



human settlements

Department:
Human Settlements
PROVINCE OF KWAZULU-NATAL

RESEARCH REPORT ON NATIONAL RENTAL PROJECTS



NOTED BY MEC: 3 DECEMBER 2012

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EXECUTIVE SUMMARY

This report reflects the findings of the research visit to rental housing projects in the Free State and Gauteng provinces on the 29th and 30th May 2012. The document includes input on the subject by the Western Cape Province in terms of their rental refurbishments.

The viability and financial sustainability of the projects developed under Social and Community Residential Units (CRU) programmes are seriously threatened due to certain policy deficiencies and implementation challenges. In terms of desktop research already undertaken by the Product Development Directorate, it had been determined that indepth research needed to be undertaken to help inform a provincial rental policy. This lead to site visits to the Masimong Project in the Free State and the Jabulani, Meadowlands and Orlando West rental projects in Gauteng.

The following are some of the findings and recommendations drawn from the exercise.

FINDINGS

- ▶ Public private partnerships appropriately negotiated can help enhance development potential by bringing with it financial assistance, skills support and transfer.
- ▶ The project costs are still guided by the National CRU Guidelines funding model despite being outdated.
- ▶ The costs per unit in most cases do not include professional fees and services.
- ▶ The finishes in the CRU projects visited are of a high standard that is comparable with social housing projects.
- ▶ Rents are based on operational costs and not cost recovery as recommended in the CRU policy.
- ▶ The sustainability of the projects has yet to be determined since all the projects visited did not have full or any occupancy at all.
- ▶ House rules are a compulsory part of the contract.
- ▶ Electricity and water are provided through prepaid systems to control abuse.
- ▶ The history of accumulated debt and political interference associated with state owned and administered rental projects encourage the use of managing agents or housing institutions. Although this is greatly supported in terms of appropriate capacity, the cost implications have yet to be determined.
- ▶ The entire target market of the CRU programme is not being reached since rentals of the projects visited was a minimum of R500 based on an income of R2000 to be affordable.
- ▶ The integration of CRU with other rental programmes like in the Jabulani Project may be a possible option to allow cross-subsidization and make projects sustainable however this will require a shift in National policy.
- ▶ Despite the high input costs, CRU projects are ultimately seen as being aimed at uplifting the living conditions of these communities and reducing crime.

RECOMMENDATIONS

- ▶ The Masimong project model can be adopted to address mining hostels in the Vryheid and Newcastle areas to help regenerate communities thorough public-private partnerships.
- ▶ The initial investment value of the project should be considered as a means to ensure durability of the product and minimize the long term maintenance costs of the project.
- ▶ All services provided to individual units should be done through prepaid systems.
- ▶ The innovative payment system and the fingerprint access control system in the Masimong project be explored further for adoption in KZN.
- ▶ The Province encourages and supports the establishment of housing institutions to ensure sufficient capacity to manage state owned rental developments.
- ▶ The Province influence National's policy towards an integrated rental approach as opposed to having 2 different policies that is not sustainable in isolation.

1. PURPOSE

The purpose of this document is to report on findings of the research visit to rental housing projects in the Free State and Gauteng provinces on the 29th and 30th May 2012. The document includes input on the subject by the Western Cape Province in terms of their rental refurbishments.

2. BACKGROUND

The viability and financial sustainability of provincial projects developed under the Social and Community Residential Units (CRU) programmes are seriously threatened due to certain policy deficiencies and implementation challenges. These factors were identified as a result of blockages that occurred during implementation and through mini research exercises conducted by Product Development.

2.1 Identified Challenges

- **Funding Model:** Although generous, the CRU programme is open to abuse by Municipalities and Implementing Agents. The programme when compared to other subsidy programmes reflects a huge disparity in the funding allocated for the construction of new-build or refurbishment of the existing units which are predominantly hostels. The high cost per unit impacts on the cost recovery rental that the programme prescribes thus making it difficult to recover costs from the targeted beneficiaries resulting in the sustainability of the project being threatened from inception. Following concerns expressed by the Head of Department in 2011, a desktop research exercise was undertaken to find out the cost of CRU projects in other provinces. It was determined that the Free State and Western Cape Provinces had adhered to the costs as prescribed in the 2006 CRU policy while Gauteng and Limpopo Provinces had used the system of public tender based on a confidentially priced bill of quantities to provide fair market related prices. The Provinces were however unable to provide a breakdown of their costing. In an effort to source these details, the National Department of Human Settlements was consulted. They provided costs for CRU units ranging from R217 000 in Limpopo Province to R228 000 in the Free State Province but were however unable to provide specifications of the units as these costs were based on a broad assessment of projects nationally. The National Department had indicated an intention to undertake further research to determine the variation of CRU costs in the different provinces. National's Policy Unit is currently investigating these costs as part of the subsidy quantum review.
- **The non-alignment of the Policy:** The policy document has not been updated to keep up with other policy changes. One such example is that of the determination of the geotechnical variation allowance. This additional allowance applies to new build infill and new build greenfields options of 2 to 4 storey walk-ups on conventional foundations. The allowance is based on the previous 15% variation policy and has not been accommodated in the revised Variation Policy and calculator of 2007 since the calculator is designed for application to single-storey buildings. While in terms of Social Housing the policy is silent on the issue of variation allowances.
- **Norms and standards:** The CRU policy does not prescribe minimum or maximum standards of structures to be developed or refurbished as with other programmes to prevent poor quality of structures or control over-expenditure on the structures and finishes of the units. Current projects are proposing structures with Social Housing or higher standards resulting in rents not being based on the policy's prescribed cost recovery rate.

- Targeted beneficiaries: Due to the income limit of qualifying beneficiaries for CRU's being below R3 500, there are extremely low levels of revenue collection as a result of a culture of non-payment frequently associated with Hostels which threatens the sustainability of CRU projects. In the case of Social Housing the income limit of qualifying beneficiaries being R1 500 to R7 500 as well as the requirement that a project is not eligible for subsidy unless it achieves a minimum of 30% down-market reach challenges the institutions effort to sustain the project.
- Sustainability and management of rental stock: Since CRU's are public owned developments, the capacity to effectively monitor, control and enforce tenant rules is inadequate in most municipalities.

In terms of an assessment undertaken on 3 KwaZulu-Natal hostels in June 2011, the following challenges were highlighted:

- Due to a lack of funding for maintenance there are several unattended plumbing, electrical and structural faults.
- There is overcrowding and a lack of privacy.
- The delay in the filling of vacant posts is reflected in the lack of internal capacity e.g superintendents, artisans, etc.
- There are delays in the procurement process for the appointment of contractors and other service providers.
- There is no system to control unlawful occupants, with most hostels not having proper access control or security systems. This also results in high levels of crime on the premises.
- A common problem associated with all hostels is the inability to collect rent and service charges from residents.
- There is an absence or complete disregard of house rules. One result of which is the operating of illegal businesses on the premises. This however is a consequence of the high levels of unemployment among hostel residents.
- There is no system to ensure the enforcement of the terms of lease agreements.
- There is an indication from the state of existing hostels that the hostel committees are not fully effective in performing their function.
- There has been a gap in the transition from hostels which were predominantly single sex residences to the CRU concept of family units especially within municipalities like eThekweni.
- Due to the highly politicized nature of hostel accommodation, there is a conflict between the achievements of the administrative goals over political agendas. This is indicative of the eThekweni hostel situation.

2.2 Methodology

In terms of desktop research already undertaken by the Product Development Directorate, it had been determined that indepth research needed to be undertaken to help inform a provincial rental policy to address the challenges. Among the research options was to investigate the feasibility of rental projects in other provinces that have best practice examples. The poor response from the provinces in providing project information in some cases as a result of compliance to protocol resulted in the provincial visits to determine issues such as typologies, finishes, sources of funding, etc.

The Provinces identified for site visits in terms of the Department's Strategic Planning Session were Gauteng, Eastern Cape and Western Cape. It was however determined through consultation with the provinces and the National Department of Human Settlements that:

- **Gauteng** has delivered both Social and CRU projects including new-builds and refurbishments with good examples to learn from.

- The **Western Cape** has been successful with refurbishments only and was currently in the feasibility stage of new-build CRU's. Their refurbishments have been undertaken on the old rental units and have been done by the City. Mr Zaahir Jassiem, the responsible official at the City of Cape Town was contacted and provided the information via email.
- The **Eastern Cape** does not have CRU projects on the ground as they are currently in the feasibility stage.
- The **Free State** has a good CRU conversion project in Welkom that could provide some best practices.

Based on the above, site visits were conducted to the Masimong Project in the Free State and the Jabulani, Meadowlands and Orlando West CRU projects in Gauteng.

3. FREE STATE

3.1. MASIMONG CRU PROJECT: WELKOM

The project visit was guided by the Senior Manager for Rental Housing from the Free State Department of Human Settlements, Ms Poppy Madibane and the project professional team.

3.1.1. Project Background

The project began as a need identified by the local council to develop a housing project in the area. The mine shaft had reached the end of its mining life making the hostel, belonging to the mining company Harmony Gold, redundant. It was then considered to convert the hostel in terms of the CRU programme. However this required state ownership of the property. This led to a tripartite arrangement between the mining company, local municipality and the province whereby the property consisting of approximately 26 hectares was donated and transferred to the municipality. The mine helps to oversee the development while providing some financial and technical expertise to the project. A property management company was formed through the mine including municipal officials. The intention is for the company to manage the development for a period of about 2 years after which it will be handed over to the municipality. The fee payable to the managing agent has not been determined as yet.



Masimong:Rear view of cluster



Masimong: Front view of cluster

The project consists of 6 clusters accommodating about 461 units. The construction of the 6 clusters was split into 6 different contracts to allow smaller contractors to participate. The beneficiaries of the project include a mix of about 25% mine employees and residents from the neighbouring Welkom and Virginia areas and were part of almost 2000 potential applicants. Currently only 1 of the 6 clusters is occupied since April 2012 with 50% occupancy expected by the end of June 2012. The size of units had to be accommodated within the existing hostel layout resulting in units ranging from 35m² for a bachelor unit to 62 m² to 74 m² for the 2 and 3 bedroom units.

3.1.2 Services and finishes

The existing services like the sewer lines from individual units and water network including water meters were upgraded while the storm-water system was removed since it consisted of open channels on the premises that posed a high risk to residents especially children. These channels were retained only on the outside of the property.



1. Open storm-water channels outside the property 2. Upgraded footpaths

The footpaths of the original hostel were upgraded and widened to allow vehicle access. Three existing boreholes on site are used to supply the irrigation system thereby reducing water costs for the project. The electricity supplied to the project is through the mine directly from Eskom and therefore paid to the mine. Solar water heaters have been installed at a high input cost as a long-term benefit to increase the affordability of the units. Based on the load bearing capacity of the roof and aesthetic appeal, two 300 litre geysers have been installed to serve 6 units. The solar geysers are said to reduce the individual's electricity consumption by about 30%. Prepaid water and electricity meters have also been installed as a long term management solution to encourage tenants to manage the use of services more responsibly. In addition due to the extreme cold temperatures of the region, there is the option of prepaid hot water meters to provide a back-up supply of hot water to the solar geysers by an electrical geyser system.



3. Solar water heaters 4. Hot & Cold water prepaid meters

The internal finishes include high quality taps, ceramic tiles and bedroom and kitchen cupboards.



5. High quality taps 6. Bedroom cupboards 7. Ceramic tiles

The project costs were based on the funding model as contained in the CRU policy guideline and the finishes adjusted in terms of the budget through bulk purchase negotiations. Each

cluster has an external a social area/play area for children within clear view of the units allowing supervision by parents or caregivers with mast lighting, a part of the original hostel, for additional security.



8. External social/play area with high mast lighting

The cluster also consists of an internal social lounge for larger family gatherings, a study area, laundry, clothes drying and refuse area.



9. Study area



10. Laundry



11. Clothes drying area



12. Internal social lounge



13. Demarcated refuse area

There are also plans on upgrading a common external entertainment/braai area for large social gatherings that is ideally located away from the residences to avoid any disturbance. The ground floor units of cluster D is planned to cater for disabled beneficiaries with special facilities such as lower counter tops, etc. The officials were unable to provide costs for the various types of units but agreed to make available the cost per m² on the overall project.

3.1.3 Rentals and Rules

The project consists of 4 different rental options, these include:

Type of unit	M ²	Rental excluding electricity & water
Bachelor	35	R500
1 bedroom	53	R700
2 Bedroom	68-74 (layouts differ)	R1000
3 Bedroom	68-74 (layouts differ)	R1200

Based on the maximum of 25% of income towards rental, the minimum qualifying income of tenants is R2000 per month excluding any overtime. The managing agent intends to conduct

an induction of every tenant to inform them of the rules of the residents including how systems operate, common areas, refuse areas, the possibility of annual rent increases and security rules.

3.1.4 Innovative systems

The planned adoption of an electronic rent collection system by the managing agents called ALPS (all inclusive payment system). This involves the system run by a private company with the relevant software installed on the managing agent's computers. This requires a card swipe of the tenant to allow for deductions to be processed for an entire year or term of lease if shorter. The system is designed to conduct a search on the tenants account to identify when the salary is paid and will make a deduction before the money is used up by the tenant. The agent intends to include the terms of this arrangement in the contract to ensure the tenants knowledge of the implementation of the system.

Access to the residences is controlled through a gated security main entrance as well as tenant control access at the entrance of each cluster. The individual tenant access is controlled through a fingerprint identification system installed at the entrance of each cluster which determines who has access and enters the premises. The tenant's details are programmed into the system when they are granted occupation. Besides a form of security control, the system is intended to alert tenants in arrears through blocking access to his unit forcing him to call at the agent's offices where arrangements can be made to accommodate late payment. If warnings and notifications are unsuccessful then due process will be followed towards a resolution. There is also currently a 2 year contract with a security company to monitor the premises for any possible vandalism. The cost of the installation of the security system and maintenance contract with the service providers, including 6 access controls to each cluster and the 2 main gates, was approximately R400 000.00



14. Secure entrance to cluster



15. Location of fingerprint access

Since the project is located in a small town, and based on the original hostel layout, the old office blocks have been converted to accommodate a small business centre where space will be rented out at commercial rates to small businesses such as hairdressers, a supermarket, take aways, etc. The business center is located on the external face of the project away from the residences allowing for patronage from neighbouring towns and non-residents. The rentals generated from the business center will be used to cross-subsidise expenses of the project while also providing job opportunities for local residents.



16. Structure housing the business centre

The location of external pipes and meters are secured and concealed as part of the external design of the building to deter tampering.



4. Exposed pipes



5. Concealed pipes

4. GAUTENG

The project visits were guided by The Project manager of the Rental programmes from the Gauteng Department of Human Settlements, Mr Mpumi Kubheka the various projects' professional teams.

4.1 JABULANI PROJECT

The Jabulani Project can best be described as an integrated rental development located in Soweto. The project is not exclusively a Social Housing or CRU project but a mix of both on the same site. However they are located on different sections of the site with the CRU's having a lower standard of finishes than those of the social housing units.



1. Social Housing units



2. CRU's

It may be defined as a new-build infill project developed next to the original hostel. The first phase consists of 500 units of 3 and 4 storey walk-ups. The next phase will consist of another 500 units with the project yielding a total of 2000 units. The project is made up of 2 bedroomed 40m² units as well as a communal CRU for single beneficiaries. The Province is considering the allocating a portion of the units to military veterans and special needs beneficiaries such as the aged and disabled, etc. Only qualifying beneficiaries from the

existing hostels will be given priority before consideration of beneficiaries from outside the hostel as this is a very sensitive issue. Allocations for the project are scheduled to take place from July 2012.

4.1.1. Finishes and Costs

The Social Housing units have finishes with standards prescribed by the policy providing ceramic tiles, bedroom cupboards and a kitchen unit including a sink, bath and basins as well as plastered and painted interiors and exteriors.



3.Plaster & painted interior walls with tiled floors .Kitchen unit with sink

4.Bedroom cupboard



5&6 Bath, basin & toilet in tiled bathroom

The CRU units have power floated floors, bag washed and painted interiors and exteriors as well as a lower quality bath and basin for the bathroom and a kitchen sink excluding the unit.



7. Bag washed wall. Sink excluding cupboard. No tiles. 8. low quality bath basin & toilet 9. Bag washed exterior CRU

The communal CRU has the same standard of finishes as the social housing units with a separate toilet and bathroom.



Separate shower & toilet in communal unit

The Province has indicated that they were not satisfied with some of the finishes in the CRUs such as the wash basin, lack of power sockets and light fittings which they hoped to address with their contractors. Parking bays have been provided for the mostly the social housing tenants and visitors. The costs of finishes are included in the entire project cost which ranges from about R230 000 to R250 000 per unit excluding professional fees and services. The approximate difference in the cost of a CRU and social housing unit is R25 000.

4.1.2. Rental and Management

The project is owned by the municipality but the development and management is being undertaken by the Province for a period of 3 years after which the capacity of the municipality should be built. The Province obtained the development rights from the City of Johannesburg with a power of attorney issued and granted to the province's town planners. The entire project including the social housing units are in the ownership of the municipality. It is anticipated that the municipality will appoint a managing agent or housing institution such as Joshco who have the required experience to manage such properties. The rentals are to range from R750 to R1500 which is based on covering the operational costs of the project and excludes water and electricity that will have individual prepaid meters. Cost recovery rentals could not be charged as this would be too high for the qualifying beneficiaries.

Security of the project is currently provided by perimeter fencing however this did not appear sufficient as a part of the fence had already been cut to allow access from the old hostel premises. House rules for the project will be included as part of the lease with the tenant.



1. Original hostel 2. New CRU

In view of the political bias associated with hostels, a hostel committee will be formed consisting of councilors and other political leaders to interact with the MEC and Premier to address political differences and make decisions that will be implemented in the project.

The province has indicated that it must be noted that different challenges are encountered as the project progresses and need to be addressed accordingly.

4.2 MEADOWLANDS CRU PROJECT

The Meadowlands Project is exclusively a CRU project of 228, two and three storey walk-ups situated in Soweto was developed in 2007. Although the project is owned by the municipality, it is developed and managed by the Province. Most aspects of the project are similar to the Jabulani project. The units are not occupied as yet.

4.2.1 Finishes and Costs

The initial phase of the development was made of maxi-bricks which could not be used in the 3 storey designs due to an identified deficiency. The units are all 40m² but with different internal layouts. The finishes of the units are the same as the social housing units in the Jabulani project including geysers, kitchen sink and unit as well as a stove. The rooms however do not have cupboards. The exterior of the second phase is made of semi-face brick with concrete columns and little balconies making it aesthetically pleasing.

Meadowlands CRU



1. First phase in maxi-brick 2. New phase in semi-face brick

Meadowlands CRU



3. Little balconies



4. Plaster & painted interior walls with tiled floors .Kitchen unit with sink



5. Geysers unit

The costs of finishes are included in the entire project cost which is approximately R230 000 per unit (considering the project was started almost 5 years ago) excluding professional fees and services.

4.2.2 Rental and Management

All tenants for the project are from the existing hostel however the units are not enough to accommodate all the hostel residents. Rents are currently set at R750 excluding electricity which is on the prepaid system and water which is provided through individual meters for each unit. The management of the units is planned to be handed to a managing agent to ensure adherence to the rules. Access to the project is secured by perimeter fencing.

4.3 ORLANDO WEST CRU PROJECT

The Orlando West women's hostel includes CRU new-build infill units as well as refurbished units. There are currently 84 new CRU's in 2 storey walk-ups and two 1 storey refurbished units of the original hostel. The residents are mostly retired hostel dwellers who have lived there for more than 20 years.

4.3.1 Finishes and Costs

The new units are 40m² with 2 bedrooms with the same internal finishes as the Meadowlands and Jabulani social housing units. The building is made of maxi-brick with internal plaster and paint inside and out. The costs of finishes are included in the entire project cost and are in the same cost range as the 2 abovementioned projects i.e.R230 000 to R250 000. The province had to overcome a challenge with the provision of services to the project due to the low level originally provided in the area. The single storey refurbished units have been redesigned as 1 bedroom units with kitchen and bathroom with shower, tiled, plastered and painted on the interior and exterior.



Orlando West: New CRU



Orlando West: Interior of new CRU



1.Original hostel 2. Refurbished showhouse 3. Refurbished “give-away” units 4.interior of 1 bedroom unit

4.3.2 Rental and Management

All tenants for the project are from the existing hostel. The single-storey refurbished units are what’s commonly referred to as “give-away” units and not rented. The refurbishments have only been undertaken on 2 types of show houses and costs could not be confirmed. The new-build infill units are to be rented at R750 excluding electricity and water which is on the prepaid system. The management of the units is planned to be through a managing agent to ensure adherence to the rules similar to the Meadowlands Project since the municipality does not possess the capacity to undertake this role. The province did not however have an indication of the cost implication for the use of a managing agent. This cost is not factored in as part of the rentals. Access to the project is secured by perimeter fencing.

5. WESTERN CAPE

The projects in the Western Cape are managed and administered by the City of Cape Town and include only refurbished old rental stock. The province is currently only in the feasibility stage of new-build CRU's. Information provided in this report is in relation to 11 refurbishment projects. These projects were not visited but the information is based on an email response from Mr Zaahir Jassiem, the responsible project manager for the City of Cape Town.

The refurbishments costs are based on the CRU policy guideline and the standard of finishes of the units are guided by what is affordable within the funding. A presentation reflecting the standard of finishes after refurbishment including funding is attached as annexure A. The unit sizes range between approximately 45m² to 60m². The city of Cape Town is responsible for managing the units. This is through a Technical Management Committee to address technical issues and a project forum consisting of ward councilors from the respective communities to deal with issues of a political nature. Social issues are addressed through a project steering committee consisting of elected representatives from the beneficiary communities. An important factor when dealing with refurbishment projects is to establish a fully serviced temporary accommodation village to allow for large scale upgrades. The city was unable to provide the rentals charged on the refurbished units however it was indicated that rentals were not increased as a result of the refurbishments.

6. FINDINGS

- 6.1. Public private partnerships appropriately negotiated can help enhance development potential by bringing with it financial assistance, skills support and transfer.
- 6.2. The project costs are still guided by the National CRU Guidelines funding model despite being outdated.
- 6.3. The costs per unit in most cases do not include professional fees and services.
- 6.4. The finishes in the CRU projects visited are of a high standard that is comparable with social housing projects.
- 6.5. Rents are based on operational costs and not cost recovery as recommended in the CRU policy.
- 6.6. The sustainability of the projects has yet to be determined since all the projects visited did not have full or any occupancy at all.
- 6.7. House rules are a compulsory part of the contract.
- 6.8. Electricity and water are provided through prepaid systems to control abuse.
- 6.9. The history of accumulated debt and political interference associated with state owned and administered rental projects encourage the use of managing agents or housing institutions. Although this is greatly supported in terms of appropriate capacity, the cost implications have yet to be determined.
- 6.10. The entire target market of the CRU programme is not being reached since rentals of the projects visited was a minimum of R500 based on an income of R2000 to be affordable.
- 6.11. The integration of CRU with other rental programmes like in the Jabulani Project may be a possible option to allow cross-subsidization and make projects sustainable however this will require a shift in National policy.
- 6.12. Despite the high input costs, CRU projects are ultimately seen as being aimed at uplifting the living conditions of these communities and reducing crime.

7. COMPARISON BETWEEN KWAZULU-NATAL AND OTHER PROVINCES

There are obvious issues that are experienced with rental projects especially hostels or CRU's by other provinces that are comparable to those in KZN. Some such comparisons are highlighted in the similarities and differences captured in the table below.

SIMILARITIES WITH KZN	DIFFERENCES
Issues of rent and services collection reflected in the choice by other provinces to opt for prepaid meters to encourage tenants to manage the use of services responsibly.	The ability of Provinces like the Free State to successfully implement a project through a public-private-partnership.
The capacity of Municipalities or Provinces to successfully provide long term management of projects resulting in the consideration by other provinces to use management agencies.	The other provinces do not appear to experience the degree of geotechnical development challenges as KZN.
Concerns about security and access control by having compulsory house rules and introducing innovative access-control systems.	
The concern of political bias which is being addressed by Provinces like the Western Cape by Project Forums, and Gauteng with the use of Hostel Committees to interact with the MEC and Premier.	
The inability of provinces to base their rentals on cost recovery.	
The challenge to accommodate beneficiaries in the very low i.e. below R2000, income bracket even when based on operational costs.	
The need for a National Policy review and update in the light of implementation and sustainability challenges.	
The high initial input costs to develop CRU's as reflected by Gauteng's 40m ² units costing approximately R250 000.	

8. RECOMMENDATION

- 8.1 The Masimong project model can be adopted to address mining hostels in the Vryheid and Newcastle areas to help regenerate communities through public-private partnerships.
- 8.2 The initial investment value of the project should be considered as a means to ensure durability of the product and minimize the long term maintenance costs of the project.
- 8.3 All services provided to individual units should be done through prepaid systems.
- 8.4 The innovative payment system and the fingerprint access control system in the Masimong project be explored further for adoption in KZN.
- 8.5 The Province encourages and supports the establishment of housing institutions to ensure sufficient capacity to manage state owned rental developments.
- 8.6 The Province influence National's policy towards an integrated rental approach as opposed to having 2 different policies that is not sustainable in isolation.