human settlements

Department:
Human Settlements
PROVINCE OF KWAZULU-NATAL

Strategic Plan | 2015/16 - 2019/20

Houses, Security & Comfort for all | UMUNTU NGUMUNTU NGEKHAYA

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FOREWORD

The Honorable Mr. R R Pillay, MPL

Member of the Executive Council for

Department of Human Settlements and Public Works

KwaZulu-Natal

It is with great pleasure that I present the 2015/16-2019/20 Strategic Plan of the KwaZulu-Natal Department of Human Settlements. This Strategic plan is based on the fundamental principles of accelerating housing delivery through more effective and holistic planning and through more effective and economical utilisation of resources. The Department has undertaken review and align its Vision, Mission, Goals and Strategic Objectives within the broader Medium Term Strategic Framework and within the context of this Department's core mandate.

Whilst it is acknowledged that great strides have been made towards improving service delivery over the last five years, the Department is committed to fast-tracking housing delivery over the forthcoming years by ensuring that it has the necessary capacity and ability to mitigate key risks and challenges that impact on housing delivery within the Province. Of significant importance to this, is the current dire financial position faced by the country. As indicated by the National Minister of Finance, the Honourable Mr N. Nene during his Budget Speech for 2015 "Today's budget is constrained by the need to consolidate our public finances, in the context of slower growth and rising debt". The resulting decrease in the Human Settlement Development Grant allocation and the increase in the housing subsidy quantum has necessitated that the Department builds less houses but of a higher standard in line with the new specifications relating to energy efficiency.

This, together with the ever increasing housing demand backlogs has necessitated that the Department revisit its current methodologies and approach to achieve decent, integrated and sustainable human settlement patterns. Over the next five years the Department therefore intends to vigorously adopt a more proactive and innovative stance to become more responsive to the macro-economic constraints facing the built-in environment. This Strategic Plan therefore takes cognisance of this and maps the process for meeting the delivery targets as reflected within the broader Medium Term Strategic Framework.

During the 2015/16 to 2019/20 MTSF period, the Department will continue with the implementation of the National Housing Programmes which includes amongst others, the Informal Settlement Upgrade Programme, the Rural Housing Programme, the Emergency Housing Programme, the Finance Linked Individual Subsidy Programme, the Integrated Residential Housing Programme, and the Social Housing Programme.

Emphasis will also be placed with the provision of serviced sites to be made available to the gap income beneficiaries for subsidized purchase. In line with Outcome 8 of the National Service Agreement as well as the Millennium Development Goals, continued attention will be placed on the eradication of slums. The roll out of "mega catalytic" human settlement development initiatives are also anticipated to have a major impact on meeting the housing needs to better the lives of the poor.

Attention will also be placed on promoting the vulnerable groups such as the youth and women in construction. The roll out and implementation of the Military Veterans Programme will also commence during the 2015/16 financial year. The Department further intends to actively strength its relations with key stakeholders that play a fundamental role in facilitating the provision of human settlements within the Province.

A key priority focus over the MTSF period is to address the title deed backlogs. In this regard, the Department has developed a comprehensive turnaround strategy that is anticipated to facilitate home ownership and provide beneficiaries with leverage to become more economically empowered and in doing so to lessen their subjection to their poverty situation.

As part of a more holistic and integrated development approach to service delivery, it is intended that greater focus be given to essential planning fundamentals in order to ensure that a sound foundation is laid for effective service delivery. This is inclusive of obtaining the approval from National Department of Human Settlements for new restructuring zones so as to expedite social housing needs within the Province as well as reviewing of the municipalities Housing Sector Plans and strengthening the functionality of the district housing forums.

In addition, the continued focus on the implementation of the Provincial Growth and Development Plan as well as the Provincial Spatial Economic Development Strategy will ensure that the Department's strategies and priorities are aligned to the key planning mandates of the Province.

In conclusion, I wish to emphasise that despite the financial challenges currently being faced, I am confident and enthusiastic that the Department will be able to deliver on its key mandate of creating sustainable human settlements through innovative and ground-breaking approaches and strategies as well as by mitigating key risks.

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Honourable Mr. R.R. Pillay MPL,
MEC for Human Settlements and Public Works

OVERVIEW BY THE ACCOUNTING OFFICER AND STRATEGIC PLAN UPDATES

Ms G. Apelgren-Narkedein

Head of Department

KwaZulu-Natal Department of Human Settlements

The Departmental strategic planning session undertaken in July 2014 underpins the development of the 2015/16 to 2019/20 strategic plan. During this session the reviewing and alignment of the Vision, Mission, Goals and Strategic Objectives within the broader Medium Term Strategic Framework and within the context of this Department's core mandate was undertaken. In addition, focussed attention was placed on identifying strategic factors that drive and hinder service delivery within the Province. An in-depth analysis of the core challenges facing the performance of the implementation of essential housing programmes was also identified so as to facilitate the development of action plans to mitigate these impediments.

One of the most formidable challenges facing the Department is the housing demand. As per Census 2011, the provincial backlog figure for housing is 742,019. Although a concerted effort has been made to address the housing backlogs, this continues to be a mammoth task when cognisance is given to other key factors that hinder housing delivery. This is inclusive of amongst others, the insufficient bulk infrastructure, and the rapid rate of urbanisation as well as the lack of suitable land. The National Minister of Human Settlements the Honourable Ms. L. Sisulu, during her Budget Speech for 2014, has further stated that "The Budget Vote we are about to deliver is designed as an intervention in the sector towards the building of 1,5 million houses in partnership with the private sector, all stakeholders and communities, over the next five years". The Province of KwaZulu-Natal will therefore have to contribute to 200 000 houses over this term in order to contribute to the achievement of this target.

The Department is also currently faced with the impact of the global economic recession where the financial allocations to the Department to undertake human settlement development are inadequate. This, together with the increase in the housing subsidy quantum implies that the Department will have to build less houses but of a higher standard in line with the new specifications.

Notwithstanding the above mentioned challenges faced by the Department, this Department is committed to

improving the plight of the poorest of the poor and as such the strategic plan is indicative of this. It is responsive to the challenges faced as well as sets the course for fulfilling its core mandate.

During the 2015/16 to 2019/20 period, the key focus areas are to:

- Alleviation of slums in KwaZulu-Natal;

- Ensuring jobs through housing delivery;

- Accelerate the Community Residential programme;

- Create rental/social housing opportunities;

- Build capacity of housing stakeholders (especially municipalities); and

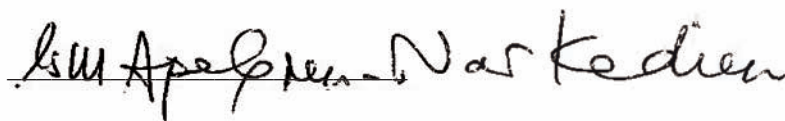- Promote of home ownership and security of tenure

As part of innovative planning, the Department has already conceptualised the "mega catalytic" human settlement development initiatives. These projects are intended to make a huge impact on human settlement transformation as well as restructuring the apartheid spatial planning of the past which created huge discrepancies in levels of service delivered and locational inefficiencies. During the 2015/16 to 2019/20 MTSF period, the roll-out and implementation of these projects will therefore be prioritised. These projects are also anticipated to address some of the key challenges faced by the Department, more especially of utilising the principles of economies of scale to achieve the set targets.

I am also pleased to announce that during the forthcoming years the roll out and implementation of the Military veterans housing programme, the operationalisation of the Anti-Land Invasion Strategy as well as the operationalisation of the Medium Term Operational Plan for the Housing Development Agency's collaboration and support programme with the Department will be undertaken.

It is also that through the continued effective functioning of the Provincial Human Settlements Implementation Forum to address integrated development planning that the achievement of the Breaking New Ground approach to Human Settlement developments will also be ensured.

I am confident that through a competent, committed, skilled, innovative and diverse workforce, together with the re-engineering of business processes, integrated and innovative planning and through sound financial management and good governance, the Department's vision of "Together Breaking New Ground to achieve decent, integrated and sustainable human settlement patterns" can be realised.

I am also optimistic that this strategic plan for the 2015/16 to 2019/20 MTSF period will make great inroads towards the realisation of the 2030 Vision of bettering the lives of the citizens of the Province of KwaZulu-Natal by alleviating poverty, inequality, and unemployment and ensuring that human settlements are provided to all citizens of the Province.

Ms G. Apelgren-Narkedein
Head of Department
KwaZulu-Natal Department of Human Settlements

1. OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan was developed by the management of the Department of Human Settlements in KwaZulu-Natal during a strategic planning session in the 2nd quarter of 2014/15. It takes into account all the relevant policies, reviews and changes, legislation and other mandates for which the KwaZulu-Natal Provincial Department of Human Settlements is responsible. It accurately reflects the strategic outcome oriented goals and objectives which the KwaZulu-Natal Department of Human Settlements will endeavour to achieve over the five year period.

Ms. S. Pillay   Signature: _____

Chief Financial Officer

Ms. G. Apelgren-Narkedien   Signature: _____

Accounting Officer

Approved by: Signature: _____

Honourable Mr. R. R. Pillay
MEC for Department of Human Settlements and Public Works
KwaZulu-Natal Department of Human Settlements

GLOSSARY OF TERMS

ACTT	Anti-Corruption Task Team
AGSA	Auditor General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
AR	Annual Report
ASGISA	Accelerated and Shared Growth Initiatives for South Africa
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
BNG	Breaking New Ground
CBD	Central Business District
CETA	Construction Education and Training Authority
CFO	Chief Financial Officer
CG	Conditional Grant
CIDB	Construction Industry Development Board
CIP	Comprehensive Infrastructure Plan
COGTA	Cooperative Governance and Traditional Affairs
CoP	Community of Practice
CRU	Community Residential Unit
DBSA	Development Bank of Southern Africa
DFI	Development Finance Institution
DHS	Department of Human Settlements
DLA	Department of Land Affairs
DORA	Division of Revenue Act
EEDBS	Enhanced Extended Discount Benefit Scheme
EPRE	Estimates of Provincial Revenue and Expenditure
EPWP	Expanded Public Works Programme
FET	Further Education and Training
FLISP	Finance Linked Individual Subsidy Programme
GRAP	Generally Recognized Accounting Principles
GWEA	Government Wide Enterprise Architecture
HDA	Housing Development Agency

HEAC	Housing Evaluation and Adjudication Committee
HDP	Housing Development Plans
HH	Households
HOD	Head of Department
HSDG	Human Settlement Development Grant
HSP	Housing Sector Plans
IDP	Integrated Development Plan
IGRFA	Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)
ISDS	Integrated Sustainable Development Strategy
ISUP	Informal Settlement Upgrade Programme
ITB	Ingonyama Trust Board
IRDP	Integrated Residential Development Programme
ISRDS	Integrated Sustainable Rural Development Strategy
ISRDP	Integrated Sustainable Rural Development Plan
KZNDHS	KZN Department of Human Settlements
KZNPA	KwaZulu-Natal Provincial Administration
MBASA	Master Builders Association of South Africa
MEC	Member of Executive Council
MDG	Millennium Development Goals
MI	Mortgage Insurance
MIG	Municipal Infrastructure Grant
MHDP	Municipal Housing Development Plans
MHSP	Municipal Housing Spatial Plans
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MYHD	Multi Year Housing Development Plan
NDHS	National Department of Human Settlements
NHBRC	National Home Builders Registration Council
NHFC	National Housing Finance Corporation
NDP	National Development Plan
NSDA	Negotiated Service Delivery Agreement

NSDP	National Spatial Development Plan
NURCHA	National Urban Reconstruction & Housing Association
NUSP	National Upgrading Support Programme
OSD	Occupation Specific Dispensation
OSS	Operation Sukuma Sakhe
OTP	Office of the Premier
PFMA	Public Finance Management Act
PGDP	Provincial Growth and Development Plan
PGDS	Provincial Growth and Development Strategy
PHDP	Provincial Housing Development Plan
PHP	Peoples Housing Process
PIAS	Provincial Internal Audit Service
PPC	Provincial Planning Commission
PSEDS	Provincial Spatial Economic Development Strategy
PSETA	Provincial Sector of Education and Training Agency
RDP	Reconstruction and Development Programme
RHLF	Rural Housing Loan Fund
SABS	South African Bureau of Standards
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SHA	Social Housing Associations
SHF	Social Housing Foundation
SHI	Social Housing Institution
SHRA	Social Housing Regulatory Authority
SHSS	Sustainable Human Settlement Strategy
SIP	Strategic Infrastructure Project
SITA	State Information Technology Agency
SMME	Small Medium and Micro Enterprises
SOE	State Owned Enterprises
SLA	Service Level Agreement
TR	Treasury Regulations

NOTES

PART A: STRATEGIC OVERVIEW

PART A: STRATEGIC OVERVIEW

1. VISION

Together Breaking New Ground to achieve decent, integrated and sustainable human settlement patterns.

2. MISSION

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

3. VALUES

The department subscribes to the Principles of Batho Pele and embraces the following key values:
• Commitment to performance;
• Trust and honesty;
• Transparency and consultation;
• Integrity; and
• Accountability.

CORE/VALUES PRINCIPLES FOR THE DEPARTMENT OF HUMAN SETTLEMENTS	
Commitment to performance	We will continue to motivate our staff to work hard and efficiently through recognition while providing service excellence at all times
Trust and honesty	We provide service impartially, fairly, equitably and without bias
Transparency and consultation	We will be open about our day to day activities, how much our department receives, how that money is spent. This information will be available to the public. Annual reports, strategic plans, service commitment charters, etc. will be made available to the public.
Integrity	Integrity means doing the right thing at all times and in all circumstances, whether or not anyone is watching. It takes having the courage to do the right thing, no matter what the consequences will be. Building a reputation of integrity takes years.
Accountability	Public sector administration of land delivery processes should be open and accountable

4.   Legislative and other mandates

4.1   Constitutional mandates

The following sections of the Constitution are relevant to the Department:

4.1.1   Chapter 2 - This Chapter deals with the Bill of Rights and the department will have to ensure that the necessary steps are undertaken to ensure that these rights are not compromised.

4.1.2   Chapter 3 - This Chapter deals with co-operative government and intergovernmental relations. The department will have to ensure that we observe and adhere to the principles in the Chapter and that we conduct our activities within the parameters of the Chapter.

4.1.3   Chapter 6 - As a public institution, the department will have to report to the Provincial Legislature as and when required.

4.1.4   Chapter 10 - As a public institution, the department will have to ensure that it is administered in according with the provisions of this Chapter which deals with public administration.

4.1.5   Chapter 13 - As a public institution, the department will have to ensure that it is administered in according with provisions of this Chapter which deals with financial matters.

Schedule 4 - This section sets out the areas of provincial legislative competence.

4.2   Legislative mandates

The department's core functions are mandated by the following key legislation:

LEGISLATION	MANDATE
1. Constitution of the Republic of South Africa 108 of 1996	Chapter 2: Bill of Rights: Section 26: Everyone has the right to have access to adequate housing. The State must take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of this right. 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.
2. Housing Act 107 of 1997	Part 1: Section 2: The National, Provincial and Local spheres of government must give priority to the needs of the poor in respect of housing development, consult meaningfully with individuals and communities affected by housing development. Ensure that housing development provides a wide choice of housing and tenure options as is reasonably possible which is economically, fiscally, socially and financially affordable and sustainable, is based on integrated development planning and is administered in a transparent, accountable and equitable manner, and upholds the practice of good governance.

LEGISLATION	MANDATE
3. Housing Consumer Protection Measures Act 95 of 1998	Chapter 1: Section 3: The objects of the Council is to: a) Represent the interests of housing consumers by providing warranty protection against defects in new homes; b) Regulate the home building industry; c) Provide protection to housing consumers in respect of the failure of home builders to comply with their obligations in terms of this Act; d) Establish and to promote ethical and technical standards in the home building industry; e) Improve structural quality in the interests of housing consumers and the home building industry f) Promote housing consumer rights and to provide housing consumer information; g) Communicate with and to assist home builders to register in terms of this Act; h) Assist home builders, through training and inspection, to achieve and to maintain satisfactory technical standards of home building; i) Regulate insurers; and ii) In particular, to achieve the stated objects of this section in the subsidy housing sector.
4. Rental Housing Act 50 of 1999	Chapter 2: Section 1: Provides that Government must promote a stable and growing market that progressively meets the latent demand for affordable rental housing among persons historically disadvantaged by unfair discrimination and poor persons, by the introduction of incentives, mechanisms and other measures that: i) Improve conditions in the rental housing market; ii) Encourage investment in urban and rural areas that are in need of revitalization and resuscitation; and iii) Correct distorted patterns of residential settlement by initiating, promoting and facilitating new development in or the redevelopment of affected areas.
5. Sectorial Titles Act, 1986(95 of 1986, as amended by Act 24 & 29 of 2003)	The Act provides for the division of buildings into sections and common property and for the acquisition of separate ownership in sections coupled with joint ownership in common property. The Act further provides for: a) The control of certain incidents attaching to separate ownership in sections and joint ownership in common property; b) The transfer of ownership of sections and the registration of sectional mortgage bonds over, and real rights in sections; c) The conferring and registration of rights in, and the disposal of, common property; d) The establishment of bodies corporate to control common property and for that purpose to apply the rules; and e) The establishment of a sectional titles regulation board.

LEGISLATION	MANDATE
6. Prevention of Illegal Eviction and Unlawful Occupation of Land Act 19 of 1998	Provides that in circumstances of an eviction, an organ of State may institute proceedings for the eviction of an unlawful occupier from land which falls within its area of jurisdiction, except where the unlawful occupier is a mortgagor and the land in question is sold in a sale of execution pursuant to a mortgage, and the court may grant such an order if it is just and equitable to do so, after considering all the relevant circumstances, and if: a) The consent of that organ of State is required for the erection of a building or structure on that land or for the occupation of the land, and the unlawful occupier is occupying a building or structure on that land without such consent having been obtained; or b) It is in the public interest to grant such an order. It further provides that an organ of State contemplated in subsection may before instituting such proceedings, give not less than 14 days' written notice to the owner or person in charge of the land to institute proceedings for the eviction of the unlawful occupier.
7. Home Loan and Mortgage Disclosure Act of 2000	Provides that an office of disclosure must be established in order to deal with financial institutions financial statements. The work incidental to the performance of the functions of the Office must be performed by a secretariat consisting of officials of the Department designated for that purpose by the Minister. The Director-General of Housing is the Accounting Officer for the Office and must cause the installation of the necessary financial controls and management measures by the Office to ensure full accountability for expenses incurred by the Office.
8. Disestablishment of South African Trust Limited Act of 2002	Provides that: All rights and assets of the Company, including the administrative, financial and other records of the Company, vest in the National Housing Finance Corporation (as per the Housing Act), all obligations and liabilities of the Company now vest in the Government as part of the national debt. Thus the Government must meet these obligations and liabilities.
9. Constitutional Court judgment of 2000, on the enforceability of social and economic rights (Government of the Republic of South Africa and Others v Grootboom and Others)	The court held that the State was obliged to take positive action to meet the needs of those living in extreme conditions of poverty, homelessness or intolerable housing. The interconnectedness of the rights and the Constitution as a whole had to be taken into account in interpreting the socio-economic rights and in particular, in determining whether the State had met its obligations in terms of them. The court held that the national government bore the overall responsibility for ensuring that the State complied with the obligations imposed on it by Section 26. The land program adopted by the metropolitan council, on the face of it, met the obligation of the State towards persons in the position of the respondents to the extent that the national housing program did not. The existence of the program was, however, only the starting point. Effective implementation of it required at least adequate budgetary support by national government. As at the date of the launch of the application, the State had not been meeting the obligation imposed on it by section 26 within the relevant area. In particular, the programs adopted by the State fell short of the section's requirements, in that no provision was made for relief to categories of people in desperate need. The Constitution obliged the State to act positively to ameliorate these conditions. This obligation was to devise and implement a coherent and coordinated program, designed to provide access to housing, healthcare, sufficient food and water and social security to those unable to support themselves and their dependents. The State also had to foster conditions to enable citizens to gain access to land on an equitable basis. Those in need had a corresponding right to demand that this be done. However, section 26 (and also section 28) did not entitle the respondents to claim shelter or housing immediately on demand.

LEGISLATION	MANDATE
10. KwaZulu-Natal Housing Act, 1998 (12 of 1998 as Amended)	Chapter 4 provides that: The Department shall be responsible for the administration of the bank account of the Fund and manage and co-ordinate housing development in the Province. The department shall, subject to national and provincial housing policy and after consultation with the Minister, on behalf of the Provincial Government: a) Undertake projects; b) Maintain, sell, or lease dwellings and other immovable property; c) Notwithstanding anything to the contrary in any law and either with the prior consent of the owner or following the expropriation of such land, perform such work and undertake such projects on privately owned land as the Minister may, subject to such terms and conditions as he or she may determine, approve; d) Determine provincial policy in respect of housing development; e) Promote the adoption of provincial legislation to ensure effective housing delivery; and f) Prepare and maintain a multi-year plan in respect of the execution in the province of every national and provincial housing programme, which is consistent with a national and provincial housing policy.
11. Housing Development Schemes for Retired Persons Act, 1998(65 of 1988) as amended by 20 of 1998	The Act amends the Housing Development Schemes for Retired Persons Act, 1988, so as to amend the definition of "housing development scheme", to provide that land subject to a housing interest may be occupied only by a retired person or the spouse of a retired person, and to repeal section 10 of the Act.
12. National Building Regulations and Building Standards Act 103 of 1977	Part A, A1 provides that the plans and particulars in respect of any building to be erected by or on behalf of the State shall be accompanied by a certificate, signed by the head of the State Department concerned or an officer designated by him, setting out in full details as to the respect in which such erection will not comply with the requirements of these regulations.
13. Construction Industry Development Board Act 38 of 2000	Section 5 (1) States that the Board must within the framework of the procurement policy of Government promote the standardization of the procurement process with regard to the construction industry.
14. Preferential Procurement Policy Framework Act 5 of 2000	Provides that an organ of State must determine its preferential procurement policy and the specific goals therein may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.
15. Social Housing Act 16 of 2008	Section 32 makes provision that an agreement entered and concluded between the Regulatory Authority and Provincial Governments which sets out the respective roles and responsibilities of the Regulatory Authority and the Provinces in respect of social housing, specifies the proposed restructuring zones, specifies the process to approve, allocate and administer capital grants as contemplated in the social housing investment plan, and also sets out the process for determination of annual social housing programme and institutional subsidy allocation, the approvals process and time-lines and the payments process and time-lines.
16. Housing Development Agency Act 23 of 2008	In terms of Section 5 the following provision is made: The Minister may in consultation with the relevant MEC, where there is lack of capacity in any organ of State to identify, acquire, hold, develop and release land for residential and community purposes for the creation of sustainable human settlements.

LEGISLATION	MANDATE
17. National Environmental Management Act, 1998 (107 of 1998) as amended by Act 8 of 2004	Provides for the cooperative environmental governance by establishing principles for decision making on matters affecting the environment. Section 16 provides that each provincial government must ensure that the relevant provincial environmental implementation plan is complied with by each municipality within its province and that municipalities adhere to the relevant environmental implementation; and Management plans, and the principles of this Act in the preparation of any policy, programme or plan, including the establishment of integrated development plans and land development objectives.
18. Communal Land Rights Act 11 of 2004	Makes provision for: a) The legal security of tenure by transferring communal land, including KwaZulu-Natal Ingonyama land, to communities, or by awarding comparable redress; b) Conducting of a land rights enquiry to determine the transition from old order rights to new order rights; c) The democratic administration of communal land by communities; to provide for Land Rights Boards; and d) The co-operatives performance of municipal functions on communal land.
19. Communal Property Associations Act 28 of 1996	This Act enables communities to form juristic persons, to be known as communal property associations in order to acquire, hold and manage property on a basis agreed to by members of a community in terms of a written constitution. This Act prescribes the type of communities, who qualify, the registration process which needs to be followed as well as the rights, obligations and duties of parties once the juristic person has been established.
20. Deeds Registries Act 47 of 1937	The Act deals with the administration, registration of land and State land and details the procedures which need to be followed during same.
21. Extension of Security of Tenure Act 62 of 1997	The Act promotes: a) Long term security of tenure for occupiers of land, where possible through the joint efforts of occupiers, landowners and government bodies; b) Extending the rights of occupiers whilst giving due recognition to the rights, duties and legitimate interests of owner; and c) Regulating the eviction of vulnerable occupiers from land in a fair manner.
22. Land Administration Act 2 of 1995	The Act makes provision for the delegation of powers and the assignment of the administration of laws regarding land matters to the provinces as well as the creation of uniform land legislation.
23. Expropriation Act, 1951 as repealed by Act 63 of 1975	The Act provides for the expropriation of land and other property for public and certain other purposes.
24. State Land Disposal Act 48 of 1961	This Act provides for the disposal of certain State land and to prohibit the acquisition of State land by prescription.

4.3   Policy and programme mandates

The Department's core functions are informed by the following:

NAME OF POLICY	MANDATE
1. Informal Settlement Upgrading Strategy for KwaZulu-Natal	A key objective of the Strategy is to give effect to the KwaZulu-Natal Elimination and Prevention of Re-Emergence of Slums Act (Act No. 6 of 2007). The purpose of this Act is to provide for: 'the progressive elimination of slums in the Province of KwaZulu-Natal; measures for the prevention of the reemergence of slums and the upgrading and control of existing slums.' The Act obliges all municipalities to assess the status of informal settlement and to plan accordingly. An additional and overriding objective for the KZN Department is however also to address and comply with the National Department's Outcome 8 National Development Agreement which places a high priority on the upgrading of Informal Settlements with access to basic services and secure tenure.
	In addition to this the more specific objectives of the Strategy include:
	• Enhancing the Housing Sector Planning process by including a Slum Clearance Programme;
	• Promoting sector alignment in terms of IDP, Integrated Sustainable Human Settlements, Area Based Planning, Spatial Restructuring;
	• Developing an informal settlement plan of action and to implement it together with the affected municipalities; and
	• Promoting community participation in formulation and implementation of Slum Clearance Programme.
2. The Integrated Sustainable Rural Development Strategy, November 2000	The strategy is designed to realize a vision that will attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who are equipped to contribute to growth and development.
	Section 1: Outlines evaluation of international approaches to rural development, which have hinged around inadequate local capacity and tendencies to excessive centralization of decision making.
	Section 2: presents a characterization of rural South Africa. It identifies those that are widely associated with rural conditions around the world.
	Section 3: outlines the legal and policy framework for rural development in South Africa and outlines some achievements in the period 1994 to 2000.
	Section 4: presents the elements behind the vision of the ISRDS namely; rural development, sustainability, integration and the rural safety net.
	Section 5: presents the operational approach of the ISRDS i.e. build immediately on existing programmes of government through a well coordinated, bottom-up approach to rural local economic development.
	Section 6: highlights some complementary measures to support the ISRDS namely; human resource development and capacity building, land reform, community based income generation projects, social assistance and safety nets and rural finance.
	Section 7: presents the proposed institutional arrangements, which will operate in the political and operational areas.
	Section 8: identifies five implementation elements of the strategy which comprises of; institutional arrangements, establishment of an information and knowledge base, development of planning and monitoring systems, establishing mechanisms of coordination and stakeholder mobilization.

NAME OF POLICY	MANDATE
3. The National Housing Code, 2009	The Code sets the underlying policy principles, guidelines and norms and standards which apply to Government's various housing assistance programmes introduced since 1994 and updated. It also identifies various housing subsidy instruments available to assist low income households to access adequate housing. It further provides for the qualification criteria per subsidy instrument and the process that needs to be followed in order to access the specific instrument.
4. The National Spatial Development Perspective, 2006	The document comprises: • A set of principles and mechanisms for guiding infrastructure investment and development decisions; • A description of the spatial manifestations of the main social, economic and environmental trends that should form the basis for a shared understanding of the national space economy; and • An interpretation of the spatial realities and the implications for government intervention. In order to contribute to the broader growth and development policy objectives of Government the document advocates the following five principles : Principle 1: Rapid economic growth that is sustained and inclusive is a prerequisite for the achievement of other policy objectives, among which poverty alleviation is key. Principle 2: Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside. Principle 3: Beyond the constitutional obligation identified above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities. Principle 4: Efforts to address past and current social inequalities should focus on people, not places. Principle 5: In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or that link the main growth centers.
5. Building capacity of housing stakeholders (especially municipalities)	The Housing Act 107 of 1997 provides that all reasonable and necessary steps to support municipalities in the exercise of their power and the performance of their duties in respect of housing development. Section (2) (e) states that National and Province must support and strengthen the capacity of municipalities to manage their own affairs to exercise their powers and performs their duties in respect of housing development. The Housing Accreditation programme is meant to support the municipalities.

NAME OF POLICY	MANDATE
6. Outcome 8: Medium Term Strategic Framework 2014-2019	The framework focuses on policy and funding reforms to achieve the following: • Better spatial planning to better target resource allocation; • Ensuring that poor households have adequate housing in better living environments; • Supporting the development of a functionally and equitable residential property market improving institutional capacity and coordination In order to achieve the vision of sustainable human settlements and improved quality of household life the DOHS drives effective programmes to achieve the following: • Adequate housing and improved quality living environments; • A functionally equitable residential property market; and • Enhanced (institutional) capabilities for effective coordination of spatial investment decisions.

NAME OF POLICY	MANDATE
7. Provincial Growth and Development Plan	**Strategic Objective 3.4: Sustainable human settlements** The provision of a house remains an important part of human settlements it is now common cause that livable human settlements require decent planning that involves: designing a safe environment, infrastructure that allows and enables economic activity, delivery of services and social facilities as well as good maintenance capacity. This desired human settlement has been slow to materialize. The causes are many and varied, yet not insurmountable. This intervention is about finding an appropriate institutional mechanism to achieve a coordinated and aligned service delivery programme, with DOHS being the driver of this institutional mechanism as they are most acutely affected by the unco-ordinated service delivery response. Proposed interventions are as follows: Intervention 3.4.a: Establishment of a joint provincial forum addressing integrated development planning A human settlement in particular requires co-ordination such that houses, water, electricity and sanitation are an immediate part of the same product, whilst community life is also enabled by provision of schools, and other social facilities. It is not clear why this co-ordination is not possible despite it having been long recognized to be a requirement. This intervention is about providing a model for this alignment and co-ordination of government efforts for improved delivery of sustainable Human Settlement. This forum will use as it departure point the Provincial Spatial Development Framework, which has identified KZN's areas of opportunity and intervention. Intervention 3.4.b: Densification of settlement patterns This intervention recognizes that the current settlement patterns are not conducive to cost effective service delivery or environmentally sustainable settlements. This is as a result of dispersed and fragmented settlement patterns that require people to travel long distance to access economic opportunities or lesser density per hectares that are more expensive to service. This intervention proposes an alternative densification model that uses current housing instruments to achieve greater urban densities and more coherent integrated settlements around identified emerging nodes. Intervention 3.4.c: Transformation of Informal Settlements This intervention is about providing housing opportunities to people at the low end of the housing market. It proposes to transform these informal settlements via the business instruments of: Informal Settlements Upgrade; Integrated Residential Development Programme; and Enhanced Peoples Housing Programme. In this way, people living in informal settlements have greater opportunity to access tenure of housing, economic and social opportunities.

NAME OF POLICY	MANDATE
	Intervention 3.4.d: Develop provincial strategy and plan to address housing Gap Market This intervention seeks to provide housing subsidy for people, who earn between (R3501 - R15000) in the gap market to allow for purchase of property. These properties ranges from R450,000 to R700,000 which is entry level housing and usually difficult to obtain bonds. The intervention will include a targeted inclusion of gap housing in all new housing projects aligned to the target contained in national outcome 8. The current housing instrument of Financially Linked Intervention Subsidies (FLISP) is being used to address this housing challenge. Intervention 3.4.e: Expand the Social Housing Programme and Rental Programme This intervention is to address the current lack of housing opportunities for low end housing market entrants. The intervention seeks to provide well located accommodation on a rental basis for income brackets between (R3 501 - R7 500). The current housing instruments being used to achieve this are the Social Housing Programme, the Institutional Subsidy Programme and the Community Residential Units Programme. These instruments either purchase or build units for rental purposes as well as refurbish previous hostels.
8. National Development Plan	Chapter 8: Transforming Human Settlements The objectives include the following: • Strong and efficient spatial planning system, well integrated across the spheres of government; • Upgrade all informal settlements on suitable, well located land by 2030; • More people living closer to their places of work; and • More jobs in or close to dense, urban townships. Actions: • Reforms to the current planning system for improved coordination. • Develop a strategy for densification of cities and resource allocation to promote better located housing and settlements. • Introduce spatial development framework and norms, including improving the balance between location of jobs and people. • Conduct a comprehensive review of the grant and subsidy regime for housing with a view to ensure diversity in product and finance options that would allow for more household choice and greater spatial mix and flexibility. • Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods.

NAME OF POLICY	MANDATE
9. Breaking New Ground - A Comprehensive Plan for the Development of Sustainable Human Settlements	The specific objectives include: • Accelerating the delivery of housing as a key strategy for poverty alleviation; • Utilizing provision of housing as a major job creation strategy; • Ensuring property can be accessed by all as an asset for wealth creation and empowerment; • Leveraging growth in the economy; • Combating crime, promoting social cohesion and improving quality of life for the poor; and • Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking the barriers between the first economy residential property boom and the second economy slump. The Department will enhance its contribution to spatial restructuring by: • Progressive Informal Settlement Eradication; • Promoting Densification and Integration; • Enhancing Spatial Planning; • Enhancing the location of new housing projects; • Supporting Urban Renewal and Inner City Regeneration; • Developing social and economic infrastructure; and • Enhancing the Housing Product.

4.4   Relevant court rulings

4.4.1 There are no finalised relevant court rulings, however there is one Constitutional Court ruling which may have an impact in the future. The Department of Human Settlements obtained an interim order in which the Ethekwini Municipality and Police Services were cited. The order was obtained to prevent invasion of state land. The occupiers of some of the land applied for leave to intervene and the High Court refused their application. An appeal was launched to the Constitutional Court. The Constitutional Court in J. Zulu and 389 others (case number 108/13) were granted leave to intervene in the proceedings to the appellants and the matter has been referred back to the High Court.

4.5   Planned policy initiatives

The core functions of the department are to:
- Alleviation of slums in KwaZulu-Natal
- Ensuring jobs through housing delivery
- Accelerate the hostel and redevelopment programme
- Create rental/social housing opportunities
- Build capacity of housing stakeholders (especially municipalities)
- Promote of home ownership

As means to deliver services to the communities of the Province in keeping with government's electoral mandate the government of the Province of KwaZulu-Natal has identified 14 provincial strategic priorities as focus areas. These are as follows:

NO.	PROVINCIAL STRATEGIC PRIORITY/OUTCOME
1.	Improved quality of basic education
2.	A long and healthy life for all South Africans
3.	All people in South Africa are safe and feel safe
4.	Decent employment through inclusive economic growth
5.	Skilled and capable workforce to support an inclusive growth path
6.	Efficient, competitive and responsive infrastructure network
7.	Vibrant, equitable, sustainable rural development communities contributing to food security to all
8.	Sustainable human settlements and improved quality of household life
9.	Responsive, accountable, effective and efficient local government system
10.	Protect and enhance our environmental assets and natural resources
11.	Create a better South Africa, and a better World
12.	An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship
13	Social protection
14	Nation building and social cohesion

LINKAGE					
14 MTSF OUTCOMES		**7 PGDS GOALS**		**30 PGDP OBJECTIVES**	
1.	Education	1.	Job creation	1.	Unleashing the Agricultural Sector
2.	Health	2.	Human resource development	2.	Industrial Development through Trade, Investment & Exports
3.	Safety	3.	Human and community development	3.	Government-led job creation
4.	Employment	4.	Strategic infrastructure	4.	SMME, Entrepreneurial and Youth Development
5.	Skilled work force	5.	Environmental sustainability	5.	Enhance the Knowledge Economy
6.	Economic infrastructure	6.	Policy and governance	6.	Early Childhood Development, Primary and Secondary Education
7.	Rural development	7.	Spatial equity	7.	Skills alignment to Economic Growth
8.	Human settlements			8.	Youth Skills Development & Life-Long Learning
9.	Developmental local government			9.	Poverty Alleviation & Social Welfare
10.	Environmental assets and natural resources			10.	Health of Communities and Citizens
11.	Better South Africa			11.	Sustainable Household Food Security
12.	Development oriented public service			12.	Promote Sustainable Human Settlement
13.	Social protection			13.	Enhance Safety & Security
14.	Transforming society and uniting the country			14.	Advance Social Capital
				15.	Development of Harbours
				16.	Development of Ports
				17.	Development of Road & Rail Networks
				18.	Development of ICT Infrastructure
				19.	Improve Water Resource Management
				20.	Develop Energy Production and Supply
				21.	Productive Use of Land
				22.	Alternative Energy Generation
				23.	Manage pressures on Biodiversity
				24.	Adaptation to Climate Change
				25.	Policy and Strategy Co-ordination & IGR
				26.	Building Government Capacity
				27.	Eradicating Fraud & Corruption
				28.	Participative Governance
				29.	Promoting Spatial Concentration
				30.	Integrated Land Management & Spatial Planning

MTSF Sub-Objective	PGDP Sub-Objectives	PGDP Primary Indicators
Adequate housing & improved quality of living environments (with secure tenure, access to basic services and within sustainable settlements)	3.4. Develop Sustainable human settlements	% Housing backlog: 7% decrease over 5 year period until 2020
A functionally equitable residential property market (a single functional residential property market)	3.4. Develop Sustainable human settlements	% Households with registrable form of tenure (excluding ITB land): 3% increase per 5 year period % Provincial Human Settlement budget spent on formal settlement development: 3% increase over 5 year period
Enhanced (institutional) capabilities for effective coordination of spatial investment decisions	7.1 Actively promote spatial concentration & coordination of development 7.2 Apply effective spatial planning and land management system across the province	Establishment of a joint infrastructure task team.

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

4.5.1   Informal Settlement Upgrading – The department will focus on eradication of informal settlements in high capacity municipalities such as eThekwini and Msunduzi.

4.5.2   Rental Market – The department will implement the 5 year Rental Strategic Plan which was launched on 24 May 2013.

4.5.3   Job Creation and Decent Work – The department remains committed to poverty alleviation and job creation in the Province through the labour programmes EPWP.

4.5.4 In line with the National sector priorities, the Departmental Medium Term Strategic Framework priorities for 2014/15 to 2018/19 are as follows:

MTSF	Performance Indicator	Provincial Target over MTSF	2014/15	2015/16	2016/17	2017/18	2018/19
Informal Settlements upgraded to Phase 2	Number of projects implemented	317	61	52	62	76	66
Housing opportunities through the People's Housing Process	Number of houses built	13,231	2,611	2,670	2,550	2,550	2,850
Affordable rental housing opportunities	Number of houses/units built	4,708	672	463	1,155	1,195	1,223
Affordable housing opportunities (utilising the Government Guarantee policy and the Finance-Linked Individual Subsidy Scheme)	Number of houses built	927	117	175	200	210	225
Investment in public spaces	Number of projects completed	9	-	-	9	-	-
Eradication of title deeds backlog	Number of transfers	46,576	5,042	7,040	10,308	12,619	11,567
Availability of well-located land	Number of hectares acquired	4,157	255	513	330	1,218	1,841
Use of catalytic projects to direct investments	Number of projects implemented	6	1	5	-	-	-
Accreditation and assignment of municipalities	Number of municipalities accredited	5	-	-	5	-	-
Installation of sanitation facilities for households in rural areas with high backlogs;	Number of VIP's installed	16,338	4,897	3,453	4,265	4,352	4,268
Engagement with HDA and SHRA	Operationalization of Medium Term Operational Plan	Operational Plan operationalised for HDA		Operational Plan operationalised for HDA	-	-	-
Strengthen coordination with key departments contributing to human settlements development especially COGTA, Water Affairs (Water Boards), Environment, Public Enterprise, Energy (Eskom); etc.	Number of governance structures established	1	-	1	-	-	-

The National Minister of Human Settlements, in her speech during a media briefing in June 2014, committed 1.5 million housing opportunities over the next five years. In a review of the previous delivery outputs until 2014 it is clear that the Department's delivery approach should change from small projects of 200 houses to mega projects of integrated housing to cater for different incomes and needs. These will include houses for the indigent, gap housing, rental units, social housing and serviced stands. This will ensure integration of different income groups, different races and lead to the building of a South Africa that truly belongs to all. The delivery approach in dealing with this commitment will be in the short, medium and long term throughout the MTSF period.

The National Human Settlements has set a target of 50 Priority Projects across South Africa that will deliver mega catalytic integrated and sustainable human settlements. MEGA is the key word: these projects must deliver BNG houses (30%), Gap houses (20%), rental accommodation (20%), social housing (10%) and serviced sites (20%). These projects will also have economic and social amenities. A youth brigade will be created in each province and assigned to catalytic projects. The mega catalytic projects identified for planning and implementation are as follows:

Municipality	Project	Estimated Yield
Ilembe	Hyde Park	4,600
	Greater Driefontein	10,000 – 15,000
Ethekwini	Cornubia	28,000
	Cornubia North	30,000
Msunduzi	Signal Hill	3,000
	Ethembeni	4,000
Umhlathuze	Empangeni	10,000
Newcastle	Johnston Blaaubosch Cavarn	5,000 – 7,500

Map A1: The spatial representation of catalytic projects is reflected hereunder:
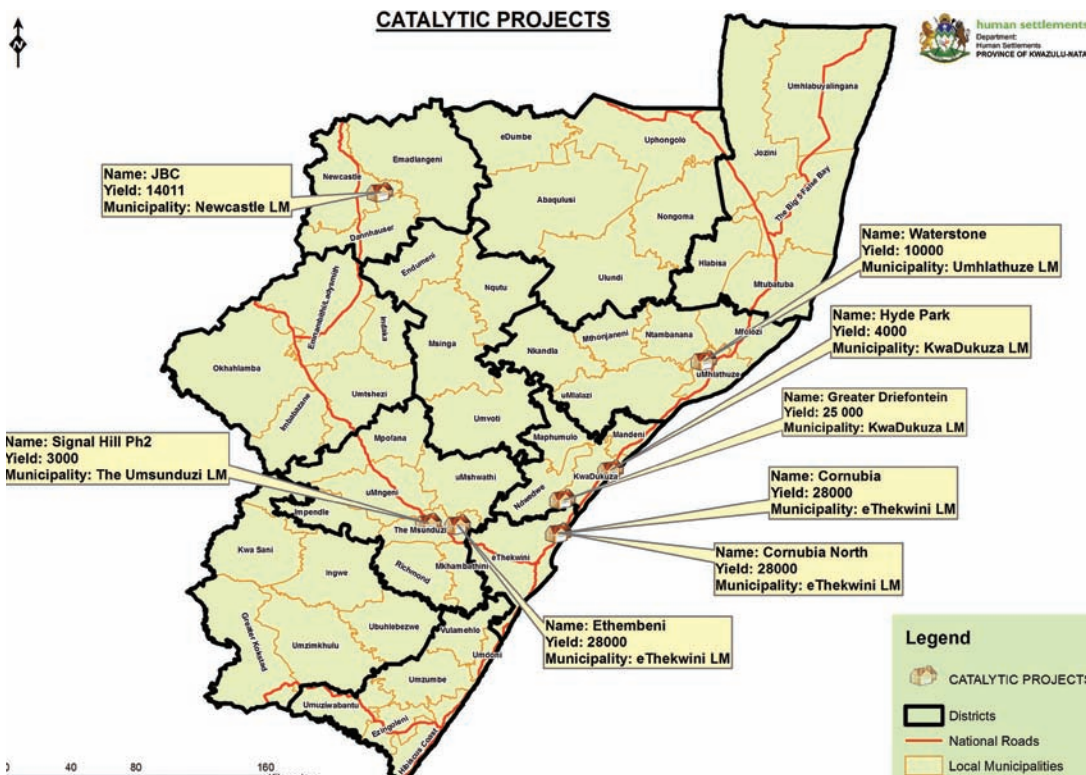
The Department of Human Settlements will collaborate with the Department of Rural Development and Land Reform and the Deeds Office by establishing a dedicated unit that will fast-track the issuing of Title Deeds to realize the value of the "dead assets" that are in the hands of our people.

As part of restructuring human settlements entities, the Housing Development Agency (HDA) will become a fully-fledged property development agency, whose job is not only to acquire and prepare land, but also to be project managers to assist municipalities and any other sphere of government that might need support. They must drive rapid housing delivery.

The Departments of Human Settlements and Public Works has many sites in its possession which will be utilized for the residential serviced sites. The release of 4,000 sites is expected.

5. Situational analysis

Census 2011 data indicates that the provincial backlog figure for housing is 742,019. Although a concerted effort has been made to address the housing backlogs, this continues to be a challenge.

A fundamental driver that exacerbates effective and efficient delivery of human settlements is rapid urbanisation. Urbanization has been one of the most significant demographic and settlement trends over the past few decades. According to Census 2011 53% of the present population in KZN is urbanised but this is expected to increase significantly. Consideration therefore needs to be made for the provision for settlements of various types, both urban and rural situations.

The lack of bulk infrastructure across the province also impacts on service delivery. The province has the largest basic infrastructure backlogs[1]. This has a huge bearing on the ability of the department to roll out the delivery of houses.

The unavailability of affordable well located land for low income housing has resulted in the housing programme largely extending existing areas, often at the urban periphery and achieving limited integration.

Densification and sprawl, encouraged by increased mobility. Cross and Harwin (2008, 9, 12) report that this trend has been occurring in rural areas with the emergence of settlements with densities of 200 – 400 persons/sq km; in peri-urban areas around secondary cities and small towns with densities of 400+ /sq km; as well as around metropolitan centres with densities of 400+/sq km. The majority of KZN's rural population already lives in fairly dense rural settlements and the trend seems to continue. While these densities are sufficiently high to make small scale farming difficult, they are too low for efficient public transport, or cost-effective infrastructure and service delivery; and the thresholds are too low to support all but the most basic economic activities. In addition, many of the low income housing projects developed during the past 20 years are poorly located on the periphery of towns or in rural areas with no economic base. Consequently, the prevailing settlement pattern does not provide an effective spatial framework for economic and social development in KZN and as a result public investment is not being used optimally.

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1   *Census, 2011*

RANK	MAIN PLACE	LOCAL/METRO MUNICIPALITY	DISTRICT/METRO MUNICIPALITY	POPULATION DENSITY (People per sq.km)
1	Siyanda	eThekwini	eThekwini	13 070.69
2	Nkobongo	KwaDukuza	iLembe	10 102.07
3	Folweni	eThekwini	eThekwini	8 942.49
4	Umlazi	eThekwini	eThekwini	8 528.99
5	Inanda	eThekwini	eThekwini	8 241.63
6	KwaMashu	eThekwini	eThekwini	8 180.42
7	Ethafeni	KwaDukuza	iLembe	7 936.47
8	UCC Informal	KwaDukuza	iLembe	7 637.58
9	Townview	Mpofana	UMgungundlovu	7 517.33
10	Clermont	eThekwini	eThekwini	7 499.68
11	Ntuzuma	eThekwini	eThekwini	7 033.35
12	Imbali	Msunduzi	UMgungundlovu	6 971.75
13	Lloyd	KwaDukuza	iLembe	6 598.76
14	Honolulu	KwaDukuza	iLembe	6 412.25
15	KwaLandeza	eThekwini	eThekwini	6 274.12
16	Nseleni	uMhlathuze	Uthungulu	6 185.53
17	Uzimgwenya	uMhlathuze	Uthungulu	6 178.06
18	Malagazi	eThekwini	eThekwini	6 147.52
19	Inanda A	eThekwini	eThekwini	5 913.72
20	Phoenix	eThekwini	eThekwini	5 866.97
21	Sundumbili A	Mandeni	iLembe	5 843.22
22	Ovondlo A	uMhlathuze	Uthungulu	5 803.40
23	Malukazi	eThekwini	eThekwini	5 779.52
24	Bruntville	Mpofana	UMgungundlovu	5 683.75
25	Mpophomeni	uMgeni	UMgungundlovu	5 617.09
26	Iziko	eThekwini	eThekwini	5 480.48
27	Umbhayi	eThekwini	eThekwini	5 422.36
28	Esikhawini H	uMhlathuze	Uthungulu	5 414.78
29	Thembini	KwaDukuza	iLembe	5 204.98
30	Osizweni	Newcastle	Amajuba	5 075.27

Source: Housing Development Agency

*Map A2: Population Density of KwaZulu-Natal[2]*
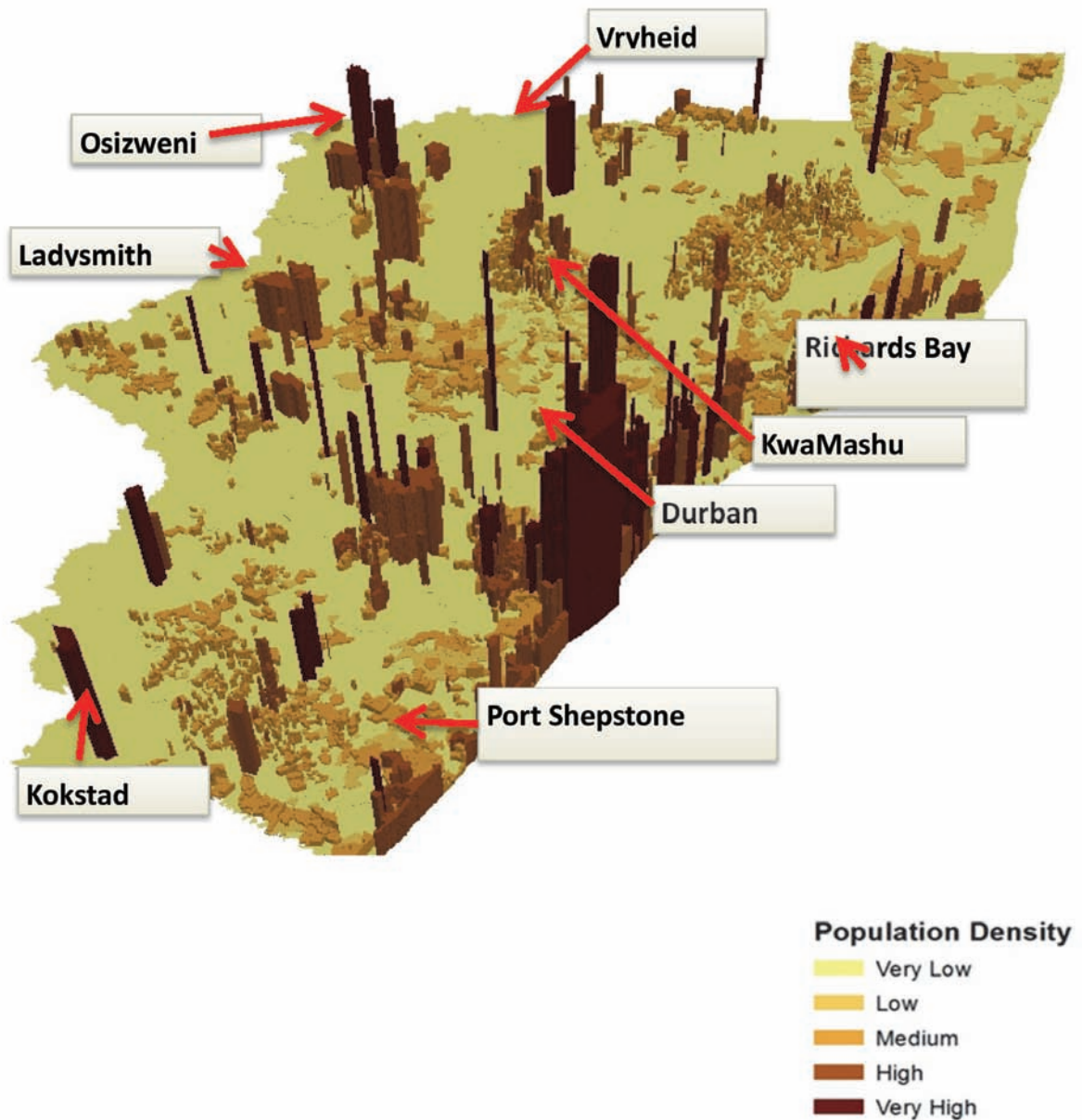
The above population density map together with the statistical data reflects the population of the province per square kilometer. The eThekwini Metropolitan is the municipality with the highest population density in the province. Siyanda is the main place with the highest population density, followed by, Folweni and Umlazi.

Poverty

As reflected hereunder, the poverty index reflects priorities and areas that require urgent priority intervention. The Department can therefore greatly contribute to addressing poverty levels within the Province by improving the living standards of the poorest with the provision of housing.

Map A3: Poverty Index [3]

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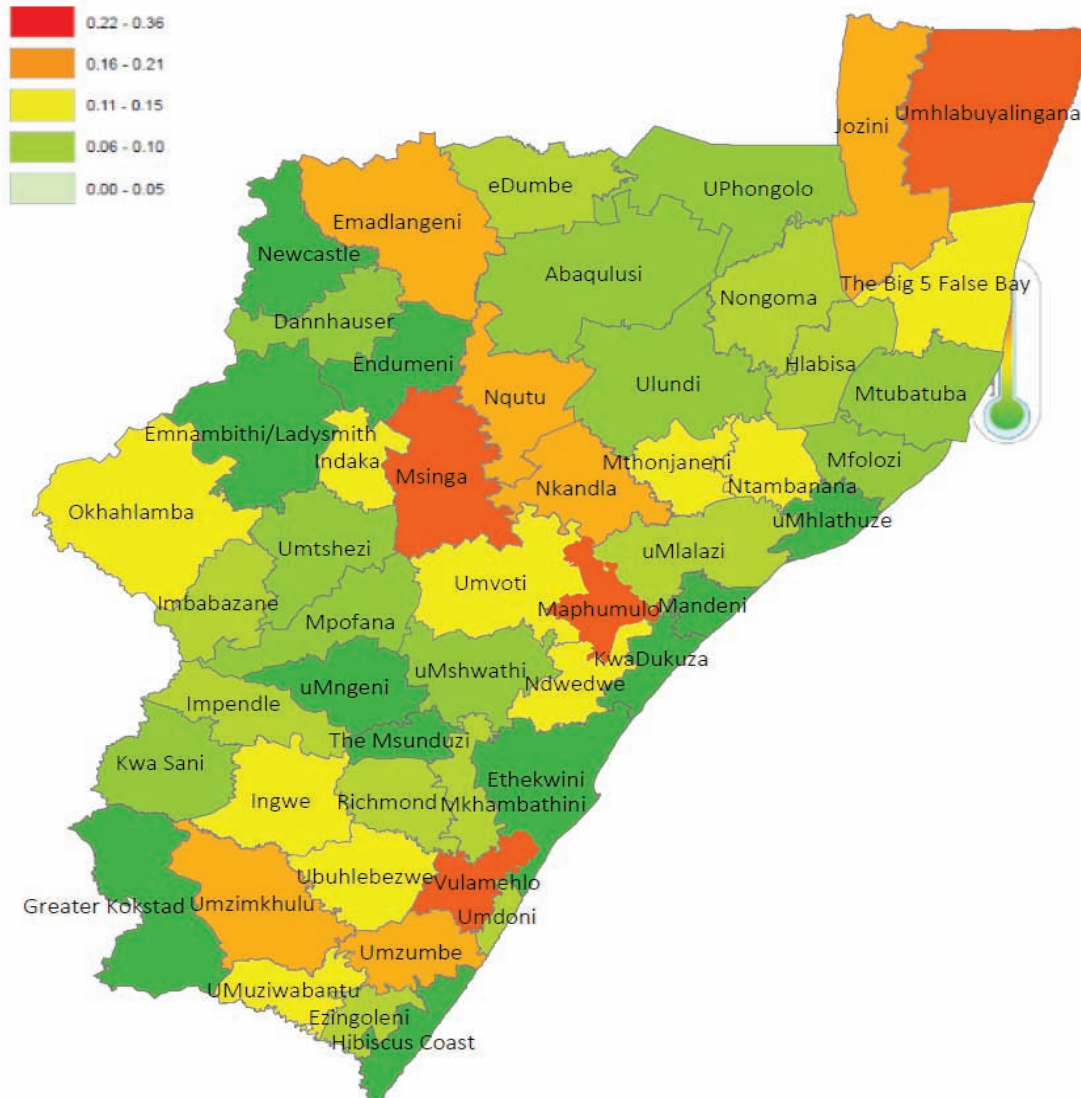
3   *KwaZulu-Natal Poverty Eradication Master Plan (2014)*

Provincial Rank	Municipality	Total Population	Number of Deprived Communities	Very Highly Deprived Population	% of very Highly Deprived Population	National Rank
1	Msinga	177 549	138	139 948	78.82%	1
2	Ntambanana	74 326	31	34 656	46.50%	2
3	Imbabazane	113 013	46	46 908	41.51%	4
4	Umhlabuyalingana	156 686	71	60 553	38.65%	5
5	Ezingoleni	52 536	20	20 074	38.21%	6
6	Okhahlamba	132 536	47	47 069	35.65%	7
7	Ndwedwe	140 775	57	48 050	34.13%	8
8	Umtshezi	83 147	23	27 258	32.78%	9
9	Mfolozi	122 849	35	37 130	30.22%	10
10	Umvoti	103 081	35	30 929	30.00%	11

Source: Housing Development Agency
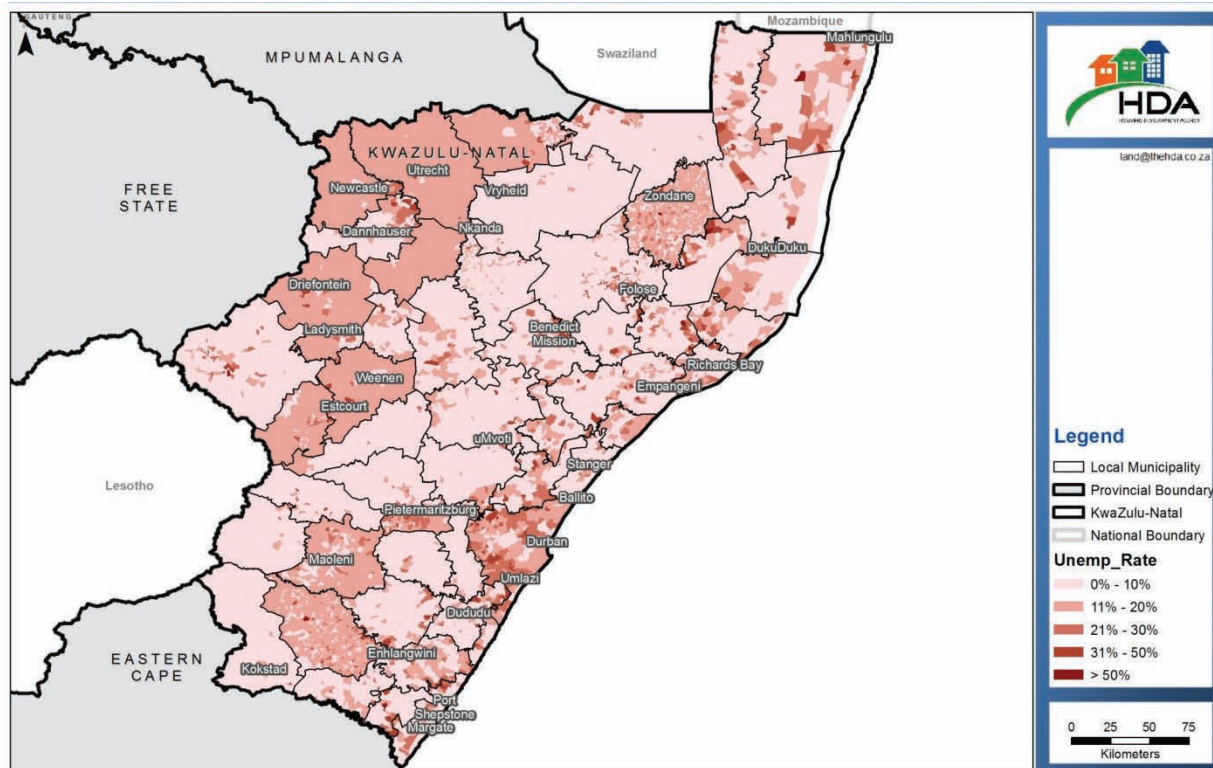
Based on the analysis, KwaZulu-Natal has the highest number of very highly deprived people per municipality.

Msinga and Ntambanana are the municipalities with the highest number of very highly deprived people in KwaZulu-Natal, but also in South Africa.

Unemployment Rates

*Map A4: Reflecting the unemployment rate per main place[4]*

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[4]   *Source: Housing Development Agency*

RANK	MAIN PLACE	LOCAL/METRO MUNICIPALITY	DISTRICT/METRO MUNICIPALITY	UNEMPLOYMENT RATE (%)
1	Sihuzu	Ntambanana	Uthungulu	74.10
2	Mandlanzini	Ntambanana	Uthungulu	66.28
3	Sigangeni	Nongoma	Zululand	63.37
4	Mabedlane A	eThekwini	eThekwini	61.32
5	KwaMememe	Nongoma	Zululand	61.25
6	Mvuyane	Mkhambathini	Umgungundlovu	60.08
7	Nthunzi	uMhlathuze	Uthungulu	59.44
8	Mpophomeni	Umhlabuyalingana	Umkhanyakude	58.33
9	Ngolotshe A	Nongoma	Zululand	56.96
10	KwaDlabe	Nongoma	Zululand	54.84
11	Mbajawa	Umzimkhulu	Sisonke	54.33
12	Nhlohlela	uMlalazi	Uthungulu	54.04
13	Vuka	Umzimkhulu	Sisonke	53.33
14	Denge	eThekwini	eThekwini	52.51
15	Matshamnyama	Hlabisa	Umkhanyakude	52.41
16	Zulwini	Jozini	Umkhanyakude	51.66
17	Thintumkhaba	uMlalazi	Uthungulu	51.00
18	Makhwelela A	Okhahlamba	Uthukela	50.81
19	Thembini	Ezingoleni	Ugu	50.54
20	Ngubela	Okhahlamba	Uthukela	50.45
21	Esidakeni	Abaqulusi	Zululand	5039
22	Mafitleng B	Nqutu	Umzinyathi	48.42
23	Ntandakuwela A	Ulundi	Zululand	48.09
24	Qubeni B	Ulundi	Zululand	48.05
25	Nhlambamasoka	Impendle	Umgungundlovu	47.76
26	Ekukhanyeni	uMshwathi	Umgungundlovu	47.73
27	Nkungumathe	Nkandla	Uthungulu	47.65
28	Ezinkawini	Mthonjaneni	Uthungulu	47.34
29	Amangamazi	Umdoni	Ugu	46.41
30	Mbeka	uMshwathi	Umgungundlovu	46.24

In terms of the above analysis, Ntambanana and Nongoma the local municipalities of the Uthungulu and Zululand District Municipalities respectively have highest unemployment rates followed by the eThekwini Municipality.

Investment Potential

Map A5: Reflected hereunder is the investment potential of the Municipalities.
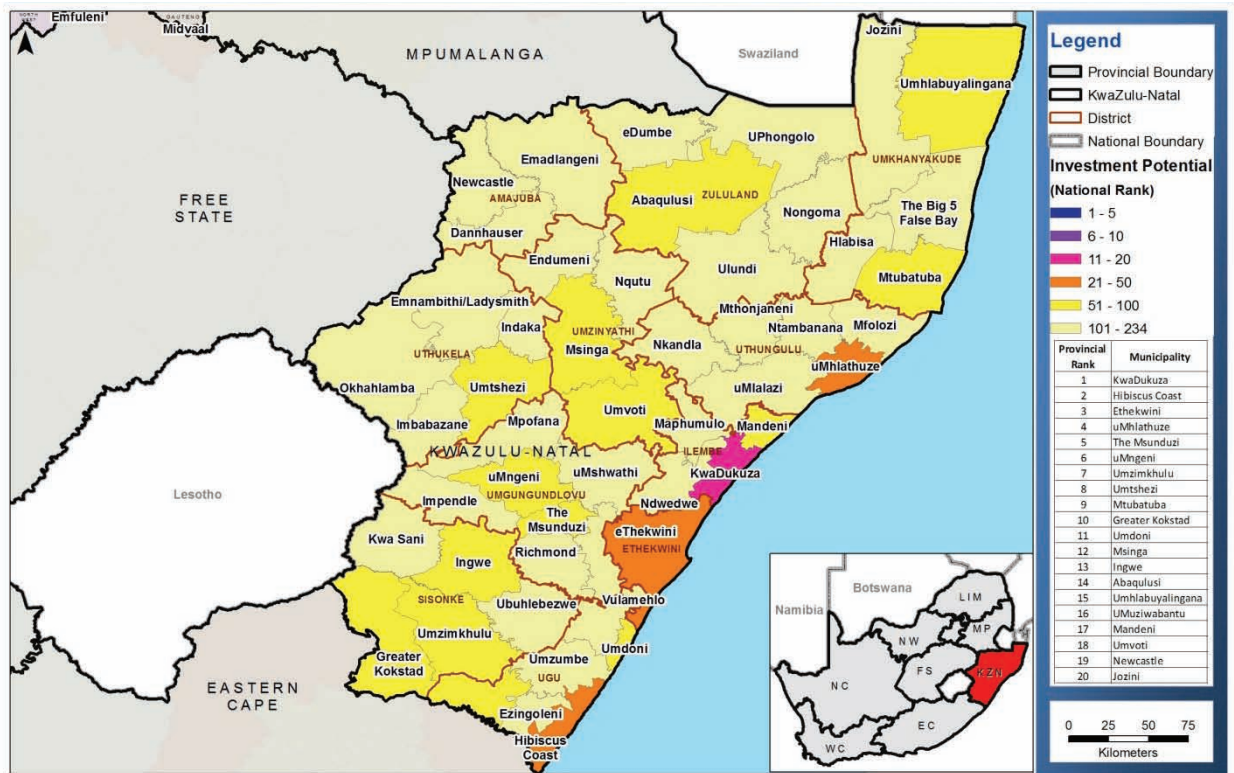
Provincial Rank	Municipality Name	No. of National Programmes	Housing Need	Growth in Employment	Population Growth	2011 Total GVA	In-Migration	GVA Growth 1995 2011	Average Rank National	Overall Rank National
1	KwaDukuza	22	29	46	15	46	58	139	51	16
2	Hibiscus Coast	50	61	71	74	34	50	110	64	29
3	eThekwini	1	5	136	102	5	123	128	71	37
4	uMhlathuze	12	78	133	82	18	160	74	80	48
5	Msunduzi	12	15	132	99	10	152	154	82	52
6	Umgeni	122	125	90	43	62	43	95	83	56
7	Umzimkhulu	50	41	27	148	120	199	28	88	58
8	Umtshezi	50	164	111	13	80	189	16	89	61
9	Mtubatuba	122	130	5	62	114	208	8	93	62
10	Greater Kokstad	50	172	177	77	117	31	39	95	66
11	Umdoni	50	110	151	41	99	101	123	96	70
12	Msinga	50	53	20	130	183	232	29	100	74
13	Ingwe	50	84	17	209	138	217	2	102	83
14	Abaqulusi	50	120	122	106	56	204	64	103	84
15	Umhlabuyalingana	122	95	24	107	142	221	17	104	85
16	Umuziwabantu	50	112	87	142	156	168	23	105	88
17	Mandeni	50	50	164	121	67	196	108	108	96
18	Umvoti	50	87	176	100	92	210	52	110	100
19	Newcastle	22	75	191	113	32	157	198	113	107
20	Jozini	122	127	22	166	121	218	25	114	110

Source: Housing Development Agency

Based on the analysis, KwaDukuza has the highest Investment Potential in KwaZulu-Natal, followed by Hibiscus Coast, eThekwini, uMhlathuze and the Msunduzi. "Mega catalytic" projects as conceptualised by this Department and indicated under section 4.5.4 is intended to maximize this investment potential of the Province.

A lack of integration (both horizontal and vertical) and co-ordination of government interventions exists, particularly at the level of implementation, to steer settlement development towards a sustainable pattern. In the Provincial Spatial Economic Development Strategy (PSEDS), nodes and corridors for focused investment have been identified to guide spatial decisions. This serves as the indicative land use planning instrument that focuses on the spatial aspects of development.

The situation is exacerbated by capacity challenges so severe that even well directed policies and procedures are not being implemented effectively. The capacity issues relating to government delivery are deep and structural, but differentiated across the province.

In the low income, and affordable bands demand far outstrips supply, with no short term prospects for a turnaround, given financial capacity, land affordability and other constraints. Low-income demand is estimated at 742, 019 units, 258,723 of them in urban areas and 483,296 in rural areas[5].

Most housing developments for all income groups have continued the low density settlement typology of one house per plot. The low density of South African cities is unsustainable at all levels:

•	It contributes substantially to the high carbon footprint of the country;

•	Municipalities face extremely high costs of installing and maintaining infrastructure systems;

•	Densities are too low for efficient public transport systems;

•	Individual residents spend much time and money on transportation; and

•	Informal settlements in urban areas provide the largest challenge.

The Breaking New Ground (BNG) policy states that "Informal settlements must be integrated into the broader urban fabric to overcome spatial, social and economic exclusion." (BNG 2004:12). Achieving the goal will require a policy shift towards a range of short and long-term responses, from interim relief to incremental upgrades to planning and management of informal settlements through sustained, long-term upgrading programmes.

Formal ownership (title deeds) as the bedrock of housing delivery is problematic and out of step with market conditions. Whilst backyard rental and sub-rental in existing houses are significant housing providers with further potential for expansion at limited cost, there is currently no enabling framework for this to occur.

Census 2011 data, indicates that whilst there has been a significant improvement in the proportions of households living in formal dwellings within the Province, (i.e. from 55,2 % in 1996 to 71,6% in 2011) the housing needs remain a challenge. 65% of households living in rural areas require housing. Key strategies that will influence the alleviation of these backlog figures include the Sustainable Human Settlement Strategy (SHSS), the Informal Settlement Eradication Strategy and the Social Rental Strategy. These strategies together with the Provincial Growth and Development Plan are anticipated to address housing matters in an integrated, holistic and coordinated manner.

5	Census, 2011

The alleviation of informal Settlements remains a challenge facing this Province. The scale of informal settlements in KwaZulu-Natal is further complicated by the hilly topography and the underlying challenges relating to land legal Issues.

There is increasing pressure on available land in urban areas coupled with prohibitive appropriation costs. Higher densities in urban areas also place more pressure on existing infrastructure like roads and bulk services. The newly established National Housing Agency will assist the department in ensuring that suitable land is acquired in areas closer to economic hubs.

Urban centres are generally witnessing a greater influx of people while rural areas are experiencing a decline. It is estimated that up to 20% of the population in some of the major urban and regional centres and small towns are new migrants. A significant proportion of the population growth is being borne by secondary cities and smaller urban centres. This has led to an increase in informal settlements in the major urban centres.

It is also important to manage development pressures in agricultural areas to ensure conservation of high value agricultural land. Agriculture in KwaZulu-Natal is a sector of significance to the country's food security and the new growth path strategy of government. The introduction of wall to wall municipalities requires local government to extend their planning and land use activities to include rural and agricultural areas. Integrated development planning is intended to be a mechanism for balancing development priorities and sustainability. This must be seen within the context of providing housing in rural areas with pressures being placed on agricultural land.

It is essentially the socio-economic features of a province which shape the developmental challenge. In KwaZulu-Natal despite the concerted efforts of the Provincial Government to address the twin challenges of poverty and unemployment, both poverty and unemployment rates have remained chronic and therefore a cause for concern. Housing needs to be a catalyst for job creation and poverty alleviation as espoused in the Breaking New Ground Strategy. The delivery of housing needs to trigger other types of development and contribute to building local economies.

5.1   Performance Environment – Backlog Figures

| District Municipality	Traditional dwelling/ hut/structure made of traditional materials	House/flat/room in back yard	Informal dwelling/shack in back yard	Informal dwelling/ shack NOT in back yard	Total
eThekwini	40,188	17,435	37,981	111,307	206,911
Ugu	53,132	3,698	2,107	5,816	64,753
uMgungundlovu	58,189	4,615	6,399	11,988	81,191
Uthukela	47,353	4,070	1063	931	53,417
Umzinyathi	48,563	1,293	718	1,958	52,532
Amajuba	7,949	2,237	2,286	2,813	15,285
Zululand	39,485	3,933	1,131	774	45,323
uMkhanyakude	32,811	1,737	1,141	958	36,647
uThungulu	54,380	3,209	2,521	2,235	62,345
iLembe	40,417	2,696	5,569	7,657	56,339
Harry Gwala	60,829	2,253	1,741	2,458	67,281
Kwazulu-Natal	483,296	47,176	62,658	148,889	742,019

Source: Census 2011

The Province has the second highest housing need in South Africa as reflected hereunder:

Map A6: Housing need per Province[6]
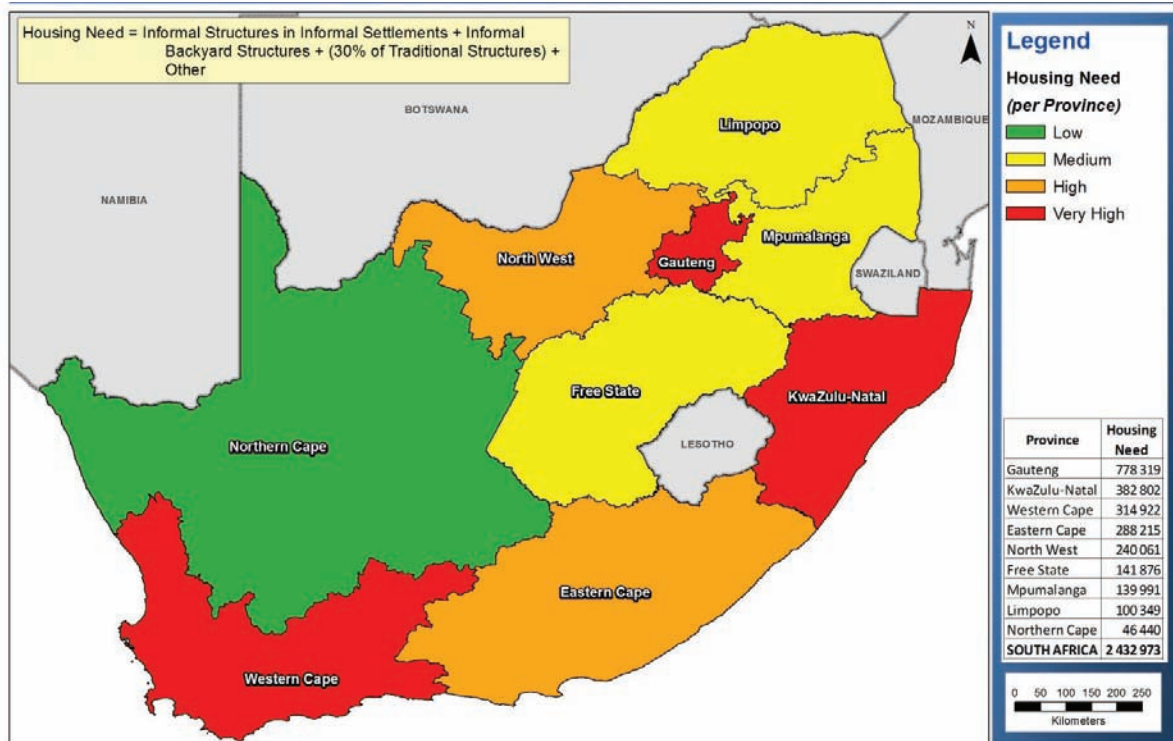
Further mentioning, the housing need per main place is as follows:

Map of Housing Need per Main Place[7]

_____
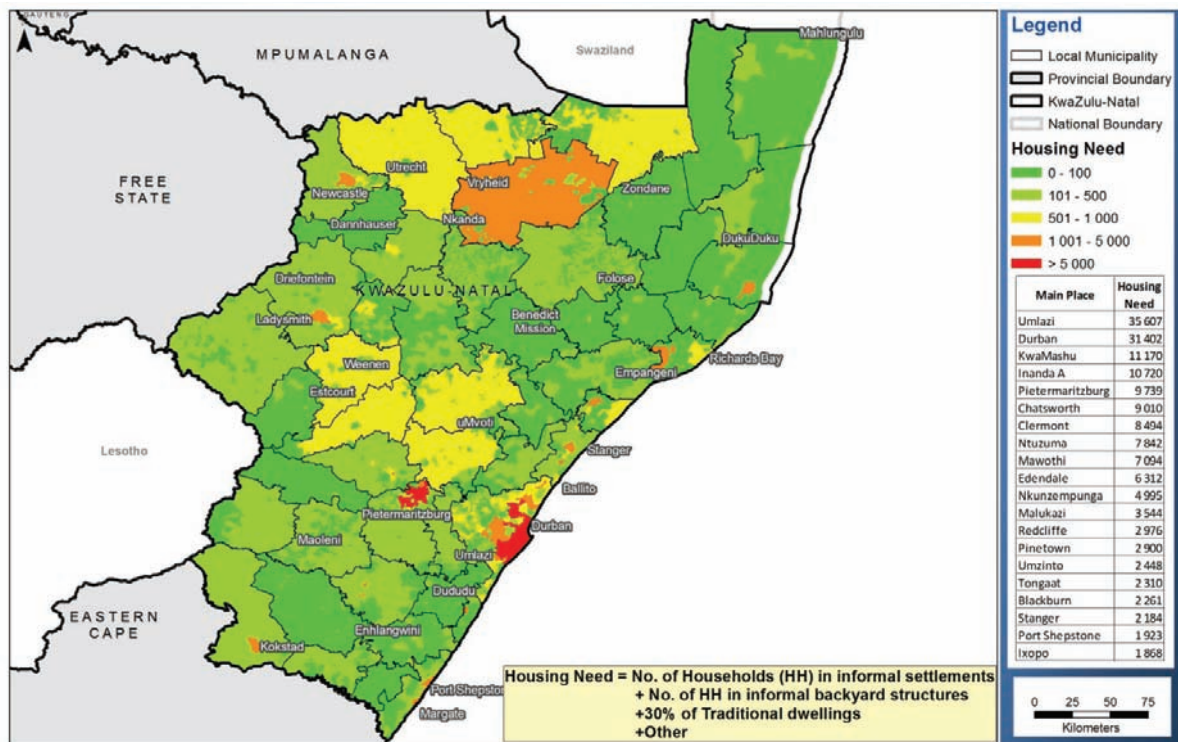
6   *Source: Housing Development Agency*
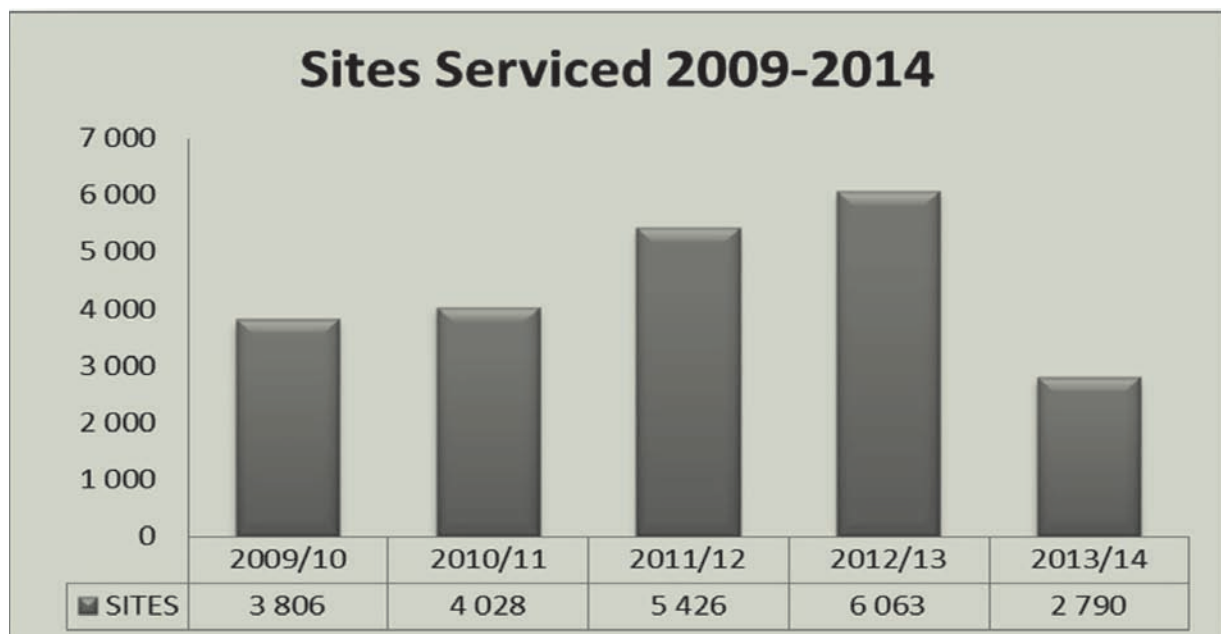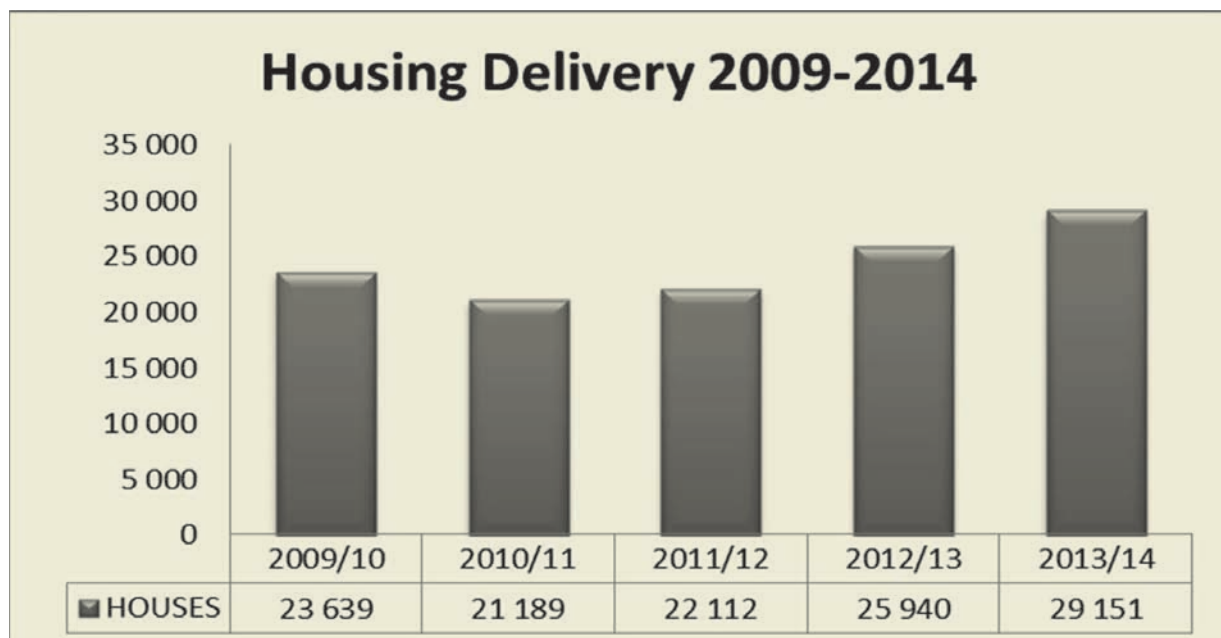7   *Source: Housing Development Agency*

The eThekwini metro followed by the Msunduzi municipality has the highest housing need.

| RANK	MAIN PLACE	LOCAL / METRO MUNICIPALITY	DISTRICT/METRO MUNICIPALITY	HOUSING NEED
1	Umlazi	eThekwini	eThekwini	35 607
2	Durban	eThekwini	eThekwini	34 402
3	KwaMashu	eThekwini	eThekwini	11 170
4	Inanda A	eThekwini	eThekwini	10 720
5	Pietermaritzburg	Msunduzi	UMgungundlovu	9 739
6	Chatsworth	eThekwini	eThekwini	9 010
7	Clermont	eThekwini	eThekwini	8 494
8	Ntuzuma	eThekwini	eThekwini	7 842
9	Mawothi	eThekwini	eThekwini	7 094
10	Edendale	Msunduzi	UMgungundlovu	6 312
11	Nkunzempunga	Mandeni	iLembe	4 995
12	Malukazi	eThekwini	eThekwini	3 544
13	Redcliffe	eThekwini	eThekwini	2 976
14	Pinetown	eThekwini	eThekwini	2 900
15	Umzinto	Umdoni	Ugu	2 448
16	Tongaat	eThekwini	eThekwini	2 310
17	Blackburn	eThekwini	eThekwini	2 261
18	Stanger	KwaDukuza	iLembe	2 184
19	Port Shepstone	Hibiscus Coast	Ugu	1 923
20	Ixopo	Ubuhlebezwe	Sisonke	1868
21	Queensburgh	eThekwini	eThekwini	1 507
22	Kloof	eThekwini	eThekwini	1 436
23	Empangeni	uMhlathuze	Uthungulu	1 434
24	Verulam	eThekwini	eThekwini	1 404
25	Margate	Hibiscus Coast	Ugu	1 354
26	Abaqulusi NU	Abaqulusi	Zululand	1 298
27	Kokstad	Greater Kokstad	Sisonke	1 266
28	Siyanda	eThekwini	eThekwini	1 249
29	Golokodo	eThekwini	eThekwini	1 173
30	Newcastle	Newcastle	Amajuba	1 170

Source: Housing Development Agency

For the last MTSF period, i.e. 2009 - 2014, the housing delivery was as follows:

Financial Year	Units Completed	Serviced Sites
2009/10	23 639	3806
2010/11	21 189	4028
2011/12	22 112	5426
2012/13	25 940	6063
2013/14	29 151	2790
MTSF Total	122 031	22113

Housing Delivery 2009-2014

	2009/10	2010/11	2011/12	2012/13	2013/14
HOUSES	23 639	21 189	22 112	25 940	29 151

Sites Serviced 2009-2014

|	2009/10	2010/11	2011/12	2012/13	2013/14
SITES	3 806	4 028	5 426	6 063	2 790

This Province is further committed to the provision of integrated and sustainable human settlements through the provision of comprehensive housing opportunities in alignment to the National outcomes based approach towards Sustainable Human Settlements and Improved Quality of Life (i.e. Outcome 8) as well as the Millennium Development Goals with specific reference to Goal Number 7, i.e. Ensure Environmental Sustainability (Eradication of Slums). Whilst a concerted effort has been made towards achieving the Outcome 8 deliverables, the clearance of informal Settlements remains a challenge facing this Province. The scale of the challenge of addressing informal settlements in KwaZulu-Natal is further aggravated by amongst others, the hilly topography, and the underlying challenges relating to the land legal issues, the lack of adequate funding for bulk infrastructure. There is an estimated 345,362 households residing in informal settlements located within the 51 municipalities in KwaZulu-Natal. 95% of these households are located within 11 Municipalities with 78% located within eThekwini Municipality. The Department continues to strive however to ensure that an alignment of projects to address the eradication of informal settlements is being achieved as reflected hereunder:

Map A7: ISU Projects and Existing Informal Settlements
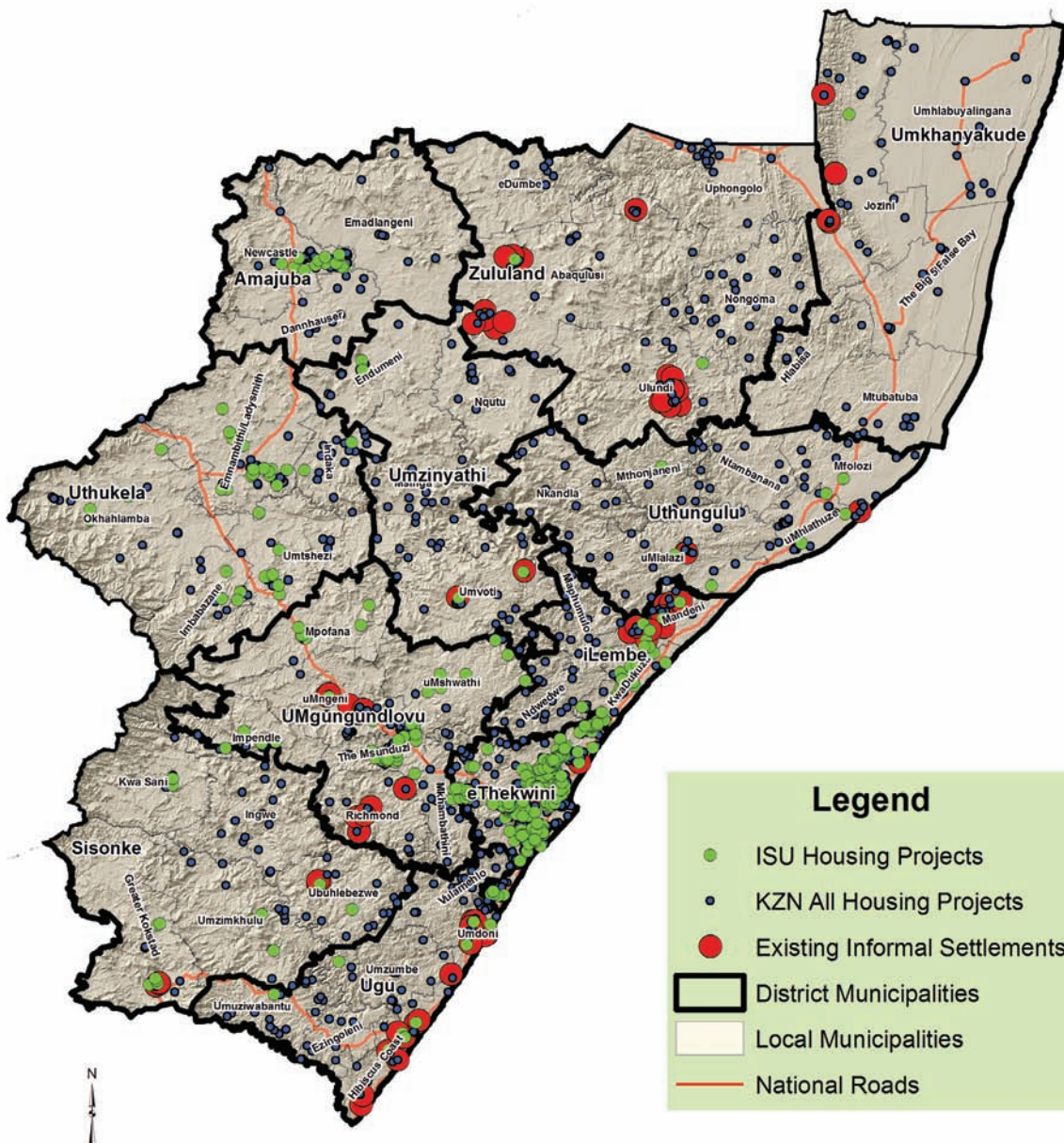
In addition, as part of the integrated planning processes adopted by the Department, the Department seeks to ensure that projects are further aligned with the Provincial Spatial Economic Development Strategy as is reflected hereunder:

*Map A8: KZN Human Settlements Projects*
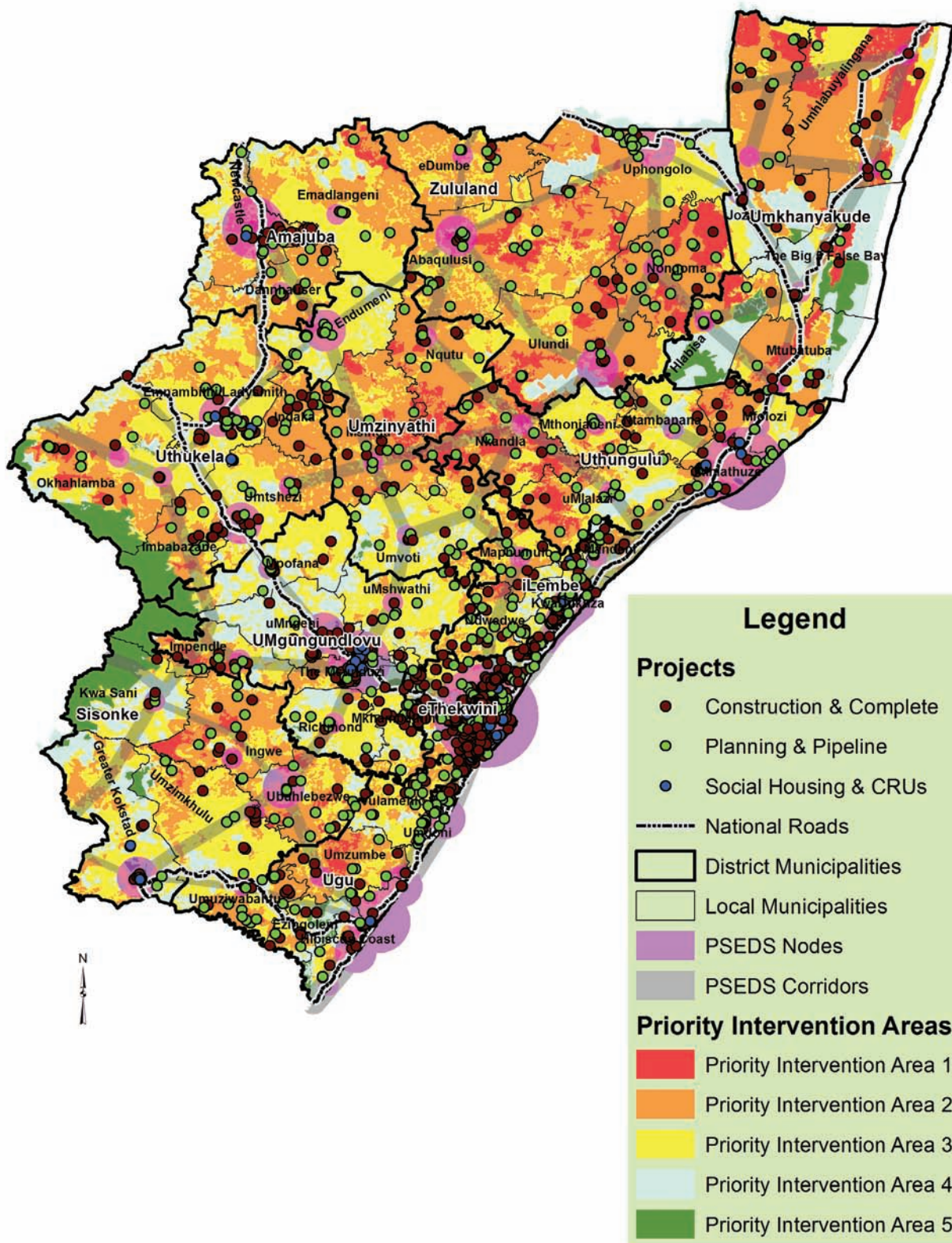
5.2 Organisational environment

Integrated planning and service delivery is a central policy of government. The organisational environment in which such integration should occur is highly constrained by a lack of skills and capacity in all spheres of government, a lack of alignment of the planning programmes of the provincial and municipal spheres and a lack of clarity with regard to the allocation of functions and related funding between the spheres of government.

Within the department's organisational environment the major challenge that exists is in respect of human resource constraints. The availability of sufficiently skilled technical, engineering, professional and managerial staff in the marketplace willing to work for government has meant that the department has had to be innovative in ensuring that the professional and managerial skills required for delivery are available.

The outsourcing of certain professional functions where skills are lacking in the department has greatly assisted in ensuring delivery. The department has a programme for developing skills within the organisation but retention of high calibre staff is extremely difficult.

The organisational structure of the Department is illustrated below.
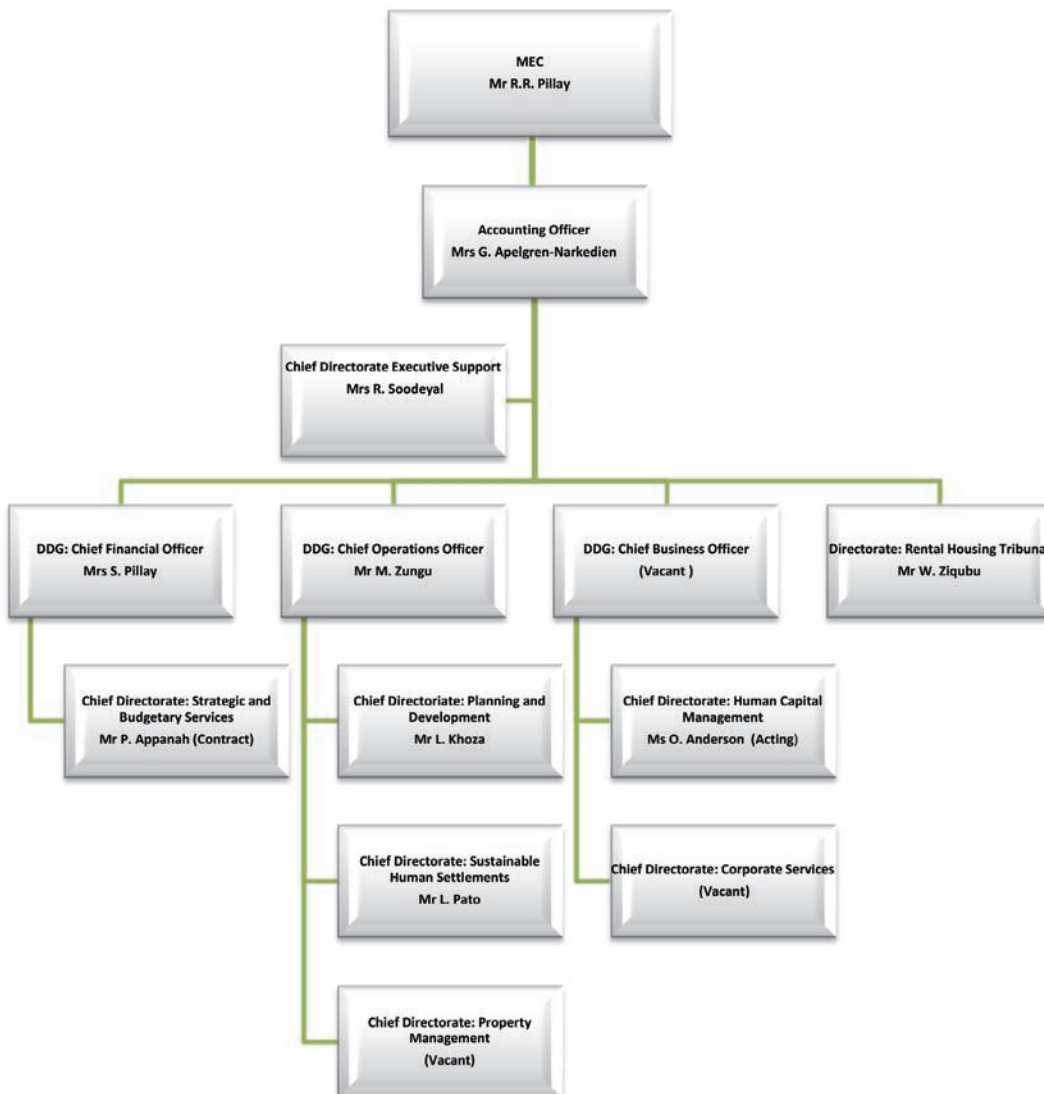
5.3 Description of the strategic planning process

This five-year strategic plan is the culmination of continual planning in the department. The strategic plan was prepared according to the process outlined below.
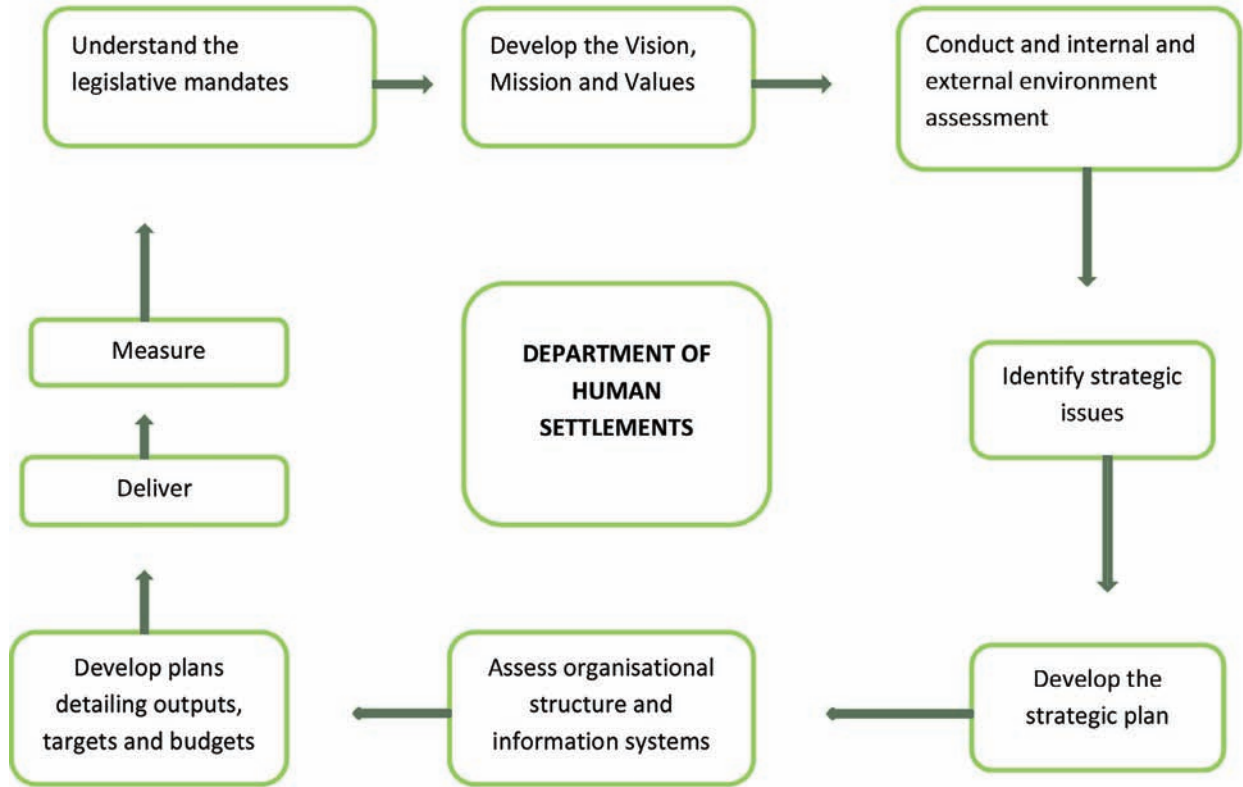
6.   Strategic goals of the department

The department's strategic goals are summarised as follows:

|	
1.	Transform Provincial Human Settlement Services
2.	Promote inter-sectorial planning and housing opportunities to improve efficiency and quality of human settlements
3.	Improving the quality of delivery of services

Strategic Goal 1	*Transform Provincial Human Settlement Services.*
Goal Statement	Transform Provincial Human Settlement Services
Rationale	Fully fledged, proficient resources ensuring the attainment of the strategic objectives of the Department and administrative support.
Impact	Increased spatial access, equity, efficiency, effectiveness and utilization of human settlements. • Improved Human Resource Management including reconfiguration of organisational structures, appropriate placement of staff [appropriate skills mix and competencies], strengthened performance management and decreased vacancy rates. • Increased Financial & Supply Chain Management efficiency and accountability to improve revenue generation (rentals) and value for money, budget aligned with service delivery priorities and needs. • Improved governance and leadership including regulatory framework compliance, and reviewed policies and delegations to facilitate implementation of the Strategic Plan. • Improved information systems, data quality and information management, and improved performance monitoring and reporting. • Strengthened infrastructure to improve service delivery.
Linkages	Outcome 12, PGDP Goal 6

Strategic Goal 2	*Promote inter-sectorial planning and housing opportunities to improve efficiency and quality of human settlements*
Goal Statement	Provide an enabling environment and supportive and integrative structure allowing for the successful development of human settlements
Rationale	Improved compliance with legislative/ policy requirements and Core Standards for quality service delivery in order to improve delivery outcomes.
Impact	• Capacitation of municipalities, community structures, emerging contractors • Improved performance towards achieving the MDG targets. • Improve spatial planning of projects/settlements
Linkages	Outcome 8, PGDP Goal 3, MDG 1 & 7

Strategic Goal 3	Improving the quality of delivery services
Goal Statement	Achieving the best possible human settlements outcomes within the funding envelope and available resources.
Rationale	Efficient and well-functioning sustainable human settlements with the potential to respond to emergency housing disasters and informal settlement needs in the Province.
Impact	• Improved human settlements outcomes, upgraded households in informal settlements • Improved quality of life • Eradication of slums • Promote security of tenure
Linkages	Outcome 8, PGDP Goal 3, MDG 1 & 7

PART B: STRATEGIC OBJECTIVES
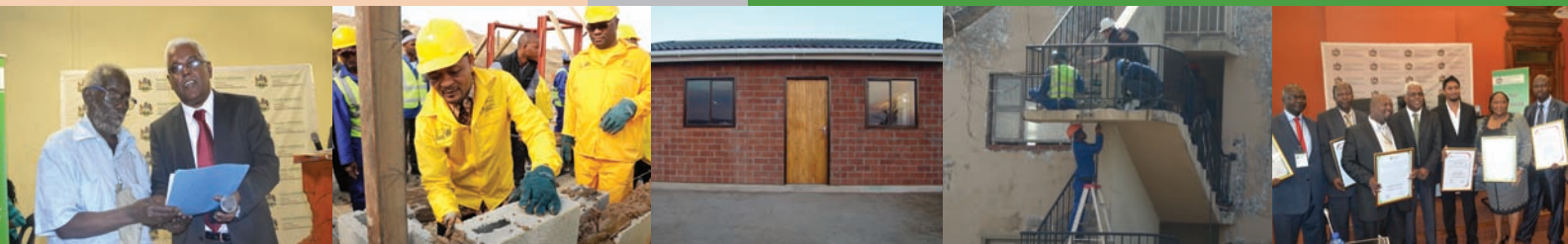
PART B: STRATEGIC OBJECTIVIES

The department has aligned its Programme and Sub-Programme structure to the Sector agreed Programme and Sub-Programme structure as shown in the table below:

Programme	Sub-programme
1. Administration	1.1 Corporate Support
2. Housing Needs, Research and Planning	2.1 Administration
	2.2 Policy
	2.3 Planning
	2.4 Research
3. Housing Development	3.1 Administration
	3.2 Financial Interventions
	3.3 Incremental Intervention
	3.4 Social and Rental Interventions
	3.5 Rural Interventions
4. Housing Asset Management, Property Management	4.1 Administration
	4.2 Sale and Transfer of Housing Projects
	4.4 Housing Properties Maintenance

7.   Programme 1: Administration

This Programme undertakes to provide strategic leadership, effective management and improvement of business processes and systems, as well as improved inter-governmental relations, in order to ensure that the key strategic objectives are met. It is through effective strategic planning, and active monitoring of expenditure trends as well as improvements on the department's information management, IT governance, IT infrastructure, IT security and reporting systems that this department provides for a supportive and enabling environment to improve service delivery. Of relevance to this Programme is Outcome 12, namely: an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship, is applicable to this Programme.

Outcome 12 covers the following key strategic areas:

•   Service Delivery Quality and Access;

•   Human Resource Management and Development;

•   Business process, systems, decision rights and accountability;

•   Corruption tackled effectively; and

•   Citizen Participation.

Key focus areas over the next five years include sound financial management and the provision of skilled human capital as well as healthy and sound human resources.

7.1   Strategic objectives

	Strategic Objective	Linkage to Strategic Goals
1	Ensure the financial viability of the department	Goal 1
2	Provision of skilled human resources	Goal 1

Strategic Objective 1	Ensure the financial viability of the Department
Objective Statement	The Department will continue working on achieving its vision, building better relationships with employees and customers, empowering employees to make decisions at all levels of the hierarchy, and, at the same time introducing tight fiscal controls
Baseline	• Number of the HSDG business plans reviews undertaken to ensure that targets are realistic and in line with Departmental priorities and budgets • 3 year financial plan linked to the HSDG business plan
Justification	• Improved service delivery • Value for money • Legislative compliance • Integrated planning • Creating and sustaining a workforce that is skilled, informed, efficient, developed, healthy and representative
Links	• Co-operative governance • Economic and social development • Community needs • Government's mandates • Education and skills for all • Safer communities • Creating decent work • Development and empowerment of staff • Outcome 12, PGDP Goal 6

Strategic Objective 2	Provision of skilled human resources
Objective Statement	The Department will continue working on achieving its vision, building better relationships with employees and customers, empowering employees to make decisions at all levels of the hierarchy, and, at the same time introducing shorter turnaround periods for staff recruitment to ensure continuity.
Baseline	• Number of vacant posts filled within 6 months versus number of advertised posts
Justification	• Improved service delivery • Value for money • Legislative compliance • Integrated planning • Creating and sustaining a workforce that is skilled, informed, efficient, developed, healthy and representative
Links	• Co-operative governance • Economic and social development • Community needs • Government's mandates • Education and skills for all • Safer communities • Creating decent work • Development and empowerment of staff • Outcome 12, PGDP Goal 6

7.2   Resource considerations

Key staff trends

In the past few years, the department has been faced with challenges in respect of recruiting and retaining staff with the necessary skills, competencies, education requirements and experience in the technical and engineering fields. The situation has been exacerbated by the higher salaries that are offered in the private sector and municipalities that have attracted staff with these skills and competencies and lead to high staff resignations. The introduction of the occupation specific dispensation for engineers has further compounded the problem.

The department has also experienced challenges with regard to meeting employment equity targets in respect of the disabled. This is largely due to the fact that buildings and facilities are not "disabled friendly". The remedy to renovate buildings so that they are more accessible for persons with disability is a long term solution. However, it is one that will be very expensive to undertake.

7.3   Risk management

PROGRAMME	IDENTIFIED RISK	RISK MITIGATION
1. Administration	Lack of appropriate information technology systems to assist the department meeting its business objective.	Develop and implement the IT Strategy (GWEA) and ICT Governance Framework
	Lack of reliable and comprehensive data to inform strategic planning	Implement a business intelligence reporting tool.
	Training and development initiatives impacts on staff development due to environment	Effective training and development plan to be implemented with appropriate identification of skills gap and adequate funding to train

Recruit and retain appropriately skilled staff |
	Procurement of services and goods	Effective implementation of supply chain management
	Budget constraints hindering the department from meeting its objectives	Motivate for additional funding and ensure optimal usage of available funds
	Insufficient control over transfer payments of housing development projects	Monitoring and implementation of approved business plans
	Eradication of Informal Settlements	Amend the KZN Slums Act to be in line with the Constitution Amend the section that is in conflict with the Constitution
	Lack of effective assets register	Department will appoint a service provider to attend to the clean-up and updating of the assets register
	Absence of Human Resource Plan	Development of Human Resource Plan to address the changing scope of work
	Lack of functional structure to address business needs	Structure to be reviewed

8. **Programme 2: Housing Needs, Research and Planning**

The strategic thrust of this Programme is to ensure that housing development is undertaken in an integrated and sustainable manner. The promotion and implementation of sound planning principles is therefore pivotal for the creation of sustainable human settlements with strengthened capacity and the effective development of policies that support and facilitate housing delivery. Strategic mandates that govern this programme include amongst others; the Provincial Spatial Economic Development Strategy (PSEDS), Provincial Growth and Development Plan (PGDP), the comprehensive plan "Breaking New Ground" for housing delivery and Outcome 8.

The programme provides for the facilitation of housing sector planning, integration of housing sector planning in the planning of all sectors, education of stakeholders in housing sector planning, alignment of the housing budget with the current and future housing needs, and the capacitation of housing stakeholders for housing delivery through mentorship and training.

One of the focal areas of this Programme is to ensure there is a fully functional project pipeline that is aligned to the national and provincial priorities as well as the abovementioned mandates. This ensures that the project implementation process can be accelerated to expedite housing delivery. Increased attention does however need to be placed on reviewing of Integrated Development Plans (IDP) and Housing Sector Plans (HSP) as these plans are seen as vital to the successful forward planning for sustainable human settlements. Improving the functionality of the housing forums and improved interactions with Implementing Agents (IAs) will also strengthen relations with stakeholders thereby enhancing the effective planning of sustainable human settlements.

Of significant importance to the PGDP is the Small Town Regeneration Programme which seeks to make identified nodal areas more competitive to stimulate economic development and opportunities. This would invariably lessen the burden of migration to the more urban areas. In conjunction with the project team lead by COGTA, a project needs to be identified to contribute the PGDP.

In line with the Outcome 8 target of upgrading informal settlements, the KZN Informal Upgrade Strategy is being rolled out in those municipalities that are affected by such settlements. This programme is being undertaken in conjunction with the National support programme. Interaction with municipalities will continue through the process of "district and family" municipality engagements. Technical assistance will be provided for the reviewing of their Integrated Development Plans (IDP) and Housing Sector Plans (HSP).

In addition, as part of building institutional capacity of the municipalities, this Programme has placed tremendous focus on the accreditation programme as envisaged in the comprehensive plan "Breaking New Ground" for housing delivery. This Programme will continue to provide support and capacitation to the 7 accredited municipalities. This involves principles relating to inter-governmental relations as well as integrated planning.

It is anticipated that these accredited municipalities will contribute towards the Social Housing Programme as well the Informal Settlement Upgrade Programme. The Municipal Support and Consumer Education component will further place significant emphasis on capacitation of stakeholders such as the Amakhosi, Councillors and housing consumers. In doing so, it is anticipated that the more effective capacitation of the built in environment will greatly assist with housing initiatives within the Province.

8.1 Strategic objectives

	Strategic Objectives	Linkage to Strategic Goals
1	Implement projects that ensure spatial, social and economic integration	Goal 2 & 3

Strategic Objective 1	Implement projects that ensure spatial, social and economic integration
Objective Statement	The Department will endeavour to develop balanced, equitable and sustainable human settlements aligned to the SDF.
Baseline	Improve access to basic and infrastructure services by identifying catalytic projects (Identify catalytic projects)
Justification	• Provide access • Appropriate level of service • Increased safety • Increased access to social, economic and public facilities • Decrease in disparities
Links	• Rural development • Creating decent work and ensuring economic growth • Social and economic infrastructure • Nation building and good governance • Cohesive and sustainable communities • Sustainable resource management • Economic growth • Outcome 8, PGDP Goal 3, MDG 1 & 7

8.2 Resource considerations

Municipal capacity

The department has been faced with a constraint pertaining to the capacity of staff in some of the municipalities with regard to the completion of relevant Integrated Development Plans (IDPs) and credible Housing sector Plans. It has been found that staff in the municipalities lacks the necessary skills and experience in the fields. As such, the department has been continually providing assistance in this regard.

8.3   Risk management

PROGRAMME	IDENTIFIED RISK	RISK MITIGATION
2. Housing Needs, Research and Planning	Quality of information available with regard to Human Settlements planning	Initiate a Planning programme that will ensure that the information used in planning is sufficiently comprehensive, up to date and accurate in order to adequately plan for the short and long term housing programmes
	Lack of integrated planning across spheres	Ensure co-operative governance and the co- ordination of the department's projects with other government spheres
	Effects of global warming and climate change on the human settlement patterns.	Flood Assessment undertaken
	Inadequate communication between and within the different spheres of government	Establish formal consultative forums on public (stakeholders)
	Information resources are limited and difficult to access	Co-ordinate efforts to gather useful information through planning.
	Land invasions on state land identified designed for housing developments results in delays in service delivery	Anti-Land Invasion strategy to be developed
	Delays and high costs associated with housing developments adversely affect service delivery	Innovative technology initiatives to be investigated and implemented for quicker and more cost effective delivery
	Insufficient funds to initiate, plan and package new projects	To prioritise projects in terms of contractual commitments Request for additional funding
	Delays with the eradication of informal settlements	Prioritisation of planning and initiation of projects to address informal settlements are to be undertaken Focus on development of nodal areas to stimulate economic development and opportunities to curb effects of urbanisation
	Inadequate support and capacitation of accredited municipalities	More effective monitoring and support to be provided to ensure tangible outcomes of programme

9. Programme 3: Housing Development

This programme is responsible for the implementation and monitoring of human settlement developments/ projects through the various subsidy mechanisms in terms of national and provincial policy provisions.

The main objective of Programme 3 is to promote effective and efficient housing delivery. The bulk of this programme provides for various housing subsidies. The subsidy programmes implemented include amongst others, FLISP, ISU, IRDP, emergency housing, social housing, rectification, social and economic facilities and rural housing.

It must be noted that Programme 3 consists of the bulk of the Human Settlements Development grant, and the Housing Disaster Relief grant.

The EPWP Incentive grant which aims to create temporary work opportunities and a transfer of skills to the unemployed also falls under this programme.

In line with the Department's strategic objectives as well as the government's Outcome Based Approach to service delivery, the Programme aims to ensure that the strategic outputs and measures of Outcome 8 (Sustainable Human Settlements and Improved Quality of Household Life) are addressed by targeting its Informal Settlements Upgrade subsidy instrument towards the clearance of slums.

However, challenges that impact on this endeavour include amongst others, suitable and well located land acquisition and transfer of state land to municipalities for human settlements development, provision of bulk infrastructure, capacity constraints, social issues, prolonged planning processes, land invasions, effects of migration, etc. In order to address some of the vital challenges experienced with the acquisition of land, the department has strengthened its working relationship with the Housing Development Agency (HDA) and the municipalities in identifying and acquiring well located suitable land for human settlements, most notably Municipalities with accreditation.

The provision of affordable rental housing stock will be another key focus area towards achievement of Outcome 8 targets. This programme does however have a substantial number of projects that are at various stages of implementation within each municipality that would impact on the clearance on slums.

A substantial number of rural housing projects are also being implemented within the Province, especially as the province is rural in nature. However more effective planning needs to be undertaken in order to improve the economics of scale and create better settlement patterns.

The Sukuma Sakhe Programme which is aimed at fast tracking service delivery by government to the citizens of this province and is co-ordinated by the Office of the Premier is implemented through this programme within the department. The most deprived families are identified in various districts and urgent interventions are undertaken to provide affected people with houses that restore dignity to the families. This programme ensures that government responds quickly to the needs of people regarding housing and other service delivery issues. This programme is fully integrated into this Department's processes so as to ensure that the Department is in a position to effectively deliver on its mandate and contribute towards the war on poverty campaign by government.

The Emergency Housing Programme seeks to address the needs of households who find themselves in an emergency housing situation. For example, their existing shelter has been destroyed or damaged or that their prevailing situation poses an immediate threat to their life, health and safety. Due to the Province being prone to natural disasters/adverse weather conditions that render households homeless and destitute, provision has been made to ensure that under these emergency circumstances the access to housing is provided.

As part of a National initiative, the Enhanced People's Housing Process methodology is being piloted within the Province. This is in partnership with Habitat for Humanity in the eThekwini area; in order ascertain the Programme's effectiveness so that it can be rolled out for implementation nationally.

The implementation of the Enhanced People's Housing Process essentially provides for community/ beneficiary involvement in the construction of their houses. It is intended that this type of methodology will empower communities and provide skills to the beneficiaries so that they can become more marketable in the workforce.

Whilst this Department has undertaken to develop a five year Rental Strategic Plan 2012-2017 to address the Province's social housing needs, a concerted effort will be placed on finalising the Restructuring Zones (i.e. "ring fenced parcels of land" in a well located area for social housing development) within "Leader Towns" such as uMhlathuze, Newcastle, KwaDukuza, Hibiscus Coast, and Ladysmith municipalities.

In order to accelerate delivery, it is also intended that a "booster team" be established to assist in packaging and monitoring of social housing. The Community Residential Unit (CRU) programme is intended to complement the social housing programme. It can either be a development of new rental stock or improvement of existing rental stock owned by the government. The project is either developed or managed by the department or municipality. The programme also aims at improving the living conditions at hostels by converting hostels into family units given the fact that hostel residents are living in unsatisfactory conditions. The CRU forms part of the Social Rental Strategy and this programme will continue to ensure that it delivers on the CRU Programme.

The increasing demand for housing and the backlog of delivery of housing in the province has also made the department adopt an innovative approach of delivering large scale projects as a way of making an impact in the delivery of housing in the province such the Vulindlela and Cornubia housing projects. However, in order to address the concept of "mega projects", this department intends looking at other options such as the private-public partnerships as well as investments from other departments for projects within communities so to increase the financial investments of housing projects.

The Department is presently faced with the challenge of financial constraints of the Human Settlement Development Grant. This will invariably impact on the targets set on the number of households expected to receive a house over the next five years.

9.1   Strategic objectives

	Strategic Objective	Linkage to Strategic Goals
1	Accelerate the delivery of slums clearance projects and Outcome 8 projects	Goal 2 & 3
2	Accelerate the creation of rental housing opportunities, and implement projects that ensure spatial, social and economic integration	Goal 2 & 3
3	Improve access to tenure	Goal 3

Strategic Objective 1	Accelerate the delivery of slums clearance projects and Outcome 8 projects
Objective Statement	The Department will continue to promote effective and efficient housing delivery producing
Baseline	• Urban houses delivered [New indicator]
Justification	• Provide access • Appropriate level of service • Increased safety • Increased access to social, economic and public facilities • Decrease in disparities
Links	• Urban development • Creating decent work and ensuring economic growth • Social and economic infrastructure • Nation building and good governance • Cohesive and sustainable communities • Sustainable resource management • Outcome 8, PGDP Goal 3, MDG 1 & 7

Strategic Objective 2	Accelerate the creation of rental housing opportunities, and implement projects that ensure spatial, social and economic integration
Objective Statement	The Department will continue to promote effective and efficient social and rental housing delivery
Baseline	• Number of additional restructuring zones [2]
Justification	• Provide access • Appropriate level of service • Increased safety • Increased access to social, economic and public facilities • Decrease in disparities
Links	• Urban development • Creating decent work and ensuring economic growth • Social and economic infrastructure • Nation building and good governance • Cohesive and sustainable communities • Sustainable resource management • Outcome 8, PGDP Goal 3, MDG 1 & 7

Strategic Objective 3	Improve access to tenure
Objective Statement	The department will fast track the transfer of title deeds to promote home ownership
Baseline	• Number of transfers in 2013/14 [2,336]
Justification	• To provide for security of tenure • Provide access • Increased access to social and economic facilities
Links	• Safety • Economic sustainability • Value for money • Cohesive and sustainable communities • Outcome 8, PGDP Goal 3, MDG 1 & 7, MTSF

9.2   Resource considerations

Municipal capacity

The department has been faced with a constraint pertaining to the capacity of staff in most of the municipalities with regard to the completion of relevant Integrated Development Plans (IDPs) and credible Housing Sector Plans. It has been found that staff in municipalities lack the necessary skills and experience. As such, the department has been continually providing assistance in this regard.

9.3   Risk management

PROGRAMME	IDENTIFIED RISK	RISK MITIGATION
Housing Development	Shortage of skills and experience in the fields of housing development, in the municipal sphere	Provide technical support to municipalities in housing development
	Quality of information available with regard to Human Settlements planning	Initiate a planning programme that will ensure that the information used in planning is sufficiently comprehensive, up to date and accurate in order to adequately plan for the short and long term housing programmes
	Inadequate funding	Motivate for additional funding and ensure optimal usage of available funds
	Lack of integrated planning across spheres	Ensure co-operative governance and the co- ordination of the department's projects with other government spheres
	Backlog in construction and rectification	Prioritise construction and rectification needs and utilise innovative techniques and technology.
	Inadequate communication between and within the different spheres of government	Establish formal consultative forum.
	Delays with the eradication of Informal Settlements	Operationalisation of the ISU implementation plan
	Land invasions on state land identified designed for housing developments results in delays in service delivery	Anti-Land Invasion strategy and implementation plan to be implemented
	Delays with the implementation of the OSS Programme	More effective monitoring mechanisms to be implemented to monitor targets against delivery
	Delays in transfers of units by the State Attorney	Engage the services of private conveyancers to transfer units to qualifying beneficiaries.

10.   Programme 4: Housing Asset Management, Property Management

The objective of this programme is to manage ex-Natal Provincial Administration and Own Affairs stock. This stock includes residential properties, vacant land and a variety of other non-residential properties. In terms of its mandate, all properties will, on a progressive basis, either be transferred to individual occupants in terms of the EEDBS, or be disposed of in the open market. Some of these properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock, and the allocation includes a provision for maintenance thereof.

Programme 4 consists of three sub-programmes, in line with the uniform budget and programme structure of the sector. These are: Administration, Sale and Transfer of Housing Properties and Housing Properties Maintenance. Sale and Transfer of Housing Properties was called the EEDBS prior to 2010/11 but, in order to fall in line with the sector, the name of this sub-programme has been changed.

The Department has in its ownership residential properties (houses and flats) that were erected prior to 1994. The introduction of the Enhanced Extended Discount Benefit Scheme, (EEDBS) was intended to transfer these properties to qualifying beneficiaries but the processes involved are complex and it is therefore time consuming to transfer all properties.

Challenges faced by this sub-programme include amongst others, the poor economic climate that precludes some beneficiaries from paying their portions of the transfer costs, outstanding water and electricity accounts before rates clearance certificates can be issued. Beneficiaries who partially qualify for subsidization still need to raise bonds in order to take ownership of the properties. Additionally, some Municipalities lack internal capacity to manage transfers in terms of the EEDBS. It is the intention to fund these municipalities to outsource the implementation of the EEDBS process.

Furthermore, the properties that need to be transferred are generally characterized as being in a very poor condition in terms of their state of repair. Most of them were originally poorly built and despite maintenance repairs being undertaken, refurbishment needs to be undertaken before they are transferred in terms of the EEDBS. The Rectification of Residential Properties Programme (pre-1994) is therefore intended to address this matter. Projects are at various stages of the development cycle in order to meet the intended purpose of this Programme.

The maintenance of the rental housing stock and the vacant land of the department is another focus areas of this Programme. Whilst the rental stock is being suitably maintained, it is the intention to deplete the rental stock by intensifying the transfers of properties to qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS).

10.1   Strategic objectives

	Strategic Objective 1	Linkage to Strategic Goals
1	To fast-track the transfer of title deeds to promote home ownership	Goal 3

Strategic Objective 1	To fast-track the transfer of title deeds to promote home ownership
Objective Statement	Reduce the tittle deed backlog (26,308)
Baseline	Number of transfers in 2014/15 (1,565)
Justification	• To provide for security of tenure • Increased access to social and economic facilities
Links	• Safety • Economic sustainability • Value for money • Cohesive and sustainable communities • Outcome 8, PGDP Goal 3, MDG 1 & 7,MTSF

10.2   Resource considerations

Key staff trends

The department has been faced with a constraint pertaining to the organogram capacity for Programme 4, as well as the capacity of staff within the component. A new organogram has been approved to ensure that staff correct level with the correct skills mix are there to drive the programme and deal with the challenges in programmes 4. Additionally, staff are prioritised in terms of acquiring the necessary skills and experience. As such, the department has been continually providing assistance in this regard.

10.3   Risk management

PROGRAMME	IDENTIFIED RISK	RISK MITIGATION
Housing Asset Management, Property Management	Backlog in construction and rectification	Prioritise construction and rectification needs and utilise innovative techniques and technology.
	Municipalities inability to write off debt impacting on transfer of title to beneficiaries	Innovative methods need to be devised and implemented by municipalities to secure debt
	Lack of Synergy in completion of Rectification and simultaneously transfer of units	Develop action plan to transfer rectified units immediately after completion.
	Delays in transfers of units by the State Attorney	Engage the services of private conveyancers to transfer units to qualifying beneficiaries.
	Non collection and recovery of rental income from debtors.	Revisit the billing strategy/process of the Department
	Delays in the clean-up of the housing debtors system	Develop a strategic plan to clean up the housing debtors system records
	Lack of proper filing system and unavailability of files for properties on the debtors system	Locate all missing files and recreated files that are identified as missing.
	Slow pace of in devolving properties to Municipalities	Develop a strategy to devolve properties to municipalities.

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PART C: LINKS TO OTHER PLANS

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLANS

NEW PROJECTS, UPGRADES AND REHABILITATION

Summary of infrastructure payments and estimates

Category	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	11,099	1,009	6,799	64,670	64,459	64,459	12,500	-	53,869
Existing infrastructure assets	-	-	-	50,516	-	-	-	-	-
Maintenance and repair	-	-	-	10,051	-	-	-	-	-
Upgrading and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishment	-	-	-	40,465	-	-	-	-	-
Infrastructure transfer	-	115,000	40,384	87,570	44,261	49,722	148,400	110,820	53,869
Current	-	-	-	50,881	-	-	-	-	-
Capital	-	115,000	40,384	36,689	44,261	49,722	148,400	110,820	53,869
Total	11,099	116,009	47,183	202,756	108,720	114,181	160,900	110,820	53,869

The category new infrastructure assets relates to the Social and Economic Amenities programme. The assets constructed are owned by the Department until handed over to the municipality. The allocation in 2015/16 is for the finalization of these projects such as Stepmore, Maguswana, etc.

Rehabilitation, renovations and refurbishments relates to the renovations of housing properties owned by the department. The decrease from the 2014/15 Main Appropriation to Adjusted Appropriation and Revised Estimate is attributed to the decrease in the amount allocated for the Shallcross rectification project as a result of a pilot project being undertaken.

Maintenance and repairs relates to the maintenance of housing properties owned by the Department and the EEDBS programme.

Infrastructure transfers - Capital comprises the transfers in respect of the CRU programme. During 2011/12, no transfers were made due to delays in the approval process of projects within municipalities. The allocations over 2015/16 MTEF relate to the operational costs of the accredited municipalities.

MEDIUM TERM REVENUE

Summary of Revenue

Category	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-term Estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Provincial Allocation	**283,444**	**300,409**	**311,786**	**327,237**	**326,962**	**326,962**	**342,630**	**361,123**	**379,178**
Conditional grants	**2,801,547**	**2,915,297**	**3,335,584**	**3,273,045**	**3,273,045**	**3,273,045**	**3,242,055**	**3,414,957**	**3,632,106**
Integrated Housing & Human Settlements Development Grant	2,769,871	2,915,297	3,332,584	3,273,045	3,273,045	3,273,045	3,235,475	3,414,957	3,632,106
Housing Disaster Management grant	31,140	-	-	-	-	-	-	-	-
EPWP Incentive grant	536	-	3 000	-	-	-	6,580	-	-
Total Receipts	**3,084,991**	**3,215,706**	**3,647,370**	**3,600,282**	**3,600,007**	**3,600,007**	**3,584,685**	**3,776,080**	**4,011,284**
Surplus/ Deficit (before financing)	42,496	(162,065)	(1000)	-	-	-	-	-	-
Provincial roll-overs	-	27,637	-	-	-	-	-	-	-
Provincial cash resources	-	134,477	1,000	-	22,436	22,436	-	-	-
Surplus/ Deficit (after financing)	42,496	49	-	-	-	-	-	-	-
Total Payments	**3,042,495**	**3,377,771**	**3,617,002**	**3,600,282**	**3,622,443**	**3,622,443**	**3,584,685**	**3,776,080**	**4,011,284**

As evident from the table below, the main source of departmental receipts is transactions in financial assets and liabilities, which comprises receipts collected from previous years' staff debtors in respect of breached bursary contracts, as well as refunds of subsidies from banks and conveyancers on close-out of projects. This category is difficult to project due to its uncertain nature, hence the fluctuating trend over the seven-year period.

Revenue Collection

Category	Audited Outcome			Main Budget	Adjusted Budget	Revised Estimate	Medium-term Estimates		
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licenses	-	-	-	-	-	-	-	-	-
Motor vehicle licenses	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital asset	474	469	434	477	477	807	534	562	590
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-20	16	4,142	20	20	375	18	16	17
Sale of capital assets	160	530	19	480	480	480	500	520	546
Financial transaction in asset and liabilities	268,554	14,081	4,836	853	853	28,445	1,000	1,100	1,155
Total	**269,168**	**15,096**	**7,431**	**1,830**	**1,830**	**30,107**	**2,052**	**2,198**	**2,308**

Conditional Grants

The main funding for the Department relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, people's housing process programme, Integrated Residential Development programme, rural housing subsidies, Informal Settlement Upgrade, social housing, etc. From 2011/12 to the 2013/14, the Department received the Housing Disaster Relief grant, to rehabilitate communities affected by storm damage. The Department received an allocation of R3 million in 2013/14 in respect of the EPWP Integrated Grant for Provinces which aims to create temporary work opportunities and a transfer of skills to the unemployed but no expenditure was incurred. There is no allocation against the EPWP Integrated Grant for Provinces in 2014/15 and for 2015/16 an amount R6,580 million has been allocated.

Donor Funding

Reflected hereunder is the donor funds spent by the Department over the period 2011/12 to 2014/15.

Details of payments and estimates of donor funding and agency receipts

	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term estimates		
R thousand	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18
Donor funding	-	-	-	-	-	-	-	-	-
Phase II Roll-out Project	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

No donor funding is expected over the 2015/16 MTEF.

CO-ORDINATION, CO-OPERATION AND OUTSOURCING PLANS

Links to the Provincial Growth and Development Plan

The Department will contribute to the achievement of the 2030 Vision in the following manner:

STRATEGIC GOAL 3 – Human & Community Development	
Poverty and inequality in KZN is reduced	
STRATEGIC OBJECTIVE: SUSTAINABLE HUMAN SETTLEMENTS (3.4)	STRATEGIC INTERVENTIONS
	a. Establishment of a joint provincial forum addressing integrated development
	b. Densification of Human Settlements
	c. Transformation of informal settlements
	d. Develop provincial strategy and plan to address housing Gap Market
	e. Expand the Social Housing Implementation

PRIMARY INDICATORS	BASELINE (2010)	TARGETS			
		2015	2020	2025	2030
Percentage housing backlog	17.9% (716 079 units)	Decrease by 7%	Decrease by 7%	Decrease by 7%	Decrease by 7%
Percentage households with a registrable form of tenure	55.1%	56%	57%	58%	59%
Percentage of Provincial Human Settlements budget spent on formal settlement development	36% (R1 049 207 000)	37%	42%	45%	50%

Large scale development projects identified as catalytic projects within the PGDP which directly stimulate and provide for much higher levels of developments include:

- The Cornubia Integrated Residential Development Project

- The Vulindlela People's Housing Process Project

Interdepartmental Linkages

The Department participates in provincial Cabinet Clusters, Multi-sectoral IDP Forums, Provincial Disaster Management Task Team as well as the related committees and structures.

Local Government Linkages

The Department had embarked on the facilitation of the KwaZulu-Natal Sustainable Human Settlements Strategy to ensure that there is planning synergy amongst all departments and municipalities. The intention is that all departments build onto the needs identified and prioritized in MHSPs of municipalities to ensure that all settlements are developed in a sustainable manner. For this to be achieved, substantial co-ordination between spheres of government, and among provincial departments is required. With the implementation of the KwaZulu-Natal Sustainable Human Settlements Strategy, it is envisaged that all settlements will offer the full range of services to its inhabitants and will be in this way sustainable.

Public Entities

The Department does not have any public entities.

Public, Private Partnerships, Outsourcing

The department has entered into a Memorandum of Understanding (MOU) with the HDA for the acquisition of private land and for the release of state land.

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