects, education and schools projects etc.)
 - ✓ Ensure ongoing and appropriate participation of and consultation with communities on the ground to ensure that development projects and other support respond to local needs and optimize community assets.

In summary, above activities, as postulated in the KZN Informal Housing strategy (p81) have direct bearing on the overall implementation of the human settlement strategy in Msinga Municipality. In addition, the municipal housing sector process would assist the Msinga Municipality to identify key human settlement development strategies and priority projects that will be delivered over the next 5 year period. Importantly, the current municipal statistical analysis has indicated that there is some level of socio economic improvement in the populations' lives within the period 2001, 2007 to 2011. It is noted that housing delivery continues to be centered on rural development projects, while integration remains a primary challenge. Access to services for human settlement development also poses a challenge, while coordination of sectors is required to achieve total human settlement environments.

1. INTRODUCTION

The **MSINGA MUNICIPALITY HOUSING SECTOR PLAN 2013 - 2017** is a review of the existing five year strategy for the development and integration of human settlements located within the municipal area. As previously highlighted by the ***Municipal Housing Sector Plan of 2007***, housing delivery within the Msinga Municipality continues to occur mainly in the form of subsidized state funded government housing.

Housing and associated infrastructure development is and remains the key catalyst for developing of poor communities, particularly access to tenure and basic services. Msinga Municipality, like most municipalities of post-1994, is no exception to this phenomenon.

Therefore, the intention of the Revised Municipal Housing Sector Plan is to identify and understand the changes of the human settlements situations or circumstances and interventions aligned to municipal strategies and development responses to the ever changing scenarios. In addition such strategies will be aligned to provincial and national strategic development objectives.

The role of the Municipal Housing Sector Plan (MHSP) acts to provide an impetus into the key planning initiatives as adopted by the Msinga Integrated Development Plans (IDP) and other sector plans and strategies and

The Municipal Systems Act of 2000 adopted by district and local municipalities. Such planning needs to be aligned and further compliment the all development plans and strategies in order for the municipality to carry out its mandate.

Furthermore, it is important to highlight the main purpose of the MHSP:

- ✓ To ensure the effective allocation of limited resources (specifically financial and human) to large proof of potential development interventions
- ✓ To provide a formal practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation
- ✓ To ensure more integrated development through bringing together the relevant cross sectional role players to coordinate their development interventions in one plan;
- ✓ To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground
- ✓ To ensure that there is definite focus for the IDP

- ✓ To provide critical link between development planning and the practical reality of delivering housing projects on the ground ;
- ✓ To ensure the effective subsidy budgeting and cash flows both at the municipal and provincial levels.

The main outputs from the MHSP can be identified as follows:

- ✓ A priority implementation list of the relevant housing projects in the municipal area;
- ✓ Preliminary assessment of the technical and social feasibility of all projects in the municipal area;
- ✓ Confirmation of IDP linkages for all prioritised projects
- ✓ Coordination of MIG and other funding for projects
- ✓ Confirmation of stakeholders involvement in the development process
- ✓ Cash flows and broad project programmes
- ✓ Transfer of skills to Local Municipalities

The overall municipal vision distinguishes Msinga Municipality as an institution with capacity to ensure local development through good management and development support. For the purposes of the assignment and the sector planning processes, 'housing' is a continuous process of provision of shelter and associated investment as the primary focus. This includes amongst others ensuring the upgrading of tenure rights, social and community investment, housing and infrastructure delivery and policy planning initiatives.

Presently, the Msinga Municipality does not have accreditation and no application to National Department of Human Settlements has been submitted for the any accreditation status as a Developer. The Municipality continues to derive its mandate from the Human Settlements provincial department and draws funding from various instruments provided for human settlements development. This is mainly undertaken through the provision of low income housing and the Municipality continues to act as the 'developer' with Implementation Agents (IA) appointed to deliver the housing and infrastructure needs.

The Municipal Human settlements department presently draws its key technical capacity from Implementing Agents (IA's) and professional consultants appointed to provide specific skills and obtain the desired results. This is undertaken through co-managed appointments with the KZNDHS project management and policy departments. The Municipality has the capacity to manage the IA's to deliver an annual housing development strategy. However, this management and technical

capacity can be increased with constant skills development and capacity building initiatives, including technical training and innovative municipal policy initiatives.

Within the Msinga Municipal area, the overall housing delivery challenge is mainly be attributed to:

- ✓ the rural nature of the municipality,
- ✓ the overall topography,
- ✓ general lack of infrastructure,
- ✓ the current human settlement patterns,
- ✓ identified subsidy constraints,
- ✓ location of the low income rural housing project and
- ✓ unemployment,

The outcome is a situation where housing settlements represent bland and undesirable living conditions, especially as the housing is devoid of essential public services such as schools, clinics and social, environment & economic amenities. The result is that low income housing settlements have become or can very quickly become new zones of exclusion. In the case of rural housing challenge, there is a need for integration of sectors to curb the housing demand and encourage economic activity. The enhancement and understanding of local livelihoods becomes a key factor in achieving the necessary integration and long term development objectives in housing delivery. The municipality and stakeholders can achieve this through the understanding of current trends and socio-economic patterns that influence the direction of housing delivery.

The methodology in preparation of this plan is accordance to various toolkits prepared for and developed by the KZNDHS. The main components can be described as follows:

- ✓ Base data and optimum utilisation: Ensuring that all relevant base data is collated and utilised to enhance the resultant strategic plan.
- ✓ A continuous process (ongoing interactions, potential for future changes)
- ✓ Action driven (implementable & deliverable)
- ✓ Holistic approach: An integrated development approach that ensures social, economic, physical and institutional factors are taken into consideration. This is to ensure that the outcomes for housing delivery are undertaken in a coordinated and integrated manner.
- ✓ Sustainable Development approach: like holistic these are factors that are linked to environmental, social, economic & institutional parameters.
- ✓ Participatory manner: This reflects local needs, ownership & implementation

The Contents of the Report is as follows:

- ✓ **Section1: Introduction & Background** - This section outlines the Background to the Study, the Methodology and the Contents of this report, including the Mission and Vision. This will also include alignment to Msinga Municipal IDP and the Spatial Development Framework Strategies. It also provides the housing capacity at municipalities/ internal capacity to deliver on housing needs, municipal housing supply capacity. In order to understand the current situation within the Municipality, a Status Quo report outlining key municipal indicators and challenges on housing. Finally the level of accreditation and application status
- ✓ **Section 2: Legislative Framework-** The Municipal housing plan is required to be aligned to the national and provincial legal framework and alignment of policies/legislations such as the National Constitution, the Housing Act, IGR Act, Sustainable Human Settlement Strategy (Breaking New Ground -BNG), the recent Outcome 8. The plan is also required to be aligned to other municipal plans such as the Local Economic Development (LED), Integrated Development Plan (IDP), including analysis and alignment of various schemes, Spatial Development Framework and the Municipal Infrastructure and Rural development strategy. This section will cover the Subsidy categories and various delivery options and will also review any other legislations that may impact housing.
- ✓ **Section 3 Existing Situation: The local context covers the** Spatial and planning Context, Planning context, National/Provincial Strategic Alignment, Demography in Relation To Housing Demand (Backlog), Infrastructure Situation as aligned to Housing, Services/ Bulk Infrastructure. This section deals with the various sectors
- ✓ **Housing Situation Needs and Prioritisation:** This component of the report provides details on the housing situation outlining challenges related to housing, housing supply and any prioritisation issues. The Municipality also outline the integration aspects to deliver housing that not only focuses on shelter bur creates a total human settlement environment.
- ✓ **Section 4: Housing Situation and Need:** The current housing situation in captured in the housing projects under development while the need is determined by utilising various STATSA data to calculate such need.

- ✓ **Section 5: Informal settlements:** This section particularly deals with the development of informal settlements and related development issues. Under Outcomes 8 the development of settlements

- ✓ **Section 6: Identification of Suitable Land for development:** To date the municipality is required to identify suitable land for all development related to housing and the integration thereof. This section deals with the suitability and access to suitable land for housing developments. Most of this land is found with Ingonyama Trust land and in most cases is settled and suitable for housing and related infrastructure development.

- ✓ **Section 7: Housing Strategy – Formulation of Housing projects:** Over the next three to five years, the Municipality is required to identify and prioritise projects based on various

- ✓ **Section 8 Housing Capacity:** In order for the municipality to deliver housing, manage institutional relationships, provide a conducive environment for such delivery at both the technical and social level.

- ✓ **Section 9: Monitoring and Evaluation:** In order to assess whether the Municipality is meeting the aims and objectives laid out in the strategic documents or plan.

- ✓ **Section 10: Approval:** This relates to processes for Municipal approval as well as KZN DHS approval

2. LEGISLATIVE FRAMEWORK

The legislative framework provides the mandate for various spheres of government outlining key statutory functions, roles and responsibilities within the housing development arena. This also provides an overall framework for co-ordination and powers for delivery of the mandate/s.

The 'Right to Housing' is promulgated in Section 26(1) of the Constitution, Act 108 of 1996, while the Msinga Municipality derives its mandate from Section 26 (2):

- 26.(1) Everyone has the right to have access to adequate housing.
- 26.(2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.
- 26.(3) 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.

The Housing Act No. 107 of 1997 was enacted to provide a legislative framework to effect the right to housing. Accordingly, the thus Act compels all municipalities to compile housing strategies and targets as part of the IDP and within the framework of National and Provincial Policy and Legislation. The formulation of Integrated Development Plans (IDP's) is a requisite under the Municipal Systems Act 32 of 2000, while the development of Housing Plans is a sector requirement "to enable the municipality to strategically plan housing development within it's area of jurisdiction through a Municipal Housing Plan that sets housing delivery goals and ensures that sustainable housing projects are implemented".

Over the years, it has emerged significantly that infrastructure is central to economic growth, global competitiveness, and poverty alleviation, and human settlement development is the key sector. Furthermore the "transformation of the provincial economy to create jobs, generate income, and thus reduce poverty is the single most important challenge confronting the government. Underpinning this challenge, however, is the need to provide appropriate and adequate social and economic infrastructure. Poorly maintained and unreliable infrastructure and service delivery systems hamper both private and public sector activity." In addition, "although continued delay or neglect of investment in infrastructure projects may provide immediate savings for other expenditures, a heavy price could be paid in the longer term in the form of lower economic growth, high unemployment and an increase in poverty."

Furthermore the following areas of the constitution have specific relevance to the assignment and delegation of powers. Co-operative Government Chapter 3 of the Constitution deals with Co-operative Government, Section 41 (1) which reads as follows:

“All spheres of government and organs of state within each sphere must....

(f). not assume any power or function except those conferred on them in terms of the constitution.

(g). cooperate with one another in mutual trust and good faith by coordinating their actions and legislation with one another. Local Government Issues of the competence of local government are dealt with in Chapter 7 of the Constitution. Of particular relevance is section 152 (1)

(b) and (c): States, “the objects of local government are:

(b) To ensure the provision of services to communities in a sustainable manner;

(c) To promote social and economic development” A further relevant section dealing with the developmental duties of Municipalities is section 153:

A municipality must;

a). Structure and manage its administration, budgeting and planning processes to give priority to the basic need of the community and to promote the social and economic development of the community; and

b). Participate in national and provincial development programmes. The powers and functions of municipalities are clearly outlined in Section 156 (1) and (2) and (4).

National Housing Code: The most important part of the housing code relevant to informal settlements is Part 3: ‘Upgrading Informal Settlement’. This Part flows directly from ‘Breaking New Ground’. The New Human Settlement Plan (Breaking New Ground, 2005) clearly articulates the intention of government to develop sustainable human settlements, to contribute towards the alleviation of asset poverty through housing. It concludes that asset poverty is a result of inadequate access to assets by individuals, households and communities including inadequate shelter (which manifests in badly located low cost and overcrowded dwellings), the inadequate provision of appropriate infrastructure and the inadequate provision of basic services such as health, safety, emergency services and education facilities amongst others.

As the post 1994 housing development have somewhat been urban biased in their orientation, the National DHS introduced new policies that highlight the need to address this discrepancy through a stronger focus on rural housing instruments. Furthermore, these rural housing interventions provided government with an opportunity to facilitate the installation of infrastructure in rural areas (Breaking New Ground 2005)

Breaking New Ground: The national Comprehensive Plan for Sustainable Human Settlements (2004), states that “Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion.” To enable this integration the department has introduced a new, Upgrading of Informal

Settlement Program (UISP). This program supports a phased in-situ upgrading (Including interim services) approach to informal settlements, in line with international best practice. Furthermore, the upgrading process is not prescriptive, but rather supports a range of tenure options and housing typologies.

Part 2 of the National Housing Code: This sets out the policy context for the upgrading of informal settlements. It states that upgrading will take place on a progressive basis in a phased development approach that is flexible, needs-oriented, optimizes use of existing land and infrastructure and facilitates community participation in all aspects of development.

As Integrated Development Plans (IDP) are primary investment tools for all municipalities, their respective sector plans they are subject to annual reviews. Through the IDP Municipalities are mandated to participate in all development planning activities that take place within their jurisdiction and ensure that they are aligned and informed by the overall government strategic thrust. The functions and powers of Municipalities are further described in chapter 5 of the Local Government: Municipal Structures Act no. 117 of 1998” as amended. The relevant sections are sections 83 to 89. Intergovernmental Relations Act of 2006 and the Municipal Systems Act of 2000 specifies that municipal plans have to be aligned with and compliment the development plans and strategies of other spheres of government. The mandate and authority of Local Municipalities such as Msinga to execute the housing mandate is thus fairly complex. These issues have been discussed in some detail in this section in order to illustrate the critical need for proper co-ordination, consultation and delegation amongst the three spheres of government involved in housing development. In the context of housing development it is noted that the original legislative functions coupled with budgetary controls resides concurrently with National and Provincial Government. Thus additional roles are assigned to municipalities through delegated authority.

In addition, following the adoption of LGTAS, the executive council Lekgotla further adopted the Local Government 10-Point Plan (2010 – 2014), which is intended to reinforce and support the implementation of LGTAS. The objectives of the 10-Point Plan are to:

Improve the quantity and quality of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management

- ✓ Enhance the municipal contribution to job creation and sustainable livelihoods through local economic development
- ✓ Ensure the development and adoption of reliable and credible integrated development plans (IDPs)
- ✓ Deepen democracy through a refined ward committee model
- ✓ Build and strengthen the administrative, institutional and financial capabilities of municipalities

- ✓ Create a single window of coordination for the support, monitoring and intervention in municipalities
- ✓ Uproot fraud, corruption, nepotism and all forms of maladministration affecting local government
- ✓ Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system
- ✓ Develop and strengthen a politically and administratively stable system of municipalities
- ✓ Restore the institutional integrity of municipalities

National Outcome 8 Delivery Agreements, the outputs as follows;

- ✓ Accelerated delivery of Housing opportunities (through programmes such as National Upgrading programme (NUSP, Upgrading Informal settlements Programme -UISP)
- ✓ Improve access to basic services (primary responsibility of COGTA while NDHS plays a supportive role and key action identified in outcomes 9 – Bulk Infrastructure Fund and the special purpose vehicles, including MIG)
- ✓ Mobilisation of well located land for low income and affordable housing (interaction with various agencies and access the database of suitable state land, acquisition process and release, and preparation for human settlement development)
- ✓ Improved property market – facilitate the private sector and spheres of government for financing the gap housing market for beneficiaries earning R3,500 – R12,800)

The Upgrading of Informal Settlements Programme (UISP) (Part 3 of the Housing Code) promotes in situ upgrading. The programme facilitates the structured in situ upgrading of informal settlements as opposed to relocation to achieve

- ✓ Tenure Security through recognising and formalising the tenure rights of communities within informal settlements;
- ✓ Health and Security: to support healthy and secure living environments through the provision of affordable and sustainable basic municipal engineering infrastructure to allow for scaling up in the future;
- ✓ Empowerment: ensure that communities are not excluded both socially and economically and promote such social and economic integration, building social capital through participative processes and addressing the broader social needs of communities.

Annexure A to KZN Delivery Agreement: The Annexure A to the Agreement (a document produced by the NDoHS) is an important document which reflects a new national realization that the development of sustainable human settlements is ‘not just about building houses’, is about ‘moving towards efficiency, inclusion and

sustainability’, and about ‘promoting improved access to work and social amenities’¹. The Annexure A to the Agreement defines an ‘improved quality of household life’ in the following terms (quoted extract)

- ✓ Access to adequate accommodation that is suitable, relevant, appropriately located, affordable and fiscally sustainable;
- ✓ Access to basic services (water, sanitation, refuse removal and electricity);
- ✓ Security of tenure irrespective of ownership or rental, formal or informal structures;
- ✓ Access to social services and economic opportunity within reasonable distance.²

Millennium Development Goals: The Millennium Development Goals of the United Nations to which South Africa is party are an important factor in South Africa’s policies and developmental programmes. The goal to significantly improve the lives of at least 100 million slum dwellers globally by 2010 is of particular relevance and is referred to in such documents as the UISP in the Housing Code and Outcome 8.

Provincial Growth and Development Strategy (2005): The Provincial Growth and Development Strategy (PGDS) addresses fundamental issues of development spanning the social, economic and political environment. According to the PGDS sustainability is a key element for the new agenda for growth and development for the province of KwaZulu-Natal. The broad aims of the PGDS are to:

- ✓ Develop a framework for the future direction of policy and strategy development;
- ✓ Outline strategic interventions, goals and targets to direct development and planning initiatives; and;
- ✓ Ensure a common vision and coordinated action by government and partners in implementation.

Provincial Spatial and Economic Development Strategy (2007): The Provincial Spatial and Economic Development Strategy (PSEDS) identifies poor co-ordination and integration of planning, budgeting and implementation, as well as a lack of spatial prioritisation of resource allocations as the primary challenges to the implementation of effective provincial growth and development in the province. PSEDS therefore sets out to:

- ✓ Focus where government directs its investment and development initiatives;
- ✓ Capitalise on complementarities and facilitate consistent and focused decision making; and
- ✓ Bring about strategic coordination, interaction and spatial alignment

¹ Annexure A to KZN Delivery Agreement, pg. 7

² Annexure A to KZN Delivery Agreement, pg. 7

National Development Plan (NDP): The National Planning Commission's National Development Plan indicates that a national strategy should be developed to:

“Recognise the role played by informal settlements and enhance the existing national programme for informal settlement upgrading by developing a range of tailored responses to support their upgrade

- ✓ *Significantly expand the national programme on informal settlement upgrade and municipalities to introduce local level programmes*
- ✓ *Develop legal instruments to regularize informal settlements (for example, the use of special zones in land-use management schemes) and to recognize rights of residence.*
- ✓ *Agree on minimum health and safety standards and the progressively upgrade these standards as “regularised informal settlements” are brought into the mainstream urban fabric.*
- ✓ *Focus on developing community organization to support participatory regularization and upgrade programme*
- ✓ *Ensure that funding arrangements and programmes channel resources into community facilities, public infrastructure and public spaces, and not just into housing.”*

In summary, in compilation of the Msinga Local Municipality Housing Sector Plan Review, Mabune Consulting in consultation with relevant stakeholders reviewed key and relevant legislative, planning and strategy documents (but not limited to) relevant to the municipal housing context and delivery strategy:

- ✓ Msinga Municipal Integrated Development plan (IDP) (2013-14)
- ✓ Msinga Municipal Housing Plan (2007)
- ✓ UMzinyathi Framework plan 2008
- ✓ National Outcome 8 Delivery Agreements,
- ✓ KZN Outcomes 8 Delivery Agreements
- ✓ Msinga Spatial Development Framework Plan (2002, 2005)
- ✓ Performance Management Systems (Municipal Systems Act, 2002)
- ✓ KZN-PPT Municipal Housing Sector Plan Manual
- ✓ Breaking New Ground:
- ✓ The national Comprehensive Plan for Sustainable Human Settlements (2004),
- ✓ KZN Provincial Growth & Development Strategy (KZN PGDS)
- ✓ KZN Dept of Human Settlements: Guidelines For The Review Of Housing Sector Plans
- ✓ Part 2 of the National Housing Code
- ✓ Part 3 of the National Housing Code:
- ✓ Provincial Spatial and Economic Development Strategy (2007)
- ✓ National Development Plan (NDP)
- ✓ KZN Delivery Agreement

These strategies and documents are key inputs into developing a municipal wide strategy, they will not be able to provide sufficient settlement- level information necessary for the development of an Informal Settlement Programme.

It is important to note that the Housing Sector Plan (HSP) supports the process of identification and classification and grading of informal settlements. Furthermore, the strategy indicates that that upgrading is the most desirable developmental solution to informal settlements and that relocation should be pursued only as the last resort if no other options are available.

3. THE EXISTING SITUATION

3.1. Spatial Context

The Municipality is located in the northern part of KwaZulu-Natal and is one of 4 local municipalities in the UMzinyathi District Municipality. The municipality is located to the south western part of the district municipality and borders Nkandla and Nquthu to the eastern end. At the south end of the boundary lies Umvoti and Uthukela.

3.2. Spatial Development Framework

The spatial development framework comprises of the R33 primary corridor with two key Rural Services Centres (RSC) of Keate's Drift to the south and Pomeroy to the north. Tugela Ferry

This main road connects the municipality to Greytown and Dundee Municipality to the south and north respectively and activity / development corridors have been identified in certain sections of the road, which will be interrogated further

The Secondary corridors (P280, D1268, P281, P365) link R33 to various Rural Services Centre (Msinga Top and Nhlalakale) and Satellites Rural Settlement Clusters of KwaDolo, Mkhuphala, Nhlongo, Nkonyane, Mayaba, Mhlumeni, Sijozini, Mashunka, Mzweni, Cwaka, Masabeko, Dumbe, Helpmekaat & Rorkes Drift).

The SDF presents key agricultural potential areas located along the primary corridor and areas near the major drainage corridors (primary, secondary and tertiary). The municipality has plenty natural water and drainage systems (rivers and streams) to develop its agricultural potential.

Human settlements also follow a similar pattern. Although sparsely located they follow the natural contours and demarcations shared between both residential and agricultural uses.

In review of the urbanization and any emerging trends within the municipality, the municipality continues to manifest itself in a rural manner with quarsey rural low density settlements emerging around areas on economic activity.

The municipality remains mainly rural with limited migration to the urban areas along the main economic route and corridors.

3.3. Planning Context

This component deals mainly with the spatial structuring elements and how they influence housing in the municipality. The Msinga Municipality population is sparsely settled mainly in the rural areas within the 6 (six) traditional authorities. This accounts for approximately 99.1% of the population living in these non urban areas. The settlement patterns are attributed to the rugged terrain where many are concentrated along the road infrastructure and water sources.

The primary movement and development corridor along the R33 and connects the main economic activity areas of Tugela Ferry, Pomeroy and Keate's Drift. As this Development Corridor connects the municipality to adjacent municipal areas, development and higher human settlement densities are experienced within the corridor and growth is envisaged due to an increase in opportunities for economic activity and access to services.

The envisaged development of the secondary economic linkages, through a localised Corridor Development Strategy will have implications for human settlements and densities, as any improvement in roads and transport infrastructure services will provide access to remote regions and create opportunities (economic and further human settlement)

The IDP calls for the development of localised Spatial Plans that are related to the SDF and no Special Development Areas have yet been identified for further analysis.

3.4. Economic Analysis

The Msinga Municipality area has been described as having very low levels of economic activity. The main economic sector is community, social and personal sector which accounts for approximately 43%, while Agriculture sector follows with 13%. Since this municipality is highly rural in nature, an opportunity in agriculture presents itself, however, soil quality, unfavourable climate and poor agricultural practices limit the realisation of this sector. Livestock farming, such as indigenous goats was supported by the Municipality and Department of Agriculture and has shown potential to be a contributor to agricultural development and access to opportunities for the local community.

The land is mainly owned by the Ingonyama Trust, as such access to secure land tenure and land ownership has also been identified as an economic

inhibiter. The lack of skills and finance also limits investment in the area. Importantly lack of infrastructure has been identified as the key contributor to lack of investment by

Tourism is also an important sector due to the natural landscape, battlefield sites, nature reserves and cultural tourism. This economic opportunity
The development of economic activity nodes along the corridor will assist to create economic activities outside of the main towns and attract private sector investment into the municipality.

3.5. Environmental Analysis

The Msinga area is characterised by hills, gorges, river beds, dongas with very few flat areas. The land utilised for agricultural purposes is estimated at 8.3%, while 91.6% is demarcated as 'other', which the IDP clarifies to be conservation areas, sensitivities and areas that are hard to develop. This leaves very limited areas for residential, which is presently at 0.04%, while 0.05% of land is water bodies or rivers.

Accordingly, the area is divided into two distinct parts by the Tukela River, making integration difficult.

The topography also presents a particular challenge for the provision of housing and related services. The settlements patterns are distinctively rural, scattered, vast and draw a parallel between slope, gradient and settlement,

The municipal area also has highly sensitive environmental areas which may require mapping be mapped and protected from any degradation and uncontrolled development. There are a number of drainage corridors (rivers, streams and tributaries) and areas prone to flooding in the rainy seasons and sometimes due to flash floods. The strict adherence to the environmental guidelines and relocation of communities residing within 1:100 year flood lines needs to be undertaken and negotiations with communities to follow. Over the past 2 (two) years, flood disasters have been cost the municipality and communities.

3.6. Institutional Analysis

The Msinga Municipal currently derives all its' funding for human settlements development from the provincial Department of Human Settlements funding instruments. The key funding instrument has been the rural housing subsidy. All projects are undertaken

The present model identifies competent Implementing Agents who are procured to assist the municipality to implement the projects through a turnkey strategy.

3.7. Social Analysis

The social analysis covers issues related to key social consideration such as HIV/AIDS, poverty livelihoods, levels of crime, access to social amenities and overall social state within the municipality. The Municipality is highly rural in character and presents limited employment opportunities for its local inhabitants. There are agricultural (mainly subsistence farming) activities and limited food security projects that can assist to alleviate the levels of poverty. To date, an estimated.....% on inhabitants rely on the some form of government grant. Although the municipal unemployment rate has decreased over time, communities are now involved in some income generating activity located within the informal sector. The lack of skills, financial support and particularly access to markets has also been identified as a major contributor to unemployment and high levels of poverty. Importantly, the level of education, particularly access to tertiary education has increased sharply between 2001 and 2011 Census data, by an estimated ...% increase during this period. In accordance to national and provincial local economic development (LED) strategies, there needs to be as increase in support of income generating activities, youth involvement, general skills in entrepreneurship and business development to create a market. The provision of construction skills training to local communities on the municipal projects and extension of Extended Public Works Programmes (EPWP) on human settlements project will help to stimulate the economy and create skilled jobs thereby increasing the skilled pool.

As in many municipalities, HIV/AIDS remains a national challenge with the KZN Province having the highest incidents of infections in the country. The statistical record of infections in UMzinyathi, District and Msinga in particular, is estimated at 30%. The challenge is further compounded by the topography, where infected persons cannot get access to medical services. This record may not represent the entire HIV/AIDS scenario but will assist to provide guidance into programme implementation and prevention of new infections.

The situation has also created child-headed households in the municipal area, and an integrated programme with Dept Social Services and local NGO/NPO's presents an opportunity to implement viable long term interventions and

support for these families. With regard to housing a database of child headed households would be compiled and assessed by both the human settlements and social services department.

3.8. Demographics

The demographics outlined in this section relates mainly to the socio-economic status of the municipality in relation to the housing demand backlog. In order to fully understand and analyse the demographics information, data was drawn from StatsSA (1996, 2001, 2007, and 2011) in an attempt to plot the current trends and set the scenario for the development context. In brief, the municipality has a population of **177,577** inhabitants, with **37,724** households. The population growth rate is 0.6%, with a total dependency rate of 96%. The unemployment rate is approximately 49.5% and of this, the youth unemployment rate is presently at 58.2%.

3.8.1. Municipal population (including Gender distribution)

The total population is **177,577** with a sex ratio of 76.8. The municipal area has 66.7% female headed households.

Population / Gender	1996	2001	2011
Female	88,318	97,352	77,143
Male	64,702	69,923	100,143
TOTAL	153,020	167,275	177,577

To date, there is an indication that the population has increased by 10,302 and represents a total of 0.6% population grown average between 2001 and 2011.

Population	2001	2011
Increase	14,225	10,302
Percentage	0.9%	0.6%

The Census 2011 indicates that the age distribution is fairly young citizenry with a high percentage falling under the age of 34. This totals to **53,141** (both male and female, being in the age groups between 10 and 24 years old).

3.8.2. Households

There is a household total increase of 14.2% between 2001 and 2011 Census

Description	1996	2001	2011
No of Households	27,501	32,369	37,724

3.8.3. Household size

The overall average *household size is 4.6 persons/household.*

3.8.4. Age Groups

Description	1996	2001	2011
0-14	73,255	78,626	77,668
15-64	70,829	79,017	90,231
65+	89,39	9,631	9,678
TOTAL	153,020	167,274	177,577

The age group distribution indicates that there are **90,231** economically, however only **8,556** are economically active.

3.8.5. Labour Force

Description	1996	2001	2011
Employed	4,020	4,997	8,556
Unemployed	15,906	18,470	8,388

In 2007, the unemployment in the municipality was approximately 10.2%, while employment was at 8.2%. Overall, the statistics indicate a significant **decrease** in **unemployment** between 2001 and 2011. The unemployment situation is presently at 4.8% which has decreased by an overwhelming 10,082, representing a 54% increase in employment opportunities during between this period.

3.8.6. Annual Household Income

Description	2001	2011	Comment
Average Household income	13,504	35,939	Average total increase over 64.5%

3.8.7. Educational Levels

The levels of educational within the municipality have significantly increased with the highest being a 325% increase in community members having obtained a Std10/Grade 12 pass between 2001 and 2011. Importantly, the literacy levels have direct impact on the skills development is still lagging behind.

Description	1996	2001	2011	Assessment
No schooling	39,810	45,519	31,142	Decrease
Some schooling	7,273	7,209	12,011	Medium increase (39%)
Complete primary	1,757	1,754	3,021	42% increase
Some secondary	6,653	7,079	14,145	48% nearly doubled
Std 10/Grade12	3,340	3,815	12,875	Increase by over 325%
Higher	774	1,631	2,389	Increase by 56%

3.8.8 Dwelling type

The assessment of the types of dwelling with a municipality provide key statistical data in assessing the housing demand and various development responses to guide the municipal strategies that will be implemented in meeting the housing demand, position and prioritising the type of human settlements projects, institutional arrangements, procurement, determining key funding instruments and access to bulk infrastructure, social amenities and services in general.

Description	1996	2001	2011
Formal dwellings	3,448	5,784	12,258
Informal dwellings	33	366	139
Traditional dwellings	23,653	23,182	25,142
TOTAL	27,134	29,332	37,539

3.8.9 Housing Demand

This section deals with the municipality's plan on how Msinga will tackle or deal with the housing demand. The assessment for Municipalities is calculated in one of the following ways:

- ✓ Statistical data presented above
- ✓ Housing waiting lists
- ✓ Provincial housing demand data base

Msinga Municipality indicate that it does not have a 'Waiting List Database'. The database was cancelled and has since been stopped and no additional names have been included in the lists. (Municipality to confirm)

For purposes of this exercise, we will undertake a statistical analysis and review the various household income levels to determine greatest need based on poverty levels and utilise the housing typologies which indicate where the greatest need is located. There are only 139 informal structures recorded within the municipal boundaries and therefore an elaborate informal settlement strategy is not crucial given the slow urbanisation trend over the 20 year period.

In addition Community Residential Units have been identified as a response for additional rental stock for municipal employed professionals and administrative staff coming from outside the municipal area. Accordingly, the urbanization trend is a significant decrease in the period between 2001-to-2007 and 2007-to-2011 period given the sharp increases experienced between 1996 and 2001.

To date, the municipality continues to deliver mainly rural subsidised housing typology, which represents the greatest housing type need since most communities reside mainly in the 6 traditional authority areas. In addition, this represents a significant portion of the 2011 census traditional dwellings. It is therefore assumed that an 80% estimate of the total 25,142, may adequately represent the housing demand.

The estimated housing demand for the Msinga Municipality is then estimated at **21,694**. The housing demand will mainly be made up of rural households residing in the 6 (six) traditional authorities. As the majority of the housing demand is rural in nature, the municipality is required to develop a practical, viable and implementable rural housing development strategy, firstly to identify the greatest housing need, deal with socio-political and environmental considerations, integration of with various sectors of society to meet this housing demand.

3.8.10 Municipality strategy to deal with Emerging Trends

There is no significant new trend that the municipality is required to develop adequate strategies to deal with. The rural housing funding instrument is and remains the key access to funding for human settlements projects.

However, there is also a need for rental and gap housing. New government employees (provincial and municipal departments) now residing in the municipality need adequate accommodation for the periods they are employed in the area.

The demand has yet to be quantified. The municipality needs to identify strategic land for social housing or CRU investment and gap housing and quantify both institutional requirements and financial costs for investment.

The dependence on the rural subsidy and not any other instrument also renders the municipality vulnerable in developing a sustainable rates and tax base, which is significantly minimal, with collection and defaults not quantifies.

3.8.11. Infrastructure Situation As Aligned To Housing

The current settlements patterns indicate sparse rural houses found along the primary and secondary activity rural nodes. This represents approximately 90% of the houses within the municipality and the implications for bulk services are vast.

The municipality currently provides access to basic services (water and onsite sanitation) and road access (mainly gravel), including implemented the upgrading of specific infrastructures in the various areas. There has also been an improvement in access to water, however, the backlogs are still high (refer to above demographics study).

3.8.11.1 Municipal Infrastructure

Municipal Infrastructure Grant (MIG) continues to be the key source of funding for the roads & water in provision of infrastructure projects. Most of the 17 wards indicated roads, water, electricity and sanitation as the key priority needs and access to basic services. The Municipal Turn Around Strategy (MTAS) prioritised housing and associated infrastructure as the key requirements for the MTAS to succeed.

3.8.11.2 Water (Capacity & Limitations)

The Msinga Municipality water sources include standpipes and boreholes with water also being drawn from protected springs. In most cases these springs are not maintained and livestock as well as wild animals also drink from these sources thus contaminating them. STATS SA's 2011 Census reveals that 20,520 (54.4%) of Msinga families have no access to tap water (down from 90% recorded in the 2007 census).

The statistics also reveals that fewer than 5% of Msinga's households (1,404 of a total of 37,724) have access to piped (tap) water inside their dwellings, with approximately 16,000 households relying on community standpipes. They access water through regional/local water schemes (8,711 households), boreholes (9,276), springs (2,708), rainwater tanks (483), dams/pools/stagnant water (1,240), rivers & streams (12,414), water vendors (516) and water tankers (1,814).

It is estimated that of the 530 boreholes in the area, only approximately 150 are operational as a result of poor maintenance or the water source itself being depleted.

3.8.11.3 Electricity ((Capacity & Limitations)

Access to electricity is increasing, but is still limited. An estimated 25.1% (9,478) utilise electricity for lighting which means they have access to electricity. While the following families:

- ✓ Energy sources for cooking:
 - Electricity (5,215 households)
 - Gas (1,777), paraffin (1,979)
 - Wood (27,773), coal (519)
 - Animal dung (267)
 - Solar (22)
- ✓ Heating sources are:
 - Electricity (4,803),
 - Gas (1,057),
 - paraffin (1,118),
 - Wood (28,485),
 - Coal (781),
 - Animal dung (282)
 - Solar (35)
- ✓ Energy for lighting is provided by

- Electricity (9,478)
- Gas (276)
- Paraffin (380)
- Candles (25,074)
- Solar (2,040)

ESKOM utility provides electricity to the municipality, including direct connection to households throughout the municipality. In most cases, individual metered household connections are provided (legality of which in some areas needs to be assessed). ESKOM’s long term strategy, including the capacity to provide electricity to new developments and existing backlogs needs to be assessed further. Presently, 25.1% of residents have access to electricity to use for various household functions. This means that an overwhelming 74% still does not have adequate access to electricity.

Description	Description	Traditional Authority Areas / Isigodi - Comment
Description A	Electricity available: Adequate capacity is available No additional requirements.	The infrastructure has capacity to service the areas
Description B	Electricity available: Not adequate capacity available Additional requirements needed	There are specific areas not connected to the grid. However, the supply can connect additional households
Description C	Electricity available but limited capacity (present requirements)	Eskom investment required – infrastructure lacking significantly
Description D	Electricity: There is no capacity – require additional capacity in future	Review Eskom plans for future expansion
Description E	No services (no bulk infrastructure)	No infrastructure – Eskom long term investment plan

3.8.11.4 Municipal Infrastructure Financing of New Bulk Infrastructure

The various sources of funding for the Msinga Municipality can be described as follows:

MIG: Water

No.	Project Name	Implementation Financial Year	Budget Allocation
1	Mthembu-West –Tugela Ferry Water	2014/2015	R20 000 000.00
2	Douglas Water	2014/2015	R1 000 000.00
3	Msinga Bulk	2014/2015	R27 000 000.00
4	Muden-Keates Drift	2014/2015	R17 000 000.00
5	Muden-Ndanya-Keates Drift	2014/2015	R18 000 000.00
TOTAL			R83 000 000.00

MIG: Sanitation

No.	Project Name	Implementation Financial Year	Budget Allocation
1	Othame Sanitation	2014/2015	R15 000 000.00
2	KwaKopi-Mhlanga Sanitation	2014/2015	R2 000 000.00
TOTAL			R17 000 000.00

Regional Bulk

No.	Project Name	Implementation Financial Year	Budget Allocation
1	Umsinga Bulk	2014/2015	R40 000 000.00

3.8.11.5 Identifying Varying Levels of Services

Since most of the project for this period will be rural in nature, it is assumed that all services identified will be provided within the rural subsidy parameters, comprising of VIP's, gravel roads and community stand pipes. The households will also have access to electricity provided that the bulk infrastructure is made available. A brief

3.8.1106. Water Loss Management vs New Dams or Treatment Plants

The Municipality has limited resources to undertake the management of any water that is being lost by theft or ailing infrastructure.

4. HOUSING SITUATION NEEDS AND PRIORITY

4.1 Status of Current Housing Project & Overall Housing Demand

The IDP 2012/2014 has identified that 75% of the households reside in traditional dwellings and that there are no substantial incidents of informal settlements in backyards or within the urban areas. According to Census 2001, the housing backlog in Msinga Municipality was estimated at **21,694**. This figure is also interrogated against the completed housing projects, projects underway and planned projects to date.

The overall discussions the Human Settlements department indicates that that the majority of housing delivery projects within Msinga are mainly rural housing projects.

Description	Total No of Projects
Housing projects are being administered by the municipality at present.	
Housing subsidies for these projects have been applied for	
Houses have been built	
Houses still have to be built	

Table 1: Projects, Housing Subsidies & housing construction: Msinga Local Municipality

The categories are described as follows:

Project Type / Category	No of Projects	Amount of Subsidies Approved	Houses Built To Date
Rural housing	4	500	500
In-situ upgrade	-	-	--
Greenfield developments	-	-	-
Institutional	-	-	-
Slums clearance	-	-	-
Special needs	-	-	-
Urban consolidation	-	-	-
In-situ / Greenfields	-	-	-
Urban individual	-	-	-
Total			

Table 2: Completed housing projects: Msinga Local Municipality

The figures will need to be factored in by the municipality housing department in determining the municipal housing backlogs. The overall distribution of projects within the municipality shows that the majority of projects are located within the rural areas within 6 Traditional Authorities.

4.2 Housing Challenges

In most municipalities, historically housing projects have been implemented with little or no alignment between various sectors and departments. This uncoordinated delivery has led to poorly located projects established far from economic opportunities, transport routes, education facilities and with little or no access to the required social facilities such as health, education and welfare to create vibrant and sustainable communities.

The Msinga Municipal's key issues for housing are to promote social, economic and spatial integration within the municipality. The challenges can be defined as follows:

- ✓ Land legal issues
 - Most of the land falls within ***Ingonyama Trust*** and this represents tenure considerations, whether collective or individual.
- ✓ Technical
 - Lack of capacity of bulk services such as roads, water, sanitation and electricity presents yet another layer of requirements, particularly investment in housing and within the development of the economy.
- ✓ Access to Economic and social services opportunities
 - Housing development by its nature is supposed to stimulate the economy, social cohesion, skills base and importantly create opportunities for to enhance livelihoods.

The key challenge is to align horizontal government departments and sectors such as health, environment, agriculture, welfare, transport and economic development. Such an alignment would also have an impact on the long-term sustainability of both the existing and planned future settlements. The Municipality should encourage and incorporate sector integration in its planning and development of projects. This level of planning and integration has yet to be fully implemented as some provincial department priorities do not overlap with the housing projects.

The overall function of the Municipal Housing sector plan is to be aligned to the IDP. Importantly, policy indicates that the IDP should align and coordinate sectors. This should happen at this level of planning, where the IDP ensures that all developmental sector plans such as housing, water, environmental, transport and social facilities are fully integrated in to ensure sustainable living environments. The IDP and its collective sector plans (which include housing) should indicate what the various departments are planning to implement in each area to ensure that these projects are aligned and coordinated. Significantly, the alignment should ensure that government and private sector investments are concentrated and complimentary in order to reduce excess spending and equitable distribution of limited resources. Such coordination ensures that the proposed developments are responsive to local needs, are practical, take into account all existing conditions. They therefore thrive to ensure participation and empowerment of local communities.

The Msinga Municipality is required to implement human settlement at 2 levels:

- ✓ Integration at the broad IDP level
 - The Msinga Municipality's consultative processes are key to unpacking:
 - consulting with communities on the ground,
 - understanding needs and community assets,
 - identifying appropriate projects, then feeding these back into the sector plans and IDP (budgeting processes)
 - Integration at the project level.
 - This level is primarily concerned with ensuring that projects are implemented within a holistic, multi-sectorial, appropriate and sustainable framework: fire protection, solid waste removal, education (especially at school level), health care (especially primary health care / clinics), public transport, special needs, local economic development, job creation and skills development, support for livelihoods interventions, food security, ECD and recreation.

Sphere of Government	Alignment Objective	Responsibility	Alignment action required	Comment
Vertical Alignment: National and Provincial Policies	Ensure alignment with national policies & guidelines	National and Provincial Policy Manager/s	Ensure alignment of National Policies i.e. National Spatial Development Perspective, PIE, BNG, Acts etc.	<ul style="list-style-type: none"> - National and Provincial Policy Managers are responsible for the alignment of the various national policies and guidelines. - District and Municipal IDP managers are responsible for the alignment of districts and local municipalities as well as between adjoining or affected local municipalities.
	Align district & local municipalities	IDP District and Municipal Managers	Ensure alignment of district and local municipalities	
	Alignment between local municipalities		Ensure alignment between local municipalities	
Horizontal Alignment: Sector Planning	Align various sectors with each other and overall IDP	Planners, IDP Managers, Sector Managers & Sector Specialists	Ensure inter-sectorial alignment between the following: <ul style="list-style-type: none"> - Housing Sector Plan - LED Plan - Transport Plan - Water Services Development Plan - Environmental Management Plan - Other relevant sector departments and plans 	<ul style="list-style-type: none"> - Alignment of Sector departments is the responsibility of the IDP manager, sector departments and sector specialists who should use the IDP document as the alignment vehicle. - Spatial alignment of sector projects is coordinated through the Spatial Development Framework (SDF). - This is a dynamic process with ongoing adjustment and alignment between various sectors, through the SDF and IDP.
Spatial alignment of projects through the Spatial Development Framework (SDF):				

<p>Horizontal Alignment:</p> <p>Project Level Integration</p> <p>(Planning & Implementation)</p>	<p>Manage integration of projects being planned and/ or implemented</p>	<p>Project Manager (appointed or internal) & appointed professionals and sector specialists</p>	<p>Ensure coordination and alignment of the following feasibility studies and processes:</p> <ul style="list-style-type: none"> - Land assembly process - Socio-Economic Surveys - Environmental Management - Bulk Services Feasibility - Engineering Services - Local Level Transport Planning - Town Planning - Internal & External Social Stakeholders (<i>Development Committee, community, professional team, municipality etc.</i>) 	<ul style="list-style-type: none"> - It is the project manager's responsibility to manage and coordinate the project's implementation process. - Apart from general project management activities such as securing the land, town planning, environmental management, managing social issues and relevant project stakeholders, the project managers should also manage the involvement of various external stakeholders such as neighboring residential communities, the local business community, NGOs and social services throughout the project's implementation.
<p>Horizontal Alignment:</p> <p>Project Level Integration</p> <p>(Operation and Maintenance)</p>	<p>Ongoing alignment and integration to ensure long-term sustainability and settlement management</p>	<p>Project Manager (appointed or internal) & appointed professionals and sector specialists</p>	<p>Ensure inter-sectorial alignment between the following:</p> <ul style="list-style-type: none"> - Fire & Emergency Services - Education - Social Welfare - Health - Protection Services - Relevant Civil Society organisations in the area - Energy (Eskom) - Telecoms (Telkom) - Specific projects i.e. Food Security, Water Security, Local Economic Development etc. 	<ul style="list-style-type: none"> - It is critical that the long-term sustainability of each settlement is effectively managed. - Services required by residents (e.g. fire, police, clinics, hospitals, schools, transport)_ must be integrated into the area and develop a plan of assistance to the resident community - Furthermore and based on the needs identified in the initial socio-economic survey, ongoing community upliftment programs such as local economic development initiatives, food security projects etc. should be implemented in the settlement in order to ensure that residents have the means to develop sustainable livelihoods strategies.

5. INFORMAL SETTLEMENTS

The Municipality does not have many documented informal settlements located within the urban areas. To date, there are 139 informal dwellings identified. The location of these dwellings is as follows:

Name of Settlement	Location	Households	Brief description
		139 units	Informal dwellings

The Classification and Development response based on the Informal Settlement Rapid Assessment categorization is as follows:

Category Description

Category	Description
A	<i>Imminent full upgrade</i>
B1	<i>Interim basic services (eventual full upgrade when resources and timing permit)</i>
B2	<i>Emergency basic services (eventual relocation when time and resources permit)</i>
C	<i>Imminent relocation</i>

6. IDENTIFICATION OF WELL LOCATED LAND FOR HOUSING

6.1. Municipality Strategy to Deal with Land Challenges

In the Msinga municipal area, most of the land required for development of human settlements is within traditional authorities and owned by Ngonyama Trust. To date, the Municipality has a systematic process for land acquisition, registration of a settlement plan and secure tenure for the project beneficiaries (via the rural housing subsidy instrument):

- ✓ Phase 1: Identify land portions required for development and assess for technical viability;
- ✓ Phase 2: Liaise and negotiate for acquisition, where required undertake land valuations (Land Availability Agreements, Development Agreements etc.)
- ✓ Phase 3: Finalise land tenure (settlement plans & registration)

6.2. Role of Dept. of Rural Development & Land Reform

- ✓ The Role of other government departments is key in access land, particularly under Land Claims
- ✓ Assist to resolve Land Claims
- ✓ Access Grant Funding for acquisition of properties
- ✓ Land audit to determine land ownership
- ✓ Assist to develop a database to identify suitable land for rural housing projects. In most cases the land is owned the Ingonyama Trust. The municipality will need to be proactive an ensuring the property descriptions, title including conditions and restrictions and assessed and made available in the database.

6.3. Area based Planning

Area based planning will assist the Municipality to outline and understand all the requirements for each are in order to fully respond to the development needs and priorities of that specific areas. This will also be assisted by the IDP, LUMS and various [planning initiatives, including rural node and precinct planning.

7. HOUSING PROJECT STRATEGY: FORMULATION OF PROJECTS

Description	Number of projects
Pipeline projects	11
Project at the planning stage	1
Projects at Construction	5
Disaster reported cases(Houses)	291
Disaster reported cases (Vouchers/ repairs)	11
OSS reported cases (houses)	11
OSS reported cases(Vouchers)	0

7.1 General Objectives and Strategies

STRATEGIC OBJECTIVE	ACTIVITY	OUTPUT	TIMEFRAME
Develop Institutional Capacity	Assess and adopt the revised human settlement department structure	Approved Operation department	TBI
Facilitate Capacity building for Municipal officials	Identify training requirements	Technical, Administrative & Financial competence to implement programmes	TBI
Quantify backlog & agreement	Ward based / Traditional authority data base	Database updated and managed	TBI
Accelerate Rural Housing Development	Provide adequate housing and access to infrastructure to rural residents		TBI
	Assess & Unblock projects	Implementation of previously blocked projects	TBI
	Implement Planned Projects		TBI
Targeted / Suitable Land Legal Assessment / Ownership Database	Ward based / Traditional authority data base	Database updated and managed	TBI

7.2 Planned Projects

Project name	Project no	Completion date	Yield	Comp	Approved Budget	Status
KwaLatha Rural Housing Project (Mbovu Traditional Authority)	K 041 20008	May 2015.	500	61	31 063 708.09	439 houses with water harvesting system and 182 VIPs
Ezibomvini Rural Housing Project (K11100007	18 Months after the contract has been concluded	500		39 554 751.50	Approved 13/10/2011 Planning process has been 100% completed.
Mvundlweni Rural Housing Project (Ward 9 &10) Mnchunu Traditional Council	K 09040003	06 December 2011 to March 2014	550	491	39 554 751.50	One of the areas needs urgent development 539 beneficiaries Msinga Municipality has made a request to increase the project size by 20%.
Mthembu Rural Housing Project (Wards 3, 10, 11, 13, and 12)	K 20010023	12 August 2013 to 11 June 2015	1260		107 847 316.70	42 m ² house with VIP and 2500L tank for water harvesting system house 8 beneficiaries affected by national transport strikes, and labour protest. IA
Pomeroy Housing Project (Ward17 Urban)	K 20010023	February 2014 to August 2014	500		9 906 724.00	planning milestone is 100% complete Tripartite agreement was concluded between the Department, Msinga municipality and Inkonzane developments in November 2011.

Table: Status of approved projects in the Msinga Municipality

The table above provides a list of all the 6 projects undertaken by the Municipality and an additional 11 planned rural housing projects. Below the projects have been grouped according to their settlement size, which has been estimated based on the number of households in each settlement.

The summary is as follows:

✓ Total yield / capacity:	3,310
✓ Houses constructed :	552 (491+64)
✓ Houses to be constructed/built:	2,758
✓ Total approved project value for Msinga:	<u>R 227, 927, 251.80</u>

Both the IDP 2012/14 and a Municipal EXCO prioritised 11 projects as follows:

Project name (Rural Housing Projects)	Ward	Traditional Authority	Yield	Municipal Assessment	Proposed Budget
Mkhuphula	13	Mbovu	1,000	-	1,565,828,000
Nteneshane	08	Mchunu	1,000	-	
Mahlaba	18	Mqamu/Qamu	1,000	-	
Msinga Top	15	Mbovu	1,000	-	
Mbono	14	Mbovu	1,000	-	
Mthembu Phase 2	03&05	Mthembu	1,000	-	
Nhlalakahle Phase 2	07	Mchunu	1,000	-	
Mzweni	02	Mqamu/Qamu	1,000	-	
Douglas	01	Mqamu/Qamu	1,000	Current demand is high	
Ngome	11	Zondi	1,000	-	
Sampofu	04		1,000	-	
Ezibomvini Ph 2		Mabaso	1,000	-	

Table 4: Priority 1 rural housing projects: Msinga Local Municipality

Project name (Rural Housing Projects)	Ward	Traditional Authority	Yield	Municipal Assessment	Proposed Budget
Ward	16	Mbovu	1,000	-	
Ward	17	Mchunu	1,000	-	
Ward	4	Mqamu/Qamu	1,000	-	
Ward	9	Mbovu	1,000	-	
Ward	12	Mbovu	1,000	-	

Table 5: Priority 2 housing projects: Msinga Local Municipality

Project name (Rural Housing Projects)	Ward	Traditional Authority	Yield	Municipal Assessment	Proposed Budget
Mkhuphula Phase 2	13	Mbovu	1,000	-	1,565,828,000
Mthembu Phase 3	03&05	Mthembu	1,000	-	
Nhlalakahle Phase 2	07	Mchunu	1,000	-	
Mzweni Phase 2	02	Mqamu/Qamu	1,000	-	
Douglas Phase 2	01	Mqamu/Qamu	1,000	-	
Ngome Phase 2	11	Zondi	1,000	-	
Msinga CRU	04		1,000	-	
Ward	12		1,000	-	
Ward	4		1,000	-	
Ward	9		1,000	-	

Table 6: Priority 2 housing projects: Msinga Local Municipality

Project Name	Units	Value	APPROVAL DATE	Current Status
Application to assist 11 families that was affected by storm in Nov2011	11	R 414, 695.00	2012/12/06	This was sent to SCM on the 07/08/2014 for the appointment of the Contractor to do repairs.
Application to assist 267 beneficiaries affected by the storm in the Msinga area in Nov 2011	267	R 19, 611,446.37	2013/03/08	Submission was presented to the OSS and Disaster Special Committee to request the appointment of the service provider. It was not recommended; The Committee requested changes to the submission and will be presented again on the 12 August 2014.
Application to assist 24 beneficiaries affected by the storm in the Msinga area in Nov 2013	24	R 1, 762,836.88	To be approved	This was approved with no service provider attached into it. Submission to request a service provider will be tabled on 12/08/2014.
	302	R 21 788 978.25	To be approved	

Table 7: Priority 2 housing projects: Msinga Local Municipality

OSS CASES

Project Name	No of Units	Value	Approval Date	ACTION REQUIRED
Application to assist the Kubheka, Ngubane, Xaba family in the area in Msinga top area	3	R 187 818.00	2011/07/09	Engagements have been made with the IA and they have agreed to move on to site on 11 TH August 2014 and provide the department with a Development plan
Application to assist the Qwabe family in the Mkhuzeni area in Msinga	1	R 61 600.00	2012/08/20	Engagements have been made with the IA and they have agreed to move on to site on 11 TH August 2014 and provide the department with a Development plan
Application to assist the Chonco and Dumakude families in Msinga area	2	R 128 084.70	2011/12/06	The IA inform this office that Dumakude seems to be diseased hence the IA promised to be on site on the for Chonco on 11 th August 2014
Application for 5beneficiaries	5	R588 392 .07	N/A	Submission is still being prepared for submission 12/08/14

Table 7: Priority 2 housing projects: Msinga Local Municipality

8. HOUSING CAPACITY

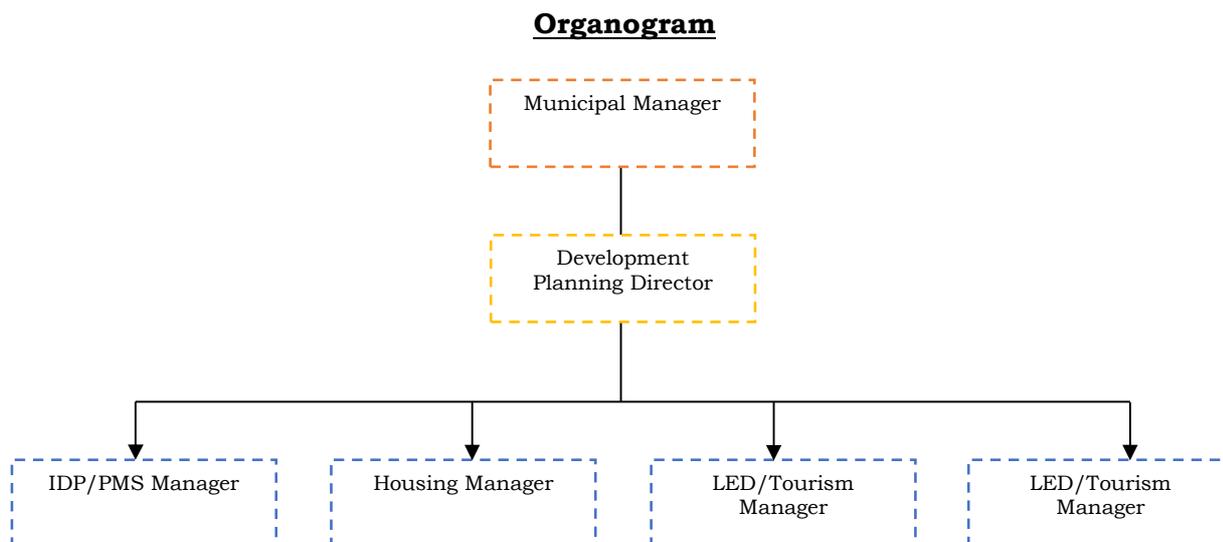
8.1. Existing and Envisaged Institutional Arrangements

The integration at institutional level:

- ✓ KZN DHS
- ✓ District Municipality
- ✓ Other government departments (education, health, social welfare, rural development, agriculture, etc)

The current internal human settlement department's capacity is based on the use of external capacity / consultants for packaging of projects and submission of funding applications to the KZN Department of Human Settlements.

The Management structure envisaged is as follows:



Human Resources Development

In terms of the 2014/2015 Integrated Development Plan, a total of R960,000.00 has been set aside for staff skills development to address the shortage of skills within the municipality for the 2014/2015.

8.2. Integration of Municipal Units: Town Planning, District Infrastructure and GIS

- ✓ Inter departmental integration is required for the delivery of human settlements, with the primary departments:
- ✓ Human Settlements / Housing
- ✓ Town Planning / GIS / Land Legal
- ✓ Technical Services: Infrastructure
- ✓ Finance Departments & Administration (statutory compliance)
- ✓ Ward Councillor / Ward Committees
- ✓ Housing & Infrastructure Committee
- ✓ Msinga Municipality Executive committee (EXCO)
- ✓ Development of Municipal GIS and integration to District Municipality GIS

8.3. Capacity Development

This will relate to both institutional capacity and individuals within the institution to deliver the various departmental mandates prescribed. For the Housing unit these will include capacity to undertake the following activities:

- ✓ Manage Pre-feasibilities and Feasibility studies (project viability, developability, capacity (human and cost implications)
- ✓ Beneficiary identification, consultation and subsidy administration qualifying beneficiaries
- ✓ Stakeholder management (consultation, communication strategy, social compact agreement, development priorities, product workshops)
- ✓ Package, submit and obtain project approvals
- ✓ Ensure that all contractual obligations are fully attended to, particularly with the KZN Dept. of Human Settlements and other parties
- ✓ Financial management both as institutional level and project level (payments of work undertaken and quality management)
- ✓ Reporting to all stakeholders (internal and external)
- ✓ Risk management

The unit must understand all the development priorities and development responses for all wards and ensure that these are also integrated with the traditional authority priorities and development needs.

9. MONITORING AND EVALUATION PERFORMANCE INDICATORS

9.1. Project summary

In summary, Msinga Municipality housing delivery performance can be summarised as follows:

Description	Number of Projects	Projects Planning	Projects implem.	Projects completed
Pipeline projects	11	0	-	-
Project at the planning stage	1	1	-	-
Projects at Construction	5	5	5	0
Disaster reported cases(Houses)	291	-	291	
Disaster reported cases (Vouchers/ repairs)	11	-	11	-
OSS reported cases (houses)	11	-	11	-
OSS reported cases(Vouchers)	0	-	-	-

9.2. Unblocking of projects

There a number of projects underway that comprise various issues required to be dealt with in order for the projects to be completed.

- ✓ Land legal (land acquisition/tenure options)
- ✓ Technical (slope/geotechnical parameters)
- ✓ Subsidy instrument / Funding
- ✓ Socio-political environment
- ✓ Relocations(flood line -1:100 year/other technical considerations)

9.3. Assessment of impact made by housing development

The assessment of impact made by housing for the various areas and traditional authorities can be defined by an overarching assessment criterion:

- ✓ Integration of settlements
- ✓ Quality of places in settlements
- ✓ Sense of Place (health, wellbeing, safe places, soulfulness)
- ✓ Sense of Justice (meeting fundamental human needs i.e. participation, freedom, creativity, democratic governance)
- ✓ Sense of History (valuing cultural diversity, memory)
- ✓ Sense of Nature (SDF, biodiversity enhancement, preservation of natural habitats, ecosystems balance)

10. MID-TERM EXPENDITURE FRAMEWORK (MTEF)

The MTEF is annual, rolling three year-expenditure planning. The plan sets out the medium-term expenditure priorities and hard budget constraints against which housing sector plans can be developed and refined. The MTEF also contains outcome criteria for the purpose of performance monitoring. MTEF provides the basis for annual budget planning for the delivery of housing and associated infrastructure.

DESCRIPTION	PROJECT NAME & AREA		UNITS	TOP STRUCTURES	SERVICES (B GRADE)	TOTAL	YEAR 1	YEAR 2		YEAR 3	TOTAL EXPEND.
Subsidy Quantum				110,947.00	31,401.00	145,348.00					
Greenfields: IRDP											
Low income Housing Development											
Full Upgrading (UISP/PLS)											
Rural Housing Subsidy	Douglas	Mqamu/Qamu	1,000	110,947,000	31,401,000	142,348,000	Planning 8%	Approvals 16%	Construction 38%	Construction 38%	
	Mzweni	Mqamu/Qamu	1,000	110,947,000	31,401,000	142,348,000	11,387,840	22,775,680	54,092,240	54,092,240	142,348,000
	Mkhuphula	Mbovu	1,000	110,947,000	31,401,000	142,348,000	11,387,840	22,775,680	54,092,240	54,092,240	142,348,000
	Nhlalakahle	Mchunu	1,000	110,947,000	31,401,000	142,348,000	11,387,840	22,775,680	54,092,240	54,092,240	142,348,000
	Mthembu Phase	Mthembu	1,000	110,947,000	31,401,000	142,348,000	11,387,840	22,775,680	54,092,240	54,092,240	142,348,000
	Mbono	Mbovu	1,000	110,947,000	31,401,000	142,348,000		Planning 8%	Approvals 16%	Construction 38%	
	Ngome	Zondi	1,000	110,947,000	31,401,000	142,348,000		11,387,840	54,092,240	54,092,240	119,572,320
	Nteneshane	Mchunu	1,000	110,947,000	31,401,000	142,348,000		11,387,840	54,092,240	54,092,240	119,572,320
	Msinga Top	Mbovu	1,000	110,947,000	31,401,000	142,348,000		11,387,840	54,092,240	54,092,240	119,572,320
	Mhlaba	Mqamu/Qamu	1,000	110,947,000	31,401,000	142,348,000		11,387,840	54,092,240	54,092,240	119,572,320
	Ezibomvini Ph 2	Mabaso	1,000	110,947,000	31,401,000	142,348,000			Planning 8%	Approvals 16%	
									11,387,840	54,092,240	65,480,080
	TOTAL			11,000	1,220,417,000	345,411,000	1,565,828,000	56,939,200	170,817,600	11,387,840	54,092,240

11. APPROVAL

The approval process is aligned to the IDP Approval Process reviews and approvals and covers the following:

Description	Date
Technical Workshops	(dates & comments)
Community (Councillors) ((dates & comments)
Approval Portfolio Committee	(dates & comments)
Final approval by EXCO	(dates & comments)

ANNEXURE 1:
PRIORITY 1 PROJECT MAPS

ANNEXURE 2:
PRIORITY 2 PROJECT MAPS

ANNEXURE 3:
PRIORITY 3 PROJECT MAPS