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

1. PURPOSE

The purpose of this report is to provide a status update on progress related to the New Mandela Square (652) IRDP projects following previous engagements with the Portfolio Committee, National Department of Human Settlements and the Breede Valley Municipality.

2. EXECUTIVE SUMMARY

Breede Valley Municipality received approval of approximately 1800 erven and units to be constructed in Zwelethemba, Worcester, dated 12 August 2002. The 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.**

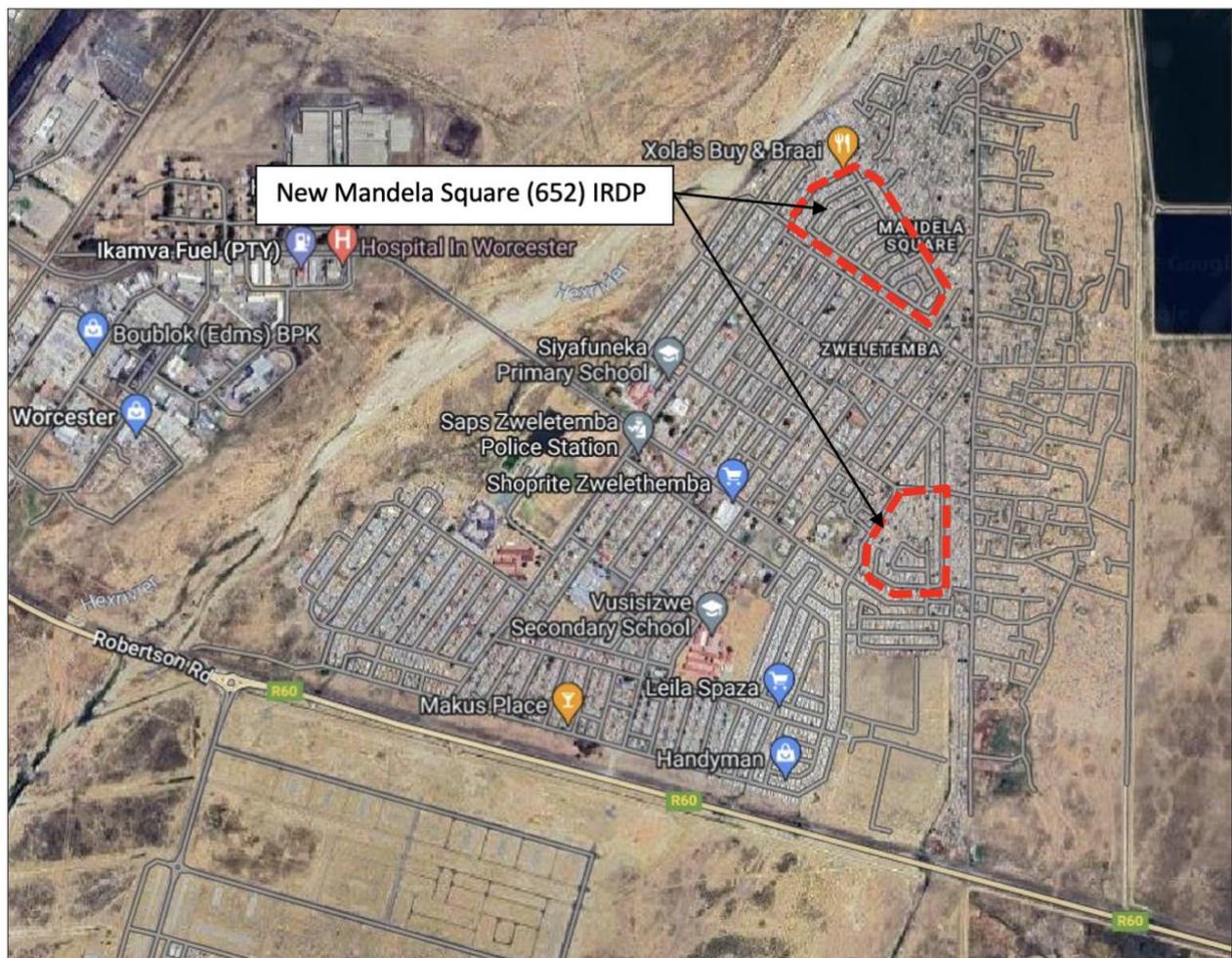
The Breede Valley Municipal Council resolved between 2007 and 2009 that the **Zwelethemba housing project: Phase 2** (368 erven and top structures) and the **Zwelethemba housing project: Phase 3** (285 erven and top structures) must be implemented. These phases were subsequently completed by 09 December 2008. 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 was 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. To date, the Municipality has serviced a total of 1800 erven and completed 626 top structures.

The New Mandela Square Phase 4 is now in the implementation phase where new top structure opportunities will be provided on the existing serviced sites. This project will be funded through the IRDP program and will provide 852 top structure opportunities.

It should be noted that there are outstanding evidence to support that all statutory processes were followed, in addition to the qualifying beneficiaries; that needs to be resolved, in order to implement this project.

3. PROJECT BACKGROUND & LOCALITY

The New Mandela Square (652) IRDP Project is located in the northern extension of the neighbourhood of Zwelethemba in the settlement of Worcester in the Breede Valley Municipality. Figure 1 below depicts the location of the 2 pockets of the New Mandela Square (652) IRDP project. The proposed properties are owned by the Breede Valley Municipality.



The proposed site consists of Enhanced Services Sites with B-Grade services. The site is occupied by families living in informal structures, as depicted in Figures 2 and 3



The Breede Valley Municipality received overall approval for the Zwelethemba 1800 erven housing project by the Department on 05 November 2002. The project was approved as "services first and houses to follow" which was in accordance with approved guidelines at the time, to split services and top structures which would span over more than one financial year.

The 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,

completed in previous financial years.

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 only) must be implemented. These phases were subsequently completed by 09 December 2008.

However, the Zwelethemba housing project: Phase 2 (368 erven and top structures) was reduced to 242 top structures 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.

To date, the Breede Valley Municipality has serviced a total of 1800 erven and completed 626 top structures.

4. PROJECT PLANNING STATUS

The New Mandela Square (652) IRDP project is the conclusion of an older project that entailed the installation of services on the two affected sites. The Project Implementation Readiness Report (PIRR) application indicated that the project intends to construct new top structure opportunities on the already serviced sites. As shown in Figure 4 below, the layout includes housing typologies for semi-detached, three and four-row single-story houses as well as free-standing subsidy houses. In total 652 top structures are planned on two sites spread out in Zwelethemba.

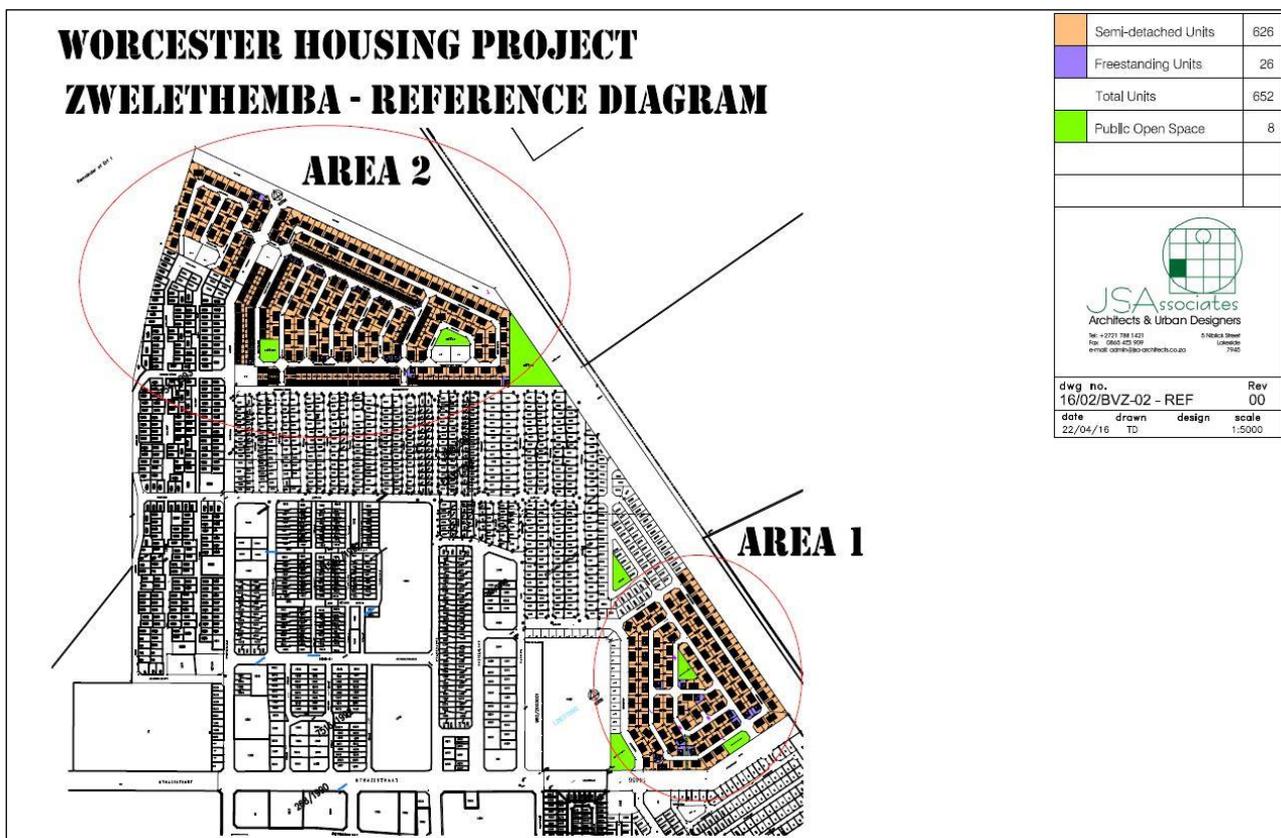


Figure 1: Proposed Layout design of the New Mandela Square IRDP Project



The layout achieves increased urban efficiency as well as increased densities through the inclusion of three and four-row housing and semi-detached houses on the two sites. In addition to residential land uses, the layouts also make provision for public open spaces to increase the quality of this urban area.

Because the project entails infill development in an already established neighbourhood of Zwelethemba, the sites enjoy good access to various socio-economic facilities and amenities in this neighbourhood. Most facilities and amenities are located within walking distance of the two sites (less than 1km). As such, the following socio-economic facilities in Zwelethemba are within walking distance of the proposed development, namely:

- Schools: Siyafuneka Primary School, PJB Cona Primary School, Vusisizwe Secondary School, and creche's as well;
- Library: Zwelethemba Municipal Library;
- Police Station: Zwelethemba Police Station;
- Commercial: Zwelethemba Shoprite and Xola's Buy & Braai; and
- Cemetery: Zwelethemba 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 Zwelethemba 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.

The layout design does allow for increased urban densities, while still maintaining the residential character of the surrounding area. A circular road pattern with multiple gateways is included, and internal roads are of sufficient width to allow easy access, with the following benefits:

- Continuous route system promoting accessibility.
- A cost-effective design that optimises space and reduces costs through the inclusion of row housing.
- The design enables the provision of engineering services cost-effectively.

The two sites are in an existing neighbourhood of Zwelethemba and as such do fall within the latest urban edge and adhere to the spatial proposals as contained in the latest Municipal Spatial Development Framework (SDF 2019).

The table below depicts the status of the statutory processes involved with the New Mandela Square (652) IRDP Project and has been derived from the Project Implementation Readiness Report (PIRR) Application that was submitted in 2019 to the Western Cape Department of Human Settlements (DHS).

All necessary development rights have already been obtained for this project according to the PIRR Application. Although this confirmation was stated in the PIRR Application, **and the Municipality is required to furnish the Department with copies of the approvals for the record.**

5. PROJECT PROGRESS

While all the development rights are in place the project cannot proceed to implementation as the serviced sites are occupied by multiple families. A decanting site was identified by the Breede Valley Municipality to facilitate the relocation process, this however was invaded and the Municipality could not proceed with the decanting plan which would have enabled the commencement of the top structure phase.

At the meeting held in the 2020/21 financial year amongst the various stakeholders, it was resolved the project should be repacked given the high occupancy rate of the erven, which in certain cases is set at a ratio of 4 informal dwellings per serviced site designed to only accommodate a single structure as per the approved layout. To this end the Department appointed an NGO to assist the Municipality and the community to take the project forward.

The NGO's is expected to conclude on the work and submit a report by the end of November 2022. The NGO was tasked with ensuring broad community participation in the implementation of the upgrade plan which includes the following milestones:

- Milestone 1: Scoping, site establishment and aerial survey; **COMPLETED**
- Milestone 2: Establishment and formalisation of community participation structures; **COMPLETED**
- Milestone 3: Community based planning; **IN PROGRESS (1 July 2022 – 30 November 2022)**
 - 3.1 Development of sustainable livelihoods plan
 - 3.2 Development of upgrading plans
 - 3.3 Relocation strategy
 - 3.4 Re-blocking strategy and implementation plan
- Milestone 4: Continuity Plan and Close-out Report. **IN PROGRESS**

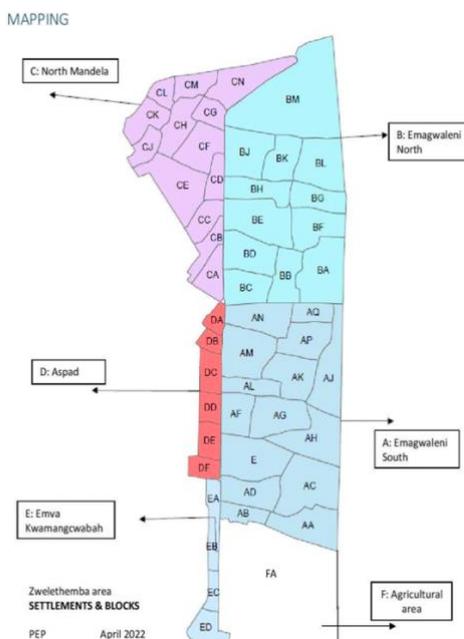


6. ESTABLISHMENT AND FORMALISATION OF COMMUNITY PARTICIPATION STRUCTURES

A **social compact was also signed** by the Municipality and the community structures and this will form the basis of the implementation plan.

The formalisation of community participation structures forms part of the NGO's appointment and this deliverable has been completed. The community participation structures were established in February and March 2022 comprising of members from the following 5 areas:

- North Mandela
- Emagwagweni
- Aspad
- Emva-kwamangwcaba and
- Behind MPC.



At the general meeting held on the 6th of March, two representatives were elected from each area to form part of the Project Steering Committee (PSC). The election of the PSC members was overseen by the Ward Councillor and the Member of the Mayoral Committee (MMC) for Human Settlements. The 10 elected representatives serve on the PSC which also comprise of municipal and provincial officials and meet on a monthly basis.

To date meetings have been held on the following dates:

- **25 February 2022** : Inception meeting with Ward Councillor
- **6 March 2022** : Meeting with community leaders & election of PSC
- **15 March 2022** : Project Steering Committee meeting
- **12 May** : Community meeting

7. GIS MAPPING

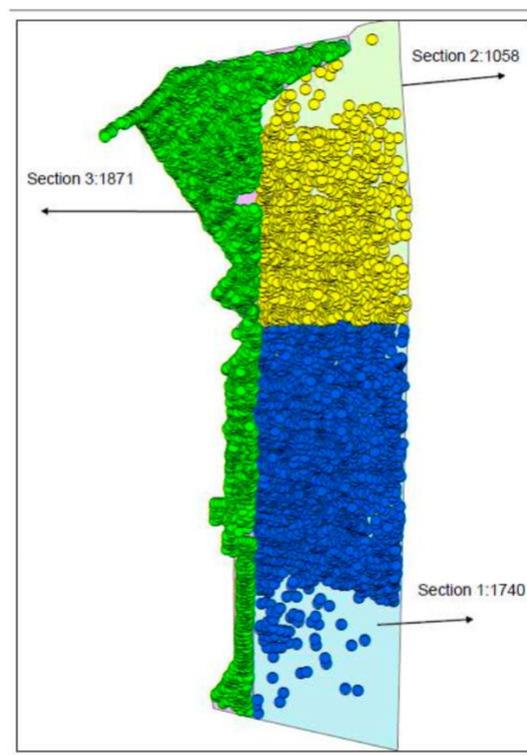
One of the deliverables of the NGO is to resurvey the project area and this forms part of the milestones 2 and 3 of the appointment. The second milestone has been delivered the NGO is now busy with the 3rd milestone which will focus on the following the development of:

- Sustainable livelihood plan
- Upgrading plan
- Relocation strategy
- Re-blocking strategy and implementation plan

A GIS analysis was done as part of milestone 2 deliverable and based on this analysis, it is evident that the various pockets have experienced growth since 2018.

The New Mandela Square section which forms part of section 3 depicted in green in the map below shows that there are approximately 1871 structures and evidently **the New Mandela Square section has more structures than the available 652 sites as per the approved layout** which one of the reason why the implementation of this project has been delayed.

GIS polygons and analysis



Total structures – 4669 (Point vectors)

The relocation strategy is a critical component of the work currently underway as decanting will be required to enable development. The **timeframe to deliver** on this is **from 1 July 2022 – 31 October 2022**

8. PROJECT COST

Project application was submitted by the Municipality **for the construction of 652** at a total cost of **R86 452 351.28** which was based on the 2018/19 subsidy quantum. The subsidy quantum has

since been revised with effect from 1 April 2022 and the project budget would need to be rephased to be in line with the latest quantum.

The application was supported, however resolution could not be finalise given the challenges in settlement growth which now requires relocation strategy.

9. POSSIBLE COMMENCEMENT DATE

All the development rights have been obtained, the commencement date will be informed by the outcomes of the work done by the NGO specifically as it relates to relocation and re-blocking strategy given the fact that the number of structures have doubled compared to the number of sites services and approved in terms of the layout plan.

The NGO work is expected to be concluded in November 2022 and the implementation plan will be updated on submission and sign off of deliverables.

10. INTER-GOVERNMENTAL RELATIONS ENGAGEMENTS

The National and Provincial Departments have had a number of engagements to unlock challenges in respect of the New Mandela Square project. The following meetings were held:

- 18 February 2020 with NDHS, PDHS and BVM officials
- December 2020
- 28 May 2021 with Deputy Minister, MEC, BVM Mayor
- 20 July 2022 with NDHS, PDHS and BVM officials

11. LINKS TO THE TRANSHEX CATALYTIC PROJECT

TRANSHEX project was identified as one of the Catalytic project out of the 48 that were approved across the country.

The project is regarded as a crucial catalytic project for the area and will eventually comprise almost 8 900 mixed use housing opportunities consisting of BNG, GAP, FLISP and other social housing. Various business sites, schools, clinics and other social facilities will also be provided as per the Provincial guidelines

The property measures 378ha in extent and is owned by BVM.

The project is implemented by the Department in partnership with the Municipality

This is mixed use development comprising of 8873 sites with the following components

- ✓ Residential (affordable housing, BNG, serviced sites)
- ✓ Commercial
- ✓ Light industrial
- ✓ There's an opportunity for a renewable energy project (solar farm) to support the development.

Due to funding constraints and availability of bulk infrastructure, the project is implemented in phases with the first phase comprising of 3231 mixed -use even.

The following has been completed:

- ✓ Installation of infrastructure to service 2546 erven
- ✓ Bulk civil infrastructure and road upgrade
- ✓ 190 units have reached practical completion

Below are the picture of the various infrastructure components



STORMWATER MANAGEMENT



R60: Upgrades



CANAL UPGRADES & INTERNAL SERVICES



190 ABT TOP STRUCTURES



While 2546 erven have been serviced there is not enough spare capacity available on both the Breede Valley Municipality and Eskom electrical networks in the area to support the full Phase 1 development. The Phase 1 development was therefore limited to only 800 units of which 190 have reached practical completion.

Beneficiaries for the Transhex project are sourced from the **Municipality's integrated waiting list** and to date **1242 beneficiaries** have been approved.

Approximately **R321m is required** for bulk electrical infrastructure **to unlock the full development**. The Department has engaged the Department of Minerals and Energy for funding and they subsequently confirmed that they will fund 48% of the required R321m as funding becomes available. To date capacity for additional 619 units has been availed through the funding released by Minerals and Energy which bring the total number of units that can be build and electrified to 1419 out of the possible \pm 8000 units. The Department now is in the process to procure a service provider to construct additional 610 units.

12. CRITICAL NEXT STEPS

The work done by the NGO will be the key informant for the implementation plan. The following are the challenges:

- Settlement growth – the number of structures have doubled compared to when the project was initiated and the project cannot be implemented in the manner in which it was originally envisaged. The relocation strategy and re-blocking are essential components of the upgrading programme. The report will be finalised by November 2022 also refer to section 7 of the report.
- Availability of bulk electrical infrastructure to unlock the Transhex project – as reported in section 11 of the report R321m is required, of that commitment was received from Department of Minerals and Energy to fund 48% of the capital cost without any firm commitment in terms of timelines. Full funding commitment is required to unlock the project.

It is also important to note that the Transhex project was not earmarked solely for New Mandela Square beneficiaries and as such the allocation process for the Transhex project has to be consistent with the municipal beneficiary selection framework which is developed in line with the National and Provincial guidelines.

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