



**Contact:** The Municipal Manager  
**MATJHABENG LOCAL MUNICIPALITY**

**March 2018**

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# **Matjhabeng Integrated Human Settlement Plan**

**Draft – Work in Progress**

Work in Progress

Disclaimer:

All care has been taken in the preparation of this document and the information contained herein has been derived from sources believed to be accurate and reliable.

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## Executive Summary

Work in Progress

# 1. INTRODUCTION & BACKGROUND

## 1.1 OBJECTIVES OF THE INTEGRATED HUMAN SETTLEMENT PLAN

Municipalities are required to prepare and adopt Integrated Development Plans (IDPs) as the basis for planning and coordinating service delivery. It is a further requirement for the IDP to incorporate and integrate all relevant sector plans that are required in terms of legislation governing such sectors. This then also includes the Integrated Human Settlement Plan (IHSP) or as commonly referred to as Housing Sector Plan.

The IHSP should therefore be included as a chapter of the municipality's IDP. It is also critical to ensure that the IHSP informs other Sector Plans of the need for relevant development prioritisation to enable the IHSP to meet its delivery target. The most critical of these include the Spatial Development Plan, Infrastructure Development Plans, LED Strategy and Integrated Transport Plan. Without effective integration and alignment of priorities, the IHSP will not be able to succeed when it comes to implementation.

The Integrated Human Settlement Plan needs to reflect the municipality's plans, budget and organisational capacity or arrangements to deliver on the directive set out by the Housing Act.

**Some of the main purposes of the IHSP are to:**

- Provide guidance in prioritising housing needs, in order to obtain consensus for the timing and order of implementation of required projects and associated development activities ;
- Ensure the prioritisation and effective allocation of limited financial and human resources, to meet the demand for housing;
- Ensure cross-sector prioritisation and alignment of developmental interventions;
- Ensure that budget allocations for housing are effectively applied;
- Ensure that there is a definite housing focus within the IDP and SDF, with clear direction for future housing delivery;
- Provide the IDP with adequate information about the nature (typology) and extent (no. of units) of the housing need, requirements for land, infrastructure and social /economic services and infrastructure, and to
- Ensure that budget alignment and scheduling will be sufficient to enable the implementation of the plan.

**The main objectives of an Integrated Human Settlements Sector Plan are:**



- To ensure that human settlements planning reflects the entire range of housing and accommodation needs and that it is based on credible data;
- To align the municipality's plans with national and provincial human settlements plans and priorities and to inform municipal and Departmental multi-year plans and budgets;
- To undertake human settlements planning as part of the broader, integrated planning process within the municipality;
- To provide detailed human settlements project plans within a clear implementation and funding strategy;
- To inform institutional structure and capacity requirements and the roles and responsibilities of other sectors that are critical to achieving integrated human settlements planning; and
- To provide a clear monitoring and evaluation framework for the human settlement development.

## 1.2 STRUCTURE OF THE MHSP

The structure of the report is informed by the Guidelines for Municipal Human Settlement Sector Plans and includes the following:

1. INTRODUCTION & BACKGROUND
2. POLICY AND LEGISLATIVE ANALYSIS
3. DEFINING THE NEED FOR SUSTAINABLE HUMAN SETTLEMENTS
4. SUPPLY SIDE ANALYSIS
5. STRATEGIC FRAMEWORK
6. IMPLEMENTATION PLAN

## 2. POLICY AND LEGISLATIVE ANALYSIS

The compilation of Integrated Human Settlements Development Plans is guided by prevailing national legislation, both national and provincial policy frameworks.

In summary, human settlements planning is directed by the following policy frameworks and strategies:

National	<ul style="list-style-type: none"><li>• Outcome 8</li><li>• Housing Code</li><li>• National Development Plan 2030</li><li>• NDOH MTSF (5-year)</li></ul>
Provincial	<ul style="list-style-type: none"><li>• Provincial Human Settlement Strategic Plan and Performance Plan</li><li>• Multiyear housing development plan</li><li>• Provincial Growth and Development Strategy</li></ul>
Municipal	<ul style="list-style-type: none"><li>• Integrated Development Plan</li><li>• Spatial Development Framework</li><li>• Housing Sector Plan / Housing Chapter in the IDP</li></ul>

### 2.1 THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA (1996)

The Constitution of the Republic of South Africa (Act 108 of 1996) has given municipalities a number of developmental responsibilities. According to sections 152 and 153 of the Constitution, local government is responsible for the development processes in municipalities, including municipal planning. The Constitution also provides a clear indication of the intended purposes for municipal integrated development planning, which is to:

- Ensure sustainable provision of services;
- Promote social and economic development;
- Promote a safe and healthy environment;
- Give priority to the basic needs of communities; and
- Encourage the involvement of communities.

The Bill of Rights contained within the Constitution also entrenches certain basic rights for all citizens, including the right to have access to adequate housing. Other relevant sections within the Constitution include:

Section	Right Defined	Nominated Beneficiaries
Section 26(1)	The right of access to adequate housing.	Everyone

<b>Section 26(3)</b>	The right not to be evicted from your home or have your home demolished, without an order of court, made after considering all the relevant circumstances. No legislation may permit arbitrary evictions.	Everyone
<b>Section 28(1)(c)</b>	The right to shelter.	Every child

Other Constitutional rights that can be used to protect housing include:

- The right to equality (section 9);
- The right to just administrative action (section 33);
- The right to dignity (section 10); and
- Section 25(6) also protects vulnerable groups by reinforcing security of tenure

## 2.2 THE INTERGOVERNMENTAL RELATIONS FRAMEWORK ACT, 2005 (NO. 13 OF 2005)

Section 4 of the Act states the objective of the Act as to provide within the principle of co-operative government (set out in Chapter 3 of the Constitution) a framework for the national government, provincial governments and local governments and all organs of state within those governments, to facilitate co-ordination in the implementation of policy and legislation, including:

- Coherent government
- Effective provision of services
- Monitoring implementation of policy and legislation and
- Realisation of national priorities

The Act provides for intergovernmental structures to be established between all spheres of government, including Provincial and Municipal intergovernmental forums. Section 18 describes provincial intergovernmental forums to have the following functions:

- To consult on matters of mutual interest including the implementation of national policy and legislation; draft national policy and legislation relating to matters affecting local government interests in the province; implementation of national policy and legislation; development and implementation of provincial policy and legislation; co-ordination of provincial and municipal development planning to facilitate coherent planning in the province; co-ordinate and align strategic and performance plans and priorities, objectives and strategies and
- To consider reports from other provincial intergovernmental forums and district intergovernmental forums in the province.

The Act further allows for the establishment of interprovincial forums, district intergovernmental forums and inter-municipality forums.

## 2.3 INFRASTRUCTURE GRANT TO PROVINCES

The Infrastructure Grant to Provinces, set out in Schedule 4 of the Act, supplements the funding of infrastructure programmes funded from provincial budgets to enable provinces to address backlogs in provincial infrastructure.

A province must ensure that its provincial departments responsible for education, health and roads are responsible for all capital and maintenance budgets and spending for those functions.

An accredited municipality must also take into account any criteria for the prioritisation of projects – as determined by the province – and comply with national housing policies and programmes.

### MUNICIPAL INFRASTRUCTURE GRANT

The Municipal Infrastructure Grant (MIG) set out in Schedule 4 of the Act supplements the funding of infrastructure programmes funded from municipal budgets to enable municipalities to address backlogs in municipal infrastructure required for the provision of basic services.

### INTEGRATED HOUSING AND HUMAN SETTLEMENT DEVELOPMENT GRANT

Accreditation of municipalities' grants must be implemented progressively, and must at least include the following requirements:

- Authority to administer national housing programmes, including the administration of all housing subsidy applications;
- Authority to grant subsidies and approve projects to be funded from uncommitted housing subsidy funds from the financial year;
- An obligation to comply with the capacity and system requirements prescribed by the provincial accounting officer responsible for housing;
- An obligation to provide reports on housing demand and delivery to the provincial accounting officer; and
- An obligation to provide information on the levying and collection of rental in respect of all municipal owned houses.

An accredited municipality must also:

- Take into account any criteria for the prioritisation of projects, as determined by the province;
- Comply with national housing policies and programmes; and
- Participate in national housing programme forums.

## 2.4 NATIONAL HOUSING ACT, 1997 (NO. 107 OF 1997)

The government's primary housing objective is to undertake housing development in line with Section 1 of the Housing Act (No. 107 of 1997) which reads as follows:

*"the establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities*

*in which all citizens and permanent residents of the Republic will, on a progressive basis, have access to: permanent residential structures with secure tenure, ensuring internal and external privacy, and providing adequate protection against the elements, potable water, adequate sanitary facilities and domestic energy supply.”*

The Housing Act sets out the general principals applicable to housing development that national, provincial and local spheres of government must adhere to.

In Section 9(1) (f) the Act requires that:

*“every municipality must, as part of the municipalities’ process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction.”*

Every municipality must, as part of the process for integrated development planning:

- Take all reasonable and necessary steps to ensure that:
  - The inhabitants of its area have access to adequate housing;
  - Conditions not conducive to the health and safety of the inhabitants of its area are prevented or removed; and
  - Services in respect of water, sanitation, electricity, roads, storm water drainage and transport are provided in a manner which is economically viable.
- Set housing delivery goals in respect of its area of jurisdiction;
- Identify and designate land for housing development;
- Create and maintain a public environment conducive to housing development which is financially and socially viable;
- promote the resolution of conflicts arising in the housing development process;
- Initiate, plan , co-ordinate, Facilitate , promote and enable appropriate housing development in its area of jurisdiction;
- provide bulk engineering services, and revenue generating services in
- so far as such services are not provided by specialist utility suppliers; and
- plan and manage land use and development.

## 2.5 NATIONAL HOUSING SUBSIDY ALTERNATIVES

The National Housing Subsidy Programme aims to stimulate both rural and urban development. The Housing Subsidy Scheme provides different funding options and programmes for facilitating access to housing.

To qualify for the Housing Subsidy Scheme you must:

- Have a combined household income of less than R3 500 a month.
- Be a South African citizen or permanent resident.
- Be 18 years or older or married or divorced and of sound mind.

- Be married, live with a partner, or be a single person with one or more dependents. Unmarried couples must produce an affidavit to prove they are living together as a couple. Dependents usually include children, elderly people and people with severe disabilities.
- Not have received a housing subsidy previously. However, a person who received only a vacant serviced site under the previous dispensation on the basis of ownership, leasehold or deed of grant, qualifies for a consolidation subsidy. This does not apply to people who qualify for relocation assistance or people with disabilities. With divorce, the terms of the divorce order will determine if a person qualifies.
- Not own or have owned property in South Africa, except under consolidation subsidy or relocation assistance. This does not apply to people living with disabilities.

The tables below outlines the various housing programmes currently supported by the National Department of Human Settlements.

<b>INCREMENTAL HOUSING PROGRAMME</b> <b>These programmes facilitating access to housing opportunities through a phased process</b>	
<b>Integrated Residential Development Programme (IRDP)</b>	<p>The programme provides for planning and development of integrated housing projects. Projects can be planned and developed in phases and provides for a holistic development orientation.</p> <p><b>Phase 1: Land, Services and Township Proclamation.</b> The first phase could entail planning, land acquisition, township establishment and the provision of serviced residential and other land uses to ensure a sustainable community.</p> <p><b>Phase 2: Housing Construction: Individual ownership options.</b> The second phase could comprise the house construction phase for qualifying housing subsidy beneficiaries and the sale of stands to non-qualifying beneficiaries and to commercial interests etc.</p>
<b>Enhanced Peoples Housing Process (EPHP)</b>	<p>Enhanced Peoples Housing Process (EPHP): The main aim of EPHP programme is to deliver better human settlement outcomes (at household and community level) based on community contribution, partnerships and the leveraging of additional resources through partnerships. This is achieved by developing livelihoods interventions which lead to outcomes such as job creation, developing culture of savings, skills transfer and community empowerment, building of community assets and social security and cohesion.</p>
<b>Informal Settlement Upgrading Programme (ISUP)</b>	<p>The programme facilitates the structured upgrading of informal settlements. It applies to in situ upgrading of informal settlements as</p>

	well as where communities are to be relocated for a variety of reasons. The programme entails extensive community consultation and participation, emergency basic services provision, permanent services provision and security of tenure.
<b>Consolidation Subsidies</b>	The consolidation subsidy is available to a beneficiary who has already received assistance through government to acquire a serviced residential site under the pre-1994 housing schemes. This subsidy is applicable to serviced sites that were obtained on the basis of ownership, leasehold or deed of grant and must be utilized to construct or upgrade a top structure on the relevant property.
<b>Emergency Housing</b>	This programme provides temporary assistance in the form of secure access to land and/or basic municipal services and/or shelter. The assistance is provided to beneficiaries who have for reasons beyond their control, found themselves in an emergency housing situation where their existing shelter has been destroyed or damaged, their prevailing situation posed an immediate threat to their health, life and safety or where they have been evicted or faced imminent eviction. It is only applicable in emergency situations of exceptional housing need.

#### **SOCIAL AND RENTAL HOUSING PROGRAMME**

**These programmes facilitating access to rental housing opportunities, supporting urban restructuring and integration**

<b>Institutional Subsidies</b>	This mechanism is targeted at housing Institutions that provide tenure arrangements alternative to immediate ownership (such as rental, instalment sale, share block or co-operative tenure) to subsidy beneficiaries.
<b>Social Housing</b>	The Social Housing Programme seeks to provide a rental or co-operative housing option for low income persons at a level of scale and built form which requires institutional management and which is to be provided by accredited social housing institutions and in designated restructuring zones.
<b>Community Residential Units (CRU)</b>	The programme facilitates the provision of secure, stable rental tenure for the lowest income persons who are not able to be accommodated in the formal private rental and social housing market. It provides a coherent framework for dealing with the many different forms of

	existing public sector residential accommodation.
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<b>RURAL HOUSING PROGRAMME:</b> <b>These programmes facilitating access to housing opportunities in Rural areas</b>	
<b>Rural Subsidy: Informal Land Rights</b>	The Rural programme is used to extend the benefits of the Housing Subsidy Scheme to those individuals living in areas referred to as “rural” areas where they enjoy functional security of tenure as opposed to legal security of tenure. Only individuals whose informal land rights are uncontested and who comply with the qualification criteria will be granted such rural subsidies.
<b>Rural Housing Subsidy: Communal Land Rights</b>	The Main objective of this programme is to facilitate project based housing development on communal land for the benefit of beneficiaries of both old order and new order land tenure rights secured in terms of the Communal Land Rights Act, 2004 (Act 11 of 2004)
<b>Farm residents subsidies</b>	The programme aims to provide a flexible mechanism which will promote access to adequate housing, including basic services (as an option of last resort) and secure tenure to farm workers and residents in a variety of farming situations across the country. In addition the programme aims to provide housing solutions on a project basis for registered labour tenants

<b>FINANCIAL ASSISTANCE</b> <b>These programmes facilitating immediate access to housing goods and services</b>	
<b>Individual Housing</b>	The individual subsidy mechanism is available to individual households who wish to apply for a housing subsidy to purchase an existing house or purchase a vacant stand and enter into a building contract for the construction of a house. The latter option may only be awarded to those households who have entered into a loan agreement with financial institutions.
<b>Enhanced Extended Discount Benefit Scheme</b>	The Discount Benefit Scheme was introduced to assist persons to acquire state financed rental housing, existing sales debtors to settle the balance on purchase prices of properties acquired from the public sector or to repay public financed credit that had been used for housing purposes. This programme applies to state financed properties first occupied before 1 July 1993 and stand or units contracted for by 30 June 1993 and allocated to individuals by 15 March 1994.

<b>Social and Economic Facilities</b>	The programme facilitates the development of primary public social and economic facilities, which are normally funded and maintained by municipalities, in cases where municipalities are unable to provide such facilities within existing and new housing areas as well as within informal settlement upgrading projects.
<b>Accreditation of Municipalities</b>	<p>Municipalities that have been accredited will be able to plan, manage and administer the National Housing Programmes.</p> <p>The purpose of this programme is to provide:</p> <ul style="list-style-type: none"> <li>• Systems support to accredited municipalities that could include hardware as well as software facilities.</li> <li>• Capacity support to accredited municipalities.</li> </ul>
<b>Operational Capital Budget</b>	<p>The Operational Capital Budget Programme is to regulate the application of a certain percentage of the voted provincial housing funding allocation to support the implementation and manage approved national and provincial housing programmes, projects and priorities.</p> <p>It could be utilized for the appointment of external expertise by the Provincial Housing Departments to augment capacity required for delivery at scale and to assist in enhancing the implementation of the National and Provincial Housing Programmes and projects.</p> <ul style="list-style-type: none"> <li>• It may not be utilized to enhance the personnel establishment of any Public Sector institution.</li> </ul>
<b>Housing Chapters of IDP's</b>	The programme provides guidelines for the development of housing plans in the integrated development planning process and suggests an approach to the formulation of Housing Chapters of Municipal IDP's.
<b>Rectification of pre-1994 Housing Stock</b>	This programme aims to facilitate the improvement of certain state financed residential properties created through a state housing programme during the pre-1994 housing dispensation.
<b>Finance Linked Individual Subsidy Programme (FLISP)</b>	Finance Linked Individual Subsidy Programme (FLISP), will be used to decrease the mortgage bond and is only applicable to persons who have never been assisted by the state. It is disbursed as a once off subsidy.

HOUSING SUBSIDY GRANTS				
Kinds of Subsidies	Definition	Intervention programmes	Income level per HH/month	Subsidy amount
<b>Integrated Residential Development Programme (IRDP) Subsidies</b>	<p>The Integrated Residential Development Programme replaced the Project Linked Subsidy</p> <p>Programme. The programme provides for planning and development of integrated housing projects. Projects can be planned and developed in phases and provides for a holistic development orientation.</p>	The Integrated Residential Development Programme	R0 to R3 500	R110 947
<b>Enhanced People's Housing Process</b>	Supports households who wish to enhance their housing independent living in normal residential areas. These additions have been tailor made to accommodate the variety of special housing needs.	Incremental Housing Programme	R0 to R3 500	R110 947
<b>Rural Subsidies</b>	Available to beneficiaries who only enjoy functional tenure rights to the land they occupy. This land belongs to the State and is governed by traditional authorities. The beneficiaries also have the right to decide on how to use their subsidies either for service provision, on building of houses or a combination thereof.	Rural Housing Programme	R0 to R3 500	R63 666
<b>Farm resident Subsidies</b>	The Programme provides capital subsidies for the development of engineering services, should no alternative funding be available, and adequate houses for farm workers and farm occupiers. The farm owner plays an important role under this Programme.	Farm Resident Housing Assistance Programme	R0 to R3 500	R63 666

<b>Consolidation Subsidies</b>	Aimed at previous beneficiaries of serviced stands, financed by previous housing dispensation (including the IDT) the opportunity to acquire houses. A top up subsidy to construct a house is granted to beneficiaries with a household income not exceeding R3500 per month, while beneficiaries with a household income of between R1501 and R3500 per month will be required to pay the contribution of R2479. Beneficiaries exempted from making a contribution will also be assisted in the form of an increased subsidy.	Incremental Housing Programme	R0 to R3 500	R110 947
<b>Institutional Subsidies</b>	Available to qualifying institutions to enable them to increase affordable housing stock for persons who qualify for housing subsidies. The housing subsidy mechanism provides capital for the construction of housing units in respect of qualifying beneficiaries who do not earn more than R3500.	Social and Rental Housing Programme	R0 to R3 500	R110 947
<b>Individual Subsidies</b>	Provides qualifying beneficiaries with access to housing subsidies to acquire ownership of improved residential properties or to acquire a housing building contract which is part of approved housing subsidy projects. The latter is not available to beneficiaries who will access housing credit.	Financial	R0 to R3 500	R110 947

ENGINEERING SERVICES FINANCED BY PROVINCE	
<b>Internal Municipal Engineering Services and Raw Land may be Financed by Province</b>	
<b>A-Grade Internal municipal engineering services (per stand) (A-Grade) –</b> Typically New Greenfields developments where the IRDP programme is applied	<b>R 43,626</b>
<b>B-Grade Internal municipal engineering services (per stand) – Typically</b>	<b>R 34,401</b>

Informal settlement upgrading areas of infill schemes	
<b>Raw Land</b>	<b>Market Value (Currently estimated at R6,000,00 per stand)</b>

## 2.6 National Outcome 8: Sustainable Human Settlement and Improved Quality of Life

Government has agreed on 12 outcomes as a key focus of work between now and 2014. Each outcome has a limited number of measurable outputs with targets. Each output is linked to a set of activities that will help achieve the targets and contribute to the outcome. Each of the 12 outcomes has a delivery agreement which in most cases involves all spheres of government and a range of partners outside government. Combined, these agreements reflect government's delivery and implementation plans for its foremost priorities.

**Outcome 1:** Improve the quality of basic education

**Outcome 2:** Improve health and life expectancy

**Outcome 3:** All people in South Africa protected and feel safe

**Outcome 4:** Decent employment through inclusive economic growth

**Outcome 5:** A skilled and capable workforce to support inclusive growth

**Outcome 6:** An efficient, competitive and responsive economic infrastructure network

**Outcome 7:** Vibrant, equitable and sustainable rural communities and food security

**Outcome 8: Sustainable human settlement and improved quality of household life**

**Outcome 9:** A responsive and accountable, effective and efficient local government system

**Outcome 10:** Protection and enhancement of environmental assets and natural resources

**Outcome 11:** A better South Africa, a better and safer Africa, and World

**Outcome 12:** A development-orientated public service and inclusive citizenship.

Outcome 8 defines Sustainable Human Settlements and improved quality of household life as follow:

- Access to adequate accommodation that is suitable, relevant, appropriately located, affordable and fiscally sustainable.
- Access to basic services (water, sanitation, refuse removal and electricity).
- Security of tenure irrespective of ownership or rental, formal or informal structures.

### 3. DEFINING THE NEED FOR SUSTAINABLE HUMAN SETTLEMENTS

#### 3.1 Profile of Geographic areas

The Matjhabeng Local Municipality (MLM) forms part of the Lejweleputswa District Municipality, within the Free State Province. The Municipality is divided into 36 wards and covers an area of 514,4 km<sup>2</sup>.

The Municipality consists predominantly of intensive agricultural production areas, with the bulk of the urban development and mining activities being concentrated in the central part of the Municipality along a north-south axis, with Allanridge and Odendaalsrus to the north and Virginia to the south. If the mining activities that effectively join these urban areas together can be viewed as being part of the “urban” environment, this area can be viewed as a “large city”.

From the spatial concentration of the urban and mining areas in the central part of the Municipality, it is clear that settlement was in the past, and still is, largely driven by mining operations within the Municipality.

Based on its central position to the Municipal area, size, economic role and concentration of higher-order social and administrative infrastructure, Welkom has established itself as the primary urban node in the Municipal area.

Hennenman and Ventersburg are situated further to the west and slightly removed from the main concentration.

In terms of the "CSIR Guidelines for the Provision of Social Facilities in South African Settlements, 2012", which uses population figures as main criteria, the individual urban concentrations / centers are categorised as follows:

*Table 1: Urban Categorisation*

Urban Area	Population	Classification
Allanridge/Nyakallong	19 337	Village
Odendaalsrus/Kutlwanong	63 743	Small to Medium Town
Welkom/Thabong	211 011	Large Town
Virginia/Meloding	67 191	Small to Medium Town
Ventersburg/Mmamahabane	11 260	Village
Hennenman/Phomolong	24 167	Small Town
<b>Total</b>	<b>396 709</b>	

### Key points impacting on Human Settlement and Housing Development Plan

- The settlement structure reflects the a scenario where higher income areas are situated in the “towns” (which also accommodates many of the higher order social and economic infrastructure) and lower income areas being spatially separated (often in some cases completely removed) from the town.
- Although townships are provided with business erven or areas, these are often vacant or underdeveloped due to the limited spending power that exists in these areas.

## 3.2 Overview of Trends: Households, Dwelling and Services

### PROFILE, GROWTH PROJECTIONS AND NUMBER OF HOUSEHOLDS

#### NUMBER OF HOUSEHOLDS AND HISTORICAL TRENDS

In 2016, Matjhabeng had almost 150 000 households, which contributed to 68% of the Lejweleputswa district’s households. Overall households increased by 1.52% per annum during the 20-year period between 1996 and 2016. Although total households increased during this period, unlike the population, households living on farms reduced significantly, and by 2016 were estimated to be about 3 000.

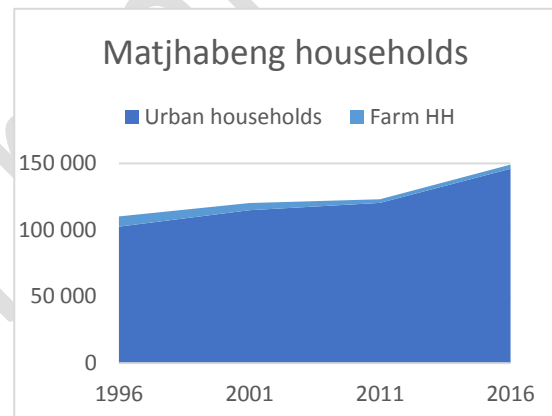


Figure1: Urban and rural households in Matjhabeng 1996 – 2016

By contrast, the urban households grew in the 20-year period, with the greatest rate of increase seen in the latter 5-year period (3.94% p.a.), while the population increased by less than half that rate (1.27%).

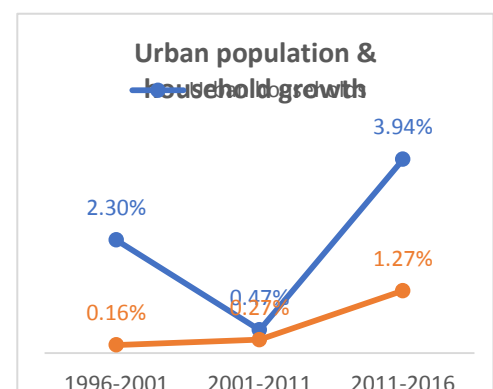


Figure 2: Matjhabeng urban population and household growth 1996-2016<sup>1</sup>

<sup>1</sup> Data source: StatsSA Censuses 1996, 2001 and 2011; Community Survey 2016

*Table 2: Population and households and annual growth rate by urban and rural 1996 to 2016 in Matjhabeng*

	N				Growth p.a.			
	1996	2001	2011	2016	1996-2001	2001-2011	2011-2016	1996-2016
<b>POPULATION</b>								
Urban	383 055	386 207	396 864	422 640	0.16%	0.27%	1.27%	0.49%
Farm/rural	93 708	21 963	9 564	6 473	-25.19%	-7.98%	-7.51%	-12.51%
<b>Total</b>	<b>476 763</b>	<b>408 170</b>	<b>406 428</b>	<b>429 113</b>	<b>-3.06%</b>	<b>-0.04%</b>	<b>1.09%</b>	<b>-0.53%</b>
<b>HOUSEHOLDS</b>								
Urban area HH	102 566	114 905	120 408	146 067	2.30%	0.47%	3.94%	1.78%
Farm HH	7 655	5 384	2 721	2 954	-6.80%	-6.60%	1.66%	-4.65%
<b>Total</b>	<b>110 221</b>	<b>120 289</b>	<b>123 129</b>	<b>149 021</b>	<b>1.76%</b>	<b>0.23%</b>	<b>3.89%</b>	<b>1.52%</b>

The trend lines illustrating household numbers between 1996 and 2011 in Matjhabeng spike in 2001, in the urban areas that are tied to mining economies i.e. Allanridge, Odendaalsrus, Welkom, and Virginia, whilst Hennenman and Ventersburg have the highest household numbers in 2011.

*Table 3: Household numbers, trends and average household size 1996 to 2011*

	Number			Trends 1996-2011	Growth rate pa			Average HH size		
	1996	2001	2011		1996-2001	2001-2011	1996-2011	1996	2001	2011
Allanridge/Nyakallong/Phathakahle	4 867	5 778	4 857		3.49%	-1.72%	-0.01%	3.97	3.40	3.98
Odendaalsrus/Kutloanong	16 902	20 381	18 711		3.81%	-0.85%	0.68%	3.87	3.34	3.41
Riebeeckstad	3 822	2 844	3 774		-5.74%	2.87%	-0.08%	3.11	3.15	2.99
Welkom/Thabong/Hani Park	52 844	60 915	62 103		2.88%	0.19%	1.08%	3.62	3.07	3.22
Virginia/Meloding/V Mine	17 150	25 189	20 388		7.99%	-2.09%	1.16%	3.66	2.82	3.30
Hennenman/Phomolong	5 032	5 452	7 164		1.62%	2.77%	2.38%	4.36	3.86	3.40
Ventersburg/Mmamahabane/Tswelangpele	2 446	2 737	3 411		2.27%	2.23%	2.24%	4.20	3.71	3.29
Non-urban (& Blaauwdrift+Whites)	7 655	5 384	2 721		-6.80%	-6.60%	-6.66%	12.24	4.08	3.51
<b>Matjhabeng</b>	<b>110 718</b>	<b>128 680</b>	<b>123 129</b>		<b>3.05%</b>	<b>-0.44%</b>	<b>0.71%</b>	<b>4.31</b>	<b>3.17</b>	<b>3.39</b>

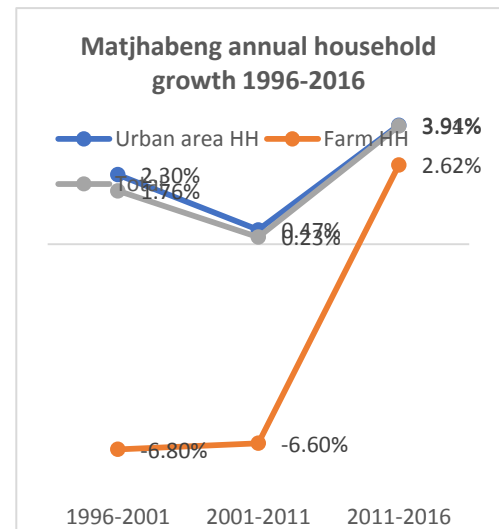
<sup>2</sup> Data source: StatsSA Censuses 1996, 2001 and 2011; Community Survey 2016



**Table 4: Sesoto areas included in Matjhabeng in 2015 based on 2011 data**

Households	2011
Sesoto (SP)	75
Sesoto NU	356
<b>Total included into Matjhabeng</b>	<b>431</b>

Based on the 2011 enumeration areas, the inclusion of Sesoto and about a tenth of Sesoto's non-urban households adds about 431 households, or an addition of 0.3% to Matjhabeng's 2011 households. Table 3, above does not include these additional households.



**Figure 3: Matjhabeng urban population and household growth 1996-2016<sup>3</sup>**

#### **Key points impacting on Human Settlement and Housing Development Plan**

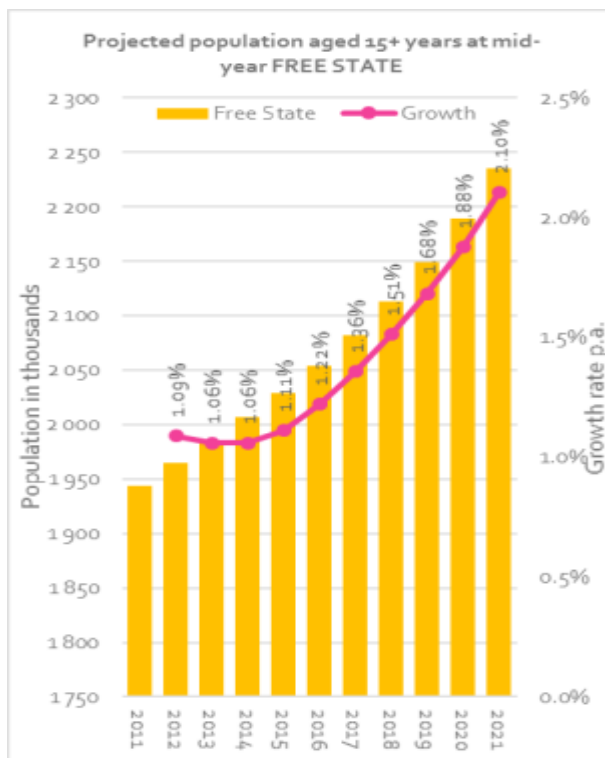
- Overall number of households increased by 1.52% per annum from 1996 to 2016. Greatest rate of increase seen in the latter 5-year period (3.94% p.a.), while the population increased by less than half that rate (1.27%).
- Over the same period, households living on farms reduced significantly.
- Household numbers between 1996 and 2011 in Matjhabeng spiked in 2001, in the urban areas that are tied to mining economies i.e. Allanridge, Odendaalsrus, Welkom, and Virginia. Hennenman and Ventersburg have the highest household numbers in 2011.

#### **POPULATION FORECASTING AND CAVEATS**

Population estimates are based on historical and anticipated trends regarding migration, fertility and mortality discussed above. There is a risk of extrapolating population based on historical trends, and thus these factors are considered in combination with possible future developments, and economic growth in the area.

Understanding demographic trends is a key aspect of planning for the provision of appropriate services and infrastructure. Unlike the volatility of economic growth, macro demographic trends are relatively stable over time allowing projections with a reasonable level of certainty for the medium-term. However, forecasts for an area such as Matjhabeng, which is highly dependent on a mining economy, are therefore made with less confidence.

<sup>3</sup> Data source: StatsSA Censuses 1996, 2001 and 2011; Community Survey 2016



## FUTURE POPULATION GROWTH EXPECTATIONS AND ASSUMPTIONS

In a paper of projections to 2021, Udjo set out the following assumptions for the Free State:<sup>4</sup>

- Fertility rates remain higher than the replacement rate of 2.2, decreasing from 2.5 in 2011 to 2.33 in 2021. This is lower than the Free State's 2.57 total fertility rate projected by StatsSA for 2016-2021.<sup>5</sup>
- Life expectancy at birth increases from 53.6 in 2011 to 55.6 in 2021. This is also lower than StatsSA's projection for 2016-2021 of Free State males is 55.7 and females is 61.8.<sup>6</sup>
- Free State's net migration (internal and international) changes from -1 814 in 2011 to 33 196 in 2021. This contrasts with StatsSA's

projection of a net out-migration of -12 860.<sup>7</sup>

Figure 4: Projected population aged 15 years and over for Free State (Udjo) 8

- Lower than average annual growth of the population aged 15 years and older during the period 2011-2021 (1.41% compared to 1.56% SA). Between 2016 and 2021 the growth rate averages 1.17% but as seen in the figure the growth rate applied in 2016-2017 is 1.36%, which increases to 2.10% in 2020-2021. See 0.

Two additional entities made crude projections about the Free State population, namely:<sup>9</sup>

- 2.7 million in 2011 to 3.1 million in 2030 i.e. growth of 0.71% p.a. (NDP forecast)
- 3.1 million in 2030 and 3.4 million by 2050, implying a growth rate of 0.73% p.a. (2011-2030) and 0.46% p.a. (2030-2050) (International Futures – base case)

<sup>4</sup> Udjo, EO (2015) Projecting population, numbers of households and dwelling units in South Africa 2011-2021. African Population Studies Vol. 29, No. 1, 2015. [Online]. Available from: [https://www.google.com/search?q=Udjo+Projecting+population,+numbers+of+households+and+dwelling+units+in+South+Africa+2011-2021.+African+Population+Studies+Vol&ie=utf-8&oe=utf-8&client=firefox-b-ab&qfe\\_rd=cr&dcr=o&ei=ieaKWprPD0PC8gfXs4PADQ](https://www.google.com/search?q=Udjo+Projecting+population,+numbers+of+households+and+dwelling+units+in+South+Africa+2011-2021.+African+Population+Studies+Vol&ie=utf-8&oe=utf-8&client=firefox-b-ab&qfe_rd=cr&dcr=o&ei=ieaKWprPD0PC8gfXs4PADQ)

<sup>5</sup> StatsSA (2017) Mid-year population estimates, 2017. P 11.

<sup>6</sup> StatsSA (2017) Mid-year population estimates, 2017. P 13.

<sup>7</sup> StatsSA (2017) Mid-year population estimates, 2017. P 15.

<sup>8</sup> Data source: Udjo, EO (2015) Projecting population, numbers of households and dwelling units in South Africa 2011-2021. African Population Studies Vol. 29, No. 1, 2015. [Online]. Available from: <http://aps.journals.ac.za> P 1517

<sup>9</sup> Go, A., Moyer, J., Rafa, M. and Schünemann, J. (2013) Population Futures: Revisiting South Africa's National Development Plan 2030. [Online]. Available: [http://www.issafrica.org/uploads/AF7\\_15Oct2013V2.pdf](http://www.issafrica.org/uploads/AF7_15Oct2013V2.pdf)

The Department of Health made population projections to aid infrastructure planning, and their data shows that the Lejweleputswa district population would reach an estimated 670 290 in 2025. Growth rates applied were 0.64% p.a. 2011 to 2020, and 0.16% p.a. for 2020 to 2025.<sup>10</sup> These are more conservative than that proposed by Udjo for the district.

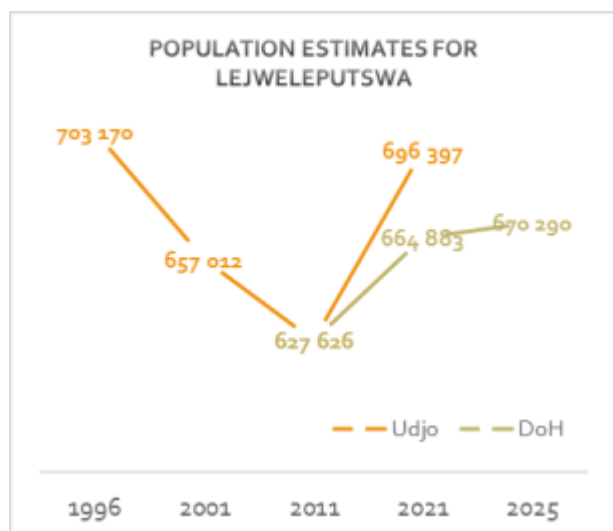


Figure 5: Population estimates by Udjo and DoH<sup>11</sup>

Table illustrates the wide range of growth rates applied to estimate future populations for the district and the province.

Table 5: Population estimates for Lejweleputswa and FS by source<sup>12</sup>

Municipal Boundary		Source	2011-2020	2020-2025	2030-2050
District	Lejweleputswa	Dept of Health	0.64%	0.16%	
	Lejweleputswa	Udjo (2021)	(2011-2021) 1.05%		
Province	Free State	Go et al.	(2011-30) 0.73%		0.46%

While the main cause of future population growth in Matjhabeng is likely to be natural increase rather than migration, a portion of the Matjhabeng's growth will be attributed to in-migration. Depending on

<sup>10</sup> Data source: Dept of Health (2015) Ten year infrastructure plan for health facilities – South Africa 2015-2015 v2.5. P 43.

<sup>11</sup> Data source: Udjo, EO (2015) Projecting population, numbers of households and dwelling units in South Africa 2011-2021. African Population Studies Vol. 29, No. 1, 2015. [Online]. Available from: [https://www.google.com/search?q=Udjo+Projecting+population,+numbers+of+households+and+dwelling+units+in+South+Africa+2011-2021.+African+Population+Studies+Vol&ie=utf-8&oe=utf-8&client=firefox-b-ab&gfe\\_rd=cr&dc=0&ei=ieaKWprPD0PC8gfXs4PADQ](https://www.google.com/search?q=Udjo+Projecting+population,+numbers+of+households+and+dwelling+units+in+South+Africa+2011-2021.+African+Population+Studies+Vol&ie=utf-8&oe=utf-8&client=firefox-b-ab&gfe_rd=cr&dc=0&ei=ieaKWprPD0PC8gfXs4PADQ); and Dept of Health (2015) Ten year infrastructure plan for health facilities – South Africa 2015-2015 v2.5. P 43.

<sup>12</sup> Date source: Go, A., Moyer, J., Rafa, M. and Schünemann, J. (2013) Population Futures: Revisiting South Africa's National Development Plan 2030. [Online]. Available: [http://www.issafrica.org/uploads/AF7\\_15Oct2013V2.pdf](http://www.issafrica.org/uploads/AF7_15Oct2013V2.pdf); Udjo, EO (2015) Projecting population, numbers of households and dwelling units in South Africa 2011-2021. African Population Studies Vol. 29, No. 1, 2015. P 1517. [Online]. Available from: <http://aps.journals.ac.za>; Dept of Health (2015) Ten year infrastructure plan for health facilities – South Africa 2015-2015 v2.5. P 43.

the mining industry, and given that most of the urbanisation has already taken place, it is expected that immigration will slow.

An unknown factor that further confounds expected growth is the migratory nature of the population, and their ties retained with labour sending areas. Thus, several questions need to be addressed: 'Is continued settlement in Matjhabeng contingent on continued employment in the area?' Given international experience, major shifts in employment are likely to promote large-scale departures which is expected in remote mining towns where the mine is the only large-scale employer, and where the town was originally established to serve its employer. With few ties experienced beyond the relationship with the employer there is little reason to remain<sup>13</sup>. Given this potential for high mobility, the risk associated with large-scale resettlement should not be disregarded.

Thus, natural growth will be the dominant growth factor due to the large number of women in their reproductive ages of 15-50 years, increasing life expectancy, and declining mortality rates. It is unlikely that Matjhabeng's population growth will be greater than the Free State average since its mines are in decline, and no other extraordinary pull factors to attract immigrants are identified.

Applying Udjo's analysis to the Matjhabeng population, and assuming that Matjhabeng will become more typical of the Free State in general with the decline of the mining industry, estimates to 2035 are made.

## POPULATION ESTIMATES TO 2035

Founded on the information detailed above, and the use of the 2011 population census data as the base, population estimates are made as follows:

- Mining towns: Allanridge, Odendaalsrus, Welkom, Virginia, and Riebeeckstad - As the main urban area with its economy tied to the mining industry, there will be a limited outmigration as mines shed jobs. However, it is likely that most retrenched mine workers will continue to live in the area, and this may stimulate the expansion of informal areas. For the 2016-2035 period the population is estimated to grow at an average of 0.87% p.a.
- Rural towns: Ventersburg, and Hennenman - Maintain a long-term population growth of 0.78% p.a. given the relative lack of factors to attract and retain economically active persons, and these towns continue to function as local service centres as in the past.
- Rural area and farms: Rural to urban migration stagnates, since the past rapid decline implies that most farm outmigration has already taken place, and a zero-growth rate is applied.

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<sup>13</sup> Cloete, JS (2009) Housing options for mineworkers in arid and semi-arid regions: the case of Kathu. University of the Free State. P62.

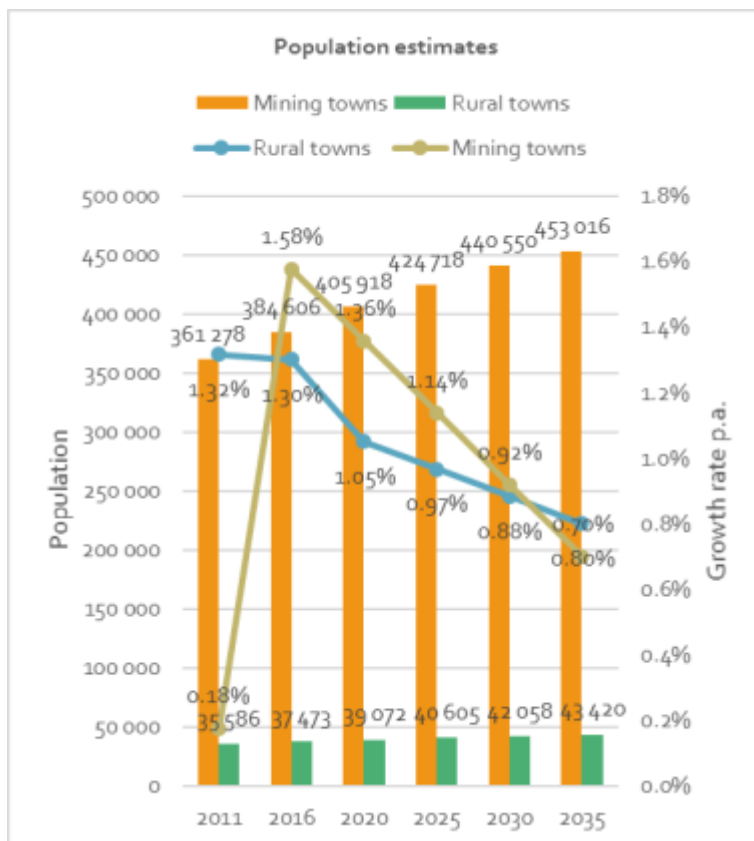


Figure 6: Population estimates for mining and rural towns of Matjhabeng 2011-2035

Table 6: Annual growth rates applied for population estimates

Growth rate p.a.	2011	2016	2020	2025	2030	2035	2016-2035
Mining towns	0.18%	1.58%	1.36%	1.14%	0.92%	0.70%	0.87%
Rural towns	1.32%	1.30%	1.05%	0.97%	0.88%	0.80%	0.78%
Farms	-7.98%	-8.30%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Average</b>	<b>-0.04%</b>	<b>1.08%</b>	<b>1.31%</b>	<b>0.88%</b>	<b>0.72%</b>	<b>0.56%</b>	<b>0.85%</b>

When the above annual growth rates are applied, the population estimates for the Municipality are as follows:

Table 7: Population estimates for Matjhabeng 2011 to 2035

Population	2011	2016	2020	2025	2030	2035
Mining towns	361 278	384 606	405 918	424 718	440 550	453 016
Rural towns	35 586	37 473	39 072	40 605	42 058	43 420
Farms	9 564	6 763	6 763	6 763	6 763	6 763
<b>TOTAL</b>	<b>406 428</b>	<b>428 842</b>	<b>451 753</b>	<b>472 086</b>	<b>489 372</b>	<b>503 199</b>

The Matjhabeng population is estimated to reach about 451 753 by 2020, and 503 199 by 2035. It should be noted that projections and forecasts are typically based on several simplifying assumptions and are, in part at least, only as reliable as the data on which they are based. These facts should not be understated when considering the population projections for Matjhabeng, which attempt to inform long-term planning.

#### **Key points impacting on Human Settlement and Housing Development Plan**

Although in-migration will continue to play a role, future population growth in Matjhabeng is expected to be largely determined by natural increase rather than migration.

This is due to the large number of women in their reproductive ages, increasing life expectancy, and declining mortality rates.

Depending on the mining industry, and given that most of the urbanisation has already taken place, it is expected that immigration will slow.

An unknown factor that further confounds expected growth is the migratory nature of the population, and their ties retained with labour sending areas.

- Municipal population stood at 429 113 in 2016
- The Matjhabeng population is estimated to reach about 451 **753 people by 2020**, and **503 199 by 2035**.

#### **HOUSEHOLD SIZE**

The size of urban households decreased from 3.73 in 1996 to 2.89 persons in 2016 i.e. at an average annual rate of -1.27%.

*Table 8: Average household size 1996 to 2016<sup>14</sup>*

Ave HH size	1996	2001	2011	2016	Change 1996-2016 p.a.
Urban	3.73	3.36	3.30	2.89	-1.27%
Farm/rural	12.24	4.08	3.51	2.10	-8.44%
Total	4.33	3.39	3.30	2.88	-2.02%

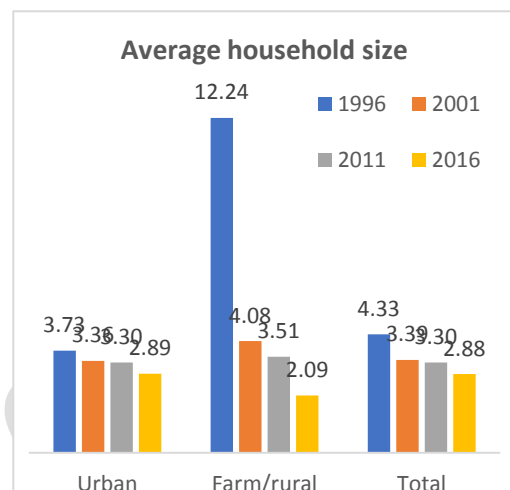
Overall in Matjhabeng, 39.8% of households were headed by females and 0.4% by children. This is slightly lower than the Free State average (41.7% and 0.5% respectively). In 2016, an estimated 454 households were child-headed households (under 18 years old), of which 17.4% were occupying informal dwellings.

Whilst the average household size in Matjhabeng was 3.30 in 2011, it ranged between 2.99 in Riebeeckstad to 3.98 in Allanridge. The greatest change in urban household size is recorded in Hennenman (4.36 to 3.40 in 1996 and 2011 respectively) and the lowest change in Allanridge (3.97 to 3.98 respectively).

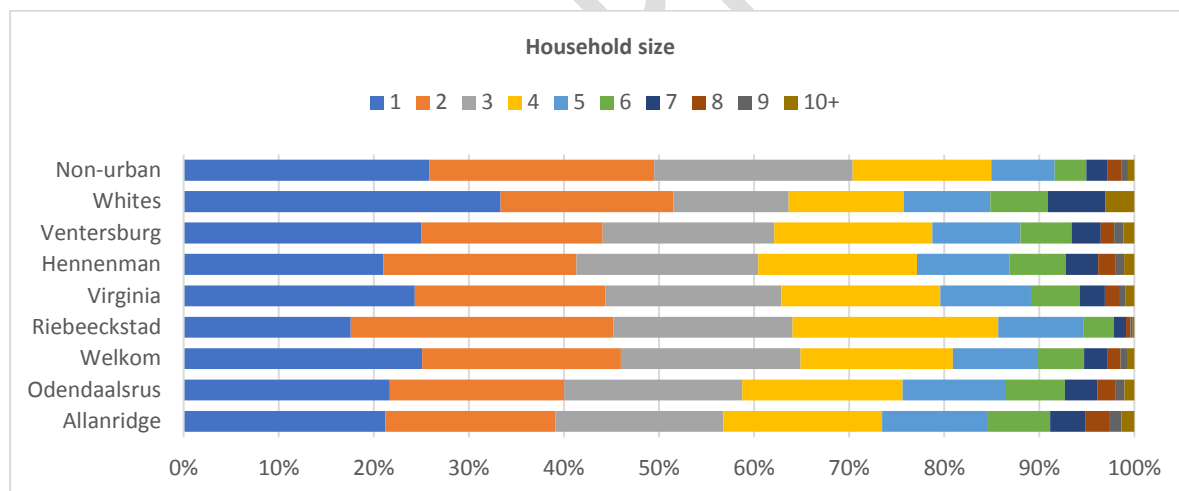
*Figure 6: Annual household growth 1996 to 2016 by urban and farm<sup>15</sup>*

The figure below illustrates the household size, and shows that in all places, except Riebeeckstad, 20% of households consisted of only one person in 2011.

The figure below shows that households with only one person more commonly occupy a room/flatlet on a property or larger dwelling/servant's quarters, or a cluster house in a complex. The pattern amongst informal dwellers is similar whether they are in backyards or not. Larger households typically occupy formal dwellings, or townhouses.



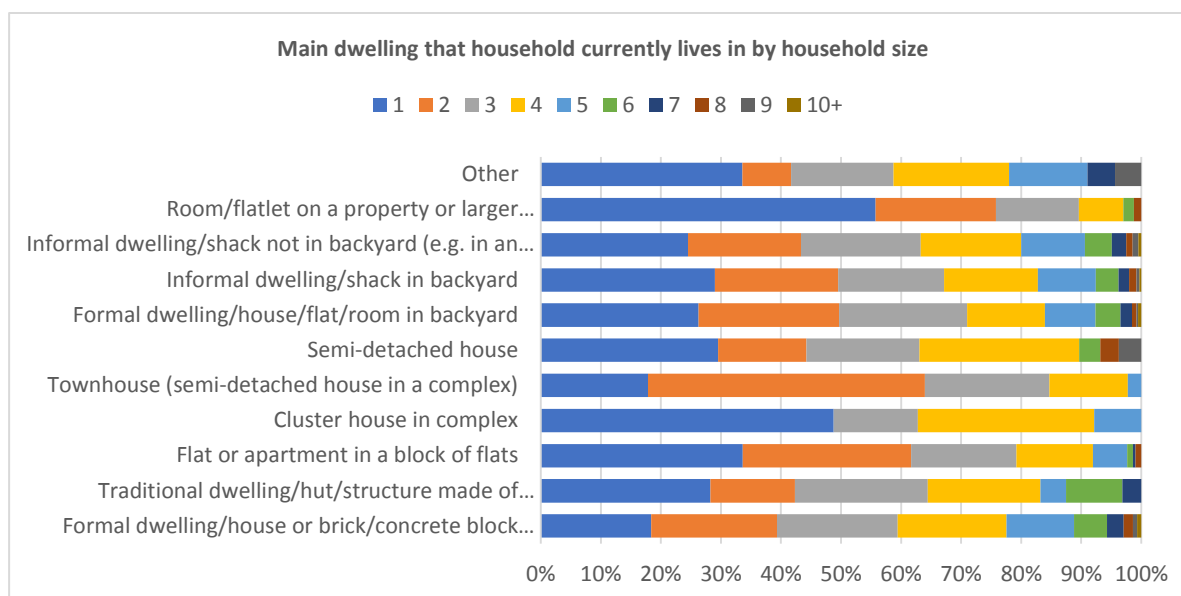
*Figure 7: Household Size by Place<sup>16</sup>*



<sup>15</sup> Data source: StatsSA Censuses 1996, 2001 and 2011; Community Survey 2016

<sup>16</sup> Data source: StatsSA Census 2011

Figure 8: Household size by main dwelling in Matjhabeng 2016<sup>17</sup>



## HOUSEHOLD PROJECTIONS

Household growth is particularly important because it is at this level the basic services are demanded. The general trend in South Africa has been that households increased more rapidly than the overall population reflecting a decline in the number of persons per household.

District household projections were prepared by Udjo. Household head ratios were computed for all district municipalities from 1996, 2001 and 2011 census data, and this was linearly extrapolated to 2021. Estimates of the number of households for Lejweleputswa are 244 868 in 2021. In a similar manner, dwelling unit projections were made assuming the trend in the ratio of total number of dwelling units to household units in 2012-2021 will be like those of 2001-2011. The projected number of dwelling units in Lejweleputswa for 2021 is 237 983. Taking this a step further, and assuming that the same ratio applies to the local municipalities, then for every 100 households there will be 97 dwellings in Matjhabeng. In the Free State the ratio is 102 dwellings per 100 households, **and an average annual growth rate in the number of dwelling is estimated at 3.0% between 2011 and 2021;** the same as the national projected growth rate.

### Key points impacting on Human Settlement and Housing Development Plan

- The size of urban households decreased from 3.73 in 1996 to 2.89 persons in 2016 i.e. at an average annual rate of -1.27%.
- In 2016, 39.8% of households were headed by females and 0.4% (454 households) by children, of which 17.4% were occupying informal dwellings.
- The general trend in South Africa has been that households increased more rapidly than the overall population reflecting a decline in the number of persons per household.
- The implication of the above is that the demand for housing proportional to population is

<sup>17</sup> Data source: StatsSA Censuses 1996, 2001 and 2011; Community Survey 2016



increasing. This means population divided by 2.89 persons = demand for housing

### 3.3 Income and Poverty

#### INCOME PER CAPITA

Matjhabeng along with Steve Tshwete, and the Western Cape towns, had high per capita earnings in 2010. In Matjhabeng's case the strong per capita levels may have resulted from the declining population levels over the past decade,<sup>18</sup> because salaries and wages have not declined as dramatically as employment.<sup>19</sup> This could be attributed to increased productivity with fewer employees producing the output, accompanied by a decline in unemployment of semi-skilled and unskilled workers. This leads to structured unemployment, which increases the burden on the national fiscus, and results in the public sector employing the most workers across many municipalities in South Africa.<sup>20</sup>

City	% of national personal income	How much did the average person in the city earn in 2010? (ZAR)
1 Tshwane	9.96%	R72 492
2 Johannesburg	13.29%	R65 383
3 Cape Town	10.85%	R59 894
4 Steve Tshwete	0.50%	R51 883
5 Ekurhuleni	8.03%	R50 442
6 Stellenbosch	0.36%	R47 855
7 Matjhabeng	0.99%	R47 166
8 Drakenstein	0.51%	R46 843
9 George	0.48%	R46 606
10 Ethekwini	8.83%	R45 967
11 Rustenburg	1.21%	R45 886

Figure 9: Income levels in top 10 cities in 2010<sup>1</sup>

Along with the 22 secondary cities in South Africa, Matjhabeng's personal income levels have risen since 2000, although it is warned that the picture could be skewed because these figures must be corrected for inflation.<sup>21</sup>

#### INDIGENT HOUSEHOLDS

##### INDIGENT POLICY

According to Matjhabeng's Indigent Policy,<sup>22</sup> the municipality may apply the following targeting methods outlined in the table below.

Table 9: Indigent households' targeting approach<sup>23</sup>

Targeting approach	Application
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<sup>18</sup> John, L. (2012) Secondary cities in South Africa – The start of a conversation. South African Cities network. P 39. [Online]. Available from: [http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary\\_cities\\_in\\_south\\_africa.pdf](http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary_cities_in_south_africa.pdf)

<sup>19</sup> Environmental Impact Management Services (2016) Scoping Report - Tetra4 production right environmental impact assessment and environmental management programme for the proposed cluster1 gas production near Virginia, Free State Province. P 190. [Online]. Available from: [http://sahra.org.za/sahris/sites/default/files/additionaldocs/1109\\_Final%20Scoping%20Report\\_2016-12-05\\_NH\\_Compressed.pdf](http://sahra.org.za/sahris/sites/default/files/additionaldocs/1109_Final%20Scoping%20Report_2016-12-05_NH_Compressed.pdf)

<sup>20</sup> Environmental Impact Management Services (2016) Scoping Report - Tetra4 production right environmental impact assessment and environmental management programme for the proposed cluster1 gas production near Virginia, Free State Province. P190. [Online]. Available from: [http://sahra.org.za/sahris/sites/default/files/additionaldocs/1109\\_Final%20Scoping%20Report\\_2016-12-05\\_NH\\_Compressed.pdf](http://sahra.org.za/sahris/sites/default/files/additionaldocs/1109_Final%20Scoping%20Report_2016-12-05_NH_Compressed.pdf)

<sup>21</sup> John, L. (2012) Secondary cities in South Africa – The start of a conversation. South African Cities network. P 41. [Online]. Available from: [http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary\\_cities\\_in\\_south\\_africa.pdf](http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary_cities_in_south_africa.pdf)

<sup>22</sup> Matjhabeng Policy on Indigent Customers. P 5.

<sup>23</sup> Ibid, P 5.

1. Service levels	Lowest service levels normally in informal settlements and rural areas.
2. Property value	Applicable only to registered indigents in respect of subsidized or RDP housing to a value determined in addition to the R15 000 in terms of the Property Rates Act, 2004.
3. Household income	Threshold shall be determined in terms of socio-economic analysis equaling three state pension grants per Indigent household or an amount determined by the Council from time to time.
4. Geographical (Zonal) Targeting	Specific areas (rural or urban) where households are regarded as poor irrespective of service level.

In the 2017/2018 financial year, the municipality used household income as the targeting approach for the registration and verification of indigent customers.<sup>24</sup> At three old age grants (OAG) this amounts to a monthly income of R5 070 per month, and R60 840 p.a. In 2011 prices, it amounted to R41 040 p.a.

### HOUSEHOLD INCOME AND PROPORTION OF INDIGENT HOUSEHOLDS

Several sources measure the number of indigent households including the municipality's indigent household register, and data from Statistics South Africa, which is used by National Treasury<sup>25</sup> to determine equitable share amounts.<sup>26</sup> It is widely recognized that there is an under registration of indigent households by municipalities, and many municipal indigent registers record lower proportions than that determined by National Treasury. A reason for this is that often there is no incentive to be registered especially in situations where households receive free basic services regardless of their status at the municipality. Furthermore, the number of registered indigent households can vary considerably from year to year, often depending on whether a registration campaign has been undertaken.

According to National Treasury, 89 337 (59.9%) households in Matjhabeng are indigent. This is far more than the 19 536 households receiving FBS according to Matjhabeng's 2016/17 records. It is 66% less than the proportion of indigent households that should be registered if the 2011 Census household income data is still relevant (and still used by National Treasury). According to the Matjhabeng annual report of 2014/15 FBS were provided to 25 186 indigent households, more than the number served in 2016/17,<sup>27</sup> and a decrease since from 20 677 in 2011/12 as well.<sup>28</sup>

**Table 10: Indigent households in Matjhabeng according to the equitable share calculation by National Treasury**

	2014/15	2018/19
Households	124 420	149 163
Indigent HH	74 506	89 337
% indigent	59.9%	59.9%

<sup>24</sup> Matjhabeng Policy on Indigent Customers. P 5.

<sup>25</sup> Treasury (2018) MFMA, Publications and Media Releases - Local Government Equitable Share Formula Review discussion documents. [Online]. Available from: [http://mfma.treasury.gov.za/Media\\_Releases/LGESDiscussions/Pages/default.aspx](http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx)

<sup>26</sup> Development of Models to Facilitate the Provision of Free Basic Water in Rural Areas, Report No 1379/1/05: March 2005. [Online] Available from: <http://www.fwr.org/wrcsa/1379105.htm> (Accessed: 9 June 2012).

<sup>27</sup> P 82.

<sup>28</sup> Data source: Yes Media (2018) Municipalities of South Africa – Matjhabeng Local Municipality (FS184). [Online]. Available from: <https://municipalities.co.za/overview/1044/matjhabeng-local-municipality>

Whilst National Treasury uses a two OAG threshold, a three-pension model is practiced at Matjhabeng. In 2011, the value of three old-age pensions was R41 040 per annum. Assuming an even distribution in the R 38 400-76 400 category, then **66% of households in Matjhabeng would have had incomes of ≤R 41 040 p.a. and could, therefore, be regarded as indigent households**. The reason why this is higher than the calculation by National Treasury is because Treasury uses only two old age grants as the criteria.

**Table 11: Cumulative annual household income in indigent and non-indigent categories 2011**<sup>29</sup>

	Annual Household Income Levels	Allan-ridge	Oden-daalsrus	Wel-kom	Riebeek-stad	Virginia	Hennen-man	Venters-burg	Whites	Non-urban	TOTAL
Indigent	No income	15%	15%	18%	8%	18%	12%	17%	17%	5%	16%
	R 1 - R 4 800	21%	21%	23%	9%	24%	18%	24%	22%	8%	22%
	R 4 801 - R 9 600	29%	28%	31%	11%	31%	26%	34%	25%	13%	29%
	R 9 601 - R 19 600	49%	47%	47%	17%	47%	51%	59%	53%	49%	47%
	R 19 201 - R 38 400	72%	67%	65%	23%	62%	73%	80%	83%	77%	65%
	R 38 201 - R 41 040	<b>73%</b>	<b>68%</b>	<b>66%</b>	<b>24%</b>	<b>64%</b>	<b>74%</b>	<b>80%</b>	<b>84%</b>	<b>78%</b>	<b>66%</b>
Non-indigent	R 41 040 - R 76 400	87%	84%	80%	32%	79%	86%	91%	94%	88%	81%
	R 76 401 - R 153 800	95%	93%	90%	50%	90%	93%	96%	97%	92%	90%
	R 153 801 - R 307 600	99%	98%	97%	74%	96%	98%	99%	97%	96%	97%
	R 307 601 - R 614 400	100%	100%	100%	93%	99%	100%	100%	100%	99%	100%
	R 614 001 - R 1 228 800	100%	100%	100%	98%	100%	100%	100%	100%	99%	100%
	R 1 228 801 - R 2 457 600	100%	100%	100%	99%	100%	100%	100%	100%	100%	100%
	R 2 457 601 or more	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

#### **Key points impacting on Human Settlement and Housing Development Plan**

According to National Treasury, 89 337 (59.9%) households in Matjhabeng are indigent. This is far more than the 19 536 households receiving FBS according to Matjhabeng's 2016/17 records.

National Treasury uses a two OAG threshold, whilst the Municipality uses a three OAG pension model. In 2011, the value of three old-age pensions was R41 040 per annum.

Assuming an even distribution in the R 38 400-76 400 category, then 66% of households in Matjhabeng could be regarded as indigent households.

According to the 2016 community survey data, 4,3% of households in the municipality were considered to fall in the "multidimensional poor" category.

Social assistance is targeted at the elderly, children and the disabled, and grants play an important role in overall poverty reduction within communities. However, the proportion of grant beneficiaries in Matjhabeng is unknown as this data is only available at provincial level.

<sup>29</sup> Own calculation derived from StatsSA, Census 2011.

### 3.4 Basic living conditions and access to services

#### DWELLING TYPE

The types of dwellings found in a settlement, and the number of informal dwellings can point to the number of quality housing units, or serviced sites required. However, the number of units required may depend on many factors such as the current number of informal structures, accommodation needed for extended family, lodgers, overcrowding in separate dwellings, affordability, and choices about dwelling type.

In 1996, there were 40 901 informal dwellings, which accounted for 37.1% of the total housing in the Matjhabeng. In 2001, the number and proportion increased to 40.6%. By 2011, the number had halved to 24 300 informal units or 19.7% of total dwellings. In 2016, this decreased again to 21 949 (14.7%), of which 43.2% (9 451) were in backyards. In 2016, the proportion of informal dwellings in Matjhabeng (14.7%) was slightly higher than in the Free State (13.99%).

Notably, the growth in informal dwelling occurred between 1996 and 2001 (3.59% p.a.), which outstripped the overall growth of households (1.76% p.a.). Although the increase in households coincided with the fall in household size, other aspects such as in-migration would have contributed too. Informal settlements are usually a response to the housing 'backlog'. Between 2001 and 2011 the number of informal dwellings halved, and in the period 2011-2016 it decreased by 10% overall.

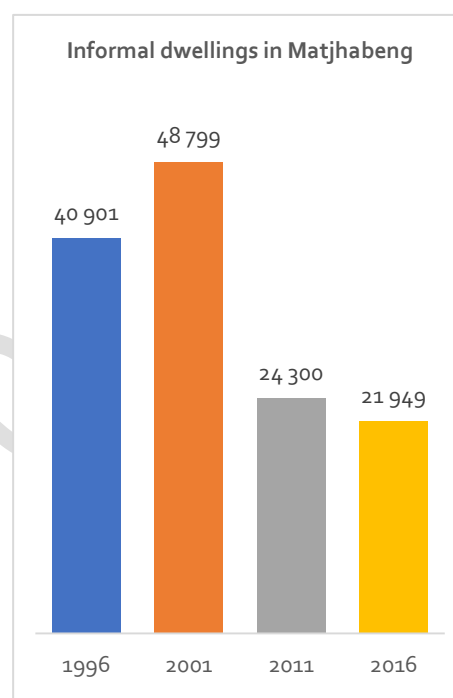


Figure 10: Informal dwellings in Matjhabeng<sup>30</sup>

Table 12: Dwellings on formal and informal sites in urban and rural in 2016<sup>31</sup>

	N			%		
	Urban	Farms	Total	Urban	Farms	Total
Formal dwelling on formal site	123 092	2 837	125 928	84.3%	96.0%	84.5%
Informal backyard dwelling	9 451	0	9 451	6.5%	0.0%	6.3%
Informal dwelling not in backyard	12 402	96	12 498	8.5%	3.2%	8.4%
Other	1 122	22	1 144	0.8%	0.7%	0.8%
<b>Total</b>	<b>146 067</b>	<b>2 954</b>	<b>149 021</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>30</sup> Data source: Statistics South Africa, Community Survey 2016.; and Censuses 1996, 2001 and 2011. Downloaded from SuperWEB2.

<sup>31</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

### Key points impacting on Human Settlement and Housing Development Plan

In 2016 there were:

- 125 928 households residing in formal dwellings on formal sites
- 9 451 households residing in informal backyard dwelling
- 12 498 households residing in informal dwelling not in backyards

### OWNERSHIP AND RENTAL

In 2011, 61.3% of Free State households owned their own homes fully paid off, while another 6.1% still needed to pay off. Rented accommodation averaged 18.9%. In Matjhabeng, the percentage houses owned and fully paid off was lower at 48.7%, while another 9.9% were still paying off. Rentals (23.3%) were higher than the provincial average (19.9%), but not as high as that found in Gamagara (46%), a Northern Cape municipality dominated by mining.

High numbers of rented accommodation were available in Welkom (16 320), although the non-urban area had a higher proportion of rental accommodation (30.2%). The figure below illustrates the mix of ownership types across the main places in 2011.

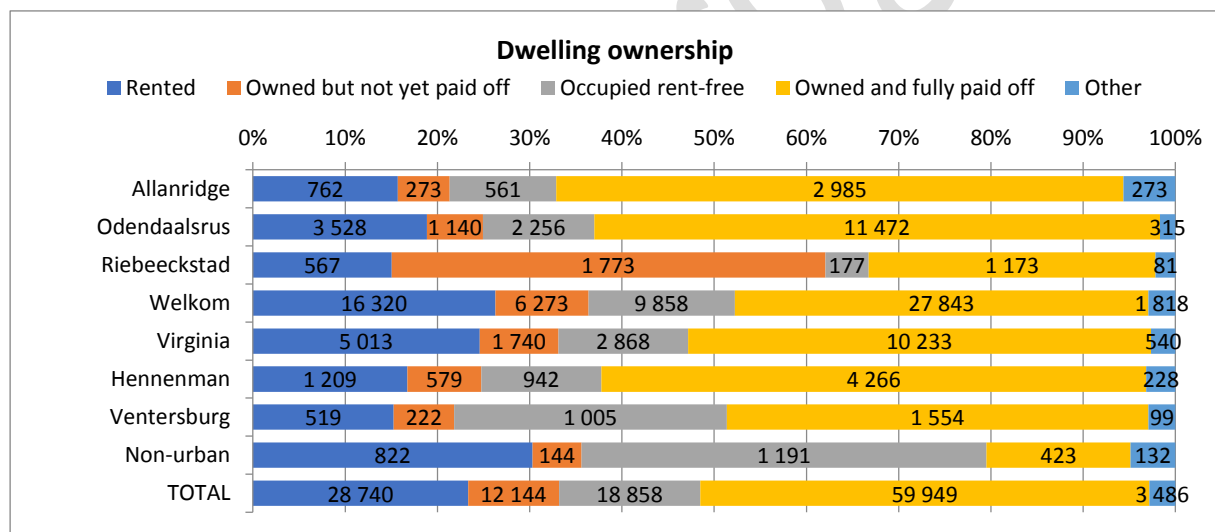


Figure 11: Dwelling ownership in Matjhabeng by place in 2011<sup>32</sup>

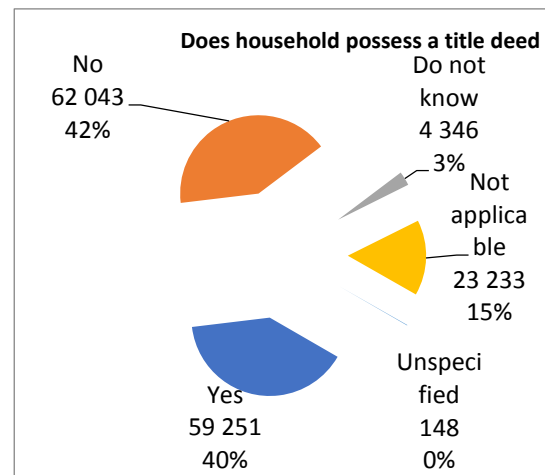
In 2016, rented accommodation decreased to 15.5%, whilst the proportion of dwellings owned but not yet paid off increased to 9.8%. Rent-free occupations amounted to 8.2%, which was less than the Free State average (9.5%).

Overall 39.8% of households indicated that they possessed a title deed in 2016; lower than the 43.3% recorded in the Free State, and 44.2% recorded nationally.

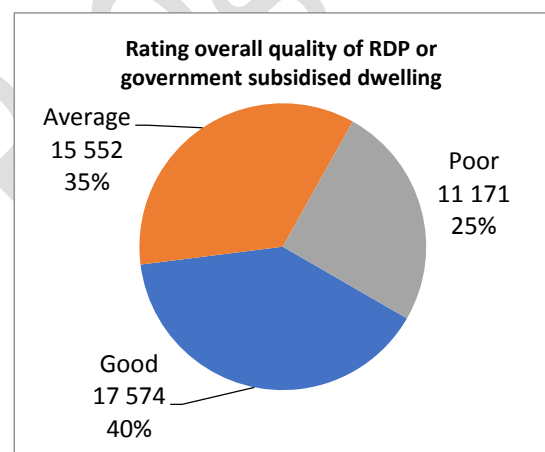
<sup>32</sup> Data source: StatsSA, Census 2011.

Occupying a RDP or government subsidised dwelling was higher in Matjhabeng (29.9% and 44 509) than the average nationally (23.1%) in 2016. Of those that occupied a RDP or government subsidised dwelling 40% rated it good.

*Figure 12: Possession of a title deed in Matjhabeng in 2016<sup>33</sup>*



*Figure 13: Rating overall quality of RDP or government subsidised dwelling in Matjhabeng in 2016<sup>34</sup>*



Of the 23 042 Matjhabeng households that paid for rented accommodation in 2016, 53.4% paid R500 or less p.m. About a quarter (26.1%) paid R250 or less, like the average proportion of households in the province (26.7%), but more than the national proportion (18.3%). In addition, for 44.1% (15 518) households that paid for rental accommodation, the rental included water and electricity.<sup>35</sup>

<sup>33</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

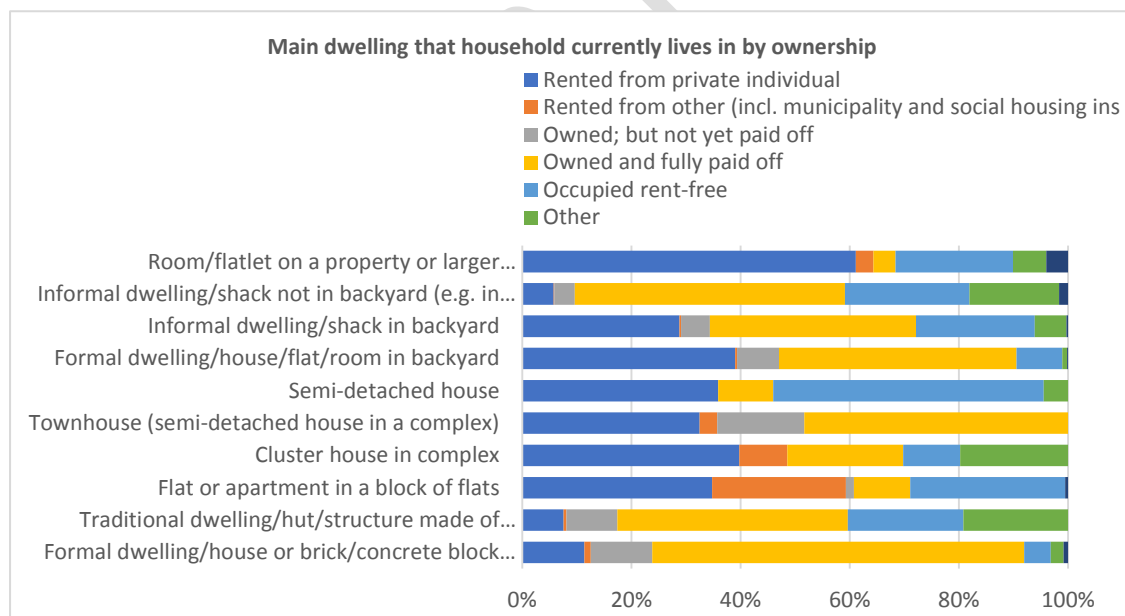
<sup>34</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

<sup>35</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

Table 13: Total rental amount in the past month in 2016<sup>36</sup>

Rental in rand	N			%			Cumulative %		
	Matjhab eng	FS	SA	Matjhab eng	FS	SA	Matjhab eng	FS	SA
1-50	146	2 907	55 375	0.6%	2.1%	1.8%	0.6%	2.1%	1.8%
51-100	841	8 397	113 977	3.7%	6.0%	3.8%	4.3%	8.1%	5.6%
101-150	1 623	9 087	116 025	7.0%	6.5%	3.9%	11.3%	14.5%	9.5%
151-200	2 209	10 434	157 003	9.6%	7.4%	5.2%	20.9%	22.0%	14.7%
201-250	1 204	6 672	107 830	5.2%	4.8%	3.6%	26.1%	26.7%	18.3%
251-300	1 667	10 929	189 210	7.2%	7.8%	6.3%	33.4%	34.5%	24.6%
301-350	859	3 826	112 950	3.7%	2.7%	3.8%	37.1%	37.2%	28.3%
351-400	1 541	7 545	161 155	6.7%	5.4%	5.4%	43.8%	42.6%	33.7%
401-450	435	2 167	73 588	1.9%	1.5%	2.4%	45.7%	44.2%	36.1%
451-500	1 777	10 545	220 253	7.7%	7.5%	7.3%	53.4%	51.7%	43.4%
501-550	276	1 029	32 719	1.2%	0.7%	1.1%	54.6%	52.4%	44.5%
551-1000	4 038	22 553	588 983	17.5%	16.1%	19.6%	72.1%	68.5%	64.1%
1001-1200	613	3 031	72 997	2.7%	2.2%	2.4%	74.8%	70.6%	66.5%
1201-1300	129	953	22 400	0.6%	0.7%	0.7%	75.3%	71.3%	67.3%
1301-1500	1 334	5 828	103 379	5.8%	4.2%	3.4%	81.1%	75.5%	70.7%
1501-2000	1 134	7 113	120 406	4.9%	5.1%	4.0%	86.0%	80.5%	74.7%
2001-3000	1 684	10 852	181 748	7.3%	7.7%	6.0%	93.4%	88.3%	80.7%
>3000	1 532	16 452	579 842	6.6%	11.7%	19.3%	100.0%	100.0%	100.0%
<b>Total</b>	<b>23 042</b>	<b>140 320</b>	<b>3 009 839</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>			

Figure 14: Main dwelling of household by ownership type in Matjhabeng 2016<sup>37</sup>



<sup>36</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

<sup>37</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

**Key points impacting on Human Settlement and Housing Development Plan**

- There has been a significant decrease in the number of informal dwellings between 2001 and 2011 (50%) and 2011-2016 (10%).
- In 2016
  - 48.7% of houses are owned and fully paid off and 9.9% are still being paid off.
  - In 2016, rented accommodation decreased to 15.5%
  - Rent-free occupations amounted to 8.2%
  - 29.9% (44 509 households) were occupying a government subsidised dwelling
  - **23 042 households paid for rented accommodation in 2016**
  - **Of these:**
    - **53.4% paid R500 or less p.m.**
    - **26.1% paid R250 or less**

**HOUSEHOLD LEVELS OF SERVICE**

Increasing numbers of population, households and dwelling units imply that there will be a future demand for water, sanitation, electricity, houses as well as education, health and other services. Not only do these additional increases need to be taken into consideration in these sector plans, the current backlogs are part of the future demand.

Level of service data is not available at town/place level; only at LM level. This is a gap that needs to be addressed. Detailed planning cannot take place without data at this level.

WATER

Access to piped water inside the dwelling or yard (85.9%) has increased since 1996. By 2011 90.7% of households had such access, and by 2016 93.7% of households. Another 1.6% had access to water on a community stand, 1.3% used communal tap, and 1.5% used the neighbour's tap.<sup>38</sup> Yet only 84.7% of households stated that they had access to a safe drinking water supply in 2016. <sup>39</sup>

According to municipal data, there were over 100 000 household and nondomestic consumers in Matjhabeng in 2015/16, of which households represented 97.1% of all consumers. Recorded backlogs amounted to 2 503 units (2.6% of households).

<sup>38</sup> Data source: Statistics South Africa, Censuses 1916-2011 and Community Survey 2016. Downloaded from SuperWEB2

<sup>39</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.



Table 14: Level of water services in 2011/12 and 2015/16<sup>40</sup>

Water	2011/2012	2015/16	2015/16 in %	Growth p.a.
Number of households and non-domestic customers	96 925	100 379		0.88%
Domestic customers	93 355	97 421	97.1%	1.07%
Inside the yard	84 855	90 985	93.4%	1.76%
Less than 200m from yard	7 000	3 933	4.0%	-13.42%
More than 200m from yard	1 500	2 503	2.6%	13.66%
Households with FBS	20 677	19 537	20.1%	-1.41%

The municipality was the main supplier of water to households (97.3%), and few relied on their own boreholes or sources (1.1%), a water vendor (0.6%), and flowing river or stream (more than 3%) other water scheme (0.2%). Few households (642 or 0.4%) did not know who the supplier of the main source of drinking water was. 41

In 2016, 15 333 (10.3%) of households had experienced a municipal water interruption in the three months prior to the Community Survey. Most of these households (88.9%) indicated that the interruption lasted less than two days over the three-month period. However, 537 households experienced a water interruption that lasted more than 14 days in total over the three-month period. Most households (64%) rated the overall quality of water services as good.

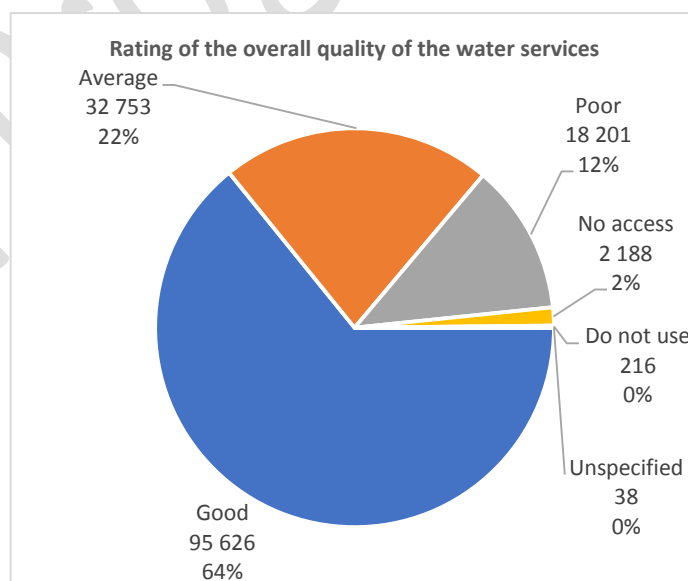


Figure 15: Matjhabeng households' rating of overall quality of water services<sup>42</sup>

<sup>40</sup> Data source: Yes Media (2018) Municipalities of South Africa – Matjhabeng Local Municipality (FS184). [Online]. Available from: <https://municipalities.co.za/overview/1044/matjhabeng-local-municipality>

<sup>41</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

<sup>42</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

Since the 2016 Community Survey does not break down the data to main place level, 2011 data illustrates that the majority of household with a water supply that was below basic level lived in Welkom (3063), and the non-urban areas had the highest proportion of households without a basic water supply.

Table 15: Water supply in 2011<sup>43</sup>

	Piped (tap) water inside dwelling/institution	Piped (tap) water inside yard	Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	No access to piped (tap) water	Unspecified	Not applicable	Total	Below basic
Allanridge	3 240	1 548	18	6	6	0	36	0	0	4 857	48
Odendaalsrus	8 829	7 794	1 236	204	93	312	237	0	0	18 711	846
Riebeeckstad	3 492	243	12	6	3	0	18	0	0	3 771	27
Welkom	36 468	19 713	2 859	1 272	546	147	1 098	0	0	62 109	3 063
Virginia	10 479	8 571	459	141	54	18	666	0	0	20 391	879
Hennenman	3 072	3 609	198	24	21	171	129	0	0	7 224	345
Ventersburg	1 125	1 833	330	63	6	6	42	0	0	3 408	117
Non-urban	798	984	465	141	39	42	249	0	0	2 718	471
<b>TOTAL</b>	<b>67 503</b>	<b>44 295</b>	<b>5 577</b>	<b>1 857</b>	<b>768</b>	<b>696</b>	<b>2 475</b>	<b>0</b>	<b>0</b>	<b>123 189</b>	<b>5 796</b>
Allanridge	66.7%	31.9%	0.4%	0.1%	0.1%	0.0%	0.7%	0.0%	0.0%	100.0%	1.0%
Odendaalsrus	47.2%	41.7%	6.6%	1.1%	0.5%	1.7%	1.3%	0.0%	0.0%	100.0%	4.5%
Riebeeckstad	92.6%	6.4%	0.3%	0.2%	0.1%	0.0%	0.5%	0.0%	0.0%	100.0%	0.7%
Welkom	58.7%	31.7%	4.6%	2.0%	0.9%	0.2%	1.8%	0.0%	0.0%	100.0%	4.9%
Virginia	51.4%	42.0%	2.3%	0.7%	0.3%	0.1%	3.3%	0.0%	0.0%	100.0%	4.3%
Hennenman	42.5%	50.0%	2.7%	0.3%	0.3%	2.4%	1.8%	0.0%	0.0%	100.0%	4.8%
Ventersburg	33.0%	53.8%	9.7%	1.8%	0.2%	0.2%	1.2%	0.0%	0.0%	100.0%	3.4%
Non-urban	29.4%	36.2%	17.1%	5.2%	1.4%	1.5%	9.2%	0.0%	0.0%	100.0%	17.3%

<sup>43</sup> Date source: StatsSA, Census 2011. Interactive data in SuperCross.

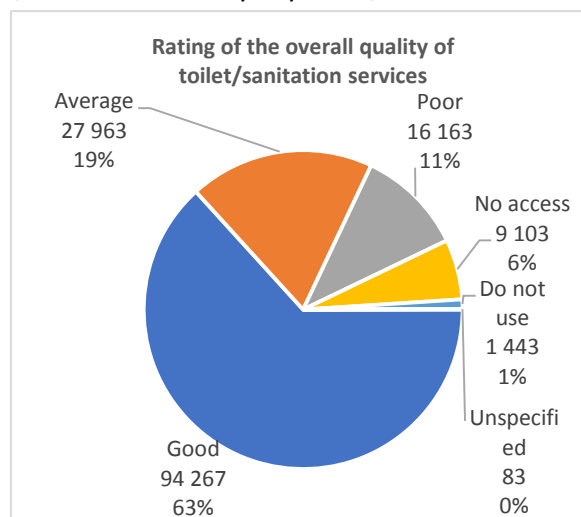
TOTAL	54.8%	36.0%	4.5%	1.5%	0.6%	0.6%	2.0%	0.0%	0.0%	100.0%	4.7%
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## SANITATION

Access to basic and higher levels of sanitation increased in the 20 years from 1996 to 2016. In 1996, the 32.4% of households used pits or bucket toilets, or had no facility. By 2016, it had halved to 15.0%.<sup>44</sup>

**Figure 16: Matjhabeng households' rating of overall quality of sanitation services<sup>45</sup>**

In 2016, over 10 000 households had a pit toilet without a ventilation pipe, another 5 141 buckets existed, half of which were emptied by the households themselves, and 1 886 had no toilets. About half of the households with toilets had toilets in the dwelling. More than a quarter of households (27.8%) shared toilets with other households. Although most households indicated that they were responsible maintaining their toilet (73.4%), another 22.1% (32 868) households indicated that it was the task of the municipality.



Overall 63% of households rated the quality of toilet/sanitation services as good.

<sup>44</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

<sup>45</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

*Table 16: Type of sanitation supply to Matjhabeng households in 2016<sup>46</sup>*

Matjhabeng households	N	%
<b>The main type of toilet facility used</b>		
Flush toilet connected to a public sewerage system	126 135	84.6%
Flush toilet connected to a septic tank or conservancy tank	383	0.3%
Chemical toilet	191	0.1%
Pit latrine/toilet with ventilation pipe	413	0.3%
Pit latrine/toilet without ventilation pipe	10 712	7.2%
Ecological toilet (e.g. urine diversion; enviroloo; etc.)	20	0.0%
Bucket toilet (collected by municipality)	2 420	1.6%
Bucket toilet (emptied by household)	2 720	1.8%
Other	4 141	2.8%
None	1 886	1.3%
<b>Total</b>	<b>149 021</b>	<b>100.0%</b>
<b>The main toilet facility in the dwelling/yard/outside the yard</b>		
In the dwelling/house	73 478	49.3%
In the yard	70 561	47.3%
Outside the yard	3 045	2.0%
Not applicable	0	0.0%
Unspecified	1 938	1.3%
<b>Total</b>	<b>149 021</b>	<b>100.0%</b>
<b>Is the toilet facility shared</b>		
Yes	41 393	27.8%
Maintenance of the toilet facility		
The household or households (in the case of multiple household)	109 362	73.4%
The community	3 061	2.1%
The municipality	32 868	22.1%
Do not know	1 782	1.2%
Not applicable	0	0.0%
Unspecified	1 949	1.3%
<b>Total</b>	<b>149 021</b>	<b>100.0%</b>

According to municipal data, there were 84 142 household sanitation consumers in Matjhabeng in 2015/16; fewer than the number of domestic water consumers (97 421). Backlogs amounted to 2 750 buckets, approximately half of what was recorded in the 2016 Community Survey, see 0.

*Table 17: Level of service in 2011/12 and 2015/16<sup>47</sup>*

Sewerage and sanitation	2011/2012	2015/2016	2015/16 in %	Growth p.a.
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<sup>46</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

<sup>47</sup> Data source: Yes Media (2018) Municipalities of South Africa – Matjhabeng Local Municipality (FS184). [Online]. Available from: <https://municipalities.co.za/overview/1044/matjhabeng-local-municipality>

Number of households and non-domestic customers	85 703	87 100		0.41%
Number of households using:	82 133	84 142		
Flush toilet connected to WWTW	80 101	81 360	96.7%	0.39%
Flush toilet septic tank	32	32	0.0%	0.00%
VIP	0	0	0.0%	
Bucket	2 000	2 750	3.3%	8.29%
Other	0	0	0.0%	
Households with FBS	20 677	19 537	23.2%	-1.41%

In 2011, most of the bucket toilets were in Virginia, followed by Hennenman and Welkom. Households without toilets occurred mostly in Welkom, as well as toilets without ventilation.

Table 18: Toilet facilities in 2011<sup>48</sup>

	None	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other	Unspecified	Not applicable	Total
<b>Allanridge</b>	27	4 743	48	0	3	9	6	27	0	0	4 854
<b>Odendaalsrus</b>	336	16 845	63	9	33	378	714	333	0	0	18 711
<b>Riebeeckstad</b>	12	3 714	9	0	6	15	6	6	0	0	3 771
<b>Welkom</b>	1 398	48 675	372	48	351	8 709	960	1 593	0	0	62 106
<b>Virginia</b>	450	17 460	237	3	18	42	2 076	102	0	0	20 388
<b>Hennenman</b>	162	5 091	57	6	33	231	1 554	87	0	0	7 227
<b>Ventersburg</b>	393	2 847	42	6	6	15	54	45	0	0	3 408
<b>Non-urban</b>	291	537	168	45	81	990	69	531	0	0	2 718
<b>TOTAL</b>	3 069	99 912	996	117	531	10 389	5 439	2 724	0	0	123 183
<b>Allanridge</b>	0.6%	97.7%	1.0%	0.0%	0.1%	0.2%	0.1%	0.6%	0.0%	0.0%	99.9%
<b>Odendaalsrus</b>	1.8%	90.0%	0.3%	0.0%	0.2%	2.0%	3.8%	1.8%	0.0%	0.0%	100.0%
<b>Riebeeckstad</b>	0.3%	98.5%	0.2%	0.0%	0.2%	0.4%	0.2%	0.2%	0.0%	0.0%	100.0%
<b>Welkom</b>	2.3%	78.4%	0.6%	0.1%	0.6%	14.0%	1.5%	2.6%	0.0%	0.0%	100.0%

<sup>48</sup> Date source: StatsSA, Census 2011. Interactive data in SuperCross.

<b>Virginia</b>	2.2%	85.6%	1.2%	0.0%	0.1%	0.2%	10.2%	0.5%	0.0%	0.0%	100.0%
<b>Hennenman</b>	2.2%	70.5%	0.8%	0.1%	0.5%	3.2%	21.5%	1.2%	0.0%	0.0%	100.0%
<b>Ventersburg</b>	11.5%	83.5%	1.2%	0.2%	0.2%	0.4%	1.6%	1.3%	0.0%	0.0%	100.0%
<b>Non-urban</b>	10.7%	19.8%	6.2%	1.7%	3.0%	36.4%	2.5%	19.5%	0.0%	0.0%	100.0%
<b>TOTAL</b>	<b>2.5%</b>	<b>81.1%</b>	<b>0.8%</b>	<b>0.1%</b>	<b>0.4%</b>	<b>8.4%</b>	<b>4.4%</b>	<b>2.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>

## SOLID WASTE

In 2011, solid waste removal was mostly undertaken by the local authority at least once a week (86.3%), while 6.7% of households had their own refuse dump, 4.0% had no rubbish disposal and 1.2% used a communal refuse dump. Most households without municipal refuse services lived in Welkom.

*Table 19: Refuse removal in 2011*<sup>49</sup>

	Removed by local authority/private company at least once a week	Removed by local authority/private company less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Unspecified	Not applicable	Total
<b>Allanridge</b>	4 641	66	6	129	3	6	0	0	<b>4 854</b>
<b>Odendaalsrus</b>	16 539	360	99	1 020	435	249	0	0	<b>18 711</b>
<b>Riebeeckstad</b>	3 705	24	21	15	0	6	0	0	<b>3 771</b>
<b>Welkom</b>	52 233	477	1 020	4 689	3 294	381	0	0	<b>62 106</b>
<b>Virginia</b>	19 578	147	54	210	255	153	0	0	<b>20 391</b>
<b>Hennenman</b>	6 429	180	72	282	243	12	0	0	<b>7 224</b>
<b>Ventersburg</b>	3 000	15	153	183	45	12	0	0	<b>3 411</b>
<b>Non-urban</b>	156	48	24	1 746	633	111	0	0	<b>2 718</b>
<b>TOTAL</b>	<b>106 281</b>	<b>1 317</b>	<b>1 449</b>	<b>8 274</b>	<b>4 908</b>	<b>930</b>	<b>0</b>	<b>0</b>	<b>123 186</b>
<b>Allanridge</b>	95.6%	1.4%	0.1%	2.7%	0.1%	0.1%	0.0%	0.0%	<b>99.9%</b>
<b>Odendaalsrus</b>	88.4%	1.9%	0.5%	5.5%	2.3%	1.3%	0.0%	0.0%	<b>100.0%</b>
<b>Riebeeckstad</b>	98.2%	0.6%	0.6%	0.4%	0.0%	0.2%	0.0%	0.0%	<b>100.0%</b>
<b>Welkom</b>	84.1%	0.8%	1.6%	7.5%	5.3%	0.6%	0.0%	0.0%	<b>100.0%</b>
<b>Virginia</b>	96.0%	0.7%	0.3%	1.0%	1.3%	0.8%	0.0%	0.0%	<b>100.0%</b>

<sup>49</sup> Date source: StatsSA, Census 2011. Interactive data in SuperCross.

<b>Hennenman</b>	89.0%	2.5%	1.0%	3.9%	3.4%	0.2%	0.0%	0.0%	<b>100.0%</b>
<b>Ventersburg</b>	88.0%	0.4%	4.5%	5.4%	1.3%	0.4%	0.0%	0.0%	<b>100.1%</b>
<b>Non-urban</b>	5.7%	1.8%	0.9%	64.2%	23.3%	4.1%	0.0%	0.0%	<b>100.0%</b>
<b>TOTAL</b>	<b>86.3%</b>	<b>1.1%</b>	<b>1.2%</b>	<b>6.7%</b>	<b>4.0%</b>	<b>0.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>

According to the data, the refuse removal service by the municipality has declined since 2011 when 83.6% had a service at least once per week. In 2016, only 72.8% of households indicated that they had this service, and 8.1% had a service that was less than once per week. Use of their own refuse dumps has increased from 8 274 to 13 797 households.

*Table 20: Type of sanitation supply to Matjhabeng households in 2016<sup>50</sup>*

<b>Refuse removal</b>	<b>N</b>	<b>%</b>
Removed by local authority/private company/community members at least once a week	108 414	72.8%
Removed by local authority/private company/community members less often than once a week	12 049	8.1%
Communal refuse dump	7 021	4.7%
Communal container/central collection point	1 577	1.1%
Own refuse dump	13 797	9.3%
Dump or leave rubbish anywhere (no rubbish disposal)	5 414	3.6%
Other	749	0.5%
<b>Total</b>	<b>149 021</b>	<b>100.0%</b>

According to municipal data in the table below, there were 112 480 solid waste consumers in Matjhabeng in 2015/16; more than the number of domestic water consumers (97 421). Backlogs were not recorded.

*Table 21: Solid waste service in 2011/12 and 2015/16<sup>51</sup>*

<b>Solid waste</b>	<b>2011/2012</b>	<b>2015/16</b>	<b>2015/16 in %</b>	<b>Growth p.a.</b>
Number of households and non-domestic customers	88 714	112 480		6.11%
Households with FBS	20 677	19 537		-1.41%

The municipality has four licensed landfill sites, while the mines operate landfill sites as well which are not regulated by the municipality.<sup>52</sup>

<sup>50</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

<sup>51</sup> Data source: Yes Media (2018) Municipalities of South Africa – Matjhabeng Local Municipality (FS184). [Online]. Available from:

<https://municipalities.co.za/overview/1044/matjhabeng-local-municipality>

Inadequate refuse/waste removal was a key concern of Matjhabeng households in 2016, and 11.1% cited it as a difficulty facing the municipality. It ranked second after the lack of employment opportunities (12.7%). Inadequate roads (11.1%) shared the second place with inadequate refuse removal.<sup>53</sup>

## ENERGY

Matjhabeng households are well served with electricity. About 5 000 urban households had no access to electricity or used another source of energy in 2016. If the 10 941 households using sources other than electricity for lighting in 2011 were not connected, access to electricity has improved since 2011. Few households use alternative sources of energy.

*Table 22: Households access to electricity in Matjhabeng 2016*

Household access to electricity	N			%		
	Urban	Farms	Total	Urban	Farms	Total
In-house conventional meter	24 750	825	25 575	16.9%	27.9%	17.2%
In-house prepaid meter	113 324	1 157	114 481	77.6%	39.2%	76.8%
Connected to other source which household pays for	2 333	88	2 421	1.6%	3.0%	1.6%
Connected to other source which household is not paying for	136	99	235	0.1%	3.3%	0.2%
Generator	0	30	30	0.0%	1.0%	0.0%
Solar home system	46	41	87	0.0%	1.4%	0.1%
Battery	80	0	80	0.1%	0.0%	0.1%
Other	335	53	388	0.2%	1.8%	0.3%
No access to electricity	5 064	662	5 726	3.5%	22.4%	3.8%
<b>Total</b>	<b>146 067</b>	<b>2 954</b>	<b>149 021</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>52</sup> Matjhabeng IDP 2017-2022, P33.

<sup>53</sup> Date source: StatsSA, Community Survey 2016. SuperWeb2.



Table 23: Energy source used for lighting in 2011<sup>54</sup>

	Electricity	Gas	Paraffin	Candles	Solar	None	Unspecified	Not applicable	Total
Allanridge	98.1%	0.1%	0.2%	1.2%	0.1%	0.1%	0.0%	0.0%	99.9%
Odendaalsrus	89.8%	0.1%	2.4%	7.3%	0.3%	0.1%	0.0%	0.0%	100.0%
Riebeeckstad	98.5%	0.1%	0.3%	0.6%	0.1%	0.3%	0.0%	0.0%	100.0%
Welkom	90.5%	0.1%	3.3%	5.7%	0.2%	0.2%	0.0%	0.0%	100.0%
Virginia	95.1%	0.2%	1.0%	3.5%	0.1%	0.1%	0.0%	0.0%	100.0%
Hennenman	89.8%	0.1%	3.0%	6.8%	0.2%	0.1%	0.0%	0.0%	100.0%
Ventersburg	81.9%	0.3%	3.2%	14.2%	0.3%	0.1%	0.0%	0.0%	100.1%
Non-urban	76.5%	0.2%	0.7%	21.1%	1.0%	0.4%	0.0%	0.0%	100.0%
<b>TOTAL</b>	<b>91.1%</b>	<b>0.1%</b>	<b>2.5%</b>	<b>5.9%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>

According to municipal data, there were 91 247 electricity consumers in Matjhabeng in 2015/16; fewer than the number of domestic water consumers (97 421). Backlogs were not recorded.

Table 24: Level of service in 2011/12 and 2015/16<sup>55</sup>

Electricity	2011/2012	2015/16	2015/16 in %	Growth p.a.
Number of households and non-domestic customers	90 068	91 247		0.33%
Households with FBS	20 677	19 537		-1.41%

### FREE BASIC SERVICES

Free basic services were delivered to an estimated 19 537 households in 2015/16 slightly fewer than in the 2011/12 year. Approximately 20% of household consumers received free basic water in 2015/16. The same number of households received free basic electricity, basic sanitation, and solid waste services.

<sup>54</sup> Date source: StatsSA, Census 2011. Interactive data in SuperCross.

<sup>55</sup> Data source: Yes Media (2018) Municipalities of South Africa – Matjhabeng Local Municipality (FS184). [Online]. Available from: <https://municipalities.co.za/overview/1044/matjhabeng-local-municipality>

*Table 25: Free basic services in 2011/12 and 2015/16*<sup>56</sup>

	2011/2012	2015/16	2015/16 (%)	Growth p.a.
Water				
Domestic customers	93 355	97 421		1.07%
Households with FBS	20 677	19 537	20.1%	-1.41%
Electricity				
Number of households and non-domestic customers	90 068	91 247		0.33%
Households with FBS	20 677	19 537		-1.41%
Sewerage and sanitation				
Number of households	82 133	84 142		
Households with FBS	20 677	19 537	23.2%	-1.41%
Solid waste				
Number of households and non-domestic customers	88 714	112 480		6.11%
Households with FBS	20 677	19 537		-1.41%

According to Matjhabeng's tariffs indigent households qualify for 6 kℓ of water free per month.<sup>57</sup> This is the standard amount provided in most municipalities. It is also noted that Section 12.5.1 of Matjhabeng's

Indigent Policy<sup>58</sup> states, "Upon registration as an indigent household, the arrears on the account of the applicant will be written off", which impacts on the financial sustainability of the municipality.

#### **Key points impacting on Human Settlement and Housing Development Plan**

Overall, in 2016:

#### **WATER**

- 93.7% of households had access to piped water inside the dwelling or yard.
- 1.3% used communal tap
- 1.5% used the neighbor's tap.
- Recorded backlogs amounted to 2 503 units (2.6% of households).

#### **SANITATION**

- 15.0% used pits or bucket toilets, or had no facility.
- In 2011, most of the bucket toilets were in Virginia, followed by Hennenman and Welkom. Households without toilets occurred mostly in Welkom, as well as toilets without ventilation.

<sup>56</sup> Data source: Yes Media (2018) Municipalities of South Africa – Matjhabeng Local Municipality (FS184). [Online]. Available from: <https://municipalities.co.za/overview/1044/matjhabeng-local-municipality>

<sup>57</sup> Matjhabeng tariff, 2015/16-2017-18.

<sup>58</sup> P 11.

### SOLID WASTE

- 86.3% are serviced least once a week
- 6.7% of households had their own refuse dump
- 4.0% had no rubbish disposal
- 1.2% used a communal refuse dump
- Most households without municipal refuse services lived in Welkom.

### ENERGY

- About 5 000 urban households had no access to electricity or used another source of energy.
- Very few households use alternative sources of energy.

### CEMETERIES

- Mmamhabane and Meloding require new cemeteries

### FREE BASIC SERVICES

- Free basic services were delivered to an estimated 19 537 households in 2015/16
- 20% of household consumers received free basic water, basic electricity, basic sanitation, and solid waste services.

### SOCIAL FACILITIES AND SERVICES

The provision of Social Facilities and Services in the Matjhabeng Municipal SDF is evaluated against the CSIR Guidelines for the Provision of Social Facilities in South African Settlements (2012).

### EDUCATIONAL FACILITIES

As reflected in the plan below, there are presently a total of 275 educational facilities in Matjhabeng Local Municipality. These are made up of the following:

- ❑ 1 Adult Basic Education and Training Facilities (ABET);
- ❑ 7 Early Childhood Development Facilities (ECD);
- ❑ 3 Further Education and Training (FET) Facilities;
- ❑ 129 Rural / Farm Schools;
- ❑ 5 Independent Schools;
- ❑ 1 Private School;
- ❑ 129 Public Schools.

In terms of the existing provision of educational facilities measured against the proposed standards, the anticipated need is indicated in the Table below.

Table 26: Provision of Educational Facilities

Urban Area	Rural Area	Schools Required	Schools Provided	Vacant
------------	------------	------------------	------------------	--------

		CSIR Guideline				School Sites
		1 per 7000 People	1 per 12 500 People			
		Primary	Secondary	Primary	Secondary	
Allanridge / Nyakallong	19337	3	2	4	2	8
Odendaalsrus / Kutlwanong	63743	9	5	10	7	22
Welkom / Thabong	211011	28	17	31	11	37
Virginia / Meloding	66208	9	5	15	6	21
Hennenman /Phomolong	24167	3	2	4	2	12
Ventersburg / Mmamhabane	11260	2	1	3	1	5

#### SAFETY AND SECURITY

There are presently a total of 9 police stations in Matjhabeng, one in each of the following areas:

- ☐ Allanridge
- ☐ Bronville
- ☐ Hennenman
- ☐ Meloding
- ☐ Odendaalsrus
- ☐ Thabong
- ☐ Ventersburg
- ☐ Virginia
- ☐ Welkom

The above excludes satellite and mobile police stations.

## HEALTH FACILITIES

The table below provides a summary of the healthcare facilities and services, compared to the CSIR guideline standards:

Table 27: Provision of Health Facilities

CATEGORY	TYPE	Required i.t.o. CSIR Guideline	Welkom/ Thabong	Ventersburg/ Mmamahabane	Allanridge/ Nyakallong	Virginia/ Meloding	Odendaalsrus/ Kutlwanong	Hennenman/ Phomolong	Total Available
COMMUNITY HEALTH	• HIV/Aids Support Centre	3	1	-	-	-	-	-	3 + 6 Additional Facilities / Services
	• Blood transfusion Service		1	-	-	-	-	-	
	• Community Health Centre		2	1	-	-	-	-	
	• School Health Service		2	-	-	-	-	-	
	• Support Centre		2	-	-	-	-	-	
CLINICS	• Clinics	10	13	3	3	7	7	3	39
	• Private Clinics		3	-	-	-	-	-	
DISTRICT HOSPITAL	• District Hospitals	1	-	-	-	1	1	-	10
	• Private Hospitals		4	-	-	2	-	-	
	• Specialized Hospital		1	-	1	-	-	-	
REGIONAL HOSPITAL	• Regional Hospital	0	1	-	-	-	-	-	1
MOBILE	• Mobile Facilities	?	3	1	-	1	3	1	9
OTHER	• Laboratories	?	2	-	-	-	-	-	2

## CEMETERIES

The table below provides a summary of the cemetery facilities and services, compared to the CSIR guideline standards:

*Table 28: Provision of Cemeteries*

Urban Area	Pop	CSIR Guideline	COMMENT	
<b>Allanridge Nyakallong</b>	19 337	4.4ha	Nyakalong full. Allanridge adequate capacity	Adequate ±20 years
<b>Odendaalsrus Kutlwanong</b>	63 743	±10ha	Kutlwalong full / new cemetery planned. Odendaalsrus still adequate	Adequate
<b>Welkom Thabong</b>	211 011	2x17ha	Welkom – limited lifespan (need new) Bronville – adequate Thabong (Pumbani) - Adequate	Adequate
<b>Virginia Meloding</b>	66208	±10ha	Virginia – Adequate Meloding – Needs new cemetery	Require space
<b>Hennenman Phomolong</b>	24167	4,4ha	Hennenman – Adequate Phomolong - Adequate (new)	Adequate
<b>Ventersburg Mmamhabane</b>	11260	±2x1ha	Currently space – need planning	Require space

It is however unclear what the current situation is regarding crematoria. According to CSIR standards, the Matjhabeng Municipality requires at least 2 crematoria.

## LIBRARIES AND COMMUNITY FACILITIES

There are currently a total of 17 libraries situated mainly in the urban areas of the Municipal area.

Based on the CSIR Guidelines, there should be at least 2 regional libraries and ±50 local libraries. It is clear that there is a large backlog in the provision of libraries in the Municipality. There is however also an opportunity to look at improving access to internet services (possibly free wifi for research / educational purposes).

Although no clear information is available on the exact number and condition of Community Halls in the Municipality, it is important to consider the CSIR guidelines that prescribes a distance of between 10km to 15km and various sizes of facilities based on the number of people that it will service in its catchment area (starting from 10 000 people).

Based on the above, it is reasonable to expect the following:

- ❑ Ventersburg / Mmamhabane – at least one central facility
- ❑ Hennenman / Phomolong – at least one facility in each area (total 2)
- ❑ Virginia / Meloding – at least two facilities (one in each locality) or alternatively three smaller facilities spread to better service the neighbourhoods.
- ❑ Allanridge / Nyakallong - at least one facility in each area (total 2)
- ❑ Odendaalsrus / Kutlwanong - at least one facility in each area (total 2)
- ❑ Welkom / Thabong - at least three facilities accessible to the broader Welkom / Thabong area, or alternatively four or five smaller facilities spread to better service the neighbourhoods.
- ❑ It needs to be considered to integrate the provision of libraries with these community halls, to serve as community resource centres.

#### PARKS AND OPEN SPACES

The 2013 SDF included a very detailed assessment of the Open Space provision in each of the towns / residential areas in Matjhabeng. The Table below provides a breakdown of the existing demand and supply of recreational facilities and spaces in the Municipality. The standards applied to determine the demand are based on the following CSIR Guidelines for the provision of Parks and Recreational Facilities, being:

- 0.5ha / 1000 persons for Parks (passive recreational space)
- 0.56ha of 1000 persons for Recreation Area (active recreational space)
- 0.3ha / 1000 persons for Regional Facilities

The extent of the Municipal owned open spaces / parks in the table below excludes those areas that cannot be considered for development of active recreational spaces. These are:

- Areas (or parts of open space areas) specifically reserved to accommodate infrastructure alignments.
- Areas considered as being environmentally sensitive and not suitable for development (such as wetlands).

Table 29: Provision of Open Spaces

Urban Area	Required (Ha)	Available (ha)		
		Municipal	Private	Over / Under Provisions
Allanridge	2.4	14.65	19.23	31.48
Nyakallong	17.8	11.96	3.99	1.85
Odendaalsrus	9.8	27.0	254.13	271.33
Kutlwanong	57.5	32.64	-	24.86
Welkom	79.7	223.24	220.79	364.33
Thabong/Bronville	143.7	129.75	17.9	3.95
Virginia	23.1	36.61	158.04	171.55

Meloding	46.9	26.15	-	20.75
Ventersburg	1.3	-	3.61	2.31
Mmamahabane	10.4	14.68	-	4.28
Hennenman	3.8	18.05	6.14	20.39
Phomolong	21.6	17.64	-	3.96
Regional	63.3	-	-	-
<b>Total</b>	<b>481.3ha</b>	<b>552.37</b>	<b>683.83</b>	<b>754.90ha surplus</b>

## SPORT & RECREATION

The 2013 Spatial Development Framework included very detailed summary on the availability and condition of Sport and Recreation facilities in the Municipality (refer to table below).

Based on the information contained in the table, it appears as if most of the sport facilities in the Municipality are in reasonable condition.

There is however the following needs for upgrade / maintenance:



Work in Progress

Table 30: Sport and Recreation Facilities

Area / Facilities	Status	Recommendation
<b>ALLANRIDGE/NYAKALLONG</b>		
Nyakallong Stadium	FAIR	Needs fence installation
<b>ODENDAALSRUS/KUTLWANONG</b>		
Kutlwanong Stadium	GOOD	Provincial Project – Sport complex
Kutlwanong Tennis Courts	FAIR	
Mimosa Swimming Pool	FAIR	Fencing of the swimming pool area
Mimosa Caravan Centre		Fencing of the Mimosa caravan area
Mimosa Recreation Hall		
<b>WELKOM</b>		
Welkom Swimming Pool		Reconstruction of ablution facilities / Fencing of the yard.
Toronto Recreation Centre	FAIR	
Rovers Sport Ground	FAIR	
Welkom Club Sport Ground	FAIR	Fencing of the sport ground
Welkom Club Recreation Centre		
North West Stadium	FAIR	Pavillion to be repaired
<b>RIBEECKSTAD</b>		
Ribeeckstad Sport Ground	FAIR	Fence installation needed
Ribeeckstad Recreation Centre	FAIR	
Ribeeckstad Club House		
Ribeeckstad Swimming Pool	VANDALISED	Reconstruction of a new swimming pool needed
Ribeeckstad Tennis Courts	FAIR	
<b>THABONG</b>		
Kopano Indoor Centre		
Hall	FAIR	
Soccer/Rugby Ground	POOR	Fencing of the entire Indoor centre and repair of the ablution block.
Swimming Pool		Reconstruction of a new swimming pool fencing needed.
Zuka Baloyi Stadium	FAIR	Fencing of the area. / Tartan track needed.

Thabong Stadium	POOR	Reconstruction of the stadium. / Fencing of the stadium.
<b>BRONVILLE</b>		
Bronville Stadium	FAIR	Upgrading of the pavilion. / Fencing of the Stadium. / Repair of flood lights. / Installation of lights.
Bronville Tennis Courts	FAIR	
<b>Facilities</b>	<b>Status</b>	<b>Recommendation</b>
Bronville Swimming Pool	FAIR	Care takers house and ablution facilities needed.
<b>VIRGINIA</b>		
Meloding Stadium	FAIR	Fencing of the stadium. / Construction of the care takers house. / Tartan track.
<b>MELODING</b>		Construction of the new sport complex, caretaker's house.
Harvinia Sport Ground	FAIR	Fencing of the area.
<b>VENTERSBURG/MMAMAHABANE</b>		
Mmamahabane Stadium	FAIR	Fencing of the stadium. / Caretakers house to be constructed.
Ventersburg Stadium	Sold to SANRAL	
Ventersburg Tennis Courts	Sold to SANRAL	
<b>HENNENMAN/PHOMOLONG</b>		
Phomolong Stadium	FAIR	Fencing of the stadium. / Caretaker's house.
Hennenman Stadium	FAIR	
Hennenman Recreation Centre	FAIR	
Whites Golf Course	FAIR	
Whites Bowling Club	FAIR	

Source: Matjhabeng Municipality - 2013

**Key points impacting on Human Settlement and Housing Development Plan**

**HEALTH FACILITIES**

- The Municipality is well services in terms of healthcare facilities and services.
- Apart from facilities developed by Government, the mining houses made a significant contribution to the development of additional healthcare facilities and services.

**SAFETY AND SECURITY**

- The current provision of police stations is deemed to be adequate.
- Notwithstanding the above, the following areas require special measures to be taken:
  - The reported challenges with illegal mining activities needs special provisions to be made in high risk areas.
  - Rural parts of the Municipality not accessible from urban centres (roughly beyond 24km or reasonable response time) need special provisions to be made.

**EDUCATION FACILITIES**

- Except for Welkom / Thabong where the actual number of secondary schools provided is less than required in terms of the CSIR guidelines, the existing provision of educational facilities in Matjhabeng is adequate.
- The 2013 SDF assessment indicated that there are 105 vacant educational sites in Matjhabeng.

**LIBRARIES**

- There is a large backlog in the provision of libraries in the Municipality

**SPORT AND RECREATION**

- Most of the sport facilities in the Municipality are in reasonable condition.
- There is however the following needs for upgrade / maintenance:
  - Fencing of a number of the facilities.
  - Refurbishment of the Riebeeckstad swimming pool.
  - Thabong stadium and rugby / soccer ground requiring significant upgrade

**PARKS AND OPEN SPACE**

- There is generally a large over-supply of open spaces in the Towns in Matjhabeng, The only exclusion here is Ventersburg.
- There is generally an under-provision of open spaces in the Townships / lower income residential areas in Matjhabeng. The exclusions here include Mmamahabane and Thabong / Bronville.
- Although there is a net overprovision of roughly 755ha of open space, the fact that these are mostly in the main towns and not the residential townships does not solve the undersupply.
- The Municipality should give consideration to the possible better use of access open space areas.

Work in Progress

### 3.5 Economic and employment profile

#### ECONOMIC SECTOR CONTRIBUTIONS

In 2010, Matjhabeng's economy was the 17th largest in the country contributing to 0.76% of the national GDP. Its GVA was estimated at R12 481 829 billion, not much more than that of Madibeng and Sol Plaatje (Kimberley). Matjhabeng also features as the only city in the top 30 of the country that has experienced a decline in population in the past decade, but that still has a reasonably sized economy. Although its economy remains a reasonable size, economic growth has slowed down dramatically since 2000 (0.5% between 2005 and 2010). Thus, the question "*do South Africa's mining towns need more robust policy responses?*" was posed by John.<sup>59</sup>

Matjhabeng's economy is dominated by mining in the belt extending from Allanridge, to Virginia and including Welkom, and Odendaalsrus. The share of mining economy has declined steadily over the last two decades. According to Ledger, the mining economy declined from 70.6% in 1996 to 24.9% in 2013,<sup>60</sup> while IHS Global Insight Regional eXplorer indicated that the share of mining in 2014 was almost double at 56.0%.<sup>61</sup> Nevertheless, mining remains the strongest sector in the local economy, and it is a dominant sector in the district economy having a location quotient of 5.05 in 2014. The only other sector with location quotient of more than 1 is agriculture (2.31), which shows its uniqueness compared to the national economy<sup>62</sup>, and this has increased since 2005 (1.54). It is the economies of Hennenman and Ventersburg that are dominated by agriculture, and manufacturing.

Between 2005 and 2014, the average economic growth rate in Matjhabeng was -2.4%, and in Lejweleputswa -1.8%.<sup>63</sup> This shrinking economy was largely due to the poor performance of the mining sector. Similarly, real GDP per capita in Lejweleputswa, declined by -17.5% between 2005 and 2014. This contrasts to the relatively stronger performance of the Free State where there was an increase in real GDP indicating an increase standard of living in the province overall, which was not applicable to the district of Lejweleputswa.

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<sup>59</sup> John, L. (2012) Secondary cities in South Africa – The start of a conversation. South African Cities network. P 37-38.

[Online]. Available from: [http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary\\_cities\\_in\\_south\\_africa.pdf](http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary_cities_in_south_africa.pdf)

<sup>60</sup> Ledger, T. (2015) The mining sector – Local profiles and impact. [Online]. Available from:

[https://www.tips.org.za/research-archive/annual-forum-papers/2016/item/download/1219\\_ee00a86474b3dce517d235600b253d8d](https://www.tips.org.za/research-archive/annual-forum-papers/2016/item/download/1219_ee00a86474b3dce517d235600b253d8d)

<sup>61</sup> IHS Global Insight Regional eXplorer (2015) cited in Matjhabeng IDP 2017-2022. P36.

<sup>62</sup> Could be provincial economy?

<sup>63</sup> Matjhabeng IDP 2017-2022. P41.

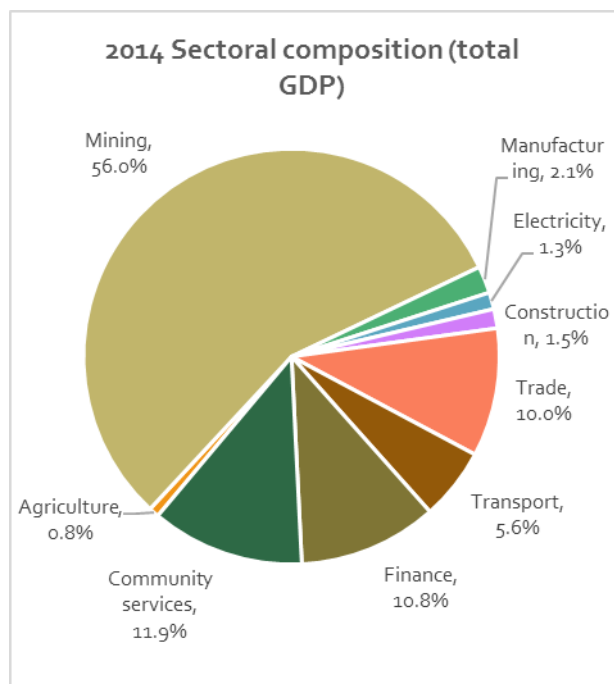


Figure 17: Sectoral contribution in Matjhabeng's economy 2014<sup>64</sup>

Consistent decline in the economic growth of Matjhabeng since 1998, affects consumer spending by the local inhabitants which is discernible in Virginia for example where shopping centres have high vacancy rates, and are "somewhat derelict"<sup>65</sup>.

<sup>64</sup> Data source: IHS Global Insight Regional eXplorer (2015) cited in Matjhabeng IDP 2017-2022. P36.

<sup>65</sup> Environmental Impact Management Services (2016) Scoping Report - Tetra4 production right environmental impact assessment and environmental management programme for the proposed cluster1 gas production near Virginia, Free State Province. P 189. [Online]. Available from: [http://sahra.org.za/sahris/sites/default/files/additionaldocs/1109\\_Final%20Scoping%20Report\\_2016-12-05\\_NH\\_Compressed.pdf](http://sahra.org.za/sahris/sites/default/files/additionaldocs/1109_Final%20Scoping%20Report_2016-12-05_NH_Compressed.pdf)

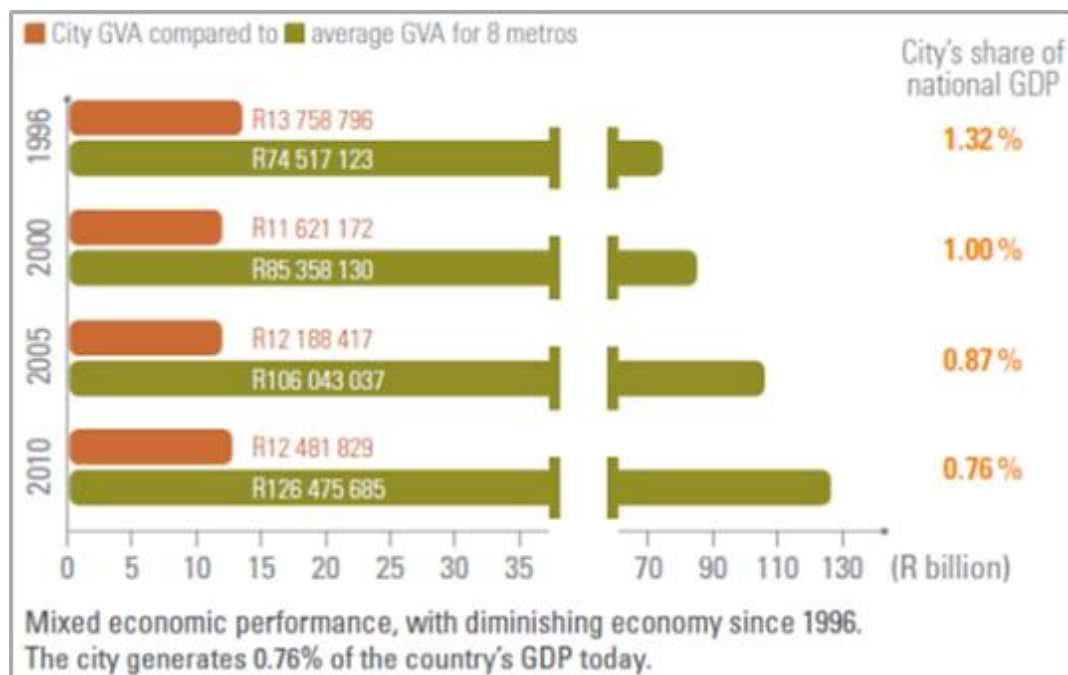


Figure 1: Matjhabeng's economic strength compared to 8 metros 1996 to 2010<sup>66</sup>

## EMPLOYMENT

Declining employment levels in the mining industry impacts on overall unemployment levels in Matjhabeng. Although unemployment rates and levels in 2011 have improved since 2000, more recent data for Matjhabeng is unavailable. But according to StatsSA employment in the gold mining industry decreased by 68.7% between 1995 and 2014 (380 086 employees and 118 939 respectively) (Stats SA, 2016).

Unemployment, which refers to people within the economically active (15-65 years) population who did not work during the seven days prior to the interview, who want to work and are available to start work within a week of the interview, and have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview accounted for 41.9% of the economically active in 2011. This is an increase from 25.3% in 1996, but a decreased from the peak in 2001. These unemployment trends in Matjhabeng mirrored that of the Free State over the three census periods.

Table 31: Employed and unemployed 1996, 2001, 2011<sup>67</sup>

<sup>66</sup> John, L. (2012) Secondary cities in South Africa – The start of a conversation. South African Cities network. [Online]. Available from: [http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary\\_cities\\_in\\_south\\_africa.pdf](http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary_cities_in_south_africa.pdf)

<sup>67</sup> StatsSA. Interactive data SuperWEB2.



	Matjhabeng			Free State		
Employment status	1996	2001	2011	1996	2001	2011
Employed	178 100	95 687	99 650	714 787	591 002	649 661
Unemployed	60 333	83 181	58 524	303 538	446 272	313 793
Discouraged work-seeker	0	0	13 290	0	0	99 949
Not economically active	106 380	100 352	105 159	741 828	715 420	732 517
Unspecified	1 206	0	0	5 208	0	0
Not applicable	130 745	128 950	129 836	868 144	954 081	949 670
Total	476 763	408 170	406 461	2 633 504	2 706 775	2 745 590
Expanded definition						
Employed	178 100	95 687	99 650	714 787	591 002	649 661
Unemployed	60 333	83 181	71 815	303 538	446 272	413 742
Total economically active	238 433	178 868	171 465	1 018 325	1 037 274	1 063 403
% unemployed	25.3%	46.5%	41.9%	29.8%	43.0%	38.9%

Employment in the informal sector increased from 2011 to 2016 in the Free State from 15% to 19%. Employment in this informal sector in Matjhabeng was lower than that of the Free State in 2011, and one assumes that it holds true today, then even in Matjhabeng its share has increased. In 2011, employment in private households in Matjhabeng stood at 13%, slightly lower than that of the province (15%), but it is noted that this segment of employment in the province had declined to 10% in 2017.

Table 32: Sector of employment in Matjhabeng and Free State in 2011<sup>68</sup>

Type of sector	N		%	
	Matjhabeng	Free State	Matjhabeng	Free State
In the formal sector	75 625	455 366	76%	70%
In the informal sector	10 971	93 651	11%	14%
Private household	12 685	96 971	13%	15%
Do not know	2 242	16 171		
Unspecified	0	0		
Not applicable	305 496	2 083 430		
Total	407 020	2 745 590		
Total ex DK, NA & U	99 281	645 989	100%	100%

Hunter and Posel have documented a nationally observed trend of informal dwellers that employment shifts including moves from permanent to casual, and from formal to informal who “live where they do for reasons vital to their everyday survival.” This highlights the limitations of relocating to the peripheries of towns and cities and to other parts of the town, whilst emphasizing the importance of upgrading informal settlements through in-situ development.<sup>69</sup>

Job opportunities, and urban centres tend to attract new immigrants, but the capacity to absorb labour means that the place will expand demographically, but it is not a guarantee that the economy will grow as a result. Only if each new citizen costs the city less than they need to spend in return, will economic growth result. The resulting cost benefit depends on the nature of the prominent employment sectors i.e. unskilled work versus higher paid jobs, infrastructure capacity, and the state of municipal finances. Employment profiles need to be detailed by number of workers employed in the service sector, especially professions that tend to generate the most wealth in a city. <sup>70</sup>

<sup>68</sup> StatsSA. Interactive data SuperWEB2.

<sup>69</sup> Hunter, M. and Posel, D. (2012) Here to work: the socioeconomic characteristics of informal dwellers in post-apartheid South Africa. In: *Environment & Urbanization*, Vol 24(1): 285–304. DOI: 10.1177/0956247811433537 [www.sagepublications.com](http://www.sagepublications.com) [Online]. Available: <http://abahlali.org/files/hunter.pdf>

<sup>70</sup> John, L. (2012) Secondary cities in South Africa – The start of a conversation. South African Cities network. P 39. [Online]. Available from: [http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary\\_cities\\_in\\_south\\_africa.pdf](http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary_cities_in_south_africa.pdf)

According to Quantec data, mining remains the most significant sector of employment, although it is also the sector that has experienced the greatest loss (-2.9% p.a. 2005-2015). Electricity, gas and water experienced the greatest increase, but its share is the smallest.

Table 33: Employment by sector in Matjhabeng<sup>71</sup>

Employment by sector	2005	2015	Growth p.a.
Transport, storage and communication	1 864	1 614	-1.43%
Wholesale and/or retail, catering and accommodation	8 647	8 050	-0.71%
Construction	2 533	2 461	-0.29%
Electricity, gas and water	204	256	2.30%
Manufacturing	3 914	3 789	-0.32%
Mining and quarrying	23 110	17 199	-2.91%
Agriculture	2 868	2 280	-2.27%
Total	45 145	37 664	-1.80%

### **Key points impacting on Human Settlement and Housing Development Plan**

#### **ECONOMIC SECTOR CONTRIBUTIONS**

Economic growth has slowed down dramatically since 2000

Matjhabeng's economy is dominated by mining in the belt extending from Allanridge, to Virginia and including Welkom, and Odendaalsrus.

Between 2005 and 2014, the average economic growth rate in Matjhabeng was -2.4%.

In 2014, mining contributed to 56% of the Municipality's GDP. This was followed by Community Services at 11.9%, Finance and Trade at 10% each, Transport at 5.6%, Manufacturing at 2.1%, Construction at 1.5%, Electricity at 1.3% and Agriculture at 0.8%.

<sup>71</sup> Data source: Quantec 2015 cited in G. Vengadajellum report.

In 1996 Matjhabeng's contribution to the national GDP was 1.32% and by 2010 it declined to 0.76%<sup>72</sup>.

## EMPLOYMENT

Declining employment levels in the mining industry impacts on overall unemployment levels in Matjhabeng.

According to StatsSA employment in the gold mining industry decreased by 68.7% between 1995 and 2014.

Mining remains the biggest employer at 45.6% of formal jobs. Mining is followed by Retail / Trade Sector, Manufacturing, Construction and then Agriculture.

Approximately 41.9% of the economically active population was unemployed in 2011. This is an increase from 25.3% in 1996.

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<sup>72</sup> John, L. (2012) Secondary cities in South Africa – The start of a conversation. South African Cities network. [Online]. Available from: [http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary\\_cities\\_in\\_south\\_africa.pdf](http://sacitiesnetwork.co.za/wp-content/uploads/2014/07/secondary_cities_in_south_africa.pdf)

### 3.6 HOUSING MARKET OVERVIEW

This section considers the key findings and policy proposals presented in the HDA Matjhabeng Mining Town Housing Market Report: 2008 – 2013. This report only covered the formal housing market, as captured by the Deeds Registry and incorporates four layers of information as follows:

- (1) Total StatsSA suburbs,
- (2) Suburbs with residential properties,
- (3) Suburbs with residential properties sold,
- (4) Suburbs with residential properties sold with a bond.

Accordingly the report identifies 77 Sub-places (SP) (demarcated areas defined within the Matjhabeng Municipal Area) of which 65 of these sub-places contain residential properties and is based on the following demographic information:

TABLE 34: DEMOGRAPHIC INFORMATION

MATJHABENG: DEMOGRAPHIC INFORMATION	
No. of Households	123 196
Housing Backlog	24 442
Households to properties ratio	1.91
Average property value	R 276 000
Total residential value	R 17.7 billion
Total residential properties	64 526
Backlog as percent of all properties	38 %
Average monthly income	R 9 200
Average sales price	R 354 000

Source: Centre for Affordable Housing Finance in Africa, Lightstone, StatsSA

In summary the HDA report presents the following KEY FINDINGS.

#### KEY FINDINGS: Matjhabeng Housing Market Overview (2008 -2013)

**Matjhabeng's housing market has experienced downward growth since 2011.**

In slow-growth neighborhoods', where most of the lower-priced housing currently exists, housing will need to be built more affordably and well located to better integrate housing markets.

Site development initiatives should include rental housing to meet the increased demand.

**Matjhabeng's affordability ratio is 1.4. The national average is 3 and the mining town average is 2.8.**

This means that it takes 1.4 times the average monthly income to afford the average house in Matjhabeng.

There remain large disparities among incomes and affordable housing access in certain areas within

the municipality.

**26 % of the properties are Government-sponsored. These properties have high percentages of equity.**

This provides opportunity to leverage that investment in affordable housing in the years ahead, as owners seek to sell and move up the housing continuum.

This can be used to drive developers to build more gap housing and financiers to finance low-priced acquisition loans.

**There has been notable sales activity but properties are generally transacting below their value.**

**Matjhabeng has experienced an incremental increase in lending from all lenders, including non-traditional lenders.**

With the presence of 26% Government-sponsored units and high average equity for those properties, it will be an important strategy to encourage traditional and new lenders to develop creative loan programmes targeting those homeowners in order to make it easier for them to sell their homes, unlock the value of those homes and allow owners to move up the housing continuum.

**The opportunity for rental housing development within Matjhabeng is strong within specific areas**

This is enhanced by the high number of informal structures and the high rental percentages by mine employees.

23% of households are renting.

Rental housing provides flexibility to employers and workers as mining markets expand and contract from time to time.

## THE HOUSING PERFORMING INDEX (HPI): GROWING - STABLE - SLOW

This performance index is based on

- I. Average housing **sales price**;
- II. Average **property value**;
- III. Number of **property sales**;
- IV. Number of **bonds per sale**,
- V. Number of **repeat sales** as a percentage of the total properties (**churn**) and
- VI. The number of **new properties** added to the registry.

The analysis compares the performance index of Matjhabeng suburbs to the Metro's rate of change and is useful in understanding **how the formal housing market is behaving**, and how it is influenced by mining activity, informal settlements and the people who move in and around the towns.

The information gives one an indication of where to possibly invest in housing developments aimed at creating a more cohesive and stable housing continuum overall.

**INSERT PLAN - HOUSING PERFORMANCE INDEX**

Shows areas of variably housing market growth throughout Matjhabeng

TABLE 35: HOUSING PERFORMANCE INDEX

SUBURBS/SUB PLACES (SP)	GROWING
	STABLE
	SLOW
	NULL
<b>ALLANDRIDGE</b>	
Allanridge SP	
Phatakahle SP/ Nyakallong	
<b>ODENDAALSRUS /KUTLOANONG</b>	
Kutloanong SP / Ou Dorp / Odendaalsrus / Philippi / Hospital Park / Ross Kent South / Mimosa Park	
Ross Kent North / Hestersrus	
Thelma	
<b>WELKOM</b>	
Rheederpark / Bedelia / Bronville / Thabong SP 3	
Western Holdings Gold Mine / Lake View / Flamingo Park / Thabong Ext13 / Riebeeckstad SP	
St Helena Gold Mine / President Brand Gold Mine	
Reitzpark / Voorspoed / Thabong SP2 / Thabong Ext 15	
<b>HENNENMAN / PHOMOLONG SP</b>	
Havengaville / Hennenman / Phomolong	
Whites SP (No data)	
<b>VIRGINIA</b>	
Virginia SP /Saaiplaas / Harmony	
Meloding SP	
Kitty / Merrispruit / Merrispruit Gold Mines/ Harmony Gold Mines	
<b>VENTERSBURG/MMAMAHABANE</b>	
Ventersburg SP	
Mmamahabane SP / Tswelangpele	

**Key Considerations of report findings**

It is proposed that the building of housing opportunities between areas of high and low growth can

better integrate housing markets overall

The HDA report indicates that repeat sales % have steadily increased from 2009 to 2012 and dropped in 2013 from 2012. This indicates a higher turnover of existing homes over time.

There are a few sub-places in the municipality that have sectional title properties. Sectional title prices have been steadily increasing and reportedly in high demand.

Lending is instrumental in the growth of housing markets.

Sectional title may be an important affordable homeownership option.

Work in Progress



## MARKET SIZE AND DEMAND

Matjhabeng's housing market is comprised of three markets, namely:

- I. Government-sponsored housing,
- II. Privately traded and financed homes
- III. Informal settlements.

From the HDA Report analysis the following Key Considerations and Policy Implications area drawn:

### Key Considerations and Policy Implications

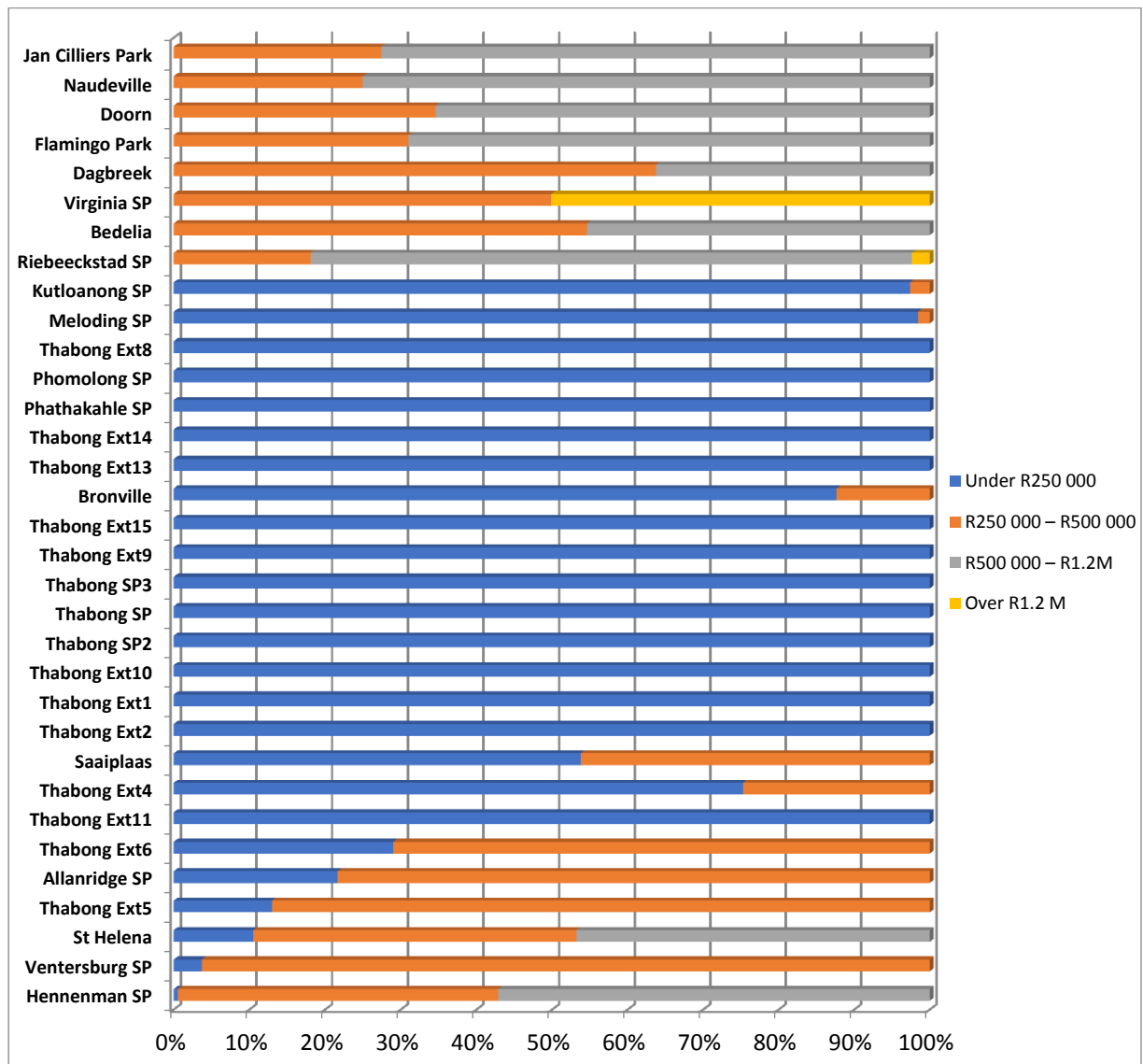
- **The high number of informal settlements implies a high demand for housing.**
- This demand creates opportunity for **new housing supply to be positioned between the existing segregated markets** to better integrate the town's spatial, income and housing markets.
- Need to **identify areas of future development** and attract private sector participation.
- **The encouragement of the expansion of financing to lower-income families** will allow for those homes to be sold and the proceeds then used to support housing development.
- Rapidly changing housing demand, driven by mining activities, makes a **strong case for prioritising quality rental housing that is well located in dense areas, near transport routes and services.** This could foster social and economic cohesion to housing markets over the longer term.
- **The encouragement of the resale of Government-sponsored housing is an important means of expanding housing options** – for the sellers, who can move up the ladder with the equity from the sale of their property, to the first-time homebuyer purchasing the existing home.
- **Increased activity in these markets will also raise the value of the home,** which is often a family's most valuable asset.

**Market Size: Total Properties by Property Value Segment**

TABLE 36: MARKET VALUE

Number of Properties per Property Values				
Area / Sub Place	Under R250 000	R250 000 – R500 000	R500 000 – R1.2M	Over R1.2 M
Kutloanong SP	6834	182		
Meloding SP	6742	108		
Riebeekstad SP		618	2723	80
Thabong Ext8	2953			
Phomolong SP	2882			
Phathakahle SP	2584			
Bedelia		1014	844	
Thabong Ext14	1862			
Virginia SP		820		824
Bronville	1453	204		
Thabong Ext13	1595			
Dagbreek		941	535	
Thabong Ext15	1421			
Thabong Ext9	1393			
Thabong SP3	1305			
Saaiplaas	638	549		
Thabong SP	1168			
Hennenman SP	6	481	648	
Flamingo Park		329	731	
Thabong SP2	952			
Thabong Ext10	939			
Thabong Ext5	114	766		
Doorn		314	593	
Naudeville		229	687	
Thabong Ext1	863			
Jan Cilliers Park		216	572	
Thabong Ext4	636	209		
Thabong Ext3		703		
Harmony		337	398	
Reitzpark		716		
Ross Kent North		754		
Thabong Ext2	746			
Allanridge SP	153	553		
St Helena	68	277	303	
Ou Dorp		501		
Thabong Ext6	186	455		
Hestersrus		644		
Rheederpark		377		
Thabong Ext7		554		
Jim Fouchepark			5333	17
Ventersburg SP	21	547		
Merriespruit			232	
Seemeeu Park		347		
Philippi		284		
Thabong Ext11	254			
Ross Kent South		167		
<b>TOTAL</b>	<b>37 768</b>	<b>14 196</b>	<b>13 599</b>	<b>921</b>

FIGURE 2: MARKET SIZE: TOTAL PROPERTIES BY PROPERTY VALUE SEGMENT



### Key Considerations and Policy Implications

- 61% of the properties in Matjhabeng fall in the below R250 000 value segment; with 26% of Matjhabeng's residential properties sponsored by Government (RDP Housing).
- Matjhabeng has a diverse range of property values, although only a few sub-places have diverse value segments whilst other sub places on have only one range of housing value.

- A diverse approach may help to expand the diversity and distribution of housing options across the municipality.
- Consider areas where there is potential for Government expansion of housing investment between areas comprised of lower income housing (<R250 000) adjacent to areas of middle income housing (R250 000 – R500 000)
  - This includes areas such as, Bronville, Saaiplaas, Thabong Ext. 4, Ext 6 and Allenridge SP.

**INSERT PLAN:**

**BASED ON TABLE AND CHART BELOW, THAT INTERPRETS DATA TO:**

- **SHOW AREAS FOR POTENTIAL GAP HOUSING MARKET : INTEGRATE SPATIAL AREAS FOR SOCIAL AND ECONOMIC COHESION. Spatial integration of mixed income areas/sites**
- **IDENTIFY DENSE SETTLEMENT AREAS WITH GOOD LOCATION: TRANSPORT/SERVICES/JOB CREATE AREAS TO PROPOSE DIVERSE DEVELOPMENT PROPOSALS FOR HOUSING CONTINUUM IN AREAS IN CLOSE PROXIMITY TO EACH OTHER**

TABLE 37: MARKET SIZE BY HOUSEHOLD AND INCOME

Area / Sub Place	Percentage Households Renting (Census 2011)	Total no. of households	TOTAL RESIDENTIAL PROPERTIES	Households to property ratio	Average Monthly Household Income (Rands)
Kutloanong SP	15	15623	7,016	2,2	2 100
Meloding SP	18	13682	6,855	2,0	1 800
Phomolong SP	13	5944	2,897	2,1	1 400
Thabong Ext8	20	4817	2,973	1,6	2 600
Phathakahle SP	11	4007	2,584	1,5	2 100
Riebeeckstad SP	15	3773	3,438	1,1	19 500
Thabong SP3	15	3747	1,305	2,9	1 100
Thabong Ext1	37	3283	867	3,8	2 100
Thabong Ext6	9	2778	656	4,2	2 600
Thabong SP	29	2757	1,185	2,3	2 200
Bronville	23	2707	1,673	1,6	3 900
Thabong Ext14	19	2670	1 862	1,4	1 200
Matjhabeng NU	30	2615	48	54 5	4 800
Thabong Ext4	31	2541	845	3,0	3 000
Bedelia	31	2426	1,899	1,3	13 600
Thabong Ext13	25	2426	1 595	1,5	1 500
Thabong SP2	8	2363	952	2,5	1 300
Mmamahabane SP	9	2307	1	2 307,0	1 100
Virginia SP	34	2142	1 750	1,2	11 400
Thabong Ext9	20	2113	1,421	1 5	1 900
Saaiplaas	42	2084	1,202	1,7	6 600
Thabong Ext2	37	1910	748	2 6	2 100
Thabong Ext15	21	1908	1,425	1,3	1 400
Dagbreek	32	1893	1,540	1,2	15 300
Thabong Ext3	33	1849	797	2,3	2 000

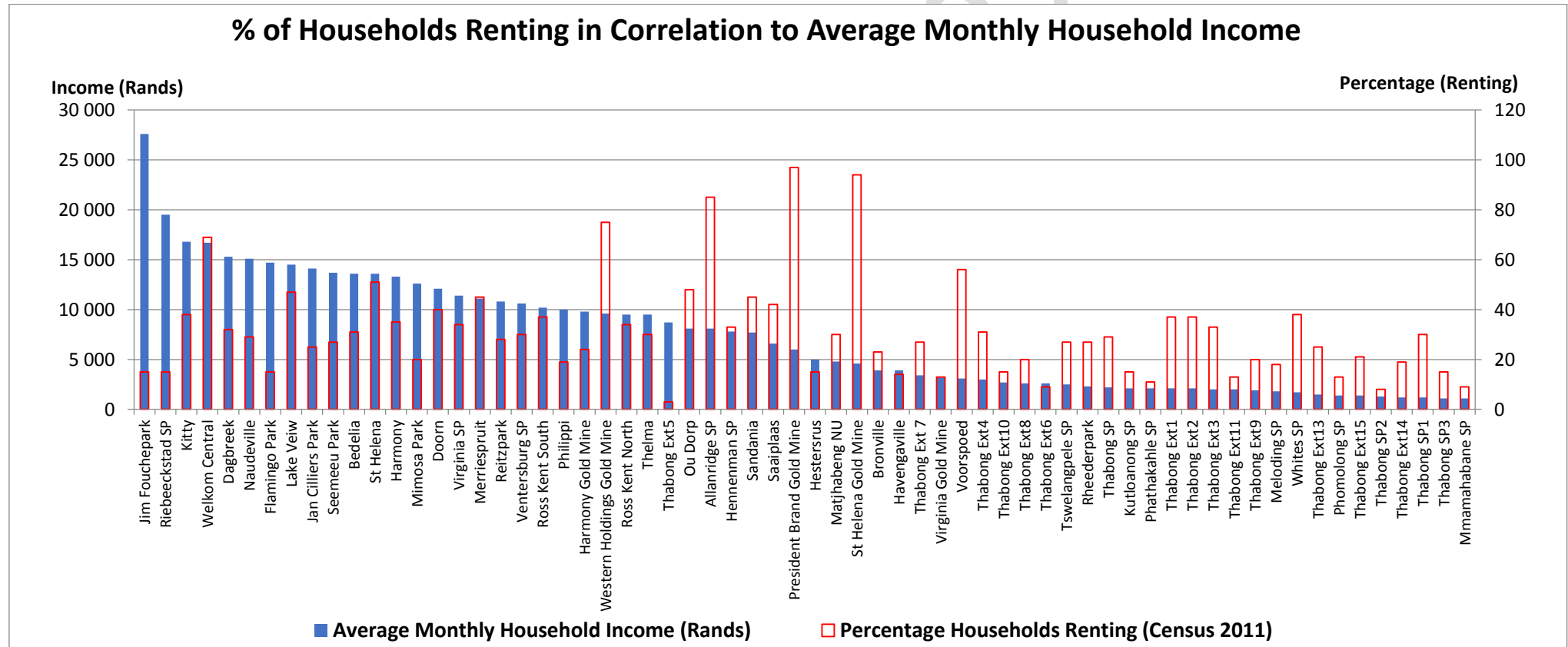
Doorn	40	1337	921	1,5	12 100
Hennenman SP	33	1254	1 138	1,1	7 800
Thabong Ext10	15	1246	951	1,3	2 700
Flamingo Park	15	1179	1,069	1,1	14 700
St Helena	51	1170	712	1,5	13 600
Thabong Ext5	3	1155	944	1,2	8 700
Rheederpark	27	1159	620	1 9	2 300
Thabong Ext 7	27	1135	617	1,8	3 400
Naudeville	29	1033	920	1,1	15 100
Harmony	35	979	778	1,3	13 300
Jan Cilliers Park	25	968	854	1,1	14 100
Merriespruit	45	953	477	2,0	11 100
Ross Kent North	34	905	764	1,2	9 500
Ou Dorp	48	874	684	1,3	8 100
Reitzpark	28	868	765	1,1	10 800
President Brand Gold Mine	97	854	0		6 000
Allanridge SP	85	846	713	1,2	8 100
Tswelangpele SP	27	729	8	91,1	2 500
Thabong Ext11	13	687	254	2,7	2 000
Jim Fouchepark	15	623	508	1,2	27 600
Seemeeu Park	27	503	388	1,3	13 700
Lake Veiw	47	385	118	3,3	14 500
Western Holdings Gold Mine	75	379	7	54,1	9 600
Welkom Central	69	370	255	1,5	16 700
Ventersburg SP	30	367	494	0,7	10 600
St Helena Gold Mine	94	316	0		4 600
Thabong SP1	30	313	0		1 200
Ross Kent South	37	298	215	1,4	10 200
Philippi	19	289	349	0,8	10 000
Sandania	45	261	198	1,3	7 700
Thelma	30	247	208	1,2	9 500
Kitty	38	234	150	1,6	16 800
Voorspoed	56	160	57	2,4	3 100
Harmony Gold Mine	24	145	16	9,1	9 800
Mimosa Park	20	139	144	1,0	12 600
Whites SP	38	108	0		1 700
Hestersrus	15	105	644	0,2	5 000
Virginia Gold Mine	13	91	0		3 200
Havengaville	14	28	29	1,0	3 900
Merriespruit Gold Mine	0	0	12	0,0	No data
<b>Average/TOTAL</b>	<b>31</b>	<b>119 057</b>	<b>26 033</b>		

#### Key Considerations and Policy Implications

- In identify areas for **mixed use development** , consider:
  - location (access to services and place of employment and key transport routes)
  - areas of dense settlement
  - areas of mixed income housing potentials in close proximity to each other.
- The HDA Housing Market Overview identifies areas adjacent Allanridge SP, areas West of Welkom (between Bronville and Riebeecksatd and Meloding (largest potential) as areas of mixed use / rental potential.
- The chart below also indicates the high rental market linked to mining house supply

Work in Progress

FIGURE 20: RENTAL MARKET LINKED TO MINING RESIDENTIAL PROVISION





Work in Progress

## MARKET ACTIVITY AND LENDING: KEY FINDINGS

Table 38 below indicates the market activity in Matjhabeng in terms of the average number of properties sold between 2008 and 2013 in relation to their values and also indicates the number of bonded sales in the same period.

TABLE 38: MARKET ACTIVITIES AND LENDING

Property Value	Average no. of properties sold from 2008 to 2013 (%)	Average no. of bonded properties sold from 2008 to 2013 (%)
Under R250 000	14 %	8 %
R250 000 – R500 000	42 %	43 %
R500 000 – R1,2 Million	39 %	46 %
Over R1,2 Million	3 %	3 %

**Source:** SA Deeds Registry via Lightstone (Pty) Ltd, 2015 HDA Housing Market Overview Matjhabeng 2008 -2013

**Key findings (HDA Matjhabeng Mining Town Housing Market Report) for Market Activity and Lending in Matjhabeng is as follows:**

- Property Sales have continued to fluctuate in Matjhabeng.
- Bonded sales in lower markets are a small portion of the bonded market.
- Total sales receiving bonds in Matjhabeng decreased, perhaps due to decreased supply of housing or decreased access to credit.
- Property sales were dominant in the R250 000 property value segment.
- Sales are dominated by repeat sales, with very few new housing sales.
- Property value (the home's worth) and sales prices are closely related in active markets.
- In less active markets, sales prices are less than their suggested value.
- Although significantly small, data reveals that Matjhabeng had new sales in several sub-places throughout the municipality.
- The highest increase in residential sales was in the under R250 000 value segment, however, there were no bonds associated with this value segment.
- New sales can also show the recent registration of Government-sponsored housing investments.
- The deeds issued on Government-sponsored housing represent real assets which can now be traded and loaned against and are key to moving up the housing ladder and therefore can reflect as a positive growth for the housing market.
- Lending for housing finance occurs in all sub-places in the municipal area. The largest segment of lending occurs in the central area of Matjhabeng.
- Lending from non-traditional lenders, such as private equity funds and employer lenders (primarily company home loan benefit schemes) increased incrementally in the period 2008 – 2103.

### Key Considerations and Policy Implications

- Government can align policies that encourage the sale of these homes and that encourages new housing development nearby in order to expand housing options and enable homeowners wanting to move up the housing continuum.
- Focus on **increasing access to lending**, determining what barriers exist to make credit more accessible through lower cost products, more flexible terms and/or inclusion of existing debt into a mortgage loan product.
- Programmes should also make creative financing available for supporting and improving rental accommodation
  - Create **financing products that can bring down the cost of quality rental housing** as an affordable **alternative to homeownership** for lower-income families

### AFFORDABILITY LEVELS

Some properties may seem affordable in terms of sale price, (e.g. Kutloanong); however, the low levels of income render these properties unaffordable. It is therefore necessary to consider the property sale value in relation to income levels to assess actual affordability levels.

TABLE 39: AFFORDABILITY LEVELS

Sub Place	Average Monthly Household Income (2008 - 2013) (Rands)	Average House Sales Price (2008 - 2013) (Rands)	Affordability Ratio
Allanridge SP	13000	110000	0,3
Bedelia	18000	377000	0,8
Bronville	5000	150000	1,2
Dagbreek	17000	397000	0,9
Doorn	16000	454000	1,1
Flamingo Park	21000	425000	0,8
Harmony	17000	288000	0,6
Harmony Gold Mine	13000	0	0
Havengaville	6000	1500000	9,4
Hennenman SP	12000	354000	1,1
Hestersrus	7000	213000	1,1
Jan Cilliers Park	19000	667000	1,4
Jim Fouchepark	36000	1086000	1,1

Kitty	13000	218000	0,6
Kutloanong SP	4000	94000	0,9
Lake Veiw	22000	307000	0,5
Matjhabeng NU	7000	345000	2
Meloding SP	3000	141000	1,7
Merriespruit	18000	248000	0,5
Merriespruit Gold Mine	0	0	0
Mimosa Park	17000	325000	0,7
Mmamahabane SP	2000	0	0
Naudeville	17000	312000	0,7
Ou Dorp	12000	232000	0,7
Phathakahle SP	4000	55000	0,6
Philippi	20000	225000	0,4
Phomolong SP	3000	0	0
President Brand Gold Mine	8000	0	0
Reitzpark	11000	272000	0,9
Rheederpark	5000	168000	1,3
Riebeeckstad SP	25000	428000	0,7
Ross Kent North	12000	232000	0,8
Ross Kent South	13000	211000	0,6
Saaiplaas	8000	133000	0,6
Sandania	8000	295000	1,3
Seemeeu Park	22000	314000	0,5
St Helena	18000	534000	1,1
St Helena Gold Mine	5000	0	0
Thabong Ext 1	3000	33000	0,4
Thabong Ext 2	3000	18000	0,2
Thabong Ext 3	4000	0	0
Thabong Ext 4	4000	149000	1,5
Thabong Ext 5	12000	221000	0,7
Thabong Ext 6	5000	189000	1,5
Thabong Ext 7	4000	0	0
Thabong Ext 8	3000	138000	1,5
Thabong Ext 9	4000	89000	0,9
Thabong Ext 10	3000	171000	2
Thabong Ext 11	2000	100000	1,5
Thabong Ext 13	3000	25000	0,3
Thabong Ext 14	2000	43000	0,7

Thabong Ext 15	2000	0	0
Thabong SP	4000	30000	0,3
Thabong SP1	5000	0	0
Thabong SP2	2000	45000	0,9
Thabong SP3	2000	41000	0,6
Thelma	16000	231000	0,5
Tswelangpele SP	4000	103000	0
Ventersburg SP	11000	295000	0,6
Virginia Gold Mine	5000	136000	0
Virginia SP	11000	427000	0,7
Voorspoed	4000	93000	7,5
Welkom Central	16000	412000	0,8
Western Holdings Gold Mine	9000	244000	0,1
Whites SP	4000	99000	0

### Key Considerations and Policy Implications

The affordability ratio indicates the purchasing power of local incomes to afford local sales prices. The higher the ratio, means the more difficult for local households to afford the local housing sales price.

- In these instances, rental housing may be an important option towards providing well-located and professionally managed, affordable housing in these areas.
- This would require infrastructure upgrades and financial mechanisms which provide for long term affordability and sustainability.
- Several conditions are crucial for the creation of successful and sustainable rental markets, including:
  - Density
  - High demand
  - Affordability.
- In order to sustain rental housing as scale, projects must be able to achieve density to keep costs down and access ready markets, with good proximity to jobs, transport and educational opportunities to keep project running smoothly.

### INSERT PLAN: Affordability Levels

Identify areas where affordability comparative to housing price (Affordability Ratio) are favorable: indicates areas for new housing development and diverse housing options

Work in Progress

**INSERT PLAN: Areas with Rental Potential**

Plans to reflect areas that show:

- Higher population densities
- Modest / low incomes
- Areas where there are affordability challenges
- Locations well suited along transport routes, near services and place of employment
- Areas where there is potential for diversification of housing options that fosters spatial, social and economic cohesion of settlements.

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### 3.7 Demand for affordable subsidized housing

It is envisaged that the following criteria / indicators and measuring methodology will assist in determining the present and projected future demand for housing in the Municipality.

Indicator	Measuring Methodology	Outcome = Demand
<b>Level of overcrowding</b>	Ratio of Households / Dwelling to erven  This would provide an indication of the need for additional dwelling units	Average household size is 3.7. The average size of households in inadequate dwellings is 3.3.
<b>Backlog: Number of “inadequate” dwellings, 2014</b>	This would give an indication as to the number of houses currently living in inadequate shelter, requiring more adequate shelter	6,352 (2011 Census) 5,335 (2014 Estimated) 5,727 (2019 - increase with 393 units from 2014-2019)
<b>Total household growth projections in numbers 2018 - 2023</b>	Indicator of possible new household information trends since the 2016 Community Survey, including growth / shrinkage due to mining expansion / contraction – all income groups	6,112 households
<b>Number of processed applications</b>	This would give an indication of the number of eligible households who have actually applied for subsidized housing	IDP refer to backlog of 6,306
<b>Supply of subsidized housing</b>	This would indicate the rate at which supply of adequate housing is occurring in the Municipality	A total of 672 units were delivered at an average rate of 168 units per year. Previous yrs’ rate was 300/yr
<b>Future Demand: Subsidized housing (2018-2023)</b>	Number of households earning less than R3,200 per month (low income group)	5,046 (83%)
<b>Future Demand: Gap housing (2014-2019)</b>	Number of households earning between R3,201 and R12,800 per month	765 (13%)



<b>Urbanisation rate</b>	Portion of the total population living in urban areas	Urbanisation Rate of 2.4%
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The table below reflects the distribution of households by type of dwelling between 1996 and 2011.

TABLE 4.0: HOUSEHOLDS BY TYPE OF DWELLING

Dwelling Type	1996	2001	2011
Formal	65 68472 (61%)	68 374 (57%)	96 679 (79.6%)
Traditional	1 378 (175%)	2625 (2%)	472 (0.4%)
Informal	40 901 (3869%)	48 799 (41%)	24 300 (20%)
<b>Total</b>	<b>107 96130</b>	<b>119 798</b>	<b>121 451</b>

Source: STATS SA 2011

From a study which was conducted in the Municipality in 2012 by the Housing Development Agency (HDA), the locality and extent of informal settlements were confirmed. The following were recorded:

TABLE 4.1: INFORMAL SETTLEMENTS

Area	Informal Settlement	No of Structures
Mmamahabane (Ventersburg)	Roma informal settlement	70
	DND informal settlement	110
	R70 informal settlement	350
<b>Sub-Total</b>		<b>530</b>
Phomolong (Hennenman)	Baipehing informal settlement	1000
<b>Sub-Total</b>		<b>1000</b>
Meloding (Virginia)	Bareng informal settlement	12
	MK Square informal settlement	21
	Matlharantlheng informal settlement (Meloding)	200
	Unit 7 informal settlement	80
	Unit 3 informal settlement	200
	Phelindaba informal settlement	47
	Tiptop & Zack Bazaar informal settlement	45
<b>Sub-Total</b>		<b>605</b>
Bronville (Welkom)	Rethuseng informal settlement	230
	Matlharantlheng informal settlement (Bronville)	200
	Ext 20 1&2 informal settlement	202
Thabong (Welkom)	Freedom square & C Section informal settlement	394
	2010 (Thandanani) informal settlement	1200
	Phokeng & Kgotha informal settlement	750
<b>Sub-Total</b>		<b>2976</b>
Kutlwanoong (Odendaalsrus)	L & Block 1, 6&5 informal settlement	189
	K6 Mshenguville informal settlement	31
	K5 & Block 4 informal settlement	139
	K10 informal settlement	1000
<b>Sub-Total</b>		<b>1359</b>
<b>TOTAL</b>		<b>6470</b>

Source: HDA (2012)

### **Key points impacting on Human Settlement and Housing Development Plan**

The biggest demand / backlogs exist in the Thabong and Bronville residential areas, followed by Kutlwanong, Phomolong, Meloding and lastly Mmamahabane.

- In 2011, there were a total of:
  - 2736 backyard structures,
  - 8121 backyard shacks
  - 16 179 informal structures on undeveloped land. Of these 6470 units were located in clustered localities (informal settlements)
  - The total number of informal structures adds up to and estimated 24 300 units (also referred to as the housing backlog).
- In 2011, a total of 28 745 households were residing in rented accommodation. It is assumed that this figure includes some (if not most) of the reported 10 857 backyard shacks and structures.
  - If in deed correct, these backyard structures could account for as much as 38% of the current “rental supply”. The contribution of rental income in this sector to livelihood strategies of local households is important and cannot be ignored.
- The reported 18 873 households that occupy residential structures rent-free, likely includes many of the 16 179 informal structures recorded in the Municipality.

### **IMPACT OF MINING ON THE HOUSING STATUS QUO**

According to 2013 statistics from the mining houses, Harmony employed 17671 people and 1796 contractors, whilst Goldfields employed 9563 people. With mining companies employing roughly 29000 people in Matjhabeng, it is important to consider the status of housing / accommodation and arrangements for accommodation of workers employed at the mines.

The below table provides a summary of the status reported by the mines in 2013.

TABLE 42: MINING ACCOMMODATION ARRANGEMENTS

Accommodation Arrangement	Harmony	Goldfields
Living-out allowance	10313	
Housing allowance	1512	
Hostels at the mine	7066	
Flats at the mine		813
Houses at the mines	917	
Mine owned accommodation in		334 (Welkom)

towns		495 (Virginia)
Other	167	

**Key points impacting on Human Settlement and Housing Development Plan**

Based on an analysis which was conducted by the mines amongst employees which receive an allowance, the following was ascertained:

That 72% (8514) of the interviewees live in owned or rented RDP houses in formal settlements mostly on land allocated by the Municipality; and

That 28% (3311) of the interviewees live in informal housing and in structures such as shacks.

It is clear that a significant proportion of the tenants of rented accommodation and occupants of informal structures are from the mines.

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## 4. SUPPLY SIDE ANALYSIS

### 4.1 Past performance

At this point, no up-to-date information is available on the delivery performance in Matjhabeng Municipality.

The 2014 SDF reported that the delivery rate for 2011 and 2012 of affordable housing units (less than 80m<sup>2</sup>) was 461 and 355 units respectively. If this rate of delivery continued, it is very clear that **the delivery rate has been way too low and nowhere near what is required to make a meaningful impact on housing.**

In the 2014 SDF report, the total budget required to meet the reported backlog of 24 300 housing units was estimated at R3,25 billion. This was based on what is considered the most economical erf size of ±120<sup>2</sup> (69 units/ha).

### 4.2 Community perceptions about difficulties faced by the municipality

The 2016 Community Survey asked households what main difficulty is faced by the municipality. Lack of employment opportunities was the priority cited by 12.7% of households. Tied in second place was inadequate refuse removal (11.1%), and inadequate roads (11.1%). Inadequate sanitation/sewerage/toilet services ranked third (10.8%). **This was followed by inadequate housing (9.4%).**

TABLE 43: DIFFICULTIES FACING THE MUNICIPALITY PRESENTLY ACCORDING TO MATJHABENG HOUSEHOLDS IN 2016.<sup>73</sup>

Difficulties facing the municipality presently	N	%
Lack of/inadequate employment opportunities	18 862	12.7%
Inadequate roads	16 589	11.1%
Inadequate refuse/waste removal	16 509	11.1%
Inadequate sanitation/sewerage/toilet services	16 154	10.8%
<b>Inadequate housing</b>	<b>13 961</b>	<b>9.4%</b>
None	10 068	6.8%
Cost of electricity	10 042	6.7%
Lack of safe and reliable water supply	9 714	6.5%
Violence and crime	7 443	5.0%

<sup>73</sup> Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

Cost of water	6 948	4.7%
Inadequate street lights	5 835	3.9%
Gangsterism	5 263	3.5%
Lack of reliable electricity supply	4 114	2.8%
Corruption	3 332	2.2%
Lack of/inadequate healthcare services	791	0.5%
Other	790	0.5%
Alcohol abuse	718	0.5%
Lack of/inadequate educational facilities	692	0.5%
Lack of/inadequate parks and recreational area	543	0.4%
Drug abuse	514	0.3%
Lack of/inadequate public transport	138	0.1%
Unspecified	0	0.0%
<b>Total</b>	<b>149 021</b>	<b>100.0%</b>

Matjhabeng households also expressed their opinion to the extent to which the municipality is trying to resolve the problems it faces. Corruption was the issue that the greatest proportion of households disagreed or strongly disagreed that the municipality was trying to resolve i.e. 87% of households who cited corruption as a difficulty faced by the municipality disagreed or strongly disagreed that the municipality was trying to resolve the problem. Another issue that had a high rate of disagreement was the lack of/inadequate parks and recreational areas (82%). This was followed by inadequate street lights (79%), gangsterism (79%), inadequate refuse removal (78%), inadequate health care services (76%), and the lack of educational facilities (76%).

**Concerns regarding inadequate housing also elicited a 70% rate of disagreement that the municipality was trying to solve the problem.**

Table 44: The extent to which the municipality is trying to resolve problem<sup>74</sup>

Difficulties facing the municipality presently	The extent to which the municipality is trying to resolve problem								
	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly agree	Not applicable	Unspecified	Total	Strongly & Disagree
Corruption	2 287	622	128	229	66	0	0	3 332	87%
Lack of/inadequate parks and recreational area	263	184	57	39	0	0	0	543	82%
Inadequate street lights	3 001	1 623	243	716	252	0	0	5 835	79%
Gangsterism	2 143	1 990	215	596	318	0	0	5 263	79%
Inadequate refuse/waste removal	8 949	3 966	1 415	1 471	696	0	13	16 509	78%
Lack of/inadequate healthcare services	335	269	68	68	50	0	0	791	76%
Lack of/inadequate educational facilities	362	165	56	61	49	0	0	692	76%
Inadequate roads	7 519	4 861	1 277	1 438	1 494	0	0	16 589	75%
Lack of/inadequate employment opportunities	9 088	4 814	1 242	2 010	1 693	0	15	18 862	74%
Inadequate sanitation/sewerage/toilet services	7 512	4 100	1 556	2 362	624	0	0	16 154	72%
Alcohol abuse	304	212	17	173	13	0	0	718	72%
<b>Inadequate housing</b>	<b>6 803</b>	<b>2 964</b>	<b>1 271</b>	<b>2 071</b>	<b>813</b>	<b>0</b>	<b>40</b>	<b>13 961</b>	<b>70%</b>
Lack of reliable electricity supply	1 403	1 387	429	725	170	0	0	4 114	68%
Cost of water	2 281	2 406	359	1 705	197	0	0	6 948	67%
Lack of safe and reliable water supply	3 911	2 486	1 359	1 750	172	0	36	9 714	66%
Violence and crime	3 059	1 798	459	1 944	184	0	0	7 443	65%
Cost of electricity	3 120	3 000	919	2 883	93	0	27	10 042	61%
Drug abuse	146	79	21	269	0	0	0	514	44%
Lack of/inadequate public transport	13	44	0	40	41	0	0	138	41%
Other	0	0	0	0	0	0	790	790	0%
None	0	0	0	0	0	10 068	0	10 068	0%
<b>Total</b>	<b>62 499</b>	<b>36 970</b>	<b>11 090</b>	<b>20 549</b>	<b>6 923</b>	<b>10 068</b>	<b>922</b>	<b>149 021</b>	<b>67%</b>

74 Data source: Statistics South Africa, Community Survey 2016. Downloaded from SuperWEB2.

### 4.3 Land Availability

#### EXISTING MUNICIPAL PROPERTY OWNERSHIP

Based on the current ownership records of land in the urban areas, the following is noted for each urban area:

#### **OWNERSHIP - URBAN AREAS – Plan for each of the 6 urban concentrations**

You can use maps 55 – 66 to inform the details for the component areas that make up each urban concentration

##### **Show**

- **Show “Not connected” also as Municipal**
- **Municipal**
- **Private**
- **State (combine Provincial and State)**
- **Parastatal (Eskom / Transnet)**
- **Show commonage as Municipal**

#### **Welkom** (comprising Welkom and Thabong)

- Number of undeveloped residential (Flamingo Park and Riebeeckstad) and Industrial properties are still owned by the Municipality.
- Roughly 17% of developed and occupied erven in Thabong are still owned by Municipality. There are a large number of residential properties in Hani Park that are not yet transferred to owners / occupants (these remain in Municipal ownership).
- The available Municipal commonage measures 3 352ha in extent.
- There is a further estimated 364ha of oversupply of open space in Welkom that is Municipal owned

#### **Allanridge** (comprising Allanridge and Nyakallong)

- A large number of planned / undeveloped erven in Allanridge remains in municipal ownership.
- Significant number of developed and occupied residential erven in Nyakalong not yet transferred (roughly a third of the total of 4 116 erven)
- There is a further estimated 31ha of oversupply of open space in Alanridge that is Municipal owned

#### **Odendaalsrus** (comprising Odendaalsrus and Kutwalong)

- Roughly 23% of erven in Odendaalsrus and 34% of erven in Kutwalong remain in ownership of Municipality.

- Hestersrus is only partly developed
- There is a further estimated 271ha of oversupply of open space in Odendaalsrus that is Municipal owned

**Virginia** (comprising Virginia and Meloding)

- Roughly 20% of erven in Virginia and only 4% of erven in Meloding remain in ownership of Municipality.
- The Municipal commonage measures 998ha in extent.
- Kitty is only partly developed and transferred
- There is a further estimated 172ha of oversupply of open space in Virginia that is Municipal owned

**Ventersburg** (comprising Ventersburg, Tswelangpele and Mmamahabane)

- Significant number of developed and occupied residential erven in Tswelangpele (55%) and Mmamahabane (32%) are not yet transferred.
- The Municipal commonage measures 1 706ha in extent

**Hennenman** (comprising Phomolong, Whites and Hennenman)

- More than half the industrial area remains only partly developed and in Municipal ownership.
- The commonages of Hennenman and Phomolong measure 447ha and 219ha respectively.
- There is a further estimated 20ha of oversupply of open space in Hennenman that is Municipal owned.

## LAND AND LAND PACKAGING

The following land acquisitions have been proposed / have been completed:

TABLE 44: THE EXTENT TO WHICH THE MUNICIPALITY IS TRYING TO RESOLVE

Area	Land Details	Land Size (ha)	Aligned with SDF / IDP	Potential
Allanridge/ Nyakallong	Remainder of Wesselsrust 58 – in private ownership	316ha	Yes	4852
	The HDA was also requested to investigate the availability of the following portions as an alternative:	477ha		6814
	<ul style="list-style-type: none"> <li>• Farm Leclusa No. 70</li> <li>• Farm Uitkyk 258</li> </ul>	314ha		4485
Virginia/	Remainder of Schoonheid 540	211 ha	Yes	4583



Area	Land Details	Land Size (ha)	Aligned with SDF / IDP	Potential
Meloding	(private ownership)			
	Christiana No. 452 (private ownership)	593 ha	Yes	8472
	Mooi Uitzig No 352 (private ownership)	300 ha	Yes	4583
	Dora No. 287 (private ownership)	298 ha		4257

TABLE 45: SUMMARY OF OWNERSHIP OF ERVEN / LAND IN URBAN AREAS

Urban Areas	Total No of Stands	Matjhabeng LM	Matjhabeng LM (ha)	State / Parastatals	State / Parastatals (ha)	Not Connected	Not Connected (ha)	Mining	Mining (ha)	Private	Private (ha)	Total No ha
Ventersburg	656	81	15	22	15	7	1	0	0	546	83	115
Mmamahabane	1772	563	42	5	13	2	0	0	0	1202	30	85
Twelongspele	628	351	19	2	0	1	0	0	0	274	11	31
<b>Sub-Total</b>	<b>3056</b>	<b>995</b>	<b>77</b>	<b>29</b>	<b>28</b>	<b>10</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2022</b>	<b>125</b>	<b>231</b>
Odendaalsrus	3526	814	42	37	48	30	7	22	2	2623	297	779
Kutlwanoeng	12257	4196	342	9	22	64	6	25	1	7963	314	684
<b>Sub-Total</b>	<b>15783</b>	<b>5010</b>	<b>767</b>	<b>46</b>	<b>69</b>	<b>94</b>	<b>13</b>	<b>47</b>	<b>3</b>	<b>10586</b>	<b>610</b>	<b>1462</b>
Hennenman	1744	434	123	40	41	81	12	0	0	1189	228	404
Whites	138	1	3	0	0	43	5	0	0	94	19	27
Phomolong	4982	66	51	2	5	3	0	0	0	4911	164	221
<b>Sub-Total</b>	<b>6864</b>	<b>501</b>	<b>178</b>	<b>42</b>	<b>46</b>	<b>127</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>6194</b>	<b>410</b>	<b>652</b>
Allanridge	1626	846	142	22	32	1	0	0	0	757	116	290
Nyakallong	4116	1399	98	1	1	1	0	0	0	2715	88	187
<b>Sub-Total</b>	<b>5742</b>	<b>2245</b>	<b>240</b>	<b>23</b>	<b>33</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3472</b>	<b>204</b>	<b>477</b>
Welkom	13496	1488	779	182	252	413	158	1203	166	10210	1668	3022
Riebeeckstad	5614	2151	392	33	84	4	1	8	1	3418	445	923

MATJHABENG MUNICIPALITY  
INTEGRATED HUMAN SETTLEMENT PLAN

2018

Thabong	30134	4991	630	26	46	88	29	10	8	25019	869	1583
Bronville	2360	293	68	6	16	9	1	5	0	2047	84	169
<b>Sub-Total</b>	<b>51604</b>	<b>8923</b>	<b>1868</b>	247	398	514	189	1226	175	40694	3066	5697
Virginia	6450	1317	451	64	110	23	67	611	103	4435	858	1588
Meloding	11144	487	83	4	6	15	1	0	0	10638	404	495
<b>Sub-Total</b>	<b>17594</b>	<b>1804</b>	<b>535</b>	68	116	38	68	611	102	15073	1262	2083
Blaawdrift	600	0	0	0	0	600	130	0	0	0	0	130
<b>Sub-Total</b>	<b>600</b>	<b>0</b>	<b>0</b>	0	0	600	130	0	0	0	0	130
<b>Total (Urban)</b>	<b>101243</b>	<b>19478</b>	<b>3664</b>	455	691	1385	420	1884	280	78041	5678	10732

#### **4.4 Current Supply**

The table overleaf provides a summary of the current estimated backlog of residential erven, supply and proposed and current residential planning projects in the Municipality:

When summarised, the following demand / supply, based on informal structures and backyard dwellings / shacks can be reported:

TABLE 46: SUMMARY OF DEMAND AND SUPPLY IN MATJHABENG

Area	Demand			Supply				OVER / UNDER SUPPLY
	Shacks	Backyard Dwellers	TOTAL	Available Serviced Sites	Available Partially Serviced Sites	Planned	Being Planned	TOTAL
<b>WELKOM</b>								
Bronville	483	215	698		90		500	590
Thabong	9658	5526	15 184			889	5060	5 949
Naudeville Ext 1	None		0	332				332
Rheederpark Ext 1+2	None		0	774				774
Riebeeckstad	None		0			1757		1757
Flamingo Lake	None		0			349		349
Flamingo Park + Ext 2	None		0	616				616
<b>ALLANRIDGE</b>								
Nyakallong	627	162	789				300	300
Allanridge Ext. 2	None		0	552				552
Allanridge Ext.3	None		0			298		298
<b>ODENDAALSRUS</b>								
Kutwalong	3518	4709	8 227				2960	2 960
Odendaalsrus Ext. 13	None		0			595		595
<b>VIRGINIA</b>								
Meloding	3550	2089	5 639		348			348
Virginia - Joel	None		0		731			731
<b>VENTERSBURG</b>								
Mmamahabane	629	262	891				500	500
Ventersburg Ext 6	None		0	71				71
<b>HENNEMAN</b>								
Phomolong	1588	968	2 556			100	800	900
Hennenman	None		0			174		174
			33 981					11 547
								22 437

(Source: Matjhabeng Local Municipality 2012)

In addition to the above, the following contributions to the Housing market by mining companies need to be considered:

- A total of 1905 Harmony-owned houses were sold to employees between 2006 and 2013.
- A further 650 Harmony-owned houses were made available to employees by way of a “rent-to-buy” scheme.
- Harmony owns a total of 1151 “un-proclaimed” mine houses. An investigation was being conducted to transfer 591 of these houses to private owners.

TABLE 47: SUMMARY OF PIPELINE PROJECTS

PROJECT LOCATION	PROJECT DESCRIPTION	EXTENT (ha)	NO OF UNITS	LAND OWNERSHIP	PROPERTY CURRENT STATE	TOWNSHIP EST.	ENV. & GEOTECH	GP	SOCIAL INFRASTRUCTURE in area
<b>Allanridge/Nyakallong</b>									
Allanridge									
Allanridge - 84 erven Phase 1	Redevelopment		643	Municipality	Vacant erven	Y	N	Y	Y
Allanridge - 84 erven Phase 2	Redevelopment		305	Municipality	Vacant erven	Y	N	Y	Y
			948						
<b>Nyakallong</b>									
Nyakallong	Replanning / Rectification			Municipality	Vacant erven	Y	N	Y	Y
Nyakallong -	Land acquisition	316ha	300	Private	Farm land	N	N	N	N
Nyakallong - Wesselsrust 58	Township establishment -for Phase 1 - 300 erven	400 ha	300	Private		N	N	N	
Nyakallong -	New Development		1000						
Ward 36	New Development	5,79	100	MLM	Vacant land	U	U	U	Y
Sub Total			1700						
TOTAL			2648						
<b>Odendaalsrus/Kutlwanong</b>									
Odendaalsrus									
Odendaalsrus	Redevelopment		595	Municipality	Vacant erven	Y	N	Y	Y
Eldorie land restitution	Land restitution project		356	Municipality	Vacant erven	Y	N	Y	Y
Sub Total			356						
<b>Kutlwanong</b>									
Kutlwanong	Replanning / Rectification			MLM	Vacant erven	Y	N	Y	Y
Ward 22: Leeubosch 285 - Phase 1	New Development	225,13ha	2900	MLM	Part informal	U	U	U	N
Ward 22: Leeubosch 285 Phase 2	New Development	105ha required	1500	MLM	Vacant land	N	N	N	

	Construction		42	MLM	Proclaimed	Y	Y	Y	Y
Sub Total			4442						
TOTAL			4798						
<b>Welkom/Thabong</b>									
<b>Welkom/Riebeeckstad</b>									
?	Redevelopment		643	MLM	Vacant erven	Y	N	Y	Y
Naudeville X2	Redevelopment		318	MLM	Vacant erven	Y	N	Y	Y
Flamingo Lake	Redevelopment		351	MLM	Vacant erven	Y	N	Y	Y
Flamingo Park X2	Redevelopment		392	MLM	Vacant erven	Y	N	N	N
Flamingo Park X3	Redevelopment		52	MLM	Vacant erven	Y	N	N	N
Flamingo Park X4	Redevelopment		42	MLM	Vacant erven	Y	N	N	N
Rheeder Park X2	Redevelopment		926	MLM	Part informal	Y	Y	Y	N
Welkom – Riebeeckstad Extension 1 Norman St	Redevelopment of vacant stands (LAA)		120	MLM	Vacant erven	Y	N	N	N
Welkom – Riebeeckstad Extension 1 Lusette	Redevelopment		78	MLM	Vacant erven	Y	N	N	N
Welkom – Riebeeckstad Extension 1,KA School	Redevelopment		159	MLM	Vacant erven	Y	N	N	N
Sub Total			3081						
<b>Thabong</b>									
Thabong	Replanning / Rectification			MLM	Vacant erven	Y	N	Y	Y
Ward 13: Portion of Doornpan 772 - on Thabong side	Land acquisition	52,6ha	700	Private	Vacant land	N	N	N	N
Ward 13: Portion of Doornpan 772 - on Thabong side	New Development		700						
Ward 13 Thabong,(Freedom Square)	New Development	17,8	390	MLM	Part informal	U	Y	U	Y
Ward 16: 2010 Thandanani (Thabong - Phase 1	Construction / Services	176,91	1811	MLM	Relocating	Y	Y	Y	School required
Ward 16: 2010 Thandanani East (Thabong - Phase 2	New Development	74,7ha	800	MLM	Vacant land	U	N	U	Y
Ward 16, 25: Thabong Phokeng and portion of Pumlani area	New Development	80,75ha	918	MLM	Part informal	U	N	U	Y
Ward 16, 25: Thabong Dichocolateng area:	New Development		1205	MLM	Part informal	U	N	U	N
Hanipark School stand subdivision stand 32704	New Development		80	MLM	Occupied	N	N	N	Y
Quick Leap	Construction of 1700 houses		1700,00	MLM	Occupied	Y	Y	Y	School required Clinic



									required
Thabong X21 (Hani Park)	Contruction / Services		650	MLM	Occupied		y	y	N
Thabong X15/19 and 20	Rectification of sewer network		5360	MLM	Occupied	Y		y	Partial
Sub Total			14314						
Bronville									
Bronville	Replanning / Rectification			Municipality	Vacant erven	Y	N	Y	Y
WARD 11: Bronville erven 32179, 23180, 32371	New Development	5,8ha	167	MLM	Part informal settlement	U	N/A	U	N
Ward 11: Portion of Homestead 668. - Phase 1	New Development	27,8ha	778	MLM	Vacant land	U	U	U	N
Ward 11: Portion of Homestead 668. - Phase 2	New Development		1000						
Bronville	Replanning / Rectification		57	MLM / Private	Dilapidated	Y	Y	Y	Y
Pres Steyn CRU									
Sub Total			2002						
TOTAL			19397						
Virginia/Meloding									
Virginia									
	Redevelopment		1255	Municipality	Vacant erven	Y	N	Y	Y
Kitty X10	Land Availability Project - OL Projects		178	M	vacant	Y	N	Y	Y
Kitty X13	Land Availability Project - OL Projects		237	M	vacant	Y	N	Y	Y
Saaiplaas	Redevelopment of existing vacant sites		361		vacant	Y	N	Y	Y
Virginia Village	Township establishment	39,8	87		Existing mining village	U	Y	Y	Y
Sub Total			2118						
Meloding									
Meloding	Replanning / Rectification			Municipality	Vacant erven	Y	N	Y	Y
Meloding	Land acquisition		2600	Private	Farm land	N	N	N	N
Meloding	New Development		3000						
CRU Merrie Spruit Hostel conversion	Harmony hostel conversion project								
CRU Harmony 3	Harmony hostel conversion project								

Circle area X10	Infrastructure		36			Y	Y	Y	Y
Graveyard area X11	Infrastructure		255			Y	Y	Y	Y
Clinic area (X9)	Infrastructure		62			Y	Y	Y	Y
Bareng (Meloding)	Relocation (No land)		12	MLM					
MK-Square (Meloding)	Relocation (No land)		21						
Matlharantlheng (Meloding)	Relocation (No land)		200						
Unit 7 (meloding)	Relocation (No land)		80						
Unit 3 (meloding)	Relocation (No land)		200						
Phelindaba (Meloding)	Relocation (No land)		47						
Tiptop & Zack Bazaar (Meloding)	Relocation (No land)		45						
Sub Total			6558,00						
<b>TOTAL</b>			<b>8676</b>						
<b>Hennenman/Phomolong</b>									
Hennenman									
	Redevelopment		361	Municipality	Vacant erven	Y	N	Y	Y
Hennenman X10, X12	Land restitution		50	MLM	Vacant sites	Y	Y	Y	Y
Sub Total			411						
Phomolong									
Phomolong	Replanning / Rectification			Municipality	Vacant erven	Y	N	Y	Y
PHOMOLONG - Ward 3: Ventersvlakte 740 - Phase 1	New Development	115,9 ha	821	MLM	Vacant land	U	U	U	N
PHOMOLONG - Ward 3: Ventersvlakte 740 - Phase 2	New Development	140ha	854	MLM	Vacant land	U	N	U	N
PHOMOLONG - Ward 3: Ventersvlakte 740 - Phase 2	New Development		1000						
Ward 3: Putswa stene area	Replanning / Rectification	1,8ha	100	Private and MLM erven	Inferior housing	N	N/A	N	Y
Baipehing	New Development		1000						
Ward 3: School site project	New Development		100	MLM	Proclaimed erven	Finalised	Y	Y	Y
Sub Total			3875						
<b>TOTAL</b>			<b>4286</b>						
<b>Ventersburg/Mmamahabane</b>									

Ventersburg									
	Redevelopment		173	Municipality	Vacant erven	Y	N	Y	Y
	X6		62	Municipality	Vacant erven	Y	N	Y	Y
	X5		37	Municipality	Vacant erven	Y	N	Y	Y
Ventersburg - Land Restitution project	Land restitution project	100,00	68	MLM	Vacant erven	U	U	N	N
Sub Total			340						
Mmamahabane									
Mmamahabane	Replanning / Rectification			Municipality	Vacant erven	Y	N	Y	Y
Ward 1: Portion of the farm Groenepunt 96 - Phase 1	New Development	57,22 ha	572	MLM	Vacant land	U	U	U	N
Ward 1: Portion of the farm Groenepunt 96 - Phase 2	New Development	31,5haha	450	MLM	Vacant land	U	N	N	N
Roma / DND / R71	New Development		530						
Ward 1: Mmamabane Land Restitution	Land restitution -		50	MLM	Vacant erven	Y	Y	Y	Y
Sub Total			1602						
TOTAL			1942						
OVERALL TOTAL NUMBER OF UNITS			41747						

#### 4.2.4 ORGANISATION ANALYSIS

**TO BE COMPLETED**

INSTITUTIONAL CAPACITY ANALYSIS

STAFFING

OFFICE INFRASTRUCTURE

INSTITUTIONAL ARRANGEMENTS

Developer Status

Service Level Agreements / Agency Agreements

## 5. STRATEGIC FRAMEWORK

### 5.1 Vision

The Draft Housing Sector Plan that was prepared for the Municipality in 2013 (which was subsequently never adopted by Council) did not include a Vision Statement for Human settlement Development in the Municipality.

For the purpose of formulating this new Integrated Housing Sector Plan, the Vision contained in the Municipal IDP is incorporated. The vision is stated as follows:

**“Being a benchmark developmental municipality in service delivery excellence”**

### 5.2 Strategies and Objectives

The associated KPI of the IDP linked to Housing Development and Strategies towards addressing the current demand are presented below.

KPI: BASIC SERVICE DELIVERY
<ul style="list-style-type: none"> <li>• Ensuring access to basic services for all residents</li> <li>• Providing integrated and sustainable human settlements</li> </ul>
SDF STRATEGIES
<p><b>Necessary for the Municipality to consider new innovative ways of dealing with delivery of Housing / Accommodation.</b></p> <ul style="list-style-type: none"> <li>• Zoning Scheme Bylaws (second dwelling, shelter, “informal settlement”, urban reception areas...</li> </ul> <p><b>Cannot assume each shack or backyard structure = need for a subsidised RDP dwelling.</b></p> <ul style="list-style-type: none"> <li>• Categorise in terms of all Human Settlement Delivery tools</li> </ul> <p><b>Short term basic infrastructure plan (interim services solution) with long term delivery strategy and plan.</b></p> <p><b>Recycling and buy-back centres, waste transfer stations and disposal network.</b></p> <p><b>Clear strategy for “infill before expansion”.</b></p> <ul style="list-style-type: none"> <li>• In-fill planning / integration strategy to first attempt to meet backlog / demand with most suitable vacant / underutilised area.</li> <li>• Where improving accessibility to the existing can meet demand rather than duplication.</li> </ul> <p><b>Policy that no plan without clear implementation strategy, responsibility and timeframe - “Stop planning for the sake of planning”</b></p>

**Comprehensive urban development strategy**

In order to address the housing delivery challenges in the Municipality, the following objectives and strategies were formulated for the implementation of human settlements during the planning term 2018 - 2023.

The objectives are directly aligned to the Provincial Priorities and Outcome 8 outputs. The objectives and strategies are further aligned to the NDP actions for Transforming Human Settlements.

NATIONAL		MUNICIPAL	
Priority	Outcome 8 Priority Programme	Objectives	Strategies/Activities
<b>Informal Settlements Upgrading</b>  <b>Proactive land identification and packaging</b>  <b>Establish Urban Reception Areas</b>	Output1: Accelerated delivery of housing opportunities	To address the short and medium term needs of households within informal settlements and backyards	<ul style="list-style-type: none"> <li>• Provision of basic services and/or social services to informal settlements.</li> </ul>
		To eradicate informal settlements and prevent land invasions	<ul style="list-style-type: none"> <li>• To actively identify and manage potential new land invasions or informal allocation of land.</li> <li>• To undertake and confirm development feasibility</li> <li>• To create legal and policy (bylaw) framework to enable incremental development, based on financial means of Municipality</li> </ul>
<b>Accreditation and Institutional Capacity</b>	Output1: Accelerated delivery of housing opportunities	To strengthen the institutional capacity of the Municipality and support the increase the accreditation level of the District Municipality	<ul style="list-style-type: none"> <li>• Signature of Service Level Agreements with partnership institutions</li> <li>• Appointment and training of officials to strengthen the capacity to administer human settlements on Municipal level.</li> <li>• Training on and operationalise the Housing Subsidy System at Municipal level</li> </ul>
		To create Project Management and Implementation Support capacity to implement housing projects	<ul style="list-style-type: none"> <li>• To establish a comprehensive project pipeline and implementation program with systems                             <ul style="list-style-type: none"> <li>○ Integrate housing subsidy planning and budgeting with infrastructural budgeting and provision of social amenities.</li> </ul> </li> <li>• Establish project management office (PMO) to work</li> </ul>

			across “silos”..
		To ensure coordinated and efficient human settlement planning aligned to Municipal SDF, Bulk Infrastructure Sector Plans and IDP	<ul style="list-style-type: none"> <li>Establishment of an Integrated Human Settlement Forum as an IGR vehicle for cooperation, project planning, budgeting, reporting and implementation support</li> <li>Establish and maintain a Housing Demand Database and Register, including a system for continuous updating of housing data and project status by the Municipality.</li> </ul>
<b>Increase development of affordable high density rental housing</b>	Output 1: Accelerated delivery of housing opportunities	<p>Efficient land and resource utilisation through provision of affordably priced rental accommodation.</p> <p>Policy mechanisms to enable “formalisation” and upgrade of existing private rental provision</p>	<ul style="list-style-type: none"> <li>Identify Municipal land for infill and densification with rental stock.</li> <li>Housing Need Register to define need for rental housing for income groups R1,500 - R3,500(CRU) and from R2500– R7500(Social Housing) to determine the demand.</li> <li>Consumer education on Institutional Housing options.</li> </ul>
<b>Land Assembly and Preparation</b>	Output 3: More efficient land utilisation	Acquisition / Re-planning and development of well-located land and buildings for human settlements that supports spatial restructuring of settlements.	<ul style="list-style-type: none"> <li>Identification and acquisition of well-located land and buildings within the Municipality, aligned to the SDF and where the housing demand is confirmed.</li> <li>Engage with DRDLR and DME to unlock abandoned / dormant mining land.</li> </ul>
		Optimal and efficient use of existing municipal owned land.	<ul style="list-style-type: none"> <li>Compile pre-feasibility studies and appraisal of well-located municipal and mining owned land or buildings to establish feasibility and a pipeline for project implementation.</li> <li>Formulate densification policy.</li> </ul>



<p><b>Upscale Affordable Housing Finance</b></p>	<p>Output 4: Improved Property Market</p>	<p>To provide a wider range of housing opportunities and funding options to potential beneficiaries</p>	<ul style="list-style-type: none"> <li>• Establish a Development Forum to ensure alignment with economic investments and mining growth in the municipal area, and involve private sector in the provision of housing need for the gap market, especially where demand is high due to mining growth. Establish Implementation partnerships with private sector for integrated human settlement developments.</li> <li>• Partnerships with private sector for integrated human settlements developments.</li> <li>• To engage with public and private entities in the financing sector regarding gap market financing instruments, especially for beneficiaries of subsidies such as FLISP.</li> <li>• Identify land and buildings suitable for the gap market and integrated developments with support from HDA, and prepare feasibility studies for a mixed income development model.</li> <li>• Consider alternative building technologies and ensure quality in housing products delivered.</li> </ul>
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## 6. IMPLEMENTATION PLAN

This section will use the existing Housing Pipeline that was prepared for the Municipality in 2016.

The following process and activities are envisaged:

- Review and update of the project pipeline status
- Assessment of the pipeline projects against the Housing demand and supply status quo
- Review the project pipeline to include the full spectrum of :
  - Projects required to address the demand
  - Readiness assessment in terms of the following:
    - Land Identification
    - Feasibility Assessment
    - Beneficiary registration and screening
    - Land Availability
    - Bulk infrastructure capacity
    - Statutory planning and other processes (SPLUMA, NEMA, WULA, Heritage and other legislation)
    - Social Infrastructure
- Based on the above, create comprehensive project implementation plan, linked to financial / budget requirements and projections, responsibility for each aspect of the project.



## **ANNEXURE 1**

### **Sustainability and Quality Living Environments**

### **Integrated and Sustainable Human Settlements**

Legibility, sense of place, spaces, safety and security, urban design, movement and linkages, energy savings and greening, locality, mixing classes and uses...



