

## 1. Breaking New Ground Policy

The policy document, *Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlement*, which was published by the National Department of Housing, provides the following guidelines:

- Residents should live in a safe and secure environment, and have **adequate access** to economic opportunities, a mix of safe and secure housing, and tenure types, reliable and affordable basic services, educational, entertainment and cultural activities, and health, welfare and police services.
- Ensure the development of **compact, mixed land use**, diverse, life-enhancing environments with maximum possibilities for **pedestrian movement and transit** via safe and efficient public transport in cases where motorised means of movement is imperative.
- Ensure that low-income housing is provided in **close proximity to areas of opportunity**.
- Integrate previously excluded groups into the city, and the benefits it offers, and to ensure the development of more **integrated, functional and environmentally sustainable** human settlements, towns and cities. The latter includes densification.
- Encourage **Social (Medium-Density) Housing** – Social Housing is generally medium-density, and this housing intervention may make a strong contribution to urban renewal and integration.
- There is a need to move away from a housing-only approach to a more **holistic development of human settlements**, including the provision of social and economic infrastructure.
- **Multi-purpose cluster concept** will be applied to incorporate the provision of primary municipal facilities, such as parks, playgrounds, sports fields, crèches, community halls, taxi ranks, satellite police stations, municipal clinics, and informal trading facilities.
- More **appropriate settlement designs and housing** products, and more acceptable housing quality.
- Enhancing settlement design by including design professionals at planning and project design stages, and developing **design guidelines**.
- There is a need to focus on changing the face of the stereotypical RDP houses, and settlements, through the promotion of **alternative technology and design**.
- Social housing must be understood to accommodate a **range of housing product** designs to meet spatial and affordability requirements. Social housing products may include:

- Multi-level flat, or apartment options, for higher income groups, incorporating beneficiary mixes to support the principle of integration and cross-subsidisation;
  - Co-operative group housing;
  - Transitional housing for destitute households; and
  - Communal housing with a combination of family and single-room accommodation with shared facilities and hostels.
- **Funding support** will shift away from the current emphasis on uniform individual subsidies towards equity support for social institutions, determined as a percentage of the total capital cost of the project, including medium-density housing, communal housing, hostels and transitional housing.

The directives, presented above, should be translated into a hierarchy of spatial directives and normative principles.

## 2. Five Year Programme (IDP) (2006 – 2011)

In terms of the Municipal Systems Act a municipality should formulate a Strategic Plan for five-years, coinciding with the five year term of office of the political leadership. In terms of the Municipal Finance Management Act, the five year strategic plan should form the basis of the municipal budget.

The new political leadership of the City of Tshwane which were elected on 1 March 2006 adopted a Five Year Programme (IDP) which re-confirms the existing mission and vision of the City of Tshwane. The **guiding principles** that underlay the plan (programme) are to -

- deliver on the mandate of the people of Tshwane;
  - ensure continuity and make changes by reviewing and aligning where necessary to achieve delivery;
  - achieve state- led development through an effective intergovernmental relations (IGR);
  - drive integrated development;
  - provide quality service delivery and implement Batho Pele;
  - build institutional capacity and achieve transformation;
  - develop strategic partnerships;
  - achieve people-centred development; and
  - use e-governance as one means to make government accessible to the people
  - **Strategic priority areas** to be addressed according to the plan are –
- Basic service delivery and infrastructure development;

- Building safer, viable and sustainable communities;
- Economic growth and development (including inner city development);
- Investing in our people and deepening democracy;
- Financial viability and management of resources;
- Caring and effective government; and
- Institutional capacity and transformation.

The **Strategic Objectives** and **Key Performance Areas** of the 5 Year Programme (IDP) in proposed order of priority are reflected below:

<b>Strategic Objectives and Key Performance Areas</b>	
<b>1.</b>	<b>Provide basic services and develop infrastructure</b>
1.1	Eradication of infrastructure backlogs
1.2	Provide infrastructure for growth
1.3	Ensure optimal resource utilisation
<b>2.</b>	<b>Economic growth and development</b>
2.1	Local economic development
2.2	Economic Governance
2.3	Broad based black economic empowerment
<b>3.</b>	<b>Build sustainable communities</b>
3.1	Support the indigent
3.2	Provide access to housing
3.3	Facilitate community development
<b>4.</b>	<b>Build safe and secure communities</b>
4.1	Crime prevention
4.2	Re-active policing and law enforcement
4.3	Public health/municipal health services
4.4	Safety in the built environment
4.5	Emergency services
<b>5.</b>	<b>Good governance</b>
5.1	Sustainability management
5.2	Ensure community participation in local government
5.3	LG responsiveness to citizens
5.4	Monitoring and evaluation
5.5	Ensure cooperative governance
5.6	Perform risk management
5.7	Sound human resource management

The following City Targets following from the 5 Year Programme (IDP) of the City of Tshwane are directly related to this study;

- Eradicate basic services backlogs equal to or earlier than national targets.
- By 2009, all informal settlements that can be established as townships are established, and the rest established by 2014.
- Reduce time to travel between home and work in line with Gauteng Province targets, and in partnership with key stakeholders.
- 80% of needs in terms of regeneration of the inner city achieved per category (housing, businesses, open space and social infrastructure) by 2011.
- Promote viable communities by establishing mixed human settlements closer to economic opportunities with social, cultural and economic development programmes that enable celebration of diversity and foster social inclusion.
- 70% of settlements close to economic opportunities either through being located there or by having opportunities developed in their area.
- Provide integrated multi-purpose centres in line with needs and with key partners by 2010.
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### **3. Planning / Formalisation Process**

- The City of Tshwane Housing Division recognises the need and necessity for multi term forward planning through, inter alia the IDP processes;
- Overall structure/development planning must be in place before detail planning can commence;
- The City of Tshwane Housing Division recognises the need and necessity of detail planning;
- Detail planning must be done in accordance to sound planning principles and according to the most cost effective planning;
- Provision must be made for full range of community facilities in accordance to the Provincial standards;
- If development is to take place on an occupied portion of land, detail layout plans must accommodate existing permanent structures as far as possible;
- Provision must be made for a proper communication process with other role-players to ensure that budgeting for facilities takes place in advance
- Detail layout plans must be cost effective, and should take cognisance of the fact that mid block lines should be straight and that the spacing between sewer manholes is determined as 200m, this is necessary to limit costs;
- Any township establishment method can be used as long as it can be proven that this method is the most suitable / appropriate;
- Detail plans will be evaluated by means of the proposed checklist;
- All plans must make provision for the upgrading of services.
- NorthWest Projects:

- Specific attention should be given to the North West Province housing projects, the ruling stand size of the older projects financed by the North West Province are all 450 m<sup>2</sup>;
- The projects being funded by the Department of Land Affairs, where tenure rights upgrading is undertaken, have a ruling stand size of approximately 890 m<sup>2</sup>;
- There is thus a political decision that will have to be taken, and a financial implication for the City of Tshwane Metropolitan Municipality;
- Stand sizes of 450m<sup>2</sup> maximum can be serviced with the available subsidy amount up to the intermediate servicing level.
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### **Minimum Standards**

- The minimum Provincial Town planning provisional standards are accepted and will be implemented.
- The minimum Engineering and Services standards as prescribed by the Service Department of the City of Tshwane are accepted and will be implemented, pending availability of funding. The specific characteristics of the area, especially the prevailing geo-technical conditions must be considered.
- The level of service will also depend on the stand size, and the ability of the community to contribute towards the installation of services. As previously stated, the maximum stand size that can be provided with services by utilising the housing subsidy is 450 m<sup>2</sup>.
- The minimum National top structure standards are accepted and will be implemented.
- Standards will be continually updated. In this regard the minimum level of service for the City of Tshwane for the provision of water, sanitation and roads with stormwater drainage is currently under review.

## **PRIORITY IMPLEMENTATION TARGETS FOR HOUSING**

### **a. Current Financial Year (2006/07)**

- Council approval for an Informal Settlement Management Plan.
- Implementation of the Informal Settlement Management Plan.
- One consumer education workshop at each new housing project.
- Complete the transfer of all remaining properties under the TORPs programme.
- Finalise a “Municipal Housing Development Plan” which will facilitate the identification of suitable, developable land for housing development and which will be informed by the Spatial Development Strategy for the City of Tshwane: 2010 and beyond.
- Finalisation of a report and Council approval for a minimum level of service for all services which are to be installed within the area of jurisdiction of the City of Tshwane.
- Enter into Service Level Agreements (SLAs) with the active Social Housing Institutions which will include delivery targets.
- Construct 263 family units in the Saulsville hostel (as per business plan).
- Construct 340 family units in the Mamelodi hostel (as per business plan).
- Implementation of the Top 20 Prioritised Townships Programme.
- Prepare a report and acquire Council approval for a policy regarding the implementation of housing projects in terms of Breaking New Ground and the Financial Sector Charter.
- Acquire Council approval for the implementation of a pilot project in terms of the abovementioned policy which is close to the inner city.
- Acquire Council approval for application for level one of accreditation for the City of Tshwane to administer housing projects.
- Research the possibility of establishing cooperatives to take over the ownership and/or management of the “White Blocks” in Laudium and the “Nantes” houses in Eersterust.
- Proceed with current housing projects to deliver the following (as per business plan):
  - planning of residential stands - 13 850 stands
  - transfer of residential stands - 3 850 stands
  - servicing of residential stands - 13 350 stands
  - construction of houses - 6 000 houses

## **b. Financial Year 2007/08**

- Appointment of new service providers for the control and prevention of illegal occupation of Council and State owned land and buildings in the area of jurisdiction of the City of Tshwane (3 year contract).
- One consumer education workshop at each new housing project.
- Complete the transfer of the remaining properties under the RETRO programme.
- Housing Company Tshwane to proceed with the construction of 767 rental units in Pretoria Town and Townlands.
- Construct 450 family units at the Saulsville hostels (as per business plan).
- Construct 450 family units at the Mamelodi hostels (as per business plan).
- Implement a pilot project in terms of Breaking New Ground and the financial Sector Charter for approximately 10 000 residential stands, close to the inner city.
- Apply for level one accreditation for the City of Tshwane to administer housing projects.
- Proceed with current housing projects to deliver the following (as per business plan):
  - planning of residential stands - 19 900 stands
  - transfer of residential stands - 3 300 stands
  - servicing of residential stands - 11 900 stands
  - construction of houses - 5 200 houses

## **c. Financial Year 2008/09**

- One consumer education workshop at each new housing project.
- Achieve “full cost recover” rentals on all rental housing schemes managed by the Housing Division.
- Yeast City Housing to proceed with construction of 381 rental units on erf 3020 Pretoria Central.
- Housing Company Tshwane to proceed with construction of the following rental units:
  - Koedoespoort/Jan Niemand Park - 500 units
  - Salvokop - 352 units
  - Eerstefabrieke - 500 units
- Construct 590 family units at the Saulsville hostel (as per business plan).
- Construct 590 family units at the Mamelodi hostel (as per business plan).
- Implement second pilot project in terms of Breaking New Ground and the financial Sector Charter for approximately 10 000 residential stands, close to the inner city.
- Proceed with current housing projects.

- Proceed with housing projects in order to deliver the following (as per business plan):
  - planning of residential stands - 25 400 stands
  - transfer of residential stands - 3 500 stands
  - servicing of residential stands - 13 000 stands
  - construction of houses - 8 100 houses

#### **d. Financial Year 2009/10**

- One consumer education workshop at each new housing project.
- Housing Company Tshwane to proceed with the construction of the following rental units:
  - Koedoespoort/Jan Niemand Park - 500 units
  - Salvokop - 351 units
  - Eerstefabrieke - 500 units
- Construct 100 family units at the Saulsville hostel (as per business plan).
- Construct 250 family units at the Mamelodi hostel (as per business plan).
- Proceed with housing projects in order to deliver the following (as per business plan):
  - planning of residential stands - 34 000 stands
  - transfer of residential stands - 59 000 stands
  - servicing of residential stands - 44 900 stands
  - construction of houses - 54 000 houses

No budget has yet been approved for this purpose.

#### **e. Financial Year 2010/11**

- Appointment of new service providers for the control and prevention of illegal occupation of Council and State owned land and buildings in the area of jurisdiction of the City of Tshwane (3 year contract).
- One consumer education workshop at each new housing project.
- Housing Company Tshwane to proceed with the construction of the following rental units:
  - Salvokop - 351 units
  - Station 13 - 500 units
  - Lotus Gardens Ext. 2 - 1 000 units
  - Denneboom - 1 400 units
- Construct 197 family units at the Saulsville hostel (as per business plan).
- Construct 290 family units at the Mamelodi hostel (as per business plan).



- Implement a third housing project in terms of Breaking New Ground and the Financial Sector Charter for approximately 10 000 residential stands, close to the inner city.
- Proceed with housing projects in order to deliver the following (as per business plan):
  - planning of residential stands - 42 850 stands
  - transfer of residential stands - 66 350 stands
  - servicing of residential stands - 52 850 stands
  - construction of houses - 62 700 houses

No budget has yet been approved for this purpose.

#### POLICY AND PILOT PROJECT

- Need to execute key projects in terms of BNG
- Need to implement a uniform level of service over entire development (high, medium and low income)
- Need to install a higher level of service than funded by subsidy
- Rebates necessary on certain cost items
  - Land
  - Bulk and link contributions
  - Township establishment fees
- Income from land to be reinvested in the development
- Turn-key contracts
- Development consortiums (inclusive of registered and regulated financial institutions) to submit proposals
- Densification
- Mixed income, tenure and typologies (choice)
- Engaging with commerce and other land uses
- Proposal process
  - Proposal call (formal)
  - Firm tender offers
  - Bid Evaluation
  - Bid Adjudication
  - Finalize project agreements (preferred bidder)
    - 90/10 preference point system
    - 10 points - promoting BEE objectives
    - 50 points - functionality
      - Capability and capacity
      - Probability of achieving a sustainable human settlement

- 40 points - price
  - Application of public funds
  - Indirect economic value to the City of Tshwane
- - Land availability agreement
  - Development agreement
  - Services agreement
- Awarding of project (subject to confirmation)
- Project confirmation (6 months)
- Project execution
- Nellmapius as pilot project
  - Well located
  - Infill area and approximately 10 500 stands