



KWAZULU-NATAL PROVINCE

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA



PERFORMANCE OF GAZETTED RESTRUCTURING ZONES WITHIN THE KZN PROVINCE

19 AUGUST 2020

GROWING KWAZULU-NATAL TOGETHER



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1. INTRODUCTION AND BACKGROUND

- The first restructuring zones in Kwa-Zulu Natal Province were gazetted in 2011 on gazette No. 34788 volume 558.
- A total of 16 restructuring zones were gazetted only across two municipalities; eThekweni Metropolitan and Msunduzi Municipality.
- In 2017, an additional 20 restructuring zones were gazetted across six municipalities in gazette No.40815 volume 245.
- The additional restructuring zones gazetted in 2017 are across the following municipalities:
 - Mhlathuze Municipality
 - Ray Nkonyeni Municipality
 - KwaDukuza Municipality
 - Alfred Duma Municipality
 - Newcastle Municipality
 - And `additional zones in eThekweni Metropolitan
- The Department continues to receive enquiries and requests from various municipalities who wish to apply for additional restructuring zones in order to implement the social housing programme.
- A resolution has been taken by the Provincial Project Steering Committee for rental housing that prior to submitting applications for new restructuring the performance in terms implementing social housing within the existing restructuring must be assessed.
- The assessment exercise will serve to highlight the challenges with implementing social housing within the existing zones and ascertain the need and or motivate the need for additional zones within the Province.



2. MUNICIPAL CONSULTATIONS PROGRAMME

- Following the resolution taken by the Provincial PSC, the Department initiated a process to conduct one-on-one municipal consultations and working sessions to assess the performance in implementing social housing within each gazetted restructuring zone.
- The consultation programme is still underway- due to the nature of the assessment exercise it was impractical to host the working sessions virtual and subsequently the undertaking of the programme has been delayed due to challenges such as office closures, quarantine of personnel key to the assessment exercise and reconciliation of schedules. The schedule of the consultation programme is structured as follows:

MUNICIPALITY	STATUS	DATE OF CONSULTATION
Alfred Duma	Consultation complete	30 July 2020
Newcastle	Consultation complete	31 July 2020
Msunduzi	Additional Consultation required	03 August 2020
Ray Nkonyeni	Consultation complete	06 August 2020
Mhlathuze		13 August 2020
KwaDukuza		14 August 2020
eThekwini	Consultation yet to be conducted	20 August 2020



3.OVERVIEW OF THE GAZETTED OF THE RESTRUCTURING ZONES

- There are 35 gazetted restructuring zones within the Kwa-Zulu Natal Province.

MUNICIPALITY	RESTRUCTURING ZONE	GAZETTING
Msunduzi	<ul style="list-style-type: none">• Pietermaritzburg Central• Oribi,• Westgate/Grange,• Copseville,• Raisethorpe Central,• Otto's Bluff,• Hayfields/Lincoln Meade,• Edendale Corridor	02 December 2011 Gazette No. 34788 volume 558.
eThekwini	<ul style="list-style-type: none">• Kwa- Mashu Town Centre• Springfield - River Horsel Valley• Pinetown CBD• Greater Cato Manor• i-Trump (Durban CBD and surrounds)• Southern Durban Basic	02 December 2011 Gazette No. 34788 volume 558.



3.OVERVIEW OF THE GAZETTED OF THE RESTRUCTURING ZONES

- There are **34** gazetted restructuring zones within the Kwa-Zulu Natal Province.

MUNICIPALITY	RESTRUCTURING ZONE	GAZETTING
eThekweni	<ul style="list-style-type: none">• Cornubia,• Bridge City,• Newlands• Phoenix,• Chatsworth,• Kwa-Mashu and Surrounds	28 April 2017 Gazette No..40815 volume 245
Alfred Duma	Hospital Park, Ladysmith Central, Dunlop	28 April 2017 Gazette No..40815 volume 245
Newcastle	Arbor Park, Newcastle Central, Fernwood	28 April 2017 Gazette No..40815 volume 245
Ray Nkonyeni	Marburg, Protea Park, Uvongo	28 April 2017 Gazette No..40815 volume 245
uMhlathuze	Aquadene, Umhlathuze Village	28 April 2017 Gazette No..40815 volume 245
KwaDukuza	KwaDukuza CBD, Blythedale Beach, Hyde Park	28 April 2017 Gazette No..40815 volume 245



4. SYNOPSIS OF PERFORMANCE ASSESSMENT FINDINGS

A. REFERENCE TO RESTRUCTURING ZONES AND MAPPING

- Not all the restructuring zones (RZs) included in applications submitted by municipalities were approved/gazetted thus limiting areas in which social housing can be implemented within the municipalities;
- General inconstancies around the names of the restructuring zones. In some cases, the list of RZs that was gazetted differs from that being used by some municipalities. During the assessment working sessions resolutions were taken that all stakeholders will use the names listed in the gazettes (2011 and 2017);
- Some of the municipalities did not include mapping of the proposed restructuring zones in their applications submitted and
- Subsequently, there is a general mis-alignment of mapping being used by the various stakeholders i.e. the SHRA, National and Provincial Human Settlements, and municipalities. In some cases there is no mapping at all on official records. This has warranted an exercise to review and sort alignment of all mapping work of the restructuring zones;



4. SYNOPSIS OF PERFORMANCE ASSESSMENT FINDINGS

B. UNDERSTANDING OF THE SOCIAL HOUSING PROGRAMME PRESCRIPTS AND ALIGNMENT TO PFMA AND TREASURY REGULATIONS AND SUBSEQUENT DELAY IN IMPLEMENTATION

- It has been established that there was an initial mis-conception that restructuring zones are confined to project areas. This has resulted in some municipalities with a limited area (zone) and subsequent lack of land availability to implement the social housing programme.
- Some municipalities have provided that the initial lack of understanding of the social housing programme influenced difficulties in initiating internal processes towards achieving a full state of readiness to implement and promote social housing within their areas of jurisdiction.
- This includes the review and adoption of suitable land disposal policies, establishing SHI databases whilst ensuring that the policy and database establishment processes are in line with the PFMA and treasure regulations, identifying suitable land for social housing which required a thorough understanding of the programme prescripts to engage and reel in support from other key internal units such as real estate, SCM and tabling items to Councils for endorsement and approvals;



4. SYNOPSIS OF PERFORMANCE ASSESSMENT FINDINGS

C. LACK OF LAND AVAILABILITY

- There is a shortage suitable land for social housing within some of the restructuring zones. This is owing to some of the following factors:
 - boundaries of some restructuring zones are limited to one project or property;
 - Available land parcels are below the acceptable average site size (+5000sqm) suitable for social housing;
 - Limited vacant land parcels within some of the restructuring zones made up of mostly built form and there are limited existing buildings that are suitable and under utilized to convert to social housing.
- It was established at the working sessions that municipalities have been focusing on municipal-owned land parcels and properties and were encouraged to start identify government-owned properties that would be requested for transfer from the relevant government departments and parastals



4. SYNOPSIS OF PERFORMANCE ASSESSMENT FINDINGS

D. AVAILABILITY OF BULK SERVICES INFRASTRUCTURE

- There is a general challenge of sufficient bulk services infrastructure and capacity within some of the restructuring zones;
- This has hindered efforts to implement the social housing pipeline;
- In the case of Ray Nkonyeni for example the whole district area has an overall challenge of bulk services and this has subsequently propelled the Municipality to take a different approach to adequately secure the infrastructure before initiating processes to partner with /appoint SHIs;
- In the case of Alfred Duma the one project identified within the Dunlop restructuring zone had to be closed-out due to the unavailability of bulk services for a considerable time until recently (2020) when engagements with the district municipality to commit to supplying the required infrastructure came to fruitful ends.



5. PROFILING THE PERFORMANCE OF THE RESTRUCTURING ZONES PER MUNICIPALITY



ALFRED DUMA MUNICIPALITY

A. STEPS UNDERTAKEN BY THE MUNICIPALITY TOWARDS IMPLEMENTING SOCIAL HOUSING SINCE THE GAZETTING OF RESTRUCTURING ZONES

- In 2018, Prepared a **project pipeline** that was approved by Council and submitted to the provincial Department to be included into the Social Housing Roll-Out Plan (2018-2023) as the official implementation tool to guide the implementation of social housing over the 5 year period;
- In 2018, Municipality established a panel of implementing agents to appoint for all housing programmes, including social housing, The Municipality later learned that social housing can only be implemented by accredited social housing Institutions (SHIs) or Other Delivery Agents (ODAs). Subsequently, in June 2020 the Municipality initiated a process to **establish a SHI database**- estimated timeframe to conclude task is end of October 2020.
- In 2018, Municipality **reviewed land disposal policy** to be suitable for social housing;
- Municipality has held continuous engagements with the District Municipality to obtain commitment on the provision of **bulk services infrastructure** within the restructuring zones- official commitment has been by the District Municipality in this regard.
- Municipality currently undertaking internal processes to **increase the capacity** by recently appointing personnel to be dedicated to the social housing programme.



ALFRED DUMA MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

B1.DUNLOP RESTRUCTURING ZONE

PROJECT IMPLEMENTATION WITHIN THE RESTRUCTURING ZONE:

- No projects have been implemented (constructed) nor under implementation (construction) within the Dunlop restructuring zone.
- The project pipeline within the zone consists of:
 - Dunlop (...units): Pre-feasibility assessments have been conducted however project concluded as unfeasible due to the lack of bulk services infrastructure

GENERAL STATE OF THE RESTRUCTURING ZONE

- Unavailability of bulk services infrastructure- uThukela District Municipality only recently provided written commitment to undertake infrastructure upgrades in the area.
- The existing RZ boundaries are confined to a project area, subsequently there is a limited area within which social housing can be implemented.
- The Municipality proposes for the boundaries to be extended to include properties suitable social housing that has been identified outside the boundaries:
- ERF 15590- to be implemented as an integrated project, including serviced sites and social housing. Currently, detailed planning is underway.
- **Property 2-** Recently acquired by the HDA on behalf of the Municipality to implement an IRDP project that will include a social housing component. Property consists of 400 erven to be consolidated



ALFRED DUMA MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

B2 HOSPITAL PARK RESTRUCTURING ZONE

PROJECT IMPLEMENTATION WITHIN THE RESTRUCTURING ZONE:

- No projects have been implemented (constructed) nor under implementation (construction) within the Dunlop restructuring zone.
- The project pipeline within the zone consists of:
- Portion 1 of erf 127 (Farquhar Road)- 150 units. Property is currently being transferred from the Dpt of Public Works to the Municipality. There has been delays in this regard and Municipality has requested the assistance of Human Settlement to expedite process.

GENERAL STATE OF THE RESTRUCTURING ZONE

- There is a lack of municipal-owned properties within the existing RZ boundaries. Subsequently, the Municipality proposes for the boundaries to be extended.
- During consultation Municipality was encouraged to identify other suitable properties owned by government departments and parastals within the RZ that can be transferred for social housing purposes.
- Municipality will initiate such a process to identify and assess properties for suitability to social housing. the list of properties will be tabled to Council on the 27th of September 2020. thereafter, processes to request transfers will be initiated.



ALFRED DUMA MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

B3 HOSPITAL PARK RESTRUCTURING ZONE

PROJECT IMPLEMENTATION WITHIN THE RESTRUCTURING ZONE:

- No projects have been implemented (constructed) nor under implementation (construction) within the Dunlop restructuring zone.
- The Municipality has identified the following projects within the RZ:
- ERF 722- requires pre-planning assessments and is subject to AMAFA legislation to request demolition. Project will be included in the list of properties to be tabled to Council in September 2020.
- ERF 14790- requires pre-planning assessments. Project will be included in the list of properties to be tabled to Council in September 2020.
- ERF 979- requires pre-planning assessments. Project will be included in the list of properties to be tabled to Council in September 2020.

GENERAL STATE OF THE RESTRUCTURING ZONE

- There is a lack of municipal-owned properties within the existing RZ boundaries. Subsequently, the Municipality proposes for the boundaries to be extended.
- During consultation Municipality was encouraged to identify other suitable properties owned by government departments and parastals within the RZ that can be transferred for social housing purposes.
- Municipality will initiate such a process to identify and assess properties for suitability to social housing. the list of properties will be tabled to Council on the 27th of September 2020. thereafter, processes to request transfers will be initiated.



NEWCASTLE MUNICIPALITY

THE GAZETTING OF RESTRUCTURING ZONES

- There are three (3) gazetted restructuring zones within the municipality viz:
- Newcastle Central
- Arbor Park
- Fernwood
- The restructuring zones were gazetted in 2017.
- Initially the Municipality submitted six (6) restructuring zones for gazetting however, only the aforementioned three(3) were gazetted.
- This has resulted in a limited social housing project pipeline within the municipality and loss of opportunity to enhance the social housing programme within other major areas of socio-economic activities where rental housing opportunities are needed.



NEWCASTLE MUNICIPALITY

A. STEPS UNDERTAKEN BY THE MUNICIPALITY TOWARDS IMPLEMENTING SOCIAL HOUSING SINCE THE GAZETTING OF RESTRUCTURING ZONES

- In 2018, Prepared a **project pipeline** that was approved by Council and submitted to the provincial Department to be included into the Social Housing Roll-Out Plan (2018-2023) as the official implementation tool to guide the implementation of social housing over the 5 year period;
- The Municipality reviewed their **land disposal policy** so to align the lease terms and disposal options to the social housing prescripts.
- The Municipality has opted to **appoint SHIs** on a project-to-project basis and has commenced partnering with accredited Social Housing Institutes (SHIs) to implement projects. One of the projects are currently being implemented and due to go to construction by December 2020.
- As part of preparing for the implementation of the social housing programme the Municipality undertook to ensure **sufficient supply of bulk infrastructure**. Currently, there is adequate supply and capacity of bulk services infrastructure within all the gazetted restructuring zones.
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NEWCASTLE MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

PROJECT IMPLEMENTATION WITHIN THE RESTRUCTURING ZONE:

B1: FERNWOOD RESTRUCTURING ZONE

- There are currently no projects under implementation (construction) within the RZ.
- The social housing project pipeline within the RZ consists of the following:
- Erf 14144 (Government owned, requires transfer)

GENERAL STATE OF THE RESTRUCTURING ZONE

- There is an adequate supply and capacity of bulk services infrastructure within the RZ
- The Municipality find the existing zone boundaries very confining and restrictive to promoting social housing implementation thus, it is proposed that the boundaries be extended
- The Municipality has identified the following suitable properties outside the RZ boundaries:
- ERF 1467(Government owned, requires transfer)
- ErRF1466 (Privately owned, owner willing to sell)



NEWCASTLE MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

PROJECT IMPLEMENTATION WITHIN THE RESTRUCTURING ZONE:

B2: NEWCASTLE CENTRAL RESTRUCTURING ZONE

- There are currently no projects under implementation (construction) within the RZ.
- The social housing project pipeline within the RZ consists of the following:
- Hospital Street- 1056 units (due to go into construction in December 2020)
- Hardwick Street- 83 units (project requires pre-planning assessments)
-

GENERAL STATE OF THE RESTRUCTURING ZONE

- There is an adequate supply and capacity of bulk services infrastructure within the RZ
- The Municipality has identified the following properties within the RZ, the following properties require Council approval to request transfer for purposes of social housing:
- Portion 2 of erf 22440 (Government owned, requires transfer)
- Erf 2393 (Government owned, requires transfer)
- Portion 3 of erf 15323 (Government owned, requires transfer)



NEWCASTLE MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

PROJECT IMPLEMENTATION WITHIN THE RESTRUCTURING ZONE:

B3: ARBOR PARK RESTRUCTURING ZONE

- There are currently no projects under implementation (construction) within the RZ.
- There are no projects within the RZ that form part of the social housing project pipeline.
- The Municipality provides that upon the rental housing policy proclamation stating that new CRU projects that are located within newly gazetted restructuring zones are to be implemented as social housing the Municipality submitted that the N11 housing project be implemented as social housing. However, the Department of Human Settlements provided that the project be implemented as CRU since planning processes had progressed significantly. The project is currently under construction.
- The Municipality has identified the following properties within the RZ to be suitable for social housing:
 - Erf 3468

GENERAL STATE OF THE RESTRUCTURING ZONE

- There is an adequate supply and capacity of bulk services infrastructure within the RZ
- The Municipality has identified the following properties within the RZ, the following properties require Council approval to request transfer for purposes of social housing:
- Erf 13747- has a prime location at the entrance to Newcastle CBD off the N11. (Government owned, requires transfer) and a Portion of the Rem of erf 1 (Owned by the Municipality)



MSUNDUZI MUNICIPALITY

THE GAZETTING OF RESTRUCTURING ZONES

- In 2008 the Municipality commissioned a market demand feasibility study for social housing.
- The study was finalized and four (4) restructuring zones were identified and demarcated. These RZs include the following:
 - Northern Area, North West Area, Central Area, Southern Area, South western Area, Ambleton
- The application for the restructuring zones was packaged and submitted to the Social Housing Foundation for gazetting.
- A major disjuncture was established that along the process the names of the restructuring zones were changed; the zones submitted by the Municipality were further broken down into smaller restructuring zones with different names.
- According to the restructuring zones gazette No. 34788 Msunduzi Municipality has the following gazetted restructuring zones:
 - Ottos Bluff, Copseville,
 - Hayfields/Lincoln Meade.
 - Oribi Village, Mkhondeni.
 - Pietermaritzburg Central.
 - Westgate/Grange. Edendale Corridor



MSUNDUZI MUNICIPALITY

THE MAPPING OF RESTRUCTURING ZONES

- The Municipality utilizes and makes references to the restructuring zones that were submitted for gazetting and associated mapping to assess if social housing projects are within a restructuring zone.
- It is established that the Municipality and the provincial Department does not have official mapping of the gazetted restructuring zones.
- Upon this establishment, officials at the SHRA and the National Department were called to request official mapping of the gazetted zones.
- The officials advised that is no official mapping of the zones in their records.



MSUNDUZI MUNICIPALITY

THE WAY FROWARD...

- In light of the disjuncture between the gazetted restructuring zones and associated mapping, the following resolutions were taken at the meeting:
- The exercise of assessing the performance of the restructuring zones cannot continue in the absence of mapping. Another meeting will be convened after the below listed has been completed:
- Municipality to revise mapping of the restructuring zones it initially prepared and submitted to align to the gazetted restructuring zones
- Municipality to compile a presentation of the following to table at the next meeting:
 - Strides that have been undertaken by the Municipality post the gazetting of the restructuring zones in preparation to implement social housing;
 - Mapping aligned to the gazetted restructuring zones;
 - Social housing projects that have been implemented (constructed) within the municipality and any associated challenges per gazetted restructuring zone;
 - Social housing projects currently under implementation (construction) per gazetted restructuring zone
 - Social housing projects that have been assessed for (pre) feasibility and their state of readiness for implementation per gazetted restructuring zone;
 - Social housing projects that still require for pre-feasibility per gazetted restructuring zone
- Challenges in implementing the social housing programme in each gazetted restructuring zone



RAY NKONYENI MUNICIPALITY

THE GAZETTING OF RESTRUCTURING ZONES

- There are three (3) gazetted restructuring zones that were gazetted in 2017 within the municipality viz:
 - Marburg
 - Protea Park
 - Uvongo
- The Municipality provides that in the initial application for Restructuring Zones (RZ) that was submitted the proposed zones were:
 - Marburg
 - Uvongo
 - Port Shepstone
- The Port Shepstone RZ is a key area of growth within the municipality yet in the gazette it is replaced by Protea Park which is a sub-area of Marburg that is also gazette as a separate zone.



RAY NKONYENI MUNICIPALITY

THE MAPPING OF RESTRUCTURING ZONES

- During deliberations at the meeting the following issues with the mapping of the restructuring zones (RZ) were uncovered:
 - Currently there is one map for two different zones; the mapping for Marburg RZ is the same as for the Protea Park RZ.
 - Currently there is no mapping for the Uvongo RZ
- The Municipality proposes that mapping of Restructuring Zones be aligned to town planning/land use scheme areas. This will serve to ensure boundaries of restructuring zones are aligned to scheme areas with associated land use management controls, densities, parking requirements.
- This is to prevent cases where a restructuring zone falls within different scheme areas with different land use management controls, densities, parking requirements and this later impacts on projects in obtaining SPLUMA approvals.
- **INTERVENTION:** Mapping of all the zones needs to be revised by the Municipality and submitted to the Department. the mapping is to be revised as follows:
 - Map 1 Marburg RZ: demarcate the Marburg area, excluding Protea Park area
 - Map 2 Protea Park RZ: demarcate the Protea Park area only
 - Map 3 Uvongo RZ: town planning/land use scheme map to be used as the mapping of Uvongo RZ



RAY NKONYENI MUNICIPALITY

A. STEPS UNDERTAKEN BY THE MUNICIPALITY TOWARDS IMPLEMENTING SOCIAL HOUSING SINCE THE GAZETTING OF RESTRUCTURING ZONES

- **Council Endorsement of Social Housing Programme**-Council made a resolution to make social housing a priority programme and it be included in the municipal strategic statutory planning documents such as the IDP and Housing Sector Plan for a period of 13 years;
- In 2018, Prepared a **project pipeline** that was approved by Council and submitted to the provincial Department to be included into the Social Housing Roll-Out Plan (2018-2023) as the official implementation tool to guide the implementation of social housing over the 5 year period
- Under a proactive approach towards social housing implementation the Municipality has undertaken the following:
 - Review of the town planning/ land use scheme to introduce more suitable zonings and clauses that promote higher densities;
 - Establishment of Area-Based Planning Committee to guide holistic planning of the various priority development areas within the municipality in alignment to the 2030 strategic municipal development vision;
 - Through the area-based planning processes, the Municipality commissioned a land audit of all the municipal-owned properties, through which 21 properties have been identified as suitable for social housing. The properties include buildings that can be converted to social housing units.



RAY NKONYENI MUNICIPALITY

A. STEPS UNDERTAKEN BY THE MUNICIPALITY TOWARDS IMPLEMENTING SOCIAL HOUSING SINCE THE GAZETTING OF RESTRUCTURING ZONES

- Municipality has continued engagements with Ugu District Municipality in efforts to address the issue of bulk services infrastructure that impacts the whole district area. District Municipality undertook a pre-feasibility assessment of capacity of existing and the required bulk services infrastructure upgrades , which is estimated to cost approximately R120 000 000.
- The Municipality is currently in the process of reviewing the land disposal policy to be suitable for social housing.- Draft policy has been submitted to the Department for comment.
- The Municipality has taken a decision to only start partnering with SHIs once the issue of bulk services infrastructure has been resolved. This is to prevent the delays in projects when they are under implementation in the future.
- The Municipality intends to establish a SHI database from which SHIs will be appointed to implement projects. Processes to adopt the database will be initiated immediately. The estimated timeframe to advertise for the database is 01 October 2020.



RAY NKONYENI MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

- **The social housing project pipeline within the Municipality consists of the following projects within the gazetted restructuring zones:**
- Marburg Erf 4939 (300 units): project is located within the Marburg Restructuring Zone. Pre-feasibility assessments have been conducted. Project is feasible subject to the availability of bulk services infrastructure. Municipality will appoint SHI once issue of bulk services infrastructure has been solved.
- Marburg Erf 4941 (300 units): Marburg Restructuring Zone. Pre-feasibility assessments have been conducted. Project is feasible subject to the availability of bulk services infrastructure. Municipality will appoint SHI once issue of bulk services infrastructure has been solved.
- The Municipality is to prepare and submit a report detailing the performance within each restructuring zone; highlighting the progress made towards implementing social housing and the challenges thereof within the zones.



RAY NKONYENI MUNICIPALITY

C. GENERAL CHALLENGES IN IMPLEMENTING SOCIAL HOUSING

- The Municipality submitted 3 restructuring zones for gazetting including the Port Shepstone CBD, however this was excluded in the gazette and this prevents the Municipality from implementing the social housing programme within the major node of economic activity where rental housing opportunities are needed the most.
- **Boundaries and mapping of restructuring zones** not being aligned to town planning/land use scheme areas. Development controls differ from one scheme area to the other and this can impact negatively in obtaining development SPLUMA approvals for projects in future.
- There is no official mapping of Uvongo Restructuring zone.
- **A Limited Social Housing Project Pipeline** (the social housing project pipeline currently consists of just two projects within one restructuring zone. The Municipality has since conducted a land audit in efforts to expand on the very limited social housing project pipeline. These properties are subject to Council approval)
- **Availability of Bulk Services Infrastructure** (the Ugu District Area has had a challenge with the availability of sufficient bulk services infrastructure, which has also impacted on the delay for Municipality to partner with SHIs to implement projects. Significant progress has been made in efforts to addressing the challenge. However, the funding to implement the required bulk infrastructure still needs to be sourced)



UMHLATHUZE MUNICIPALITY

THE GAZETTING AND MAPPING OF RESTRUCTURING ZONES

- Initially, there was a mis-conception that restructuring zones should be confined to project areas. This has resulted in zones with limited parameters for the Municipality to social housing.
- **INTERVENTION:** A re-alignment of mapping for the uMhlathuze Village Restructuring Zone (RZ) needs to be done by the municipality to include the uMhlathuze Village area and not be restricted to one project area, which is currently very limiting in enhancing the social housing programme within the Municipality.
- A Council resolution to this effect must be obtained and;
- together with the re-aligned mapping must be submitted to the KZN Human Settlements Department to obtain a letter of support and;
- all documentation must then be submitted to the SHRA and National Human Settlements Department
- The Council resolution taken in 2012 also indicates that the SDF Expansion Area must be converted into a restructuring zone. However, this was not approved/gazetted as a restructuring zone.
- The Municipality proposes for a gazetting of additional zones to promote social housing within major areas of economic activities where rental housing opportunities are needed the most. These areas include:
 - Richards Bay
 - SDF Expansion Area A



UMHLATHUZE MUNICIPALITY

A. STEPS UNDERTAKEN BY THE MUNICIPALITY TOWARDS IMPLEMENTING SOCIAL HOUSING SINCE THE GAZETTING OF RESTRUCTURING ZONES

- **Creating Awareness of the Social Housing Programme and Council Support**
- In 2017, the Municipality with the assistance of the Department, tabled presentations to Council to create an awareness of the social housing programme and prescripts
- **Social Housing Project Pipeline**
- The Municipality prepared and submitted the social housing project pipeline to the Department. The project pipeline was included in the provincial social housing Roll-Out Plan (2018-2023).
- **Adoption of Pro-Active Approach towards Social Housing Implementation**
- The Municipality adopted a pro-active approach towards implementation of social housing by prioritizing on creating an enabling environment before partnering with social housing institutions.
- Under the approach the Municipality prioritized on securing funds and installing bulk and internal services infrastructure on prime land within the restructuring zones before partnering with SHIs to ensure that projects do not come to a halt when in implementation due to issues of bulk services infrastructure



UMHLATHUZE MUNICIPALITY

A. STEPS UNDERTAKEN BY THE MUNICIPALITY TOWARDS IMPLEMENTING SOCIAL HOUSING SINCE THE GAZETTING OF RESTRUCTURING ZONES

- **Land Disposal Policy** (The Municipality reviewed the land disposal policy to be in line with disposal options that are suitable for social housing)
- **Capacitation**
 - The Municipality is in continuous engagements with the Department, through which capacitation to expedite processes to implement the programme is accessed -monthly consultation meetings are held to identify challenges and interventions to address these challenges and bottlenecks.
 - Municipality constantly participates in the monthly Provincial PSC to provide updates on initiatives being undertaken by the Municipality towards social housing implementation and to use best practice learning from other municipalities on implementing the programme.
 - The Municipality has requested assistance from the SHRA and NASHO to provide guidance on aspects of the programme difficult to navigate through.
 - The Municipality is currently undertaking internal processes to appoint personnel to be dedicated to the social housing programme to increase capacity and enhance the implementation of programme.
- **Partnering with Social Housing Institutions** (The Municipality took a decision to appoint SHIs to implement projects on a project to project basis- currently finalizing processes to appoint SHIs to implement two projects i.e. Dumisani Makhaye Village and Aquadene)



UMHLATHUZE MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

B1: UMHLATHUZI VILLAGE RESTRUCTURING ZONE

- There are issues with the current mapping of the restructuring zone that needs to be re-aligned
- No social housing projects have been implemented nor under implementation(construction) within the restructuring zone (RZ).
- However, municipality is finalizing processes to appoint for one project within the RZ, Dumisani Makhaye Village and currently assessing land value for the Empangeni Mega Project Phase 1 before appointing a SHI.
- The above projects are both components of IRDP projects and will yield 2220 social housing units.
- Installation of bulk and internal services on the identified project areas are 100% complete and ready for implementation.
- The Municipality has also identified another projects within the restructuring zone:
 - Empangeni Phase 2 that will consist of approximately 1400 units. The Municipality has appointed an implementing agent to undertake detailed planning activities on the project area due to be concluded in 2021. The Municipality has secured funding to install bulk services infrastructure within project area.



UMHLATHUZE MUNICIPALITY

B. PERFORMANCE WITHIN THE RESTRUCTURING ZONES

B2: AQUADENE RESTRUCTURING ZONE

- No social housing projects have been implemented nor under implementation(construction) within the restructuring zone (RZ).
- However, municipality is finalizing processes to appoint for one project within the RZ, Aquadene Future Phases Project.
- The project will yield 1000 units.
- There are no other opportunities/land/properties to implement social housing within the restructuring zone and this substantiates why the Municipality tenders a proposal for the gazetting of additional zones.



CONCLUSION

PERFORMANCE OF THE RESTRUCTURING ZONES WITHIN KWAZULU-NATAL

- The performance of restructuring zones is directly linked to the Municipalities state of readiness and ability to expedite putting in place the required internal processes for the delivery of social housing :
 - Adoption of a suitable land disposal policy
 - The establishment of a SHI database or Appointment on a project by project basis
 - Capacitation of Human Capital and Political Support of Programme
 - Establishment of a credible social housing pipeline
- There is an overall disjuncture between the number of zones which are reflected in Municipalities council resolutions and what was gazetted.
- There is a overall general misalignment of mapping of the zones between the three spheres of government.
- The initial lack of understanding of the programme has resulted in a sluggish execution of all the underlying activities required for Municipalities to reach a state of full readiness.

THANK YOU

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