

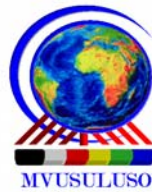
INTEGRATED DEVELOPMENT PLANNING

MANGAUNG

HOUSING SECTOR PLAN

EXECUTIVE SUMMARY

Compiled by



MVUSULUSO MULTI-DIMENSION SERVICES

ON BEHALF OF THE



DEPARTMENT OF LOCAL GOVERNMENT AND HOUSING

FREE STATE PROVINCE

May 2003

1. Introduction

This is an executive summary of a 123-page Mangaung Housing Sector Plan. It outlines housing strategies and targets for the next five years.

Background and Purpose of the Housing Sector Plan

The Housing Act (Act 107 of 1997) requires municipalities to formulate housing strategies and targets and incorporate these into their integrated development plans. Following the successful piloting of the Mohokare Housing Sector Plan, the Free State Provincial Department of Local Government and Housing appointed Mvusuluso Multi-Dimension Services to help Mangaung Local Municipality to compile its own Housing Sector Plan.

This Plan is intended to guide the Municipality to deliver housing in a planned and coordinated manner. If successfully implemented, the Plan will help the Municipality stimulate the local economy, create an environment for local job creation and address the needs of the aged, the disabled and HIV/AIDS victims. It will also the Municipality to correct the spatial disparities of the apartheid era and ensure that integration and coordination happen between housing and other service provision such as infrastructure development, roads, transport, education, health, tourism, safety and security, etc.

2. Methodology

In terms of the IDP planning requirements as outlined in the IDP Guide Pack, the planning procedures for sector planning is the same as that used in the formulation of the IDP. It is consultative, participatory, strategic and implementation orientated. The formulation of the Mangaung Housing Sector Plan followed exactly the same planning procedure stated in the IDP Guide Pack.

The methodology took the form of firstly collecting relevant information concerning housing, land and infrastructure services within the Mangaung Municipality. Mangaung IDP Report served as an important source of information complemented by other relevant housing reports. In addition, relevant municipal data from Central Statistical Services and the Provincial Department of Local Government and Housing were also used.

Interviews were held with officials and workshop sessions were conducted with relevant stakeholders represented by up to 61 individuals on the following dates and places:

Table 1: Workshop Dates

DATE	PLACE	PARTICIPANTS
10 March 2003	Mangaung Municipal Building Bloemfontein	Municipal officials, councillors, community stakeholders and the development profession
1 April 2003	Mangaung Municipal Building Bloemfontein	Municipal officials, councillors, community stakeholders and the development profession

3. Status Report on the Housing Situation in Mangaung

This section provides the geographic description of the towns of Mangaung. It elaborates on the population demographics of the area, the state of housing, the state of municipal services such as water, sanitation and streets, the availability of land for housing and concludes with an elaboration of key housing priority (problem) issues. See Table 2 and 3 as well as Figure 1, 2, 3, 4, 5 and 6 below for more information. The housing status report provides a concise analysis of the housing backlogs, housing needs, housing stakeholders, housing resources, housing professionals as well as past and current housing projects.

4. Housing Development Strategies

Development strategies provide the most practical way of providing solution to the identified problems. It is a link between problems and the desired housing development objectives. Housing development strategies are preceded by guiding principles enshrined in the housing policy and legislation. They are also preceded by a housing vision and objectives.

4.1 Housing Guiding Principles

- Housing should be provided closer to employment opportunities
- Housing development should provide wider choice with regard to type of house, materials, tenure, etc
- Affordable and quality houses should be built
- Housing development should take measures not to harm the environment
- Housing should be prioritised to the poorest of the poor
- The special housing needs of the disabled and HIV/AIDS victims should be addressed
- Prohibit gender discrimination and all forms of discrimination by all actors in the housing development process
- The role of women in housing should be recognised and promoted
- Houses should be designed in a manner that they could be enlarged
- Promote higher density in respect of housing development to ensure the economical utilisation of land and services

- Housing development should be economically, fiscally, socially and financially affordable and sustainable
- Housing development should be based on integrated development planning
- Promote racial, social, economic and physical integration in urban and rural areas
- Housing development should be administered in a transparent, accountable and equitable manner and uphold the practice of good governance.
- Encourage and support individuals and community organisations to fulfil their housing needs
- Promote education and consumer protection in respect of housing development
- Promote the establishment of socially and economically viable communities and safe and healthy conditions to ensure the elimination of slums
- Use public money available for housing development in a manner which stimulates private investment in, and the contribution of individuals to, housing development
- Promote the effective functioning of the housing market
- Facilitate the active involvement of all relevant stakeholders in housing development, and
- Provide community and recreational facilities in residential areas

Table 2: Mangaung Housing Status Report

TOWN	NUMBER OF FORMAL HOUSES	INFORMAL HOUSES ON:			TOTAL HOUSING BACKLOG
		FORMAL ERVEN	UNPLANNED AREA	BACKYARD DWELLERS	
		[a]	[b]	[c]	A + b + c
BLOEMFONTEIN	73 654	14 564	7 000	5 699	27 263
Heidedal	38 142	0	4 000	0	4 000
Mangaung township	25 368	14 564	3 000	5 699	23 263
Mandela View	0	0	0	0	0
Bainsvlei	7 027	0	0	0	0
Bloemspruit	3 117	0	0	0	0
BOTSHABELO	24 151	19 149	3 560	1 700	24 409
THABA NCHU URBAN	5 800	10 300	4 019	0	14 319
THABA NCHU RURAL	0	0	3 524	0	3 524
TOTAL	103 605	44 013	18 103	7 399	69 515

Table 3: Housing Need Over Five Years

YEAR	2003	2004	2005	2006	2007
CALCULATIONS	69 515 (backlog)	69 515 x 1.7% = 1 182	70 697 x 1.7% = 1 202	71 899 x 1.7% = 1 222	73 121 x 1.7% = 1 243
		69 515 + 1 182 =	70 697 + 1 202 =	71 899 + 1 222 =	73 121 + 1 243 =
TOTAL	69 515	70 697	71 899	73 121	74 364

Housing need over five years is calculated based on 1.7% Free State population growth rate.

Figure 1: Mangaung Population Statistics

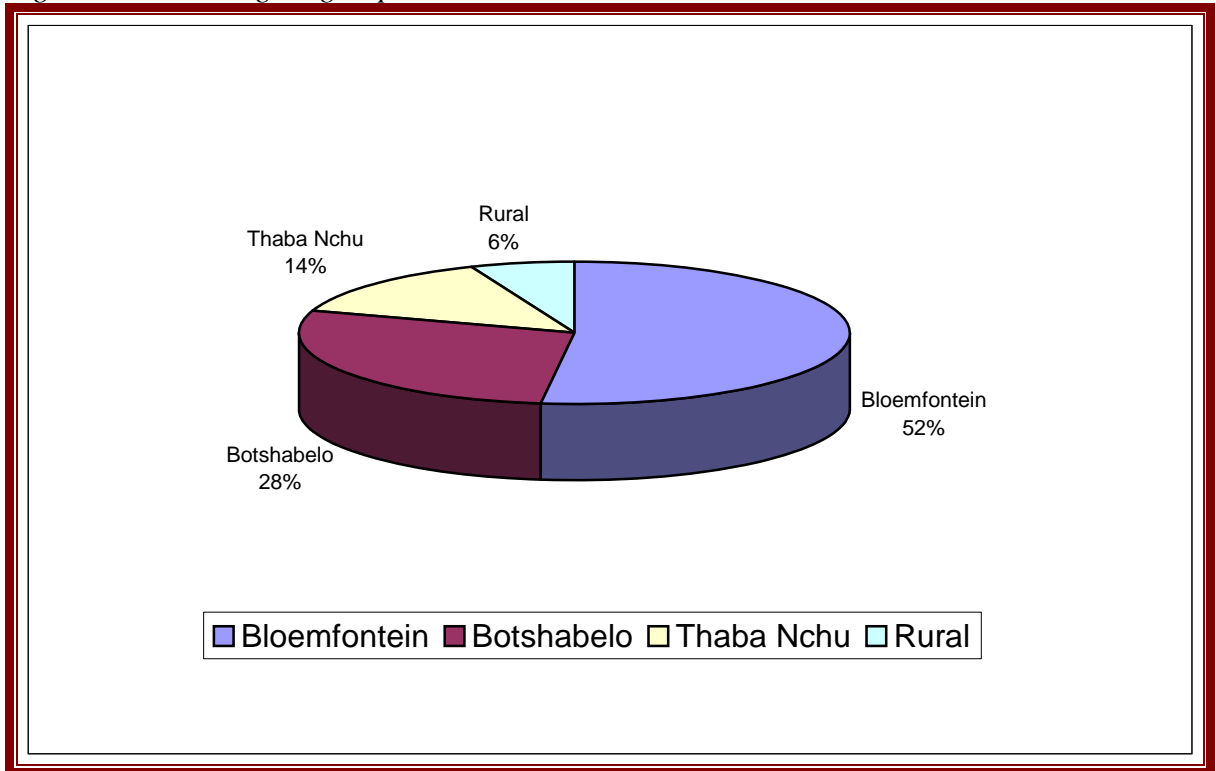


Figure 2: Housing Status Report

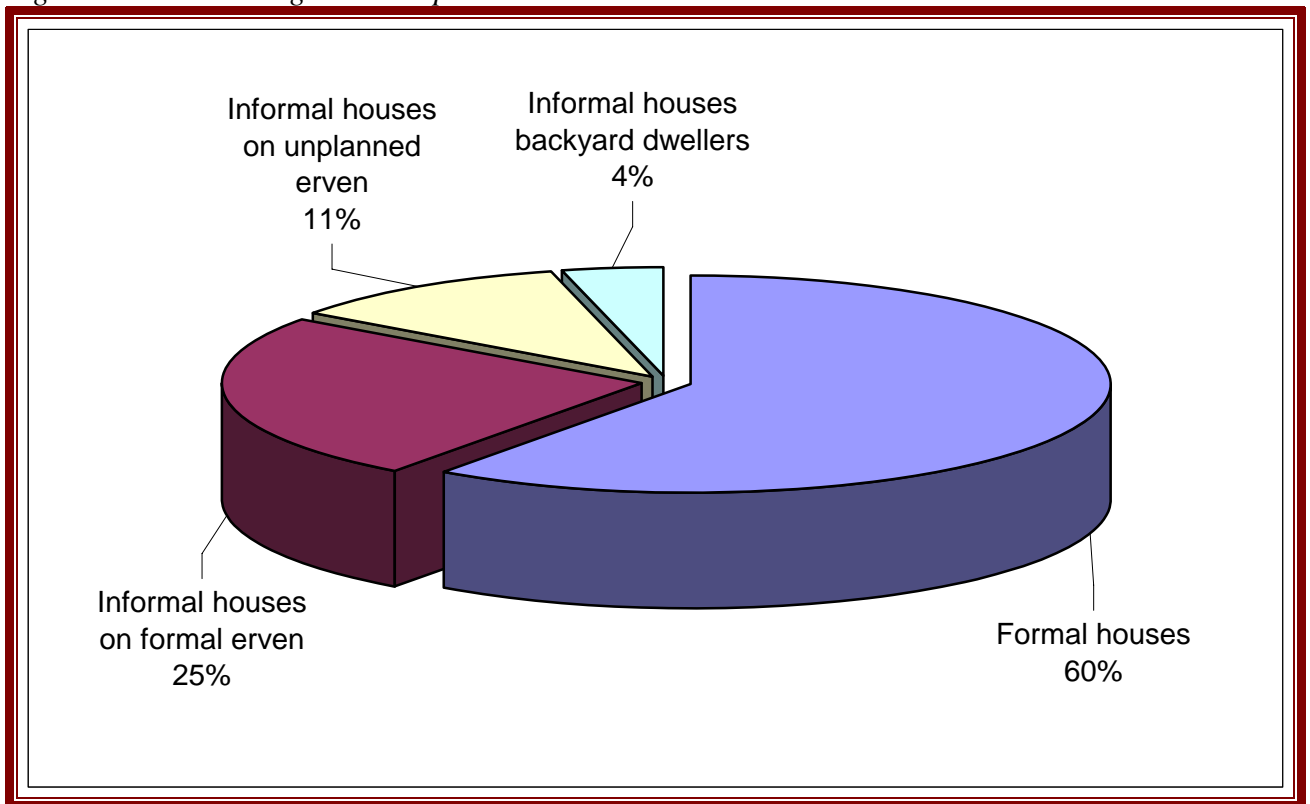


Figure 3: Water Services

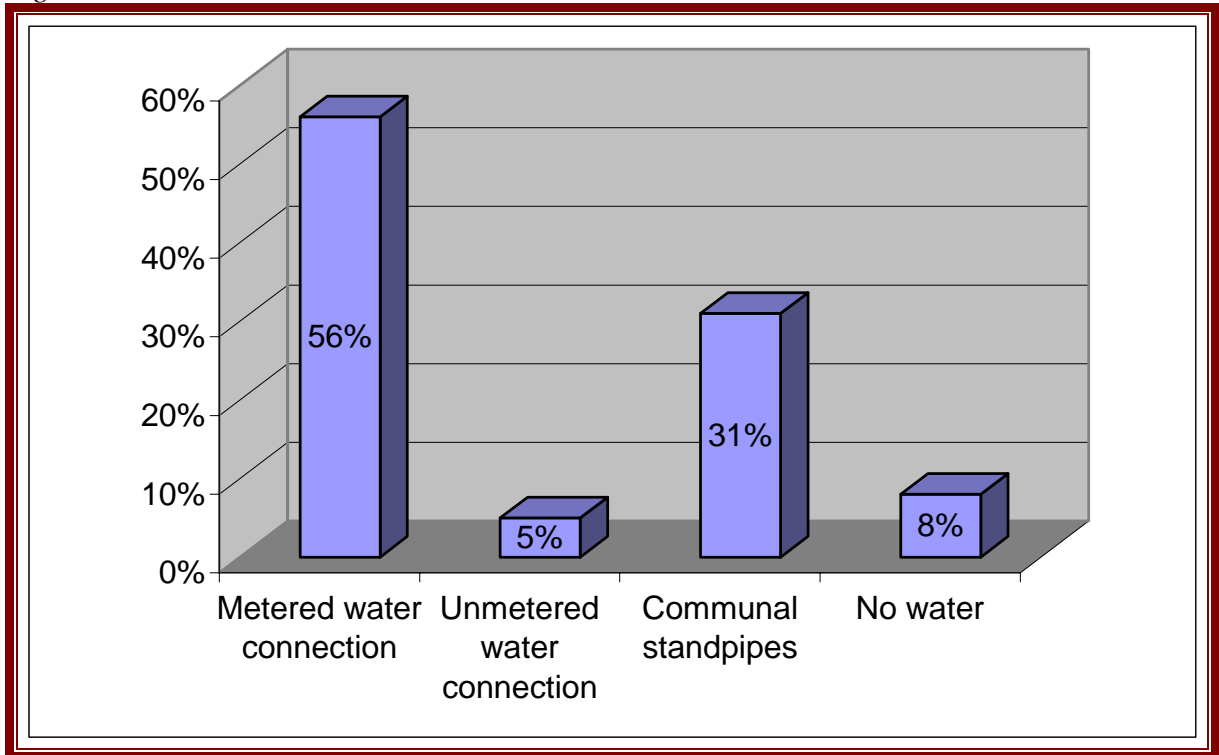


Figure 4: Sanitation Services

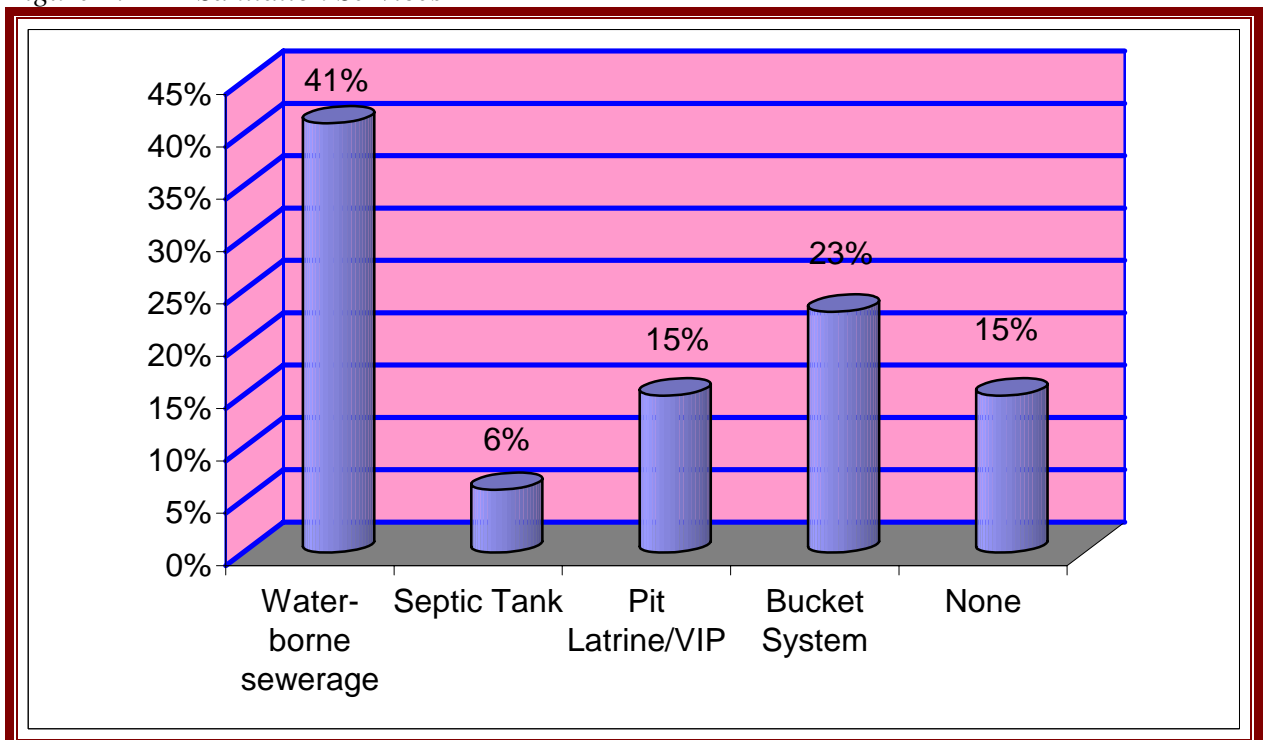


Figure 5: Electricity Services

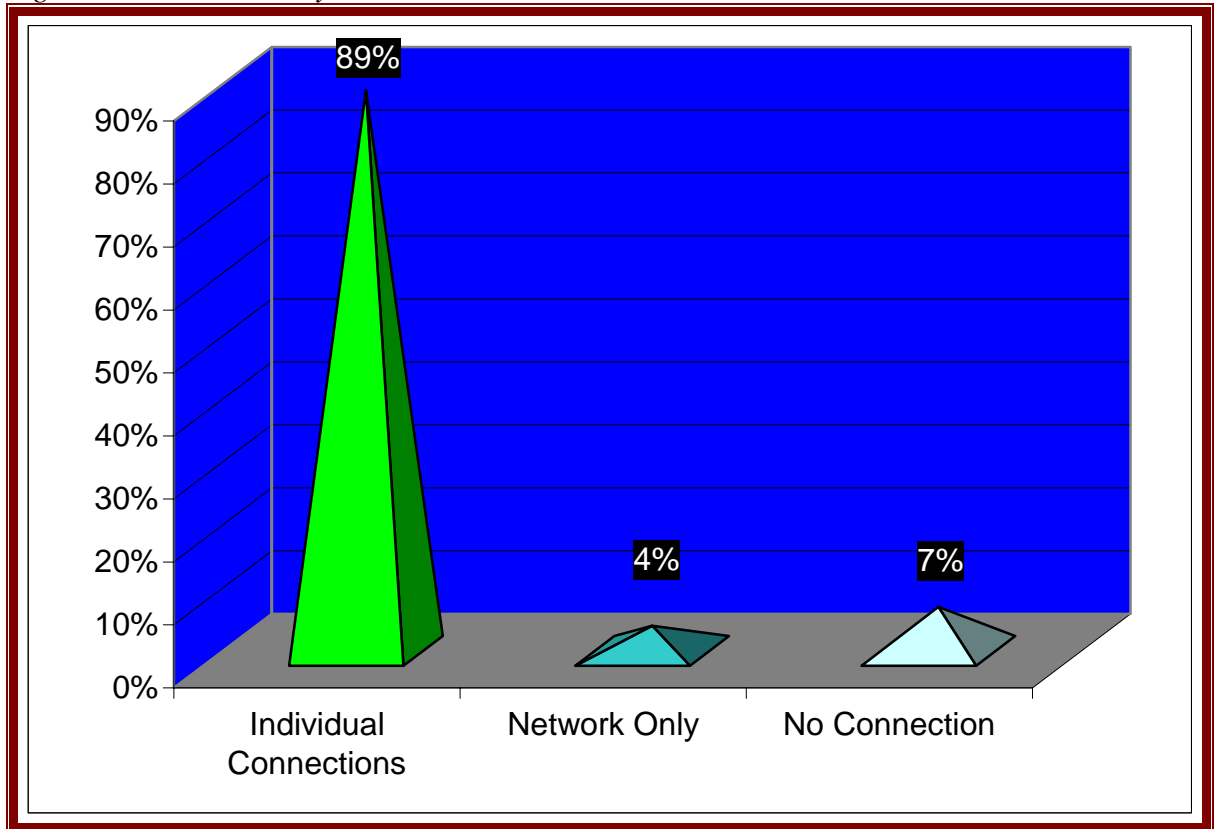
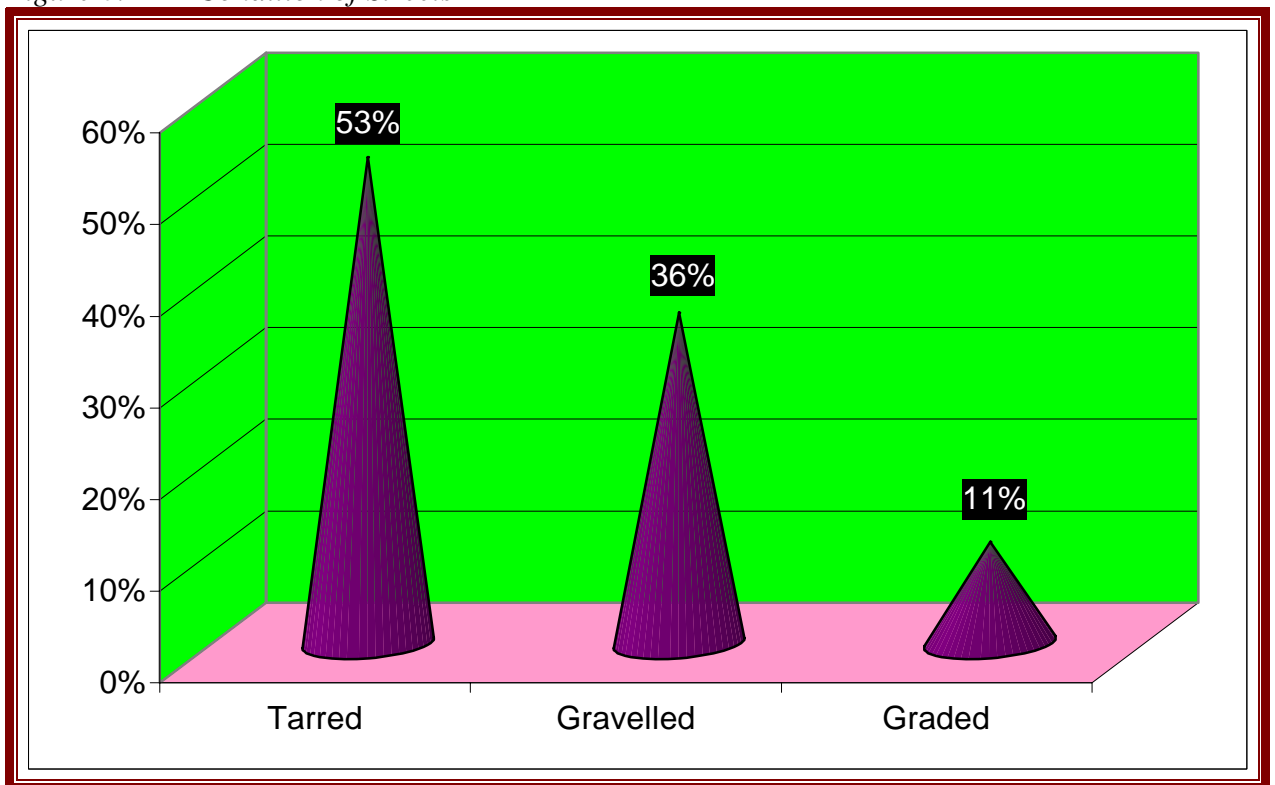


Figure 6: Condition of Streets



4.2 Housing Vision

Good quality housing which stands the test of time, satisfies and reflects the dignity of its citizens

4.3 Housing Objectives

<input type="checkbox"/> To provide more houses to cover the housing backlog
<input type="checkbox"/> To identify and develop suitably located land for housing projects
<input type="checkbox"/> To ensure the building of quality houses
<input type="checkbox"/> To ensure that planning of houses is of acceptable standards
<input type="checkbox"/> To prioritise South African residents for housing
<input type="checkbox"/> To ensure the reduction of the time taken to process subsidy applications
<input type="checkbox"/> To establish projects steering committees that will ensure the collaboration of developers, ward committees and councillors in the execution of housing projects
<input type="checkbox"/> To ensure proper allocation and transfer of erven to rightful owners
<input type="checkbox"/> To ensure that the housing waiting list also caters for people who need stands
<input type="checkbox"/> To ensure fair allocation of subsidies to different towns
<input type="checkbox"/> To promote the involvement of black companies in the housing market
<input type="checkbox"/> To control land invasions

4.4 Housing Development Strategies

Following are the priority focus areas and the strategic delivery activities that will be undertaken by the Municipality in order to realise the objectives stated above. The expected output for each strategy, the responsible agency to implement the strategy, the resources required to realise the strategy including the timeframe within which the strategy is to be implemented are outlined in the main report.

HOUSING DEVELOPMENT STRATEGIES	ACTIVITIES
Provide mass housing delivery	Apply for housing subsidies from the Provincial Department of Housing to provide for 74 364 housing need to cover both the backlog and the new housing need over five years
	Promote other housing programmes such as People's Housing Process, Institutional Housing, Middle-income Housing, rental housing, hostels redevelopment and farm worker housing
	Allocate subsidies to programmes in terms of agreed percentages stated in the Housing Sector Plan
	Investigate the condition of housing in the farms and develop housing policy in this regard
Identify and develop suitably located land for housing development	Identify suitably located Government-owned land for housing development.
	In the event that the land belongs to private owners, purchase adequate land to provide 25 502 stands to cover 18 103 informal settlements currently on undeveloped land and 7 399 backyard dwellers who need own stands
	Survey and plan the land to provide for 25 502 stands
	Service 25 502 stands
	Allocate stands to residents
Build quality houses	The Municipality to inspect the construction of houses from foundation to completion to ensure that quality houses are built
	Enforce compliance to building regulations, NHRBC standards and municipal by-laws including the use of SABS approved materials
	Project Steering Committees to be formed involving the developer, ward committee members, beneficiaries representatives and other local stakeholders to oversee the execution of the project
	Developers should be discouraged from leaving building materials in the yards for too long as this leads to the theft of materials and the subsequent building of poor quality houses

	Members of the Projects Steering Committee should be involved when beneficiaries sign Happy Letters to ensure that indeed beneficiaries accept quality houses
Houses should be planned to acceptable standards	Prevent houses being built with toilets at street front
	Prevent houses that are built to the point of encroaching into other residents' stands
	Prevent houses that are built over servitude
	Provide sufficient erven space to enable the extension of houses when the need arises
Prioritise South African Residents for Housing	Take stock of the people living in each ward during the compilation of the housing waiting list, considering in particular the origin of the residents (i.e. whether SA citizen or immigrant) including people living in the informal settlements and backyards
	Enlist South African citizens on the housing waiting list
	Compile a separate list of non-South African citizens indicating their country of origin and the legality of their presence within Mangaung
	Submit lists to the Housing Department
	Make a submission to Council for policy decision around the housing needs of non-South African citizens
Reduce time taken to process subsidy applications	Appoint staff to administer the processing of subsidy applications
	Help beneficiaries in filling application forms
	Interact with the Provincial Department of Housing about the need to be accredited to process applications locally
	Establish linkage with the Provincial Housing Subsidy System
	Purchase three computers for housing subsidy data capturers
	Train personnel on administering the Housing Subsidy System
Formation of Project Steering Committees to ensure the collaboration of developers, ward committees and councillors in the speedy execution of projects	Projects Steering Committees to be formed in all housing projects made up of the developer, ward committee, councillor and local stakeholders
	Keep Minutes of Projects Steering Committees
	Submit projects reports to the Housing Department
Proper allocation and transfer of erven to rightful owners	Speed up the transfer of land in Thaba Nchu to the Mangaung Municipality
	Formalise erven in Thaba Nchu
	Compile list of all current occupants of erven including those who have PTOs and Deed of Grants

	<p>Help occupants (including orphans and widows) who were sold stands by owners without being given the PTOs or Deed of Grants to obtain them through the lawyers</p> <p>Upgrade these titles to ownership</p> <p>Encourage residents to have registered titles to their stands to enable them to access housing subsidies without having to pay the required R2 479</p>
<p>Compilation of a living housing waiting list that also caters for people needing serviced stands</p>	<p>Appoint an official to manage the compilation of a housing waiting list</p> <p>Applicants to enlist with the Municipality which will verify that indeed the applicant resides within the Municipality</p> <p>The Municipality to use a standard form, which categorises applicants in terms of income, disability, pensioners and HIV/AIDS victims. An applicant will also indicate whether he/she needs a house where he/she lives or in a new housing project as well as whether he/she has the R2 479 or will participate in People's Housing Process. The list should also cover residents who only need serviced stands</p> <p>Lists should be forwarded to the Housing Department</p> <p>Housing Official to keep the lists separate per ward</p> <p>A Housing Committee convened by the Housing Councillor or the Portfolio Committee on Housing (served by the Housing Manager as the secretariat) should decide on the allocation of subsidies taking into account the allocation percentages</p>
<p>Land invasion control</p>	<p>Discourage people from invading land</p> <p>Discourage chiefs from allocating land</p> <p>Encourage people to apply for serviced stands with the Municipality</p> <p>Report any form of land invasion to the Municipal Security Department within 48 hours</p>
<p>Fair Allocation of housing subsidies to all towns</p>	<p>Allocate subsidies to towns according to agreed percentage allocations</p>
<p>Promote the involvement of black companies in the housing market</p>	<p>Establish a Database of service providers</p> <p>Implement government procurement legislation in appointing service providers in particular the preferential procurement system which prioritise black empowerment and the empowerment of women in housing development projects</p> <p>Coordinate and involve black companies in capacity building programmes run by the Department of Public Works or other institutions</p>

4.5 Identified Housing Projects

The following projects were identified as part of the prioritisation process, which took into account available resources, equipment and manpower. These projects serve as a means of addressing the housing strategies, objectives and ultimately the housing vision of the Municipality.

NO	PROJECT
1	Land acquisition and development
2	Housing Development Projects
3	Housing Upgrading in Mangaung Township
4	Institutional Housing in Bloemfontein for inner-city redevelopment
5	Institutional mass rental housing
6	People's Housing Process
7	Hostels redevelopment project
8	Transfer of Council houses through the Discount Home Benefit Scheme

5. Housing Projects

5.1 Five-Year Housing Development Plan

The above projects have been broken into a Five-Year Housing Development Plan. A One-Year Housing Development Plan is also provided to outline what needs to be done in the first year of implementing the Five-Year Housing Development Plan.

The Five-Year Housing Development Plan outlines projects in the following format:

- Project name
- Objective of the project
- Activity/delivery strategy
- Responsible agency
- Target group
- Locality
- Indicators
- Output
- Project cost
- Budget source
- Timeframe

5.2 Spatial Reference for Housing Intervention

Housing development strategies and projects have no meaning when they do not relate to the spatial situation obtainable within the Municipality. This section seeks to elaborate in spatial terms (using maps) the identified land portions targeted for future housing development. Such land has been identified within the context of the development principles of the Development Facilitation Act (No. 67 of 1995) which, amongst others, require Municipalities to achieve the following development objectives:

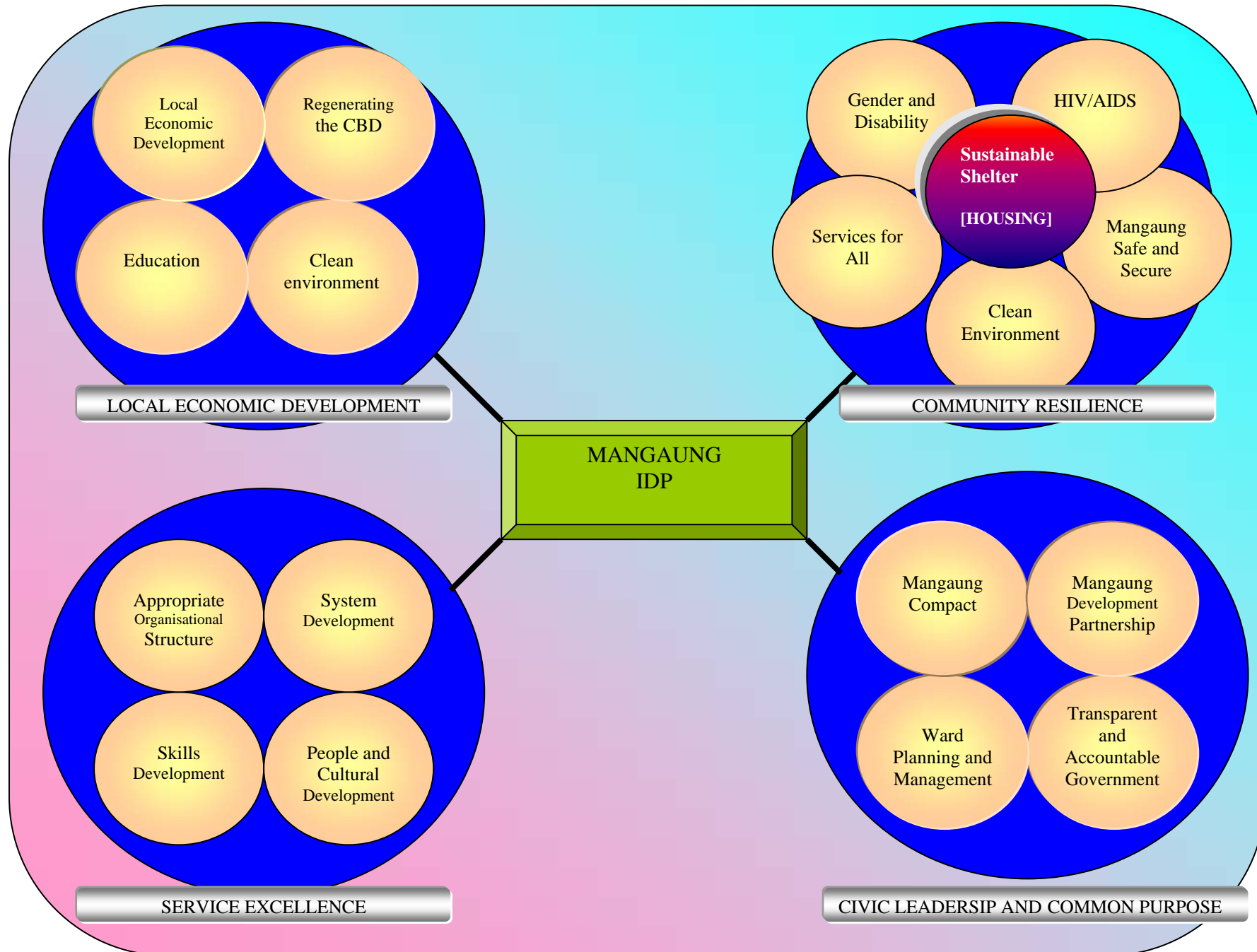
- Integrate residential areas and do away with the segregation of people in terms of race
- Integrate urban and rural areas in the most economical manner
- Compact cities and prevent urban sprawl. *In situ* development within the towns should therefore be prioritised over new green-fields developments
- Integrate housing with other service provisions to maximise the use of limited resources
- Implement housing projects that are environmentally-friendly
- Target land for housing near employment opportunities

6. Integration

The purpose of “Integration” is to ensure that the projects elaborated above are integrated with the other projects identified in the IDP Main Document to achieve proper co-ordination and alignment taking into account their contents, location and timing. For example, housing projects can be aligned with the infrastructure, land acquisition and education-related projects to enable maximum impact to be made on housing the homeless, creating job opportunities, stimulating the local economy and providing basic municipal services which will also help alleviate poverty and fight diseases. This in short provides the correct way to realising integrated development in a true sense.

The following drawing illustrates the relationship between housing and other IDP development programmes or projects.

Figure 7: Mangaung IDP Programmes



7. Municipal Institutional Arrangements

In terms of the national and provincial housing policy, legislation and programmes, the Municipality is expected to perform the following housing functions amongst others:

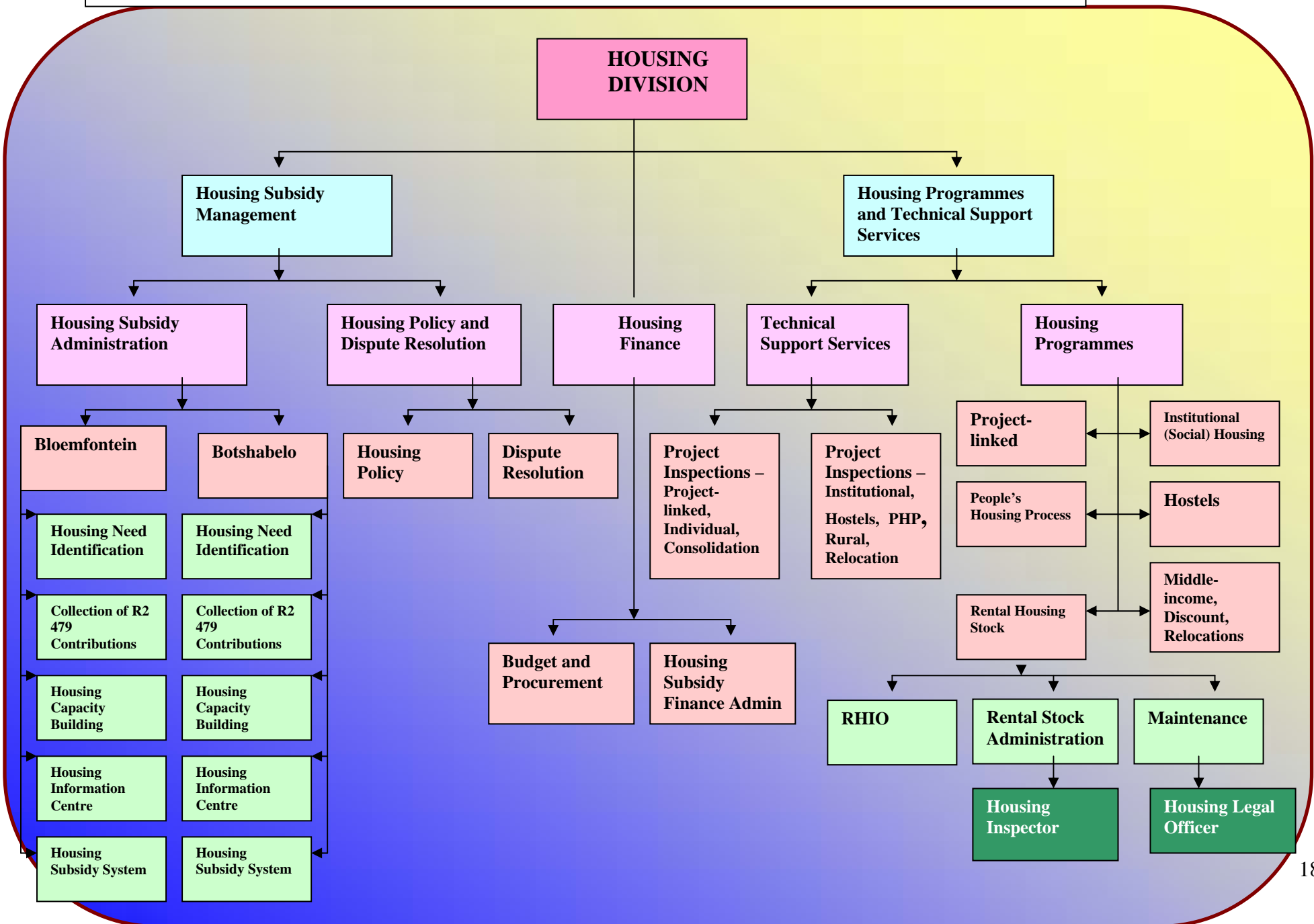
HOUSING FUNCTIONS
<input type="checkbox"/> Conduct socio-economic surveys to determine population growth, the housing need and the housing backlog including compilation of a housing waiting list
<input type="checkbox"/> Submit housing needs to the Province
<input type="checkbox"/> Help applicants in filling housing subsidy application forms
<input type="checkbox"/> Process housing subsidy applications through the housing subsidy computer system
<input type="checkbox"/> Inspect buildings including the laying out of foundations, installation of infrastructure services and the construction of houses
<input type="checkbox"/> Employ project managers who will ensure that housing projects within the Municipal area are completed within agreed timeframes
<input type="checkbox"/> Ensure quality management in projects
<input type="checkbox"/> Manage the implementation of the housing sector plan
<input type="checkbox"/> Monitor and evaluate the implementation of the Housing Sector Plan
<input type="checkbox"/> Make input on housing policy and liaise with provincial and national housing practitioners
<input type="checkbox"/> Establish and manage a complaint system
<input type="checkbox"/> Manage conflict resolution
<input type="checkbox"/> Plan, survey, proclaim and service land for housing purposes and allocate stands to beneficiaries ahead of subsidy allocations
<input type="checkbox"/> Furnish housing information to the province, national and the public on request
<input type="checkbox"/> Comply with environmental impact assessment procedures
<input type="checkbox"/> Monitor and combat land invasion
<input type="checkbox"/> Establish a housing disaster policy for the Department
<input type="checkbox"/> Promote middle-income housing and inner-city redevelopment
<input type="checkbox"/> Promote People's Housing Process
<input type="checkbox"/> Promote rural housing (agri-village) for farm workers
<input type="checkbox"/> Promote, where feasible, on-site housing redevelopment of informal settlements
<input type="checkbox"/> Establish a database of service providers, housing stakeholders, and housing resources
<input type="checkbox"/> Ensure integrated development of housing projects and coordinate implementation with relevant sister departments
<input type="checkbox"/> Establish a framework for the collection of the R2 479 beneficiary contributions
<input type="checkbox"/> Stabilise the housing environment between financial institutions and defaulting homeowners
<input type="checkbox"/> Provide housing consumer education
<input type="checkbox"/> Compile and maintain housing information
<input type="checkbox"/> Investigate and seek solution to alleged irregularities and fraudulent activities
<input type="checkbox"/> Facilitate the involvement of national housing institutions in the housing delivery process – NHBRC, NURCHA, NHFC, SERVCON, PHPT, etc.
<input type="checkbox"/> Oversee the implementation of the NHBRC Warranty Scheme and ensure compliance to Building Standards and NHBRC standards
<input type="checkbox"/> Implement the Housing Amendment Act No.4 of 2001 as it relates to the restriction of sale of subsidised houses

The Rental Housing Act, No 50 of 1999 requires municipalities to set up Rental Housing Information Offices. The functions of these offices are to:

- Educate, provide information and advice tenants and landlords with regard to their rights and obligations in relation to dwellings within the municipal area;
- Provide advice to disputing parties on reaching solutions to housing problems;
- Refer parties to the Rental Housing Tribunal;
- Comply with any request of the Tribunal in terms of section 13 (Complaints); and
- Keep records of enquiries received by the office and to submit reports in relation thereto to the Tribunal on a quarterly basis

An elaborate institutional framework is proposed to accommodate the execution of the various housing functions outlined above. See the proposed organogram below.

FIGURE 8: PROPOSED ORGANISATIONAL STRUCTURE FOR THE HOUSING DIVISION



8. Monitoring and Evaluation

A Monitoring and Evaluation Framework is essential to enable the effective implementation of the Housing Sector Plan. The realisation of the vision and objectives set out in the Housing Sector Plan can be attained through a continuous but flexible monitoring process of the targets and indicators set for the strategies and projects. The Five-Year Housing Development Plan and the One-Year Housing Development Plan serve as important instruments for monitoring and evaluating the implementation of the Housing Sector Plan.

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