

Municipal Resource Pack

Informal Settlement Upgrading Strategy for KwaZulu Natal

Compiled by

Project Preparation Trust of KZN



PO Box 5609 Durban 4000
Tel 031 305 1288 Fax 031 305 1227
www.pptrust.co.za

For the KZN



KZN Human Settlements

**uMnyango Wezokuhlaliswa
Kwabantu**

ISIFUNDAZWE SAKWAZULU-NATALI

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PART 1: INTRODUCTION

1. Overview of the Strategy for Municipalities

This Municipal Resource Pack has been compiled to enable Municipalities in KwaZulu Natal to implement the KZN Informal Settlement Upgrading Strategy and to thereby more effectively address the challenges posed by informal settlement. This municipal pack includes only those key extracts from the broader Strategy which are regarded as essential to enable Municipal personnel to take effective action.

The KZN Informal Settlement Upgrading Strategy is a developmentally focused strategy which seeks to bring about more rapid, equitable and broad based responses to the challenge of informal settlements in the province. This focus is strongly in line with the National Housing Code and current developmental priorities of government as recently reflected in the Outcome 8 National Development Agreement. Given the scale of the informal settlement challenge, its complexity and the limited human and financial resources available, the strategy seeks to be practical and achievable.

It is now broadly recognized that responses to the challenge of informal settlement in KwaZulu Natal (and more generally in South Africa) need to be multi-pronged, broad based and inclusive of the urban poor. It is also recognized that such responses need to promote more integrated and sustainable human settlements, promote an efficient urban form and optimize scarce land. The scale of informal settlement in KwaZulu Natal coupled with hilly topography and challenging underlying land legal issues increases the challenge.

The Strategy therefore recognizes that a range of different responses are necessary and that there needs to be flexibility for Municipalities to address specific challenges which vary from one settlement or municipality to another.

The multi-pronged Strategy promotes the following main developmental actions and responses in respect of addressing the basic infrastructure and housing needs of informal settlements:

- RAPID UP-FRONT PRELIMINARY ASSESSMENTS AND CATEGORISATION of all informal settlements in order to obtain an adequate profile and to enable the determination of the appropriate developmental response(s).
- FULL UPGRADING (full services, top-structures and tenure) where appropriate, affordable and viable.
- INTERIM BASIC SERVICES for settlements viable and appropriate for long term full upgrading but where this is not imminent (a situation which often prevails).
- EMERGENCY BASIC SERVICES for settlements where long term upgrading is not viable or appropriate but relocation is not urgent or possible (a situation which also often prevails).
- RELOCATIONS as a last resort for settlements where this is an urgent priority.

A key objective of the Strategy is to give effect to the KwaZulu-Natal Elimination and Prevention of Re-Emergence of Slums Act (Act No. 6 of 2007). The purpose of this Act is to provide for: 'the progressive elimination of slums in the Province of KwaZulu-Natal; measures for the prevention of the re-emergence of slums; and the upgrading and control of existing slums'. The Act obliges all Municipalities to assess the status of informal settlement and to plan accordingly.

An additional and overriding objective for the KZN DoHS is however also to address and comply with the National DoHS's Outcome 8 National Development Agreement (refer also to section 5 'Policy Context' below) which places a high priority on the upgrading of Informal Settlements. The KZN Delivery Agreement for Outcome 8 sets a target of upgrading '76,200 households in well located informal settlements with access to basic services and secure tenure'.

It is noted that the upgrading of informal settlements is also prioritized via Breaking New Ground and Part 3 of the National Housing Code, the Upgrading of Informal Settlement Programme (UISP). These advocate a developmental approach to addressing the challenge of informal settlement, envisage an incremental / progressive approach, and prioritise the in-situ upgrading of informal settlements in a structured manner. Significantly, relocations is only envisaged in exceptional circumstances and then as a last resort and on a co-operative basis.

Whilst the exact scale of informal settlement in KZN has not yet been accurately quantified, there are estimated to be approximately 306,076 households residing in informal settlements located within the 51 municipalities in KwaZulu Natal. 95% of these households are located within 11 Municipalities with 78% located with eThekweni Municipality. These figures represent a significant increase relative to the 2001 Census data which put the backlog at only 177,190 households. A more exact estimate will only be possible once individual municipalities have commenced with the implementation of this strategy and in particular the rapid assessment and categorisation of all informal settlements. Whilst the scale of informal settlement has generally grown significantly since 2001, there will also be some cases where some settlements initially designated as being 'informal' may be reclassified as rural settlements, as is the case with Ndwedwe.

The strategy recognizes that, whilst many of the necessary policy and grant instruments are already in place, there are instances where this is not the case (e.g. for emergency basic services) or where existing instruments require 'refinement' (e.g. phase 1 of the UISP). It also recognizes that, in the case of infrastructure provision, the required grant funding may be provided or co-funded by other sources such as via the new Urban Settlement Development Grant.

Whilst the Strategy is formulated and led by the KZN DoHS, it has implications that go beyond housing and the associated basic infrastructure (e.g. in terms of integrated settlement planning, public transport and the provision of key social services such as education and health care). The Strategy will thus help to lay the platform for investments by other government departments or by municipalities.

2. Definition of Informal Settlement

The 2009 National Housing Code's Informal Settlement Upgrading Programme adopts a broad and inclusive definition. It characterizes informal settlements as settlements demonstrating one or more the following characteristics¹:

- Illegality and informality;
- Inappropriate locations;
- Restricted public and private sector investment;
- Poverty and vulnerability; and

¹ 2009 National Housing Code, Incremental Interventions, Upgrading Informal Settlement, pg 16

- Social stress.

An additional essential criterion is however necessary in respect of the location of the settlements in question since there is an implicit requirement that informal settlements are *urban and peri-urban in nature and exclude rural settlements*.

The KZN Department of Human Settlements clearly *excludes* rural settlements from being included in the category of informal settlements. There is also a separate rural housing policy to address such settlements. There may however be some debate in respect of some peri-urban rural settlements located around the periphery of cities, towns and urban centres. The approach taken by eThekweni Municipality has generally been to include such settlements where they are in-fills to established existing townships or constitute informal extensions to them. They have however excluded rural hinterland. We are not aware of any specific set of additional criteria (e.g. in terms of settlement density) which have been utilized to distinguish between peri-urban and rural settlements and we suggest that common sense be applied by municipalities in this regard. It is therefore suggested that individual Municipalities take responsibility for making this distinction for themselves but that the KZN DoHS offer 'moderation' in this respect in order to facilitate some level of consistency throughout the province. This moderation would occur by means of the KZN DoHS's review of Municipalities' plans for addressing informal settlements which should be included in their HSP.

In addition, the following are noted as being defining characteristics of informal settlements:

- Lack of adequate basic services (e.g. potable water, sanitation etc)
- Lack of formal tenure (title) by residents
- Density (moderate to high but definitely not as per the typical sparse rural settlement pattern in rural KwaZulu Natal)
- Residents are poor and vulnerable
- Access to / connection with a nearby town / city / urban centre (e.g. people access work opportunities there).

3. Policy Context

The following section extracts and highlights some of the most critical policy issues for Municipalities in relation to informal settlements:

- Upgrading of Informal Settlements Programme (UISP) (Part 3 of the Housing Code): This programme emphasizes in situ upgrading over relocations and emphasizes an incremental, infrastructure-led approach. The policy intent of the programme is as follows:
 - “The key objective of this programme is to facilitate the structured in situ upgrading of informal settlements as opposed to relocation to achieve the following complex and interrelated policy objectives:
 - **Tenure Security:** to enhance the concept of citizenship, incorporating both rights and obligations, by recognising and formalising the tenure rights of residents within informal settlements;
 - **Health and Security:** to promote the development of healthy and secure living environments by facilitating the provision of affordable and sustainable basic municipal

engineering infrastructure to the residents of informal settlements. This must allow for scaling up in the future; and

- **Empowerment:** to address social and economic exclusion by focusing on community empowerment and the promotion of social and economic integration, building social capital through participative processes and addressing the broader social needs of communities.”

➤ KZN Delivery Agreement: Outcome 8

The KZN Delivery Agreement for the Output of ‘Accelerated Delivery of Housing Opportunities’ was signed between the National Minister for the NDoHS and the MEC for the KZNDoHS in November 2010. In terms of this delivery agreements there are some important refinements and clarifications of the overarching Outcome 8 targets. The KZN Outcome 8 performance targets are quoted as follows:

- *Upgrade 76,200 households in well located informal settlements with access to basic services and secure tenure;*
- *Development of 15,240 well located and affordably priced rental accommodation*
- *Accreditation of 1 Metropolitan Municipalities*
- *National Upgrading Support Programme cover to 5 municipalities.*

Importantly there has been an obvious shift since the formulation of Outcome 8 in terms of the interpretation of what constitutes ‘accommodation within informal settlements’. The KZN Delivery Agreement makes it clear that the emphasis is on:

- Well located settlements;
- Providing basic services;
- Providing security of tenure.

Whilst this does not preclude the provision of top-structures (i.e. full upgrading for informal settlements), it shows a clear movement away from top-structures being the major emphasis. This also reflects an intention to prioritise the provision of interim services a primary, mainstream developmental response in order to address the challenge of informal settlements.

- KwaZulu-Natal Elimination and Prevention of Re-emergence of Slums Act, 2007: The Act aims to; ‘To provide for the progressive elimination of slums in the Province of KwaZulu Natal; to provide for measures for the prevention of the re-emergence of slums; to provide for the upgrading and control of existing slums...’. It aims to achieve these goals primarily through, formalising informal settlement planning in the overall municipal planning processes.

This requires municipalities to enumerate existing informal settlements and their overall living conditions, and thereafter to report on progress to date in both the development of prioritised informal settlements and on improving living conditions in other settlements.

These municipal reports are then collated and summarised by the MEC for reporting to the provincial legislature, providing an overall planning cycle ensuring that the informal settlement program remains a priority for each municipality.

The act also provides policy direction on various components such as unlawful occupation, the use of sub-standard accommodation, as well as the role of private landowners and municipalities in relation to the eviction of unlawful occupiers.

Section 16 of the act dealing with the eviction of unlawful occupiers was referred to the Constitutional Court and declared unconstitutional in October 2009. This section requires a private landowner to evict unlawful occupiers in terms of the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 1998 (PIE) within a specified period and if failing to do so, requires the Municipality to proceed with the eviction in terms of PIE. According to the judgment, section 16 would have allowed for the possibility of mass evictions without the possibility of suitable alternative accommodation and would have therefore violated the Prevention of Illegal Evictions Act (PIE Act) and South Africa's Constitution.

- National Upgrading Support Programme (NUSP): The National Upgrading Support Programme, (NUSP) aims to assist Municipalities and Provincial Departments in achieving their Delivery Agreement targets, while at the same time promoting incremental upgrading, participatory planning and livelihoods-based approaches to the upgrading of informal settlements. The NUSP is an important initiative which works closely with government at all levels in achieving Output 1 of Outcome 8.

Five municipalities were identified in each province to ensure national coverage of the programme. The final selection puts forward 49 municipalities identified as areas of highest informal settlement pressure, which are then briefed about the programme and invited by the NDHS to participate. The KwaZulu-Natal Municipalities that have been selected are as follows:

- Ethekwini Metro
- KwaDukuza Municipality
- Msunduzi Municipality
- Newcastle Municipality
- Umhlatuze Municipality

Further to the Municipal support detailed above, NUSP aims to provide resource kits to guide practitioners in the incremental upgrading processed and to provide a training program to build capacity among officials, professionals and community members, enabling a collaborative effort in project design and implementation:

4. How to make use of the Strategy Document

This document is intended to be utilized by Municipalities in KZN. The following broad comments are made to assist readers in making good use of this document:

- For understanding the process of categorizing settlements and determining the appropriate developmental response: Refer to the Flow Chart as well as the Project Classification Guideline in Part 2, Sections 2 and 3 of this Resource Pack.
- For preparing, planning and delivery responses: Refer to the methodologies and toolkits contained in **Annexures A and B** of this Resource Pack.

- For information on your Municipality: If included in the 17 prioritised Municipalities, this will be contained in **Annexure C** of the Strategy (it being noted that these Annexures will be provided separately to each Municipality by the KZN DoHS).
- For better understanding how different sectors / spheres of government can better integrate their activities: Refer to Part 2, Section 5 of this Resource Pack (or else for more detail refer to Part 3, section 9 of the Strategy - 'Sector Alignment Guidelines').

PART 2: IMPLEMENTATION BY MUNICIPALITIES

1. Primary Housing and Infrastructure Responses

Whilst a range of developmental responses are necessary to address the challenges of informal settlement, the KZN DoHS's grants are confined mainly to preparation and planning, basic infrastructural services, top-structures and land and tenure. The responses outlined below are thus focused specifically within this grant funding mandate of the Department. For more information please also refer to the Project Classification Guideline in Section 2 below, as well as the 'Summary Scopes of Work and Cost Norms' and 'Detailed Toolkits' in Annexures A and B. It is emphasized that, in the delivery of all the following responses, care should be taken to enable integrated, multi-sector development which goes beyond housing and infrastructure (refer also to section 4 which follows).

1.1. RAPID UP-FRONT PRELIMINARY ASSESSMENTS AND CATEGORISATION

This is required for all informal settlements within every Municipality in the province (where this has not yet occurred or is incomplete) in order to obtain an adequate profile of settlements and to enable them to be categorized in terms of the appropriate developmental response(s). It is emphasized that, with the notable exception of eThekweni Municipality, most other municipalities do not yet have this information and would therefore typically need to undertake this work as an urgent priority (refer also to **Annexure E**). It is important that this is not seen merely as an administrative process but as a critical developmental intervention, without which effective plans and strategies for informal settlement are impossible.

1.2. PLANNING AND DELIVERY OF INTERIM BASIC SERVICES

Interim basic services should be provided to those settlements located on sites which are viable and appropriate for long term full upgrading but where this is not imminent (e.g. due to budgetary, land, or bulk services constraints). This response has the potential to be delivered rapidly, provided it is de-linked from land acquisition and provided that collective tenure security via municipal recognition of settlements is utilized. It is expected that this response could be provided to a significant proportion of all settlements (in the region of 30%-40% of them) within the short term (i.e. within the next 5yrs) if the necessary grant pre-conditions were put in place and if it were pursued with vigor.

1.3. PLANNING AND DELIVERY OF EMERGENCY BASIC SERVICES

Emergency basic services should be provided to those settlements where long term upgrading is not viable or appropriate but where there also no pressing imperative for a relocation (i.e. absence of any imminent threat or risk due to such factors as flooding, slope instability or exposure to toxic waste) and no immediately available and suitably located relocations destination (e.g. available sites on an existing housing project with un-allocated sites). It is expected that this response could be provided to a significant proportion of all settlements (in the region of 30% to 40% of them) within the short term (i.e. within the next 5yrs) if the necessary grant pre-conditions were put in place and if it were pursued with vigor.

1.4. PLANNING AND DELIVERY OF A FULL UPGRADE

A full upgrade (i.e. full services, top-structures and tenure) should be provided to those settlements which have been prioritized for this high level of short term investment and where the other pre-conditions are already in place (e.g. available funding, land, bulk services etc). It is noted that the provision of permanent engineering services may be provided as an incremental first phase of full upgrading. Where there is a scarcity of suitable and available land (e.g. within eThekweni) then careful consideration should be given to maximizing housing densities, principally through the use of double-storey attached top-structures and partially pedestrianised town-planning layouts. Given the high costs and protracted timeframes associated with full upgrading it is expected that this will only be an appropriate response for a small proportion of all settlements (in the region of 10%) within the short term (i.e. within the next 5yrs).

1.5. RELOCATIONS

Relocation should be seen as a last resort for those settlements not only un-viable for long term upgrading but ALSO where there is also a *pressing imperative for relocation* (i.e. imminent threat or risk due to such factors as flooding, slope instability or exposure to toxic waste) as well as an available relocations destination (either an emergency transit facility or an existing housing project with un-allocated sites). Given the difficulties associated with relocations and the protracted timeframes associated with the development of green-fields housing projects, it is expected that that this response will only be an appropriate response for a small proportion of all settlements (in the region of 5% to 10%) within the short term (i.e. within the next 5yrs). It is emphasized that, whilst the relocations destination may offer better access to basic services and shelter, it may also bring about unintended negative impacts on relocatees, usually resulting from the change in locality and unintended consequential impacts on their livelihoods and survival strategies (e.g. in terms of access to employment, informal income generating activities, jobs, and schools or else disruption of existing social networks).

1.6. LAND IDENTIFICATION AND ACQUISITION

This needs to focus on both land which is already settled as well as potential green-fields sites. It must be remembered that the process of land acquisition is an inherently slow process (usually taking anywhere between a years and four years) and that Municipalities therefore need to plan ahead accordingly. The following are suggested as the main categories of land which a Municipality may target for acquisition. These would also constitute the main reasons for a municipality wanting to plan for acquire land:

- *Relocations destinations for full housing delivery* (full services, topstructures and tenure).
- *Relocations destinations for transit camps*
- *Strategic acquisitions to 'get ahead of the housing problem'*: i.e. 'banking' land for future projects such as the development of new suburbs or residential precincts in areas of current of projected urban expansion.
- *Serviced land release*: Acquiring land (either settled or green-fields) with the intention of doing basic planning, installing interim basic infrastructural services and making it available to residents of informal settlements or new arrivals in the city/town.

1.7. SERVICED LAND RELEASE

Whilst this is not yet a mainstream / operational programme of government, this is expected to be a response which will receive increasing attention in the years to come. It is already implicit in the provision of interim basic services and its intention is clearly manifest in the DRDLR's SLAG grant mechanism. It is usually assumed that some form of functional tenure will accompany this response. There is also a national 'Land First' movement facilitated by Afesis Corplan which is actively promoting this as an necessary developmental response (refer to <http://www.afesis.org.za/About-LANDfirst/> for more information).

2. Project Classification Guideline

This section should be read in conjunction with the Flow Chart contained in **Annexure F**. It is emphasized that effective categorization and the selection of an appropriate developmental response can only occur once adequate up-front preliminary assessment work has been completed in order to obtain an adequate profile of the settlement and site in question. It is noted that, in some instances, follow up technical feasibility work may expose a previously unforeseen obstacle (e.g. unstable geotech) at which time a re-classification of such a settlement may be necessary.

Category	Criteria	Developmental Response	Tenure	DEPTH RESPONSE:
A	<p><u>Imminent full upgrade</u></p> <ul style="list-style-type: none"> ➤ <i>Site viable and appropriate</i> for long term upgrading (land, bulk services, topography, environmental, geotech etc. all in place). ➤ <i>Project is implementation-ready</i> (land secured or imminent, town planning approvals / township establishment secured or imminent, all project funding secured) 	Full upgrading including delivery of full infrastructural services, top-structures and tenure (including formal township establishment). Where land is scarce, promote densification. It is critical to ensure that there is integrated local spatial planning and action to enable access to key social services such as education and health care.	Individual & formal (either a title deed or locally administered alternative which is up-grade-able to full title)	(approx. 10% of medium term delivery by hh ²)
B1	<p><u>Interim basic services</u> (eventual full upgrade when resources and timing permit)</p> <ul style="list-style-type: none"> ➤ <i>Site viable and appropriate</i> for long term upgrading (land, bulk services, topography, environmental, geotech all 'Ok'). BUT: ➤ <i>Project NOT implementation ready</i> (i.e. cannot be expedited in the next year or two e.g. due to lack of available funding, land not yet secured, bulk services not yet in place). 	Interim basic engineering services appropriate to the basic needs of the settlement and conforming with long term upgrading plans / layout to avoid wasted expenditure where possible (e.g. standpipes, communal sanitation or on site sanitation, basic road access or footpaths). It is critical that this goes hand in hand with other critical service interventions such as: fire protection, solid waste removal, access to basic health and education services etc.	Collective, informal & functional (via Municipal classification & recognition)	BREADTH RESPONSE: (approx. 40% of total term delivery by hh)
B2	<p><u>Emergency basic services</u> (eventual relocation when time and resources permit)</p> <ul style="list-style-type: none"> ➤ <i>Site NOT viable and appropriate</i> for long term upgrading BUT: ➤ <i>NO urgent need for relocation</i> (e.g. material and immediate threat to 	Emergency basic engineering services appropriate to the basic needs of the settlement but typically to a lower level than for B1 and not needing to conform with long term upgrade layout (e.g. standpipes, on-site sanitation or 'portaloos').	Collective functional Municipal classification & recognition)	BREADTH RESPONSE: (approx. 40% of total term

² These indicative percentages are based on two main factors: A) The KZN DoHS current MTEF hh allocation estimates which for 'PLS' averages at approx. 15,000 per annum from 2011 until 2014. This means that over the short term a maximum of 20% of the 306,000 informal settlement backlog could be addressed yet this figure would fall due to allocations to other PLS projects, a lack of projects ready for immediate implementation, and the need to allocate some funding to interim / emergency basic services. B) Achieving a good 'strategic' mix of investment..

		safety through flooding, slope instability, toxic waste exposure etc).	It is critical that this goes hand in hand with other critical service interventions such as: fire protection, solid waste removal, access to basic health and education services etc.	However residents	delivery by hh)
C	<u>Imminent relocation</u>	<p>Site <i>NOT</i> viable and appropriate for long term upgrading</p> <p>AND:</p> <ul style="list-style-type: none"> ➤ Urgent need for relocation (e.g. material and immediate threat to safety through flooding, slope instability, toxic waste exposure etc). ➤ Relocations destination available (either in situ upgrade or green-fields project with unallocated sites OR site for emergency transit camp and emergency funding available from KZN DoHS) 	No action on the site in question. Participative and consultative process required with residents including site visits to potential relocations destinations. Where the relocations destination is a temporary transit facility then a site feasibility study should be conducted. KZN DoHS funding secured. Temporary transit facilities should only be utilized where this is unavoidable as they often pose major challenges to relocations and tend to become permanent or semi-permanent.	Not applicable – If relocations destination a housing project then as for category A; if a transit camp then or functional tenure only.	<i>DEPTH RESPONSE:</i> (approx. 10% of medium term delivery by hh)

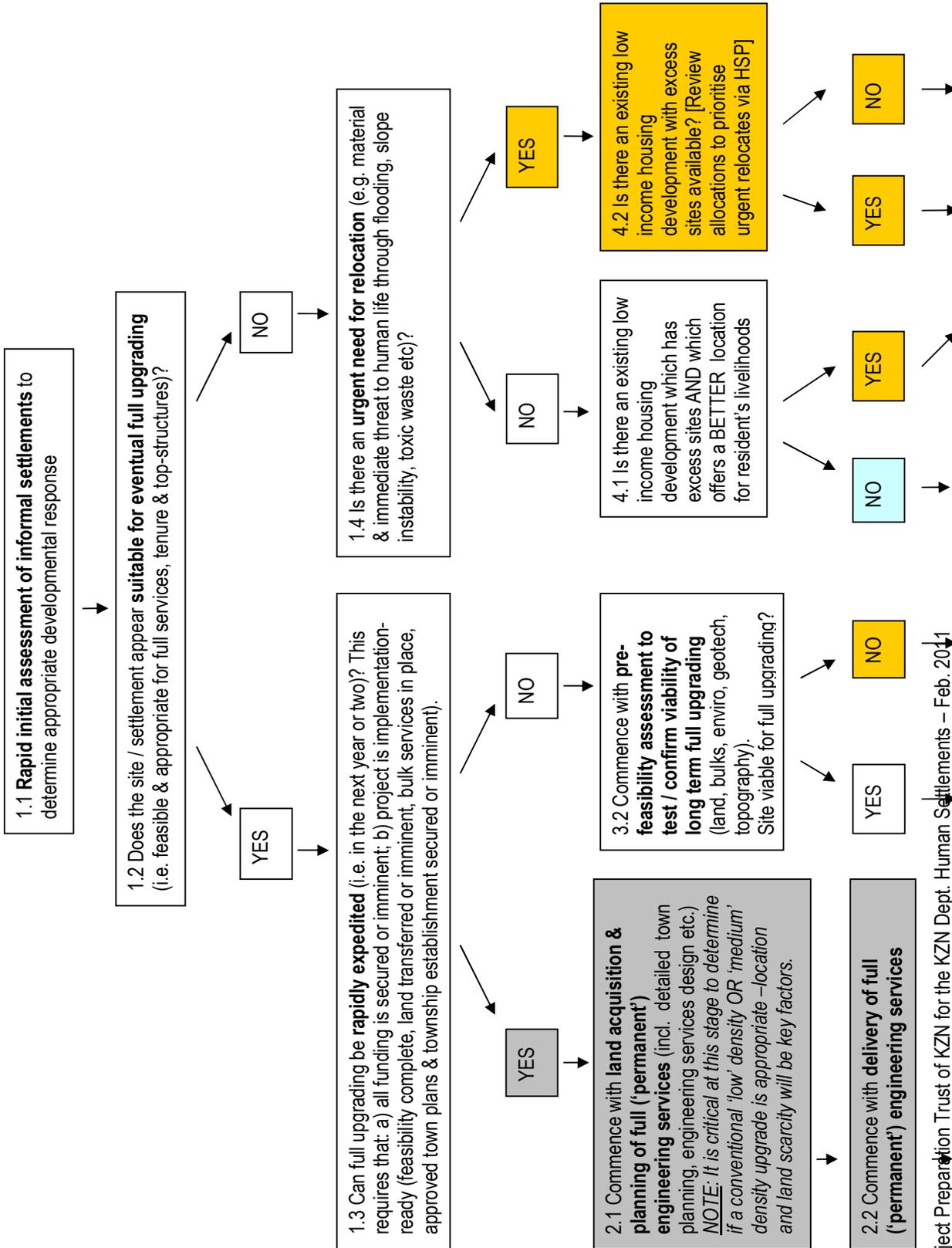
Factors affecting the selection of developmental responses:

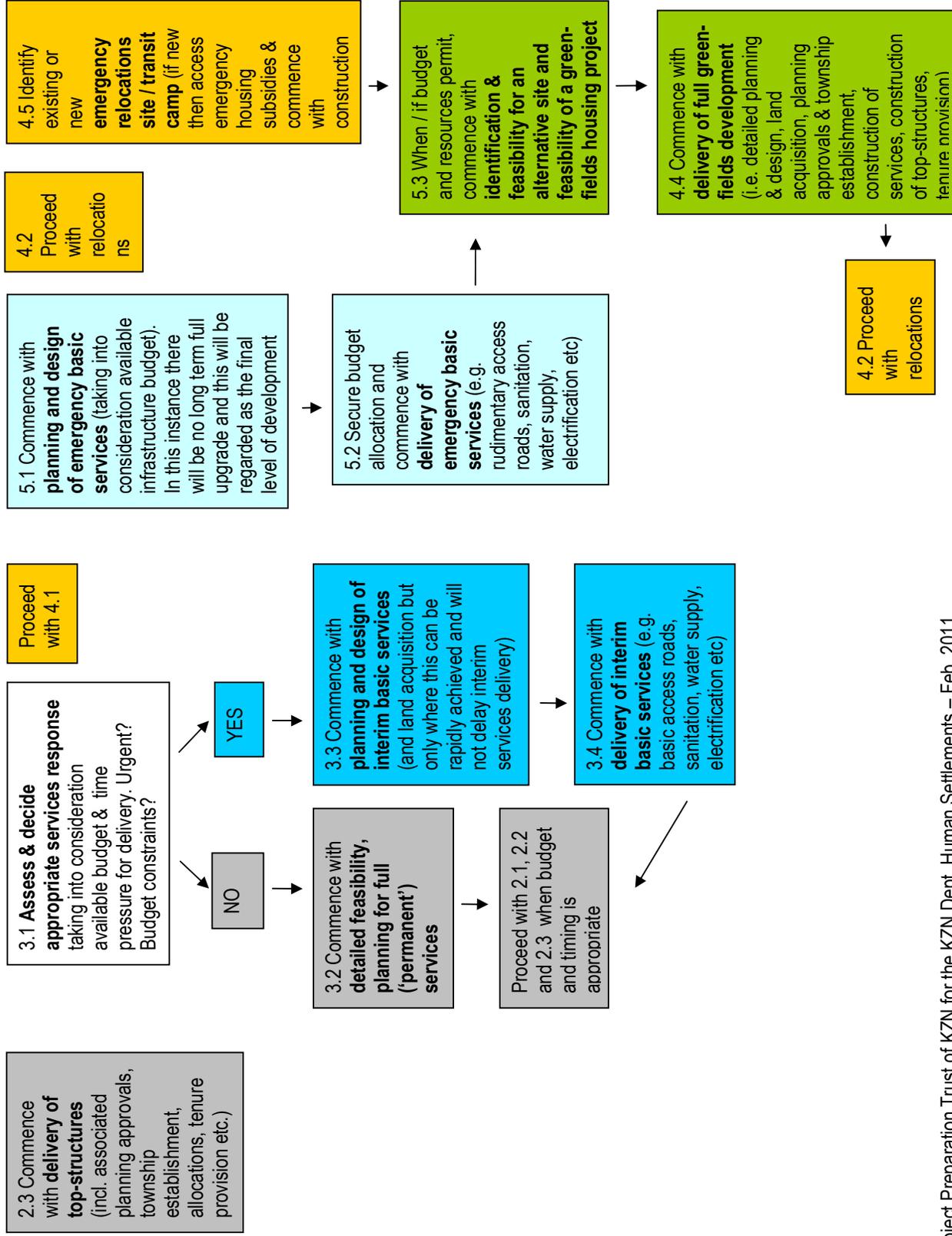
The decisions that municipalities take in selecting which course of action to take in addressing the challenge posed by a particular settlement will be informed by a number of factors including:

- the availability of budget for housing, land and infrastructure and how soon such budget will become available³;
- the locational suitability of the settlement (e.g. access to public transport, social facilities, employment etc);
- the developability of the site (e.g. slope, land availability, bulk service availability, geotechnical and environmental constraints etc);
- the level of need (poverty and relative deprivation) within the settlement.

3. Flow Chart
(see following page)

³ It is noted that there is a tendency for budget to become available more slowly than municipalities often anticipate (e.g. due to delays in processing subsidy applications, unresolved project issues; delays in signing agreements, a lack of provincial housing budget). Delays may also result from non-funding factors (e.g. delays with bulk service or land availability). There may therefore be full upgrades which cannot commence for several years and which should consequently be categorized for interim services in the mean time, even though they may appear on a municipality's short term upgrade plans.





FULL UPGRADING & PERMANENT ENGINEERING SERVICES	INTERIM BASIC SERVICES	EMERGENCY BASIC SERVICES	RELOCATIONS & GREENFIELDS PROJECTS
APPROX. 10% OF DELIVERY RESPONSE BY HH	APPROX. 30% OF DELIVERY RESPONSE BY HH	APPROX. 50% OF DELIVERY RESPONSE BY HH	APPROX. 10% OF DELIVERY RESPONSE BY HH
APPROX. 30% OF DELIVERY RESPONSE BY BUDGET	APPROX 30% OF DELIVERY RESPONSE BY BUDGET	APPROX 30% OF DELIVERY RESPONSE BY BUDGET	APPROX 10% OF DELIVERY RESPONSE BY BUDGET
DEPTH RESPONSE (QUALITATIVE & COSTLY)	BREADTH RESPONSE WHICH LAYS PLATFORM FOR LATER DEPTH RESPONSE	BREADTH RESPONSE	DEPTH RESPONSE

4. Appropriate Grant Instruments

The following have emerged as being the main grant instruments which are relevant and useful in providing infrastructure, tenure and housing for informal settlements and in implementing this Strategy:

	Type of grant	Developmental Application	Comments
Grants which are critical	Upgrading of Informal Settlements Programme (UISP) grant ⁴	<ul style="list-style-type: none"> ➤ Interim basic services ➤ Land acquisition ➤ Permanent services ➤ Potentially also for Emergency basic services 	Clarity required on provision of interim basic services prior to land acquisition, increasing value for ph1 and eligibility of emergency basic services
	Upgrading of Urban Settlements Grant (USDG) ⁵	<ul style="list-style-type: none"> ➤ Interim basic services ➤ Emergency basic services 	Clarity required on whether this grant will in fact be operational by 01 March 2010
	Project Linked Subsidy (PLS) grant	<ul style="list-style-type: none"> ➤ Top-structures 	No comment
	Emergency Housing grant	<ul style="list-style-type: none"> ➤ Emergency housing and basic infrastructure 	Essential in the case of providing temporary transit / relocation facilities
Grants which are potentially relevant	New People's Housing Process grant	<ul style="list-style-type: none"> ➤ Top-structures and associated PHP social, planning and capacitation processes 	Policy not yet activated due to implementation guidelines not yet being completed
	Integrated Residential Suburbs grant	<ul style="list-style-type: none"> ➤ Integrated suburbs development 	May be useful in upgrades in the case of some precinct development projects
Grants which are not relevant or appropriate	Municipal Infrastructure Grant	<ul style="list-style-type: none"> ➤ Non urban infrastructure 	Not suitable
	DRLDR grants such as the Settlement Land Acquisition Grant	<ul style="list-style-type: none"> ➤ Principally utilized for non urban land and rural projects, even though there is a theoretical alignment 	Not suitable in practice given DRLDR rural orientation and very slow release of funding

⁴ provided by the KZN DoHS as well as directly from the National DoHS to accredited municipalities

⁵ to be provided directly to accredited or high capacity municipalities

5. Promoting Integration, Sustainability and Spatial Coherence

5.1. Introduction

The importance of promoting integration, sustainability and spatial coherence cannot be overstated. As indicated previously, whereas the DoHS grant funding mandate is primarily focused on housing, infrastructure and tenure, there are two factors which put it in an enabling position in this regard:

- Its overall mandate is 'human settlements' which are always defined as consisting of more than just housing and basic infrastructural services;
- It can and does provide funding for the preparation and planning of projects.

The overall objective must be to ensure that the following key aspects of development are addressed in parallel with housing and infrastructure and that the latter investment is used as a way of leveraging broader development and change so as to promote more integrated and sustainable development:

- Fire protection
- Solid waste removal
- Education (especially at school level)
- Health care (especially primary health care / clinics)
- Public transport
- Special needs
- Day care
- Local economic development
- Job creation
- Support for local micro-enterprise
- Livelihoods interventions
- Food security
- Recreat

5.2. Sector Alignment Guidelines for Municipalities / project champions

Planning level interventions

- Ensure that there is a clear understanding of the content and applicability of the current IDP, SDF and relevant sector plans at a local project level
- Identify gaps in the current IDP, SDF and sector plans to inform reviews of these plans to ensure their continuous updating and improvement
- Coordinate all available area based planning information at a local level. (I.e. GIS base information, relevant sector plans, Water, Transport, Electricity etc.)
- Coordinate all available feasibility studies at a local level specifically related to any related projects, which have been implemented or investigated in the area. (I.e. Geotechnical, Environmental, Social studies etc.)
- Ensure alignment with specific provincial sector policies and policy directives such as BNG, Housing Code, Health policies, Welfare policies etc.
- Ensure alignment with provincial spatial policies such as PSEGS and PGDS

- Hold regular housing forum meetings to access relevant information from the sector departments as well lessons from any other project being implemented

Project level interventions

- Ensure that housing and other relevant officials are effectively capacitated to understand the complex process of informal settlement upgrading and the various technical and social requirements especially at the critical project packaging stage
- Ensure up front identification of key issues and challenges facing community during early preparation through implementing detailed socio-economic and enumeration surveys. These surveys should clearly defined community needs and reflect specific local conditions which will be relevant to the implementation of the housing project
- Based on these socio-economic surveys identify critical sectors which should be involved in the holistic development of the area, e.g. HIV aids, Education, Fire Protection services, Police, Health, Welfare.
- Based on these socio-economic surveys identify assistance to special needs groups (e.g. those infected or affected by HIV / AIDS, orphans and vulnerable children, the aged etc).
- Commission local area based spatial development plans to identify specific shortages in the provision of or access to key social facilities e.g. education and health care, clinics and school
- Identify key local stakeholders who will be either directly or indirectly involved in both project implementation and its ongoing operation and maintenance. These stakeholders should be included in both the planning and implementation of the project. (I.e. Local community organisations, NGOs, interested parties etc.)
- Based on the initial socio-economic survey identify specific and ongoing projects which will enhance the sustainability of the settlement (I.e. food security, local economic development projects, education and schools projects etc.)
- Ensure ongoing and appropriate participation of and consultation with communities on the ground to ensure that development projects and other support respond to local needs and optimize community assets.

Guidelines for the various levels of alignment have been provided in the table that follows.

6. Promoting Densification

Whilst densification should not automatically be pursued on every upgrade project, it should be pursued where it is appropriate to do so (i.e. where there is a shortage of developable land available and where 'compaction' of the urban form is regarded as an important planning principle. This will tend to apply most in major urban centres such as eThekweni and Msunduzi.

There are two main ways in which densification can be promoted:

- Double story, attached housing typologies.
- More pedestrianised layouts in order to reduce the loss of space to road reserves.

There is significant case study project precedent which can be referred to in this regard by Municipalities wishing to explore this further (e.g. the recent Kenville Precinct Redevelopment project in eThekweni which is currently in the detailed planning and design stages

In all cases, densification will come at a slightly increased cost arising mainly from the additional top-structure costs, but also potentially arising from the retaining walls and additional civil engineering works which may be required on steeply sloping sites. These additional direct costs however need to be offset by other indirect costs which may be difficult to quantify (e.g. relating to a more sprawling city / town and the associated need to extend bulk infrastructure or the additional transport costs which commuters might face in traveling into town from the urban periphery.

7. Achieving Secure Tenure

The nature of tenure provision needs to be appropriate to the level of investment and nature of the developmental response being promoted. Two broad forms of tenure are thus necessary and appropriate for the achievement of this Strategy:

7.1. Secure tenure for interim basic services

The appropriate form of minimum tenure for the delivery of interim basic services should be that of functional, settlement-level (collective) tenure (as opposed to formal and individual tenure) and specifically in the form of a municipal recognition of the settlement in question. Such recognition needs to be based on the rapid up-front assessment of settlements outlined section 1 'Overview' above. It would typically take the form of an approved municipal schedule of projects which would need to be included in the municipality's housing sector plan. This recognition means that the municipality has assessed the settlement as potentially suitable for medium to long term upgrading and that in the interim, it does will not pursue any actions aimed at eviction or relocation. Although the municipality will in most instances not (yet) own the land in question, it is implicit that it has an intention to do so and that such acquisition will take place when the timing is appropriate. Such recognition means that a settlement is no longer regarded as 'illegal' in the eyes of the municipality, even if the area has not yet been formalized. The very act of categorizing and classifying informal settlements confers a significant level of tenure security mainly through increasing the transparency of future developmental plans and reducing uncertainty over potential relocation. For example, residents of settlements categorized for full upgrading or interim services are assured that they will not be relocated except in the case of those who cannot be accommodated on the site, in which case they will be provided for on another housing project.

7.2. Secure tenure for full upgrading

The appropriate form of tenure for the delivery of a full upgrade should be that individual, formal tenure. Whilst a title deed should be regarded as the 'default' form of tenure, in the absence of any proven alternatives, efforts should nonetheless be made to encourage the testing of other more streamlined forms of individual, formal tenure via pilot alternative tenure projects. The reasons for the need to test such alternative forms of tenure are outlined in section 6 of the situational analysis of the Strategy. The performance criteria for such alternative tenure forms should be as follows:

- upgradeable to full title as and when the need arises,
- locally administered (e.g. by the Municipality),
- easily accessible to residents / owners,
- low or nil transaction cost,

- low administrative cost,
- provides a locally authorized certificate of ownership to the owner.

8. Land Acquisition and its Timing

As with tenure, the need for greater flexibility with respect to land acquisition and its timing is critical for the success of this Strategy. The timing of land acquisition will likewise vary depending on the nature of developmental response being promoted.

8.1. Land acquisition timing for interim basic services

Land acquisition is seldom a rapid or straightforward process and it typically a protracted process. With the exception of land which is already owned by the Municipality or where there is a private owner willing to sell (scenarios only prevailing for a small number of de-facto informal settlements), the process may take anywhere between a year and four years. This includes cases where land is owned by other spheres of government or multiple private land-owners, where there are deceased estates, where expropriation is required, or where land is the subject of restitution. In addition, land acquisition is often very costly, especially where the land in question is well located and developable. Land acquisition in many projects is so complex that it is best regarded as a project in its own right and requires dedicated funding for the necessary professional land legal and facilitation work which is often necessary. In the case of delivering interim basic services, such protracted delays entirely undermine the core objective of providing rapid relief on the ground.

Consequently land acquisition can and should not be made an essential pre-requisite for delivering interim basic or emergency services and such flexibility becomes a critical success factor for the Strategy given that these responses are the main ones which will enable delivery at scale.

This flexibility is thus central to the overall success of the Strategy and without it the delivery of interim and emergency basic services will cease to be achievable rapidly and at scale, a factor which is essential in meeting the targets arising from Outcome 8 which targets 76,200 informal settlement households in KZN.

Importantly there is established precedent in this regard in terms of eThekweni's interim services programme. eThekweni has considered the legal implications and has determined that the Municipal Ordinance confers on it the right to intercede on private land where there are health and safety imperatives, as constituted by the typical living conditions within informal settlement. There is also longstanding precedent of MIG investments in infrastructure on non-Municipal land (e.g. land owned by the Ngonyama Trust Board).

The typical concerns raised over the approach arise from the following factors: A) Legislation such as the MFMA which constrains state-funded improvements on private or non-municipal land; B) The traditional housing approach which requires land acquisition before development occurs.

Municipality's will obviously need to consider each settlement and situation on its merits but should have the flexibility to pursue a strategy which works within a particular local context.

8.2. Land acquisition timing for full upgrading

Land acquisition should remain a pre-requisite for full upgrading given the high capital investment and formal nature of the development. However, where interim services are an intermediate step towards a full upgrade, then there should be flexibility to delay land acquisition until the installation of permanent / full services and township establishment is imminent.

8.3. Identification of New Land

Informal settlements are characterized by high levels of settlement density relative to their neighbouring formalized residential suburbs and townships. An inevitable consequence of full upgrading is that there is some level of relocations and alternative land is required either for green-fields housing projects or else emergency transit facilities.

New housing opportunities on green-fields sites need to be well located and sustainable for both existing and future urban communities. It is critical that the municipality therefore clearly define their requirements for such land to ensure that land which is secured and developed is ideally suited for such development. In this regard they should identify the criteria which affect the success and sustainability of the project in the future.

The Strategy identifies three main guiding principles for the feasibility of vacant land and its acquisition for housing development, namely:

- **Project Sustainability:** All of the factors that will affect the long-term sustainability of the project to be developed. (*e.g. access to employment; education and health care facilities; public transport etc*).
- **Technical feasibility:** All the factors that ensure that a project can be implemented on the land selected. (*i.e. bulk service and land availability; environmental factors; geotechnical conditions; topography etc.*).
- **Resource Availability:** Availability of the financial and human resources to ensure that the land can be secured and developed (e.g. finance for housing, infrastructure and land; project managers; municipal housing personnel; professionals; contractors etc.).

The following table has been provided to guide municipalities in the land identification process although each municipality should modify the criteria to suit their local needs where necessary.

Project Sustainability		
Criteria	Sub-Sector Criteria	Description
Spatial Location	Municipal SDF	Compatibility with the existing Spatial Development Framework developed by the Municipality, and therefore compatibility with the provincial PGDS and PSEDs strategies for spatial economic investment. This aims to ensure the integration of the fragmented urban structure through corridor development and thereby maximising the impact of economic investment.

	Access to Transport	Ensuring that communities are well located with respect to existing and planned transport facilities. Access to cheap and efficient transport is a primary driver for the development of sustainable communities.
	Access to Employment	Ensuring that communities are well located with respect to available employment
	Access to Social Amenities	Ensuring that communities are well located with respect to social amenities
	Urban Edge	Ensuring that development is located within the urban edge established by the municipality to limit urban sprawl and maximise the impact of economic investment.
Social Conditions	Social Conditions	Existing or potential future social conditions that may affect the sustainability of the development
Technical Feasibility		
Criteria	Sub-Sector Criteria	Description
Bulk Services	Availability of Bulk Services	Availability of Bulk Water, Sewer Reticulation, Electricity, Transport etc.
Land Ownership	Land Ownership	Municipal and Government land should be the first option for the development of affordable housing. Accessing Private land for development can be time consuming and costly.
	Land Claims	Existence of land claims which may affect the proposed development
Geophysical Conditions	Slope	Slopes of 1:3 and greater add to the unsuitability of land for development.
	Geotechnical	Desktop research to ensure that geotechnical conditions do not adversely affect the proposed development
	Floodline, wetlands	Floodline analysis to ensure that developments are located outside of potentially dangerous flooding and wetland conditions.
	Environmental Conditions	Identification of potentially restrictive environmental conditions that may affect the proposed development, both on the site and in the surrounding areas
Development Status	Land use and Zonation of land	Compatibility of existing zonation and use to proposed development
	Development status	Development status and compatibility of proposed development in relation to surrounding developments
Resource Availability		
Criteria	Sub-Sector Criteria	Description
Financial and Human Resources	Land Acquisition	Availability of financial and human resources to acquire the identified land
	Land Maintenance	Availability of financial and human resources to maintain the acquired land
	Land Development	Availability of financial and human resources to develop the acquired land

For the rapid release of land for development, municipalities may decide on criteria such as land ownership i.e. state land, the availability of bulk services and access to employment is the primary filters to enable the rapid identification of land for development. Once the municipality has identified land, which meets these criteria it may then further investigate these land parcels to determine their suitability for the development of housing opportunities.

9. Community Participation

There are various methods and approaches for facilitating effective community participation in the upgrading processes. In all cases, the minimum level of participation should be that of regular meetings between the municipality and its professional team and the local community structure. Liaison only with the ward development committee and ward councilor is not regarded as sufficient as a 'gap' in information and communication invariably results. This does not mean that the ward councilor and ward development committee should not be involved in the process, just that they should not be the main and only point of contact and participation. In all cases facilitation must be undertaken by an experienced facilitator with extensive experience in working with poor communities and with a good general knowledge of housing, infrastructure and planning processes. This is not a task which should be undertaken by an inexperienced or junior professional or government official. Failure within the facilitation and participation process can threaten the success of a project and even lead to violent confrontation.

Additional methods relating to participation include the following:

- Participative community action plans which are multi sector and identify the most important issues and challenges facing residents;
- Socio-economic surveys to obtain more broad, quantitative household and settlement information;
- Focus groups (around specific identified issues) to obtain more qualitative information (useful in order to augment a socio-economic survey);
- Community enumeration as followed by social movements of the urban poor such as the Federation of the Urban Poor (FEDUP).