

PROVINCIAL SUSTAINABLE HUMAN SETTLEMENTS POLICY PROJECTS AND PROGRAMMES

GAUTENG PROVINCE
25 MARCH 2015



GAUTENG PROVINCE
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

Together, Moving Gauteng City Region Forward

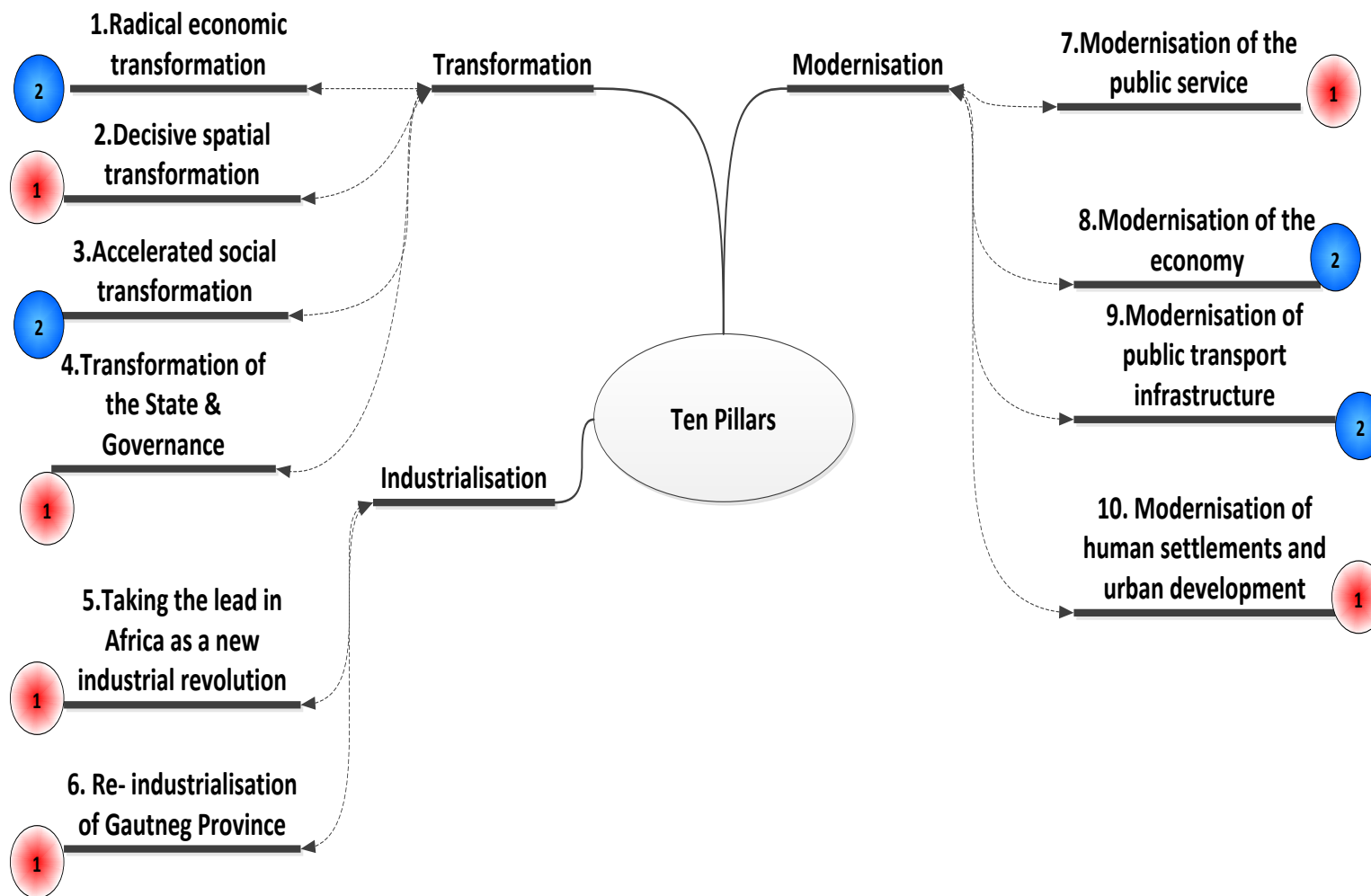
CONTENTS

- Legislative and Policy Context
- Strategic Framework
- Transitional Period – the new trajectory
- Programmes and projects
- Conclusion

LEGISLATIVE, POLICY & STRATEGIC CONTEXT

- The Department derives its legislative and policy mandate from National Government - NDP BNG
- The Gauteng Executive Council has also provided a directive to the work of the Gauteng Provincial Government through the 10 pillars of radical transformation centred around 3 key themes: Transformation, Modernisation and Re-Industrialisation
- These pillars seek to:-
 - radically transform and modernise human settlements in Gauteng
 - modernise human settlements and the public sector in the province
 - In relation to re-industrialisation of the province, the pillars seek to radically transform the economy of the province bringing about jobs that are very much needed currently
- The TMR will be the guiding philosophy in the Gauteng City Region in the resolve to achieve integrated and sustainable human settlements

Alignment with 10 Pillars



WHAT THE STRATEGY PROPOSES

- Responding systematically to entrenched spatial patterns.
- Focus on Infrastructure investment and urban regeneration.
- Utilise delivery of housing to restructure towns and cities and strengthen the livelihood prospects of households.
- Devise alternative innovative financial instruments to increase housing opportunities.
- Play central co-ordinating and facilitative role between Gauteng City Region (GCR) cities
- Capitalise on the growing integrated urban network.
- Ensure that planning is guided by principles of liveable, sustainable, equitable, resilient and efficient settlements supported by economic opportunities and social cohesion.

WHAT THE STRATEGIC PLAN PROPOSES

- Prioritise development of urban infrastructure, environment, and affordability of living in urban centres in the Gauteng City Region
- Work closely with the Provincial Departments and Municipalities integrating housing developments plans with the Gauteng Infrastructure Master Plan, Transport Master Plan and Gauteng Development Spatial Framework
- Prioritise building capacity of our cities to assume a greater role in discharging built environment functions - Accreditation
- Build the necessary human capacity to deliver on our mandate
- Restore sound governance principles and fight fraud and corruption
- This is aligned to the business of the GPF which is to leverage funding from external senior funders

STRATEGIC OBJECTIVES GDHS

1. Build inclusive human settlements consistent with integrated, efficient and equitable spatial patterns.
2. Build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements.
3. Address housing needs, through effective research, monitoring, evaluation, planning and the development of appropriate human settlements policies.
4. Building a productive and capable human capital with the relevant and appropriate skills-base to duly respond to the needs of human settlements.

STRATEGIC OBJECTIVES GDHS

5. Restoring public service ethos by promote sound good governance, fighting fraud and corruption and establishing effective risk management systems in place.
6. Use human settlements as a catalyst for the creation of work and entrepreneurial opportunities inclusive but not limited to the Expanded Public Works Programme and Community Works Programme approaches.
7. Engendering of co-ordinated function of joint-planning across inter-governmental platforms and spheres for long-term transformed human settlements.
8. Enabling the department to perform its roles and responsibilities through the planning, implementation and use of ICT as a strategic enabler of business.

STRATEGIC OBJECTIVES GDHS

What does this mean for GPF

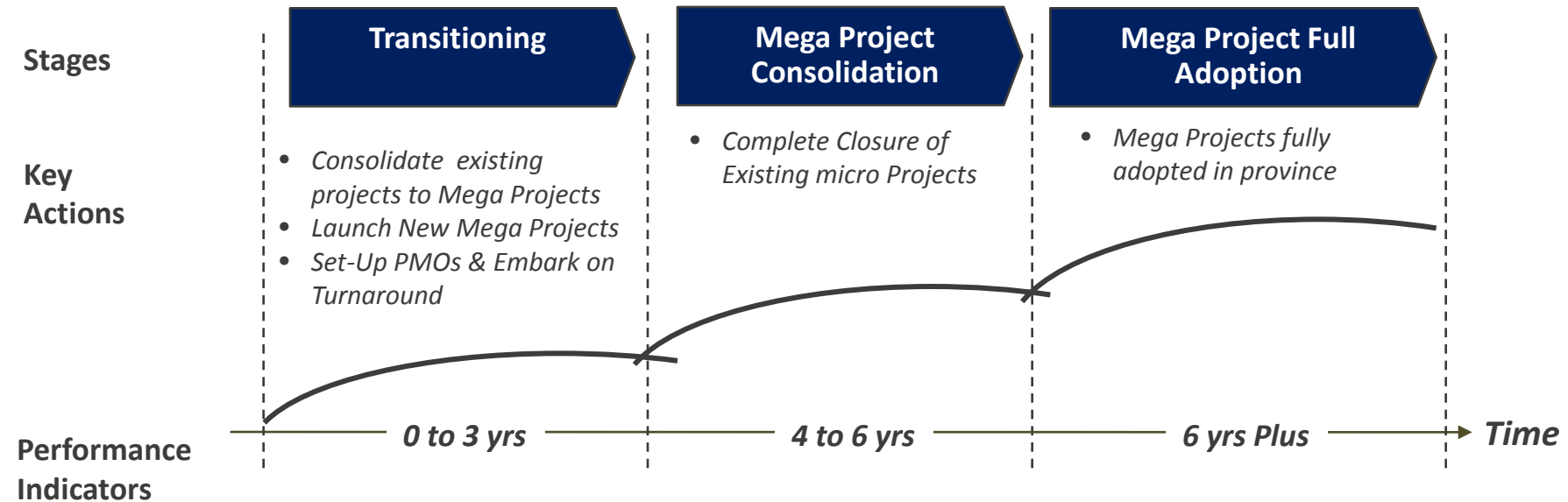
- The beneficiaries must be employed in order to afford the rentals
- The rentals must be affordable
- The rental accommodation must be closer to job opportunities to reduce the costs of commuting
- Purchase and refurbish buildings for rental accommodation
- Service all market segments of rental accommodation
 - Students, young entrants into the property market, Migrants etc.
- Contribute towards city regeneration and revitalisation of townships
- Infill programme - strategic parcels in cities and suburbs
- In all the Mega Projects GPF will be driving the rental and social housing programmes

THE NEW TRAJECTORY – MOTIVATING FACTORS

- **KEY MOTIVATING FACTORS FOR THE EVOLUTION FROM MICRO TO MEGA PROJECTS:**
 - Radical Spatial transformation;
 - Entrenching social, cultural and racial integration;
 - Repackaging, re-engineering through clustering of Human Settlements development nodes
 - Transparent architecture and design;
 - Economic driver for primary infrastructure, secondary infrastructure, top structure, and support industries;
 - Job creation and enhancing the household economy;
 - Better and more efficient land use and land use management;
 - Provision of a variety of housing products suitable to address the housing need;
 - Centrally managed and coordinated development planning, budgeting, implementation and monitoring;
 - Efficient grant management and beneficiary administration.

It is anticipated that the bulk of existing micro projects will be phased out in 4 - 6 years

The Journey Towards Mega Projects

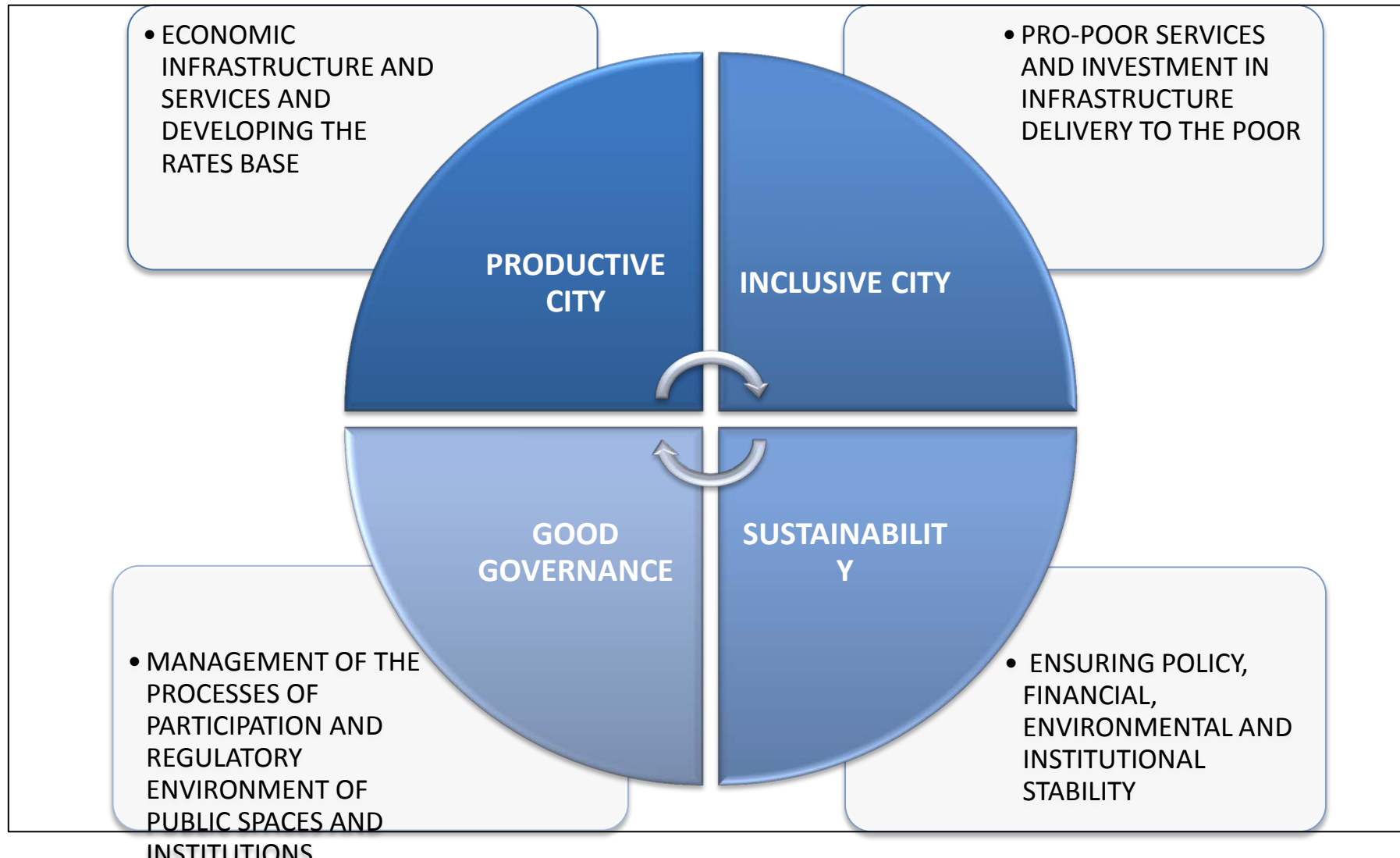


Resource Allocation (%)

Micro Projects (%)	90% (Over 300 projects)	60%	10%
Mega Projects (%)	10%	40%	90%



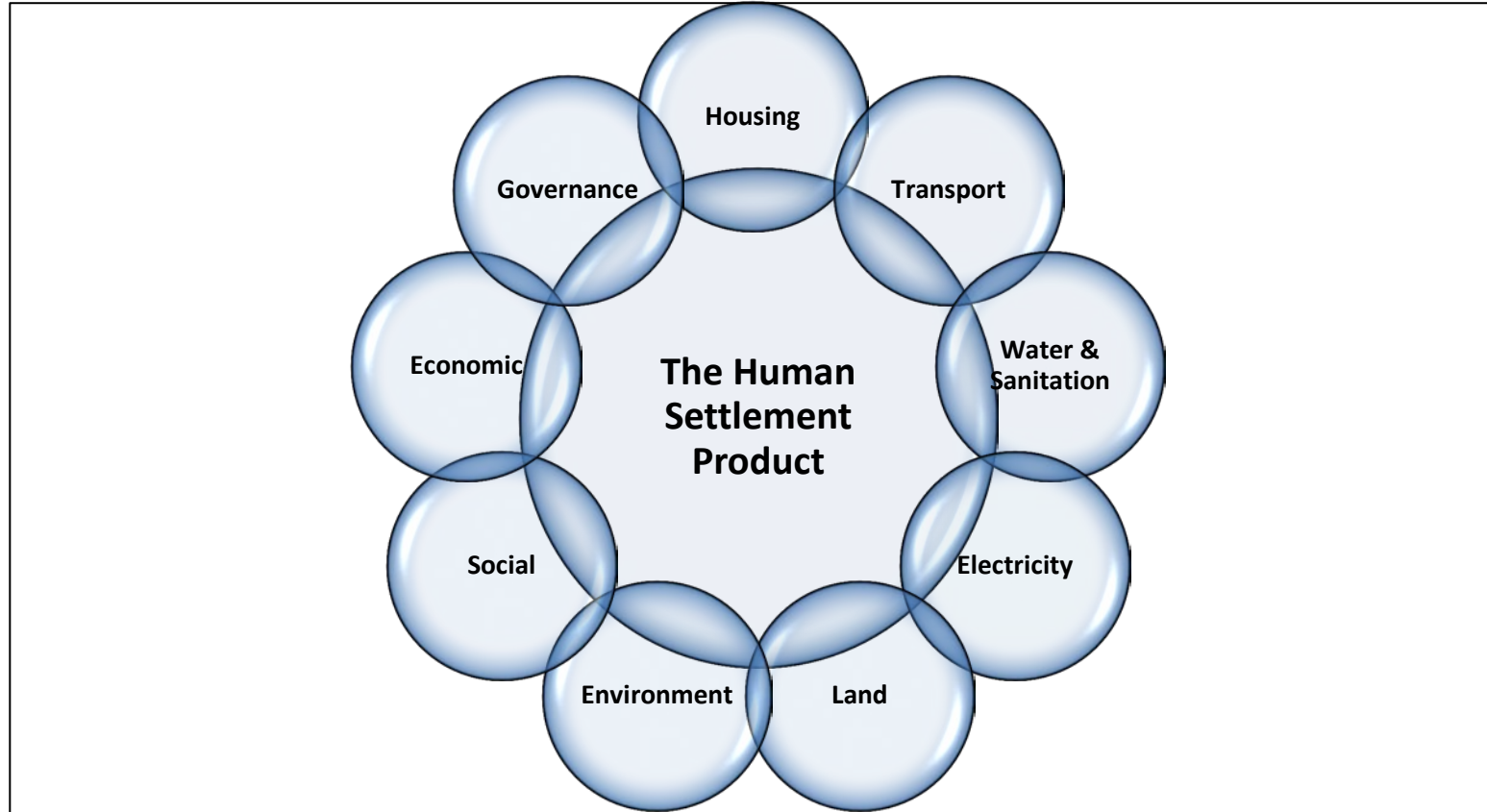
MEGA PROJECTS REPRESENT NEW CITIES



KEY COMPONENTS OF A MEGA PROJECT

- 1) Secure and reliable biometric technology for beneficiary registration that will link subsidy to title deeds;
- 2) Complete eradication and basic service provision of informal settlements including in-situ upgrading, de-congestion and reorganisation of space;
- 3) Mixed housing typologies to cater for various housing market segments including those that fall out of the government subsidy bracket;
- 4) Provision of integrated primary (bulk) and secondary infrastructure;
- 5) Operationally efficient centralised PMO;
- 6) Site project office with models and architectural designs of the development;
- 7) Transparency and communication;
- 8) PPP with private property developers;
- 9) Job creation and revenue generation through business complexes and light industry;
- 10) Culturally diverse and socially cohesive communities; and,
- 11) Proper and coordinated IGR across all spheres of government.

THE HUMAN SETTLEMENT PRODUCT



THE HUMAN SETTLEMENT PRODUCT – ITS NOT JUST ABOUT BUILDING HOUSES

The above package of services also includes the radical transformation of residential areas and building communities that have access to work and social amenities, including sport and recreation facilities.

PROGRAMMES AND PROJECTS

- Programmes to improve our delivery model of Rental Stock will include:
 - Infill sites
 - Fully serviced sites
 - Employer assisted housing
 - Revised rental housing model
 - Social Housing Accelerated
 - CRU Improved Approach - Hybrid
 - Private Sector Partnerships
 - Urban Renewal
 - Revitalisation of mining towns

REGIONAL INVESTMENT: GRANTS 2015-2019

REGION	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	R '000					
Johannesburg	979 283	1 045 533	1 043 373	1 105 975	1 172 334	5 346 498
Ekurhuleni	983 921	1 092 717	1 284 749	1 361 834	1 443 544	6 166 765
Tshwane	964 215	1 066 171	1 046 100	1 108 866	1 175 398	5 360 750
West Rand	892 512	949 969	870 318	922 537	977 889	4 613 225
Sedibeng	682 652	737 874	758 223	803 716	851 939	3 834 404
Head Office	228 269	307 405	478 073	506 758	537 164	2 057 669
Opscap	248 992	273 667	288 465	305 773	324 119	1 441 016
Total	4 979 844	5 473 336	5 769 301	6 115 459	6 482 387	28 820 327

JOHANNESBURG REGION

JOHANNESBURG REGION						
			Commencement Date			
Mega Project	Projects	Yield	Pre-planning	Planning and Designs	Services Installation	Construction
Joburg North	Lion Park	13 000	Completed	Completed	2016/17	2017/18
	Diepsloot East	11 000	Completed	Completed	2016/17	2017/18
Johannesburg Northwest	Fleurhof	10 200	Completed	Completed	Completed	2015/16
	Cosmo City	12 500	Completed	Completed	Completed	2015/16
	Malibongwe Ridge	5 500	Completed	Completed	Completed	2015/16
	Lufhereng	24 000	Completed	Completed	Completed	2015/16
	Syferfontein	60 000	Completed	In Progress	2016/17	2017/18
	Goudrand	13 200	Completed	Completed	Completed	2015/16
Total		149 400				
Dependencies	Sedibeng Wastewater Treatment Plant for projects in the South					

EKURHULENI REGION

EKURHULENI REGION						
			Commencement Date			
Mega Project	Projects	Yield	Pre-planning	Planning and Designs	Services Installation	Construction
Ekurhuleni East Node	Chief Albert Luthuli Ext 6	7 472	Completed	Completed	Completed	2015/16
	John Dube Ext 2	12 295	Completed	2015/16	2016/17	2017/18
	Tsakane Ext 22	6 400	Completed	Completed	2016/17	2016/17
Ekurhuleni East Node	Palmietfontein / Waterfall	27 239	Completed	2015/16	2016/17	2017/18
	Leeuwpoort	15 867	Completed	2015/16	2016/17	2017/18
	Germiston South	12 063	Completed	2015/16	2016/17	2017/18
	Rietspruit / Rietfontein	11 000	Completed	2015/16	2016/17	2017/18
Ekurhuleni East Node	Clayville Ext 45	14 278	Completed	Completed	2015/16	2016/17
Total		106 614				
Dependencies	Land Acquisition					

SEDIBENG REGION

SEDIBENG REGION						
			Commencement Date			
Mega Project	Projects	Yield	Pre-planning	Planning and Designs	Services Installation	Construction
Emfuleni	Boiketlong	26 608	Completed	In progress	2015/16	2016/17
	Golden Highway	25 133	Completed	In progress	2016/17	2017/18
	Evaton	10 868	In progress	2016/17	2017/18	2018/19
	Vereeniging	16 625	In progress	2016/17	2017/18	2018/19
Midvaal	Savanna City	18 399	Completed	Completed	2015/16	2015/16
	R59 Corridor	10 369	In progress	2016/17	2017/18	2018/19
Lesedi	Ratanda	7 324	Completed	Completed	Completed	2015/16
	Rural Corridor	6 000	Completed	In progress	2016/17	2017/18
Total		121 326				
Dependencies	Sedibeng Wastewater Treatment Plant					

TSHWANE REGION

TSHWANE						
		Commencement Date				
Mega Project	Projects	Yield	Pre-planning	Planning and Designs	Services Installation	Construction
North Node	Soutpan Phase 1-7	16 600	Completed	Completed	2015/16	2015/16
	Stekwater	30 000	2015/16	2016/17	2015/18	2015/19
	Hammanskraal	7 000	Completed	Completed	Completed	2015/16
	Winterveldt	20 000	Completed	Completed	Completed	2015/16
West Capital	Lady Selbourne	5 000	Completed	Completed	2015/16	2015/16
	Danville / Elandspoort	2 700	Completed	Completed	2015/16	2016/16
	Lotus Gardens	5 000	Completed	Completed	2015/16	2016/17
	Fortwest	7 000	Completed	Completed	2015/16	2016/17
	Zandfontein	8 100	Completed	2015/16	2016/17	2017/18
	Kirkney/Andeon	1 700	Completed	2015/16	2016/17	2017/18
Central	Capital Park	9 450	2015/16	2016/17	2017/18	2018/19
	Vermeulen		Completed	Completed	2015/16	2015/16
South	Olivenhoutbosch	20 959	Completed	Completed	2015/16	2015/16
East	Nellmapius	22 366	Completed	Completed	2015/16	2015/16
Far East	Zithobeni	10 000	Completed	Completed		
Total		165 875				
Dependencies	Land Acquisition Nellmapius					

WEST RAND REGION

WESTRAND						
			Commencement Date			
Mega Project	Projects	Yield	Pre-planning	Planning and Designs	Services Installation	Construction
Eastern Node	Chief Mogale	10 000	Completed	Completed	2015/16	2015/16
	Leratong/Witpoortjie	17 000	Completed	Completed	2015/16	2016/17
	Kagiso Ext 13	1 000	Completed	2015/16	2016/17	2017/18
Southern Node	Westonaria Borwa	6 500	Completed	Completed	Completed	2015/16
	Thusanang	3 500	Completed	Completed	2015/16	2016/17
	Waagterskop	6 500	Completed	Completed	2015/16	2016/17
Southwest Node	Kokosi Ext 6	3 000	Completed	Completed	Completed	2015/16
	Kokosi Ext 7	6 000	Completed	Completed	2016/17	2016/17
Western Node	Droogeheuwel	37 000	Completed	Completed	2016/17	2017/18
	Mohlakeng Ext 11	1 500	Completed	Completed	Completed	2015/16
Northwestern Node	Khutsong South Ext 1,2,3	18 000	Completed	2015/16	2016/17	2017/18
	Vaarkenslaagte	9 000	2015/16	2016/17	2017/18	2018/19
Total		119 000				
Dependencies	Land Acquisition Kokosi, Tarlton, Magalies					
	Bulk Sewer outfall line (Kokosi) and bulk water reservoir (Droogeheuwel)					



UNIT COSTING FOR MEGA PROJECTS

Product	Unit Cost	Comments
Stands	R120 000	Roads& Storm Water, Sewer , Electricity , Water , Other Municipal Services Connection
Houses	R220 000	Future Densification Solution, replacing Stand alone houses .
Rental Units	R400 000	All internal services , construction for high rise development including open spaces for parking and recreational purposes , security services , boundary wall ,
Bonded	Various options based on private sector bond approval	Private sector development including individual sale or owner build .

CONCLUSION

- Our delivery model is underpinned by the connection between all elements of the human settlements:
 - Delivery of Gauteng Human Settlements Mega Projects
 - Refining the finance model to suit our new trajectory
 - Capacity to deliver by the Provincial Department improved - Industry specific qualifications
 - Strengthening the capacity of the PMO and the Regions
 - Service Delivery Model will change to a teamwork approach
 - Integrated Planning (Intergovernmental Relations Strengthened)
 - Explore models to incentivise private sector investment in the mega project
 - Unqualified Audit outcome



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**THANK
YOU**