

# Briefing Document for the N2 Gateway Project

*A Joint Initiative of the National Department of Housing, the Western Cape Department of Housing and the City of Cape Town*

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## INTRODUCTION

The Department of Housing's renewed commitment to sustainable and integrated human settlement development translates into a broadened focus with greater emphasis to be placed on:

- Identifying and acquiring land for housing located in more central parts of cities and towns to achieve equity and integration;
- Directly addressing the needs of people living in informal settlements without adequate services and shelter, with their full participation in the development process through existing programmes (People's Housing Process);
- building medium density housing (usually in the form of walk-up flats) which could be managed by social housing institutions;
- ensuring that new neighbourhoods and existing settlement upgrades are planned for a range of social and commercial facilities (e.g. recreation, health, education, transport, markets);
- planning settlements to prevent urban sprawl and maximise environmental efficiency, and contribute to access for the poor through spatial restructuring, instead of contributing to their marginalisation through peripheral location;
- becoming more directly involved in interventions to ensure that the residential property market is functioning effectively and in a non-exclusionary manner for both rich and poor people. The creation of housing as both a usable and a saleable asset for households at the lower cost end of the market is essential; and
- ensuring that the housing sector is improved through the negotiated participation of the construction and financial sectors, and ongoing contributions of the parastatal housing institutions.

The housing programme will continue to deliver housing at scale and thereby seek to reduce the shortage of appropriate housing stock. The most visible evidence of the housing backlog is to be found in the informal settlements and slums located on the periphery of cities, towns and mining areas. Already in 2001 almost 1.4 million households lived in freestanding informal settlements and another 460,000 households lived in backyard shacks. Informal settlements are home to people with a range of housing and social circumstances, and therefore some households do not qualify for the housing subsidy because they may be better off, may not have legal permission/recognition to be settled in the country, or do not have dependents. The informal settlement upgrading programme will address the needs of whole communities together, distributing the benefits of secure tenure, services and shelter according to agreed principles. The informal settlement upgrading programme will start with a series of identified pilot projects in each Province.

The first project is of both a lead and pilot nature. It is a lead project within the overall informal settlements programme of the City of Cape Town; and, a pilot project to spearhead

the Department of Housing’s policy and programmatic re-orientations, with specific reference to the soon to be finalised Upgrading of Informal Settlements Programme. This project has been identified by government as a priority project, and the Interim Business Plan was approved by national Cabinet.

**SCOPE OF PROJECT**

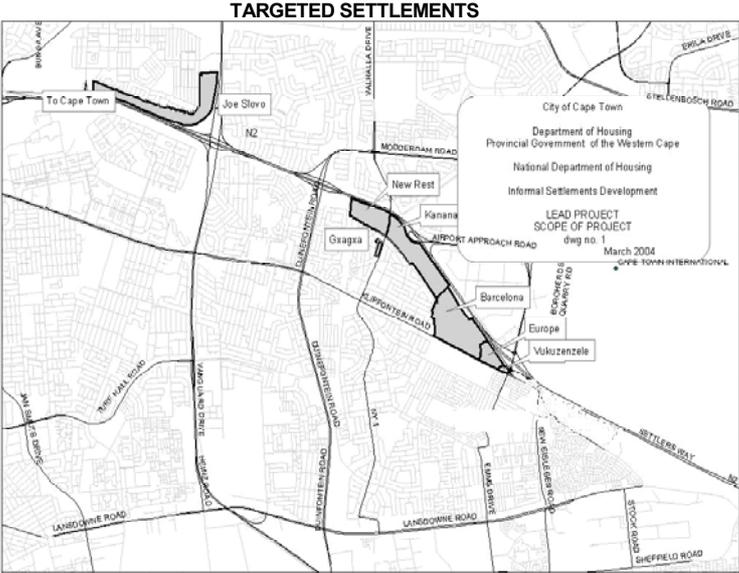
The project’s pilot status necessitates a scaled intervention and it is for this reason that it is geographically limited to the informal settlements bordering on the N2 between the Cape Town International Airport and the city centre; i.e. the area located adjacent to the N2 between the Bunga Avenue Interchange near Langa and the Borchards Quarry Interchange near Nyanga, which are known as Joe Slovo, New Rest, Kanana, Barcelona, and Europe/Vukuzenzele (see Map).

These areas have been prioritised for a variety of reasons, the main ones being the following:

- The households in the area suffer acute shelter and income poverty; their incomes are very depressed; education levels are extremely low; unemployment is three times higher than in the rest of the Western Cape; and, access to adequate water, sanitation and energy is poor but is slowly improving. These factors combine to create a socially toxic environment characterised by high levels of contact and social fabric crime (see Text Box).
- This project is also prioritised by the City of Cape Town and other spheres in light of its high visibility on the gateway corridor linking Cape Town International Airport with the City.

The project will be grounded in the principles of the City's Integrated Development Plan, and will specifically articulate the following programmes identified in the IDP:

- Informal settlement upgrade
- New subsidised housing
- Integrated neighbourhood interventions
- Community empowerment and development
- Job Creation
- Entrepreneurship development



**Demographic Profile of Targeted Settlements**  
(Census, 2001)

- The rate of unemployment is 57% (compared to 19.8% at city level)
- 85% of households earn incomes of less than R1600 (HSL) per month (compared to 33% at metro-wide level)
- 82% of residents do not have matric (60% at city level)
- Only 27% have access to electricity for lighting (88% at provincial level)
- Less than 3% have access to adequate sanitation (flush and chemical) (86% in Western Cape)
- Less than 3% have access to drinkable water (on site or in dwellings) (85% in Western Cape)
- Of the 13 000+ households which occupy the area – 97% live in inadequate forms of housing - which comprises approximately 7% of the inadequately housed households of the Western Cape

- Good governance
- Environmental management

The District 6 settlement process will also be linked to the N2 upgrade, as will the improvement of settlements in the Urban Renewal node of Khayelitsha.

## **NATURE OF INTERVENTION**

The planned project intervention is multi-pronged in that it consists of a combination of immediate improvement in the quality of people's lives through the provision of basic services to all citizens; upgrading and planning of sustainable and integrated settlements in areas suitable for human habitation so as not to disrupt/destroy the delicate socio-economic fabric underpinning the livelihood and coping strategies of the poor; and, the re-establishment of communities displaced by de-densification and those residing on unsuitable land to areas within and/or near the urban core thereby maximising their access to employment opportunities and social amenities. The programme has four phases.

- The first phase aims at delivering a basic level of services; i.e. water and sanitation on a shared basis, refuse removal, roads (to facilitate access for emergency vehicles), drainage and area lighting. The objective of this phase is to effect an immediate improvement in the lives of citizens with the view to minimising health and safety risks. The City of Cape Town is driving this through its Servicing of Informal Settlements Project (SISP).
- The subsequent phases entail incremental upgrading of services (to national minimum norms) and then to full services (compliant with normal township development standards) for those settlements located on land suitable for human habitation. Housing consolidation/top structure construction is the forth phase.
- For those households to be resettled to localities within and around the city, a similar process will be followed; i.e. movement from basic to full services and housing consolidation.

Successful implementation of the project will require the integrated contribution of all three spheres of government. An Intergovernmental Task Team comprising representatives of the City, the Provincial Department of Housing and the National Department of Housing has been meeting to build a framework within which the project will operate. This partnership is being extended to include other critically important Departments such as Land Affairs, Public Works, Social Development, Environmental Affairs and Tourism, Local and Provincial Government, Science and Technology, Public Enterprises, and Transport. Other partners identified include the Housing Institutions, various parastatals, national and international NGOs, civil society bodies and multilateral development organisations. The project will also draw on the expertise of project managers associated with both first and second generation urban reconstruction and renewal initiatives.

## **PROGRESS TO DATE**

- Incremental upgrading of services (through the City's SISP) to the target settlements is proceeding. To date there is approximately 85% to 90% basic service coverage in these settlements. In New Rest, full level of services has been achieved and alternative forms of tenure and housing options are under development with the community

- The generation of a Project Identification Report and Interim Business Plan, which defines the Scope of the Project, Deliverables and Milestones. The Interim Business Plan is being refined through the work of six Working Groups (housing typologies, community facilities, community participation, land, finance, economic development) that draws on expertise from within and outside the state, and is co-ordinated through the office of the Project Co-ordinator (local government) who takes guidance from the Intergovernmental Task Team. The deliberations of the Task Team were workshopped intensively with a range of stakeholders. The most recent workshop was held on the 23<sup>rd</sup> and 24<sup>th</sup> August in Cape Town where the Interim Business Plan was discussed amongst 80 delegates representing various government departments (national and provincial), housing support institutions, parastatals, NGOs, civil society bodies. The recommendations of the workshop are presently being written up and will be included in subsequent modifications of the Business Plan to be effected through planned City, Provincial and National workshops and consultations over the next two months. The final Business Plan is to be ready by the end of October and implementation of phases two to four is anticipated in November.
- A draft Memorandum of Understanding/Operational Agreement, setting out the objectives, intergovernmental roles and responsibilities and critical success factors has been prepared. Upon completion of the Business Plan, the Memorandum of Understanding/Operational Agreement will be reformatted into a Declaration/Interdepartmental Development Agreement that will serve as a binding commitment on national, provincial and city government to dedicate the necessary time, energy, human and financial resources to ensure the success of the project.