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Ms R Semenya, MP Chairperson of the Portfolio Committee on Human Settlements, Water and Sanitation Parliament of the Republic of South Africa Private Bag X 15 CAPE TOWN 8000

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Dear Chairperson

# REPORT ON BREEDE VALLEY MUNICIPALITY: QUERY ABOUT 652 IRDP SUBSIDIZED HOUSES IN NEW MANDELA SQUARE, IN ZWELETHEMBA WORCESTER

Please find enclosed a report submitted by the Western Cape Department of Human Settlements following deliberations by the Portfolio Committee at its meeting of 31 July 2020.

I am grateful for the support of the Portfolio Committee.

Yours sincerely,

L N Sisulu, MP

Minister of Human Settlements, Water and Sanitation



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# REPORT: BREEDE VALLEY MUNICIPALITY: NEW MANDELA SQUARE IN ZWELETHEMBA, WORCESTER, 652 IRDP SUBSIDISED HOUSES PROJECT QUERY:

This report is in response to the Portfolio Committee Notice, dated 31 July 2020, as well an e-mailed enquiry, dated 24 January 2020, from BVM Councilor ZM Mangali regarding the proposed New Mandela Square 652 IRDP housing development in Zwelethemba, Worcester, and subsequently forwarded to the Provincial Department (hereinafter referred to as "the Department").

Following a meeting between the National DHS and Western Cape Provincial officials on 18 February 2020, it was agreed that a status report (below) would be prepared for all to be briefed accordingly, before going to the community to provide a unified update to them. The briefing meeting at the Zwelethemba, to date, still did not materialize due to the Coronavirus pandemic and subsequent social distancing and precautionary measures involving large crowds.

#### 1. PROJECT BACKGROUND

- 1.1 Breede Valley Municipality received approval of approximately 1800 erven and units to be constructed in Zwelethemba, Worcester, dated 12 August 2002.
- 1.2 Implementation of the project was phased in smaller and more affordable phases, namely: Zwelethemba Phase 1 (384 houses), Zwelethemba New Mandela Square Phase 4 and Cemetery Road.
- 1.3 The Breede Valley Municipal Council resolved between 2007 and 2009 that the Zwelethemba housing project: Phase 2 (368 erven and top structures) and the Zwelethemba housing project: Phase 3 (285 erven and top structures) must be implemented. These phases were subsequently completed by 09 December 2008.
- 1.4 However, the Zwelethemba housing project: Phase 2 (368 erven and top structures) was reduced to 242 sites and services as the balance of 126 erven were occupied by informal settlers at the time. A total of 242 units were completed by 31 March 2015 under the 2013/14 subsidy quantum with Resolution 13/224 dated 05 November 2013.
- 1.5 To date the Municipality has serviced a total of 1800 erven and completed 626 top structures.

#### 2. CURRENT STATUS

- 2.1 The Breede Valley Municipality has now applied for a total of 652 IRDP subsidized houses in New Mandela Square in Zwelethemba, Worcester, which is the final phase of the Zwelethemba 1800 subsidized housing project.
- 2.2 The site for the 652 IRDP development is located within the Zwelethemba residential area. The 652 erven are divided into Area 1 and Area 2 (see Annexure 1: Locality Map, and Annexure 2: Layout Plan). Where Area 1 is on the corner of Mtwazi Street and Yabo Street. Area 2 is on the corner of Mayinjana Avenue and Isithintelo Street.
- 2.3 The future development will integrate effectively with the existing town as well as with the bulk services networks. This would reduce the costs of engineering services. The existing services and amenities are within walking distances and the new beneficiaries will be able to access them. Figure 1 below shows the location of various socio-economic facilities in Zwelethemba which are within walking distance of the proposed future development, namely:
  - Schools: Siyafuneka Primary School, PJB Cona Primary School, Vusisizwe Secondary School and creche's as well;
  - Library: Zweletemba Municipal Library;
  - Police Station: Zweletemba Police Station:
  - Commercial: Zweletemba Shoprite and Xola's Buy & Braai; and
  - Cemetery: Zweletemba South Cemetery.

When considering the list of socio-economic facilities located within walking distance of the proposed future project, the project can be considered as well located in the context of the Zweletemba neighbourhood.

Additional services and economic opportunities can be accessed from the Central Business District (CBD) of Worcester itself, but these services and opportunities are not within easy walking distance of the proposed project and will require access to public transport.

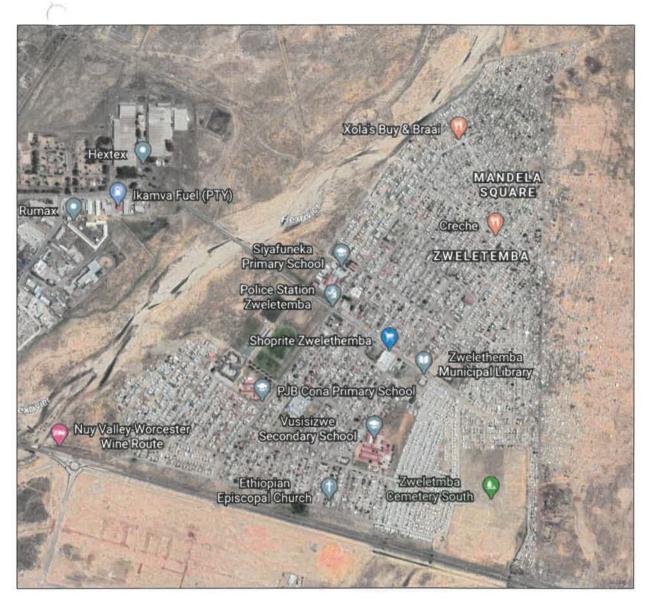


Figure 1 Zweletemba Google Earth Image to show the context of the project

2.4 The site was inspected by the Department's regional and project managers on 13 February 2020 and they confirm the findings of the geotechnical report. The proposed sites, Area 1 and Area 2, are currently occupied by families living in informal dwellings. The proposed site is characterized by B Grade civil services at present as can be seen in the pictures below.

### 3. FUNDING APPROVAL:

- 3.1 The application for a top structure project in 2015 was **not** approved by the Department, due to various outstanding issues; including a lack of qualifying beneficiaries at the time (in contrast to the Councillor's claim that the project has already been approved).
- 3.2 The Department requested a revised application, and, upon receipt, a meeting was convened with Breede Valley Municipality (BVM) to resolve further outstanding

- annexures, including the Site Development Plan, Traffic Impact Assessment and Township Establishment information.
- 3.3 Internally, the Department's Engineer's report is complete and a site inspection with Breede Valley Municipality (BVM) officials took place on 13 February 2020.
- 3.4 The Department's Project Administration Directorate recently indicated that the application for top structures has been assessed by the Provincial Department of Environmental Affairs and Development Planning for comments. Their Directorate (Environmental Affairs), concluded their report on the informal Township of Zwelethemba, and there is no further environmental assessment required.

#### 4. LOCALITY

The GPS position of the site is -33.640371, 19.496431 (see Annexure 1: Locality Map)



Picture 1: The proposed site consists of Enhanced Services Sites with B-Grade services. The site is occupied by families living in informal structures.



Picture 2: Enhanced Service site wet core structure.

# 5. BUDGET (New Mandela Square)

As stated above, the project funding approval for New Mandela Square is currently being assessed by the Department. Implementation timelines will be affected due to budgetary constraints and will have to be in line with new directives from National Department of Human Settlements.

The Breede River Valley Municipality has appointed an Implementing Agent and building contractor which are ready for implementation pending funding approval.

## 6. BENEFICIARY ADMINISTRATION

According to the Breede Valley Municipality and the Department's Beneficiary Approvals Directorate, no further beneficiaries have been screened for submission to the Department by the Implementing agent, and the same issues still exists, that need to be addressed such as the following:

- Some applicants residing on the plots are under the age of 35 years old and this issue remains unresolved by the municipality.
- Several applicants do not conform to the three-year period on the waiting list, and some applicants are not on the waiting list.
- Some applicants are earning above R3500.00 per month.

According to the latest beneficiary screening list, as submitted by the municipality's Implementing agent, a total of 37 beneficiaries are provisionally approved on the project to date.

#### 7. STAKEHOLDER MANAGEMENT

According to BVM and the Department's Stakeholder Management Directorate, the community were in fact engaged on various occasions, as outlined below (in contrast to the Councilor's claim that they have not been engaged):

| TYPE  | DATE       | VENUE                              |
|---|------------|------------------------------------|
| Hexriver/ Johnson Park / Avian Park Public<br>Meeting | 14/08/2019 | Worcester Town Hall                |
| Zwelethemba Public Meeting                            | 13/08/2019 | Zwelethemba                        |
| BVM FLISP Event                                       | 08/06/2019 | Worcester Town Hall                |
| BVM Council Workshop: Discussion on Transhex          | 21/05/2019 | Cape Winelands Council<br>Chambers |
| Transhex Business Info. Session                       | 12/03/2019 | Worcester Town Hall                |
| Zwelethemba Public Meeting                            | 25/07/2018 | Zwelethemba                        |
| Zwelethemba Public Meeting                            | 26/04/2018 | Zwelethemba                        |

#### 8. CHALLENGES

- Implementation timelines will be affected due to budgetary constraints and will have to be in line with new directives from National Department of Human Settlements.
- Land Invasions which occurred on a portion of land which was identified by Breede Valley Municipality as a Decanting TRA for the potential project.
- Beneficiary administration issues such as:
- Several applicants do not conform to the three-year period on the waiting list, and some applicants are not on the waiting list.
- A number of the erven are occupied by multiple occupants, and this makes the selection process for the Breede Valley Municipality extremely difficult, especially when identifying the most deserving beneficiary.

- Some applicants residing on the plots are under the age of 35 years old and this issue remains unresolved by the municipality.
- Some applicants are earning above R3500.00 per month.
- In accordance with the Departmental PPC and prescripts all beneficiaries need to be identified and approved, before project approval can be granted.
- According to the latest beneficiary screening list, as submitted by the municipality's Implementing agent, only a total of 37 beneficiaries are provisionally approved on the project to date.

Kind Regards,

Peter

Digitally signed by Peter Klaassen

Klaassen

Date: 2020.12.04 08:44:01 +02'00'

**MR PETER KLAASSEN** 

**REGIONAL MANAGER: CAPE WINELANDS** 

DATE: