**introduction**

The Housing Development Agency ("HDA") is a national public development agency that promotes sustainable communities by making well located and appropriately planned land and buildings available for the development of human settlements. The Agency has developed and deployed an information system which includes municipal profiles for selected municipalities. The intent of this profile is to provide guidelines and advice to Provincial Department of Human Settlements as well as municipalities on efficient utilization of land and economic government infrastructure investments in support of integrated human settlements development.

**about the template**

The template was compiled for the Housing Development Agency using a number of different data sources. The 2011 Census information from StatsSA was used extensively to represent socio-economic information.

The financial profile data was extracted from the municipalities' most recent financial statements. The Integrated Development Plan (IDP), Housing Development Plan (MHDP) and Spatial Development Framework of each municipality also provided inputs into the municipal profile. Where possible, each source of information is quoted as part of the specific figure, table or chart.

The municipal profile is structured in the following sections:

- Section 1 provides background information on the municipality, including land use data;
- Section 2 deals with demographic information such as population growth and income;
- Section 3 provides an economic overview of the municipality;
- Section 4 investigates the financial status of the municipality;
- Section 5 gives headline data on the property market in the municipality;
- Section 6 looks at housing demand and historic delivery of RDP houses;
- Section 7 provides a snapshot of water, sanitation and electricity delivery;
- Section 8 deals with budget implications of servicing the housing backlog;
- Section 9 analyse the performance of the planning function at municipal level.

**about merafong**

Merafong City Local Municipality is located in the Gauteng Province, within the West Rand District Municipality. The municipality is almost 163 157 hectares in extent, of which 32% is developed.

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Section 1: Background
Merafong Local Municipality: Municipal Profile

### Land Cover Category

<table>
<thead>
<tr>
<th>Land Cover Category</th>
<th>Hectare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture - cultivated - dryland</td>
<td>41 404</td>
</tr>
<tr>
<td>Agriculture - commercial - irrigated</td>
<td>1 596</td>
</tr>
<tr>
<td>Forest and Woodland</td>
<td>496</td>
</tr>
<tr>
<td>Forest plantations</td>
<td>1 323</td>
</tr>
<tr>
<td>Improved grassland</td>
<td>47</td>
</tr>
<tr>
<td>Mines and quarries</td>
<td>6 447</td>
</tr>
<tr>
<td>Thicket and bushland</td>
<td>6 124</td>
</tr>
<tr>
<td>Unimproved grassland</td>
<td>102 041</td>
</tr>
<tr>
<td>Urban / built-up land : commercial</td>
<td>25</td>
</tr>
<tr>
<td>Urban / built-up land : industrial / transport</td>
<td>70</td>
</tr>
<tr>
<td>Urban / built-up land : residential</td>
<td>2367</td>
</tr>
<tr>
<td>Urban / built-up land : small holdings</td>
<td>476</td>
</tr>
<tr>
<td>Waterbodies</td>
<td>598</td>
</tr>
<tr>
<td>Wetlands</td>
<td>144</td>
</tr>
</tbody>
</table>

**Total Land Area**: 163 157

Source: Land Cover, Northwest Spatial Development Framework, 2006

Unimproved grassland is a major land use in Merafong (in terms of geographic area) with almost 62% of land in the municipal area consumed.

Mining, although a very important economic industry, consumes only about 4% of the surface area of Merafong. More than 62% of the municipality is currently vacant/undeveloped.

Merafong City has many informal settlements spread across its municipal boundary, however the bulk of the population reside in urban areas.
Merafong has a population of 197,520 people (StatsSA, 2011). Although the population density has decreased since 2007, it is still well below the metro average.

<table>
<thead>
<tr>
<th>Year</th>
<th>RSA Population</th>
<th>Population</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>40,583,573</td>
<td>209,798</td>
<td>0.52%</td>
</tr>
<tr>
<td>2001</td>
<td>44,819,778</td>
<td>210,483</td>
<td>0.47%</td>
</tr>
<tr>
<td>2011</td>
<td>51,770,560</td>
<td>197,520</td>
<td>0.39%</td>
</tr>
</tbody>
</table>

By 2020, the population of Merafong City Municipality is expected to be 172,186.

Randfontein has a LOW POPULATION DENSITY OF 3.1 people per hectare, largely due to 38% of the municipality not being developed.

People in Merafong City are relatively poor with almost 56% (of the economically active population) earning no income at all. There has been significant growth in the income bracket earning between R3500 and R12,800/month - a clear signal for rental or gap market housing options.
level of education

Highest level of education 2011

Source: Statistics South Africa 2011

gender distribution

Gender Distribution 1996 - 2011

The male gender constitutes approximately 55% of the total population. This trend can often be towns where the mining industry is predominantly male orientated.
Section 3: Economics

The dominant economic sector in Merafong is clearly Finance, which contributes to more than 27% of the GVA of the municipality. This industry employs more than 35% of Merafong’s people. All other economic sectors contribute less than 15% each of the GVA of Merafong.

In 2011, Merafong contributed to 3.77% of the National GVA. The R53 billion generated within the municipal boundaries in 2011 is approximately one third of that generated on average by the Metropolitan Municipalities in South Africa.

Economic Growth Rate

Comparison of Economic Growth Rates (2007 - 2011)

<table>
<thead>
<tr>
<th>Municipality</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merafong City Local Municipality</td>
<td>3.30%</td>
<td>-8.92%</td>
<td>-6.05%</td>
<td>8.70%</td>
<td>-3.77%</td>
</tr>
<tr>
<td>Metro Average</td>
<td>5.44%</td>
<td>3.43%</td>
<td>-1.35%</td>
<td>2.24%</td>
<td>2.65%</td>
</tr>
<tr>
<td>Gauteng GVA</td>
<td>6.13%</td>
<td>4.21%</td>
<td>-1.16%</td>
<td>3.19%</td>
<td>3.48%</td>
</tr>
</tbody>
</table>

Of the 8 metropolitan municipalities in South Africa, only City of Johannesburg and Ekurhuleni exhibit higher economic growth rates than Merafong City Local Municipality.

In 2011, the unemployment rate was: **12.60%**
Section 4: Financial Status of the municipality

### annual collection rate

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>72% of all billed revenue has been collected, the benchmark is 95%</td>
<td>The payment level of 72% resulted in a loss of R398 million in cash flow which could have been utilised in service delivery or in investment in capital. Future sustainability and growth is dependent on a collection rate of approximately 95% and a focused revenue collection strategy should be implemented.</td>
</tr>
</tbody>
</table>

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### own revenue to total operating revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Although 84% of the Municipality's revenue is internally generated, this has decreased from 88% during 2009, which indicates an increasing dependency on government grants to sustain operations.</td>
<td></td>
</tr>
</tbody>
</table>
### Asset Turnover

Service revenue to assets employed (asset turnover) measures whether there is sufficient investment in economic assets. The benchmark is **20%**.

The historic infrastructure base is sufficient to support the current service delivery demands.

The **downward trend** however indicates the need to invest in economic assets to ensure future generation of revenue.

### Budget Implementation

Indicates to what extent the Municipality is able to deliver on its planned budget. The target is 100%.

- **55% actual expenditure on capital budget**
- **95% actual expenditure on operational budget**
- **73% actual revenue realised**

The consistent realisation of revenue below the budgeted revenue over the past three years is indicative of unrealistic revenue projections.
Section 5: Property Market

Average land value (R/m²) per land use

Dwelling type & housing backlog

Housing delivery
Section 6: Water, sanitation & electricity

**Housing Delivery**

Access to Piped Water 2011

<table>
<thead>
<tr>
<th>Number of houses</th>
<th>Access to Piped Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>No access to piped (tap) water</td>
<td>10000</td>
</tr>
<tr>
<td>Roped (tap) water in community stand distance between 200m and 500m from dwelling institution</td>
<td>20000</td>
</tr>
<tr>
<td>Roped (tap) water in community stand distance less than 200m from dwelling institution</td>
<td>30000</td>
</tr>
<tr>
<td>Roped (tap) water inside dwelling institution</td>
<td>40000</td>
</tr>
</tbody>
</table>

% Access to Piped Water 2011

- Roped (tap) Water on Community Stand Distance Less Than 200m From Dwelling Institution
- Roped (tap) Water on Community Stand Distance 200m to 250m From Dwelling Institution
- Roped (tap) Water Inside Yard
- No Access to Piped (tap) Water

**Sanitation**

Merafong Local Municipality Municipal Profile. Developed by i@Consulting (Pty) Ltd on behalf of the Housing Development Agency - 2013.
Merafong Local Municipality: Municipal Profile

Access to Sanitation: 2011

Access to Electricity: 2011

% Access to Sanitation: 2011

% Access to Electricity: 2011
Section 7: Spatial development framework

The following map is an extract from the Spatial Development Framework of Rustenburg Municipality. The SDF identifies a number of proposed new residential areas, highlighted in yellow.
This map tests housing projects identified in the SDF in terms of how accessible these projects are to the CBD of the Municipality (essentially a test to see if proposals attempt a "compact city" design). From the map it is clear that the majority of projects would take longer than 25 minutes to access the CBD of Merafong City.
This map tests housing projects identified in the SDF in terms of how accessible these projects are to employment opportunities. Since mining is the major employer in the municipality, all active mines were used as origins. The map clearly indicates that a number of SDF residential proposals are located on the periphery of the municipality, more than 10 minutes away from employment opportunities.
The current housing backlog for Merafong City is approximately 14,217 units.
Summary

The purpose of this practises assessment for the municipality was to:

- audit planning capacity within the municipality, as it relates to:
  - land use management capacity;
  - spatial planning capacity;
  - audit the actual planning systems, tools and methodologies of the municipality;
  - long term development strategy;
  - spatial development frameworks;
  - integrated development plans;
  - land use management systems, land use schemes, zoning schemes or town planning schemes;
  - other policies and frameworks such as densification policies, nodal plans etc.;
  - audit the actual planning systems, tools and methodologies of the municipality;
  - processes used to compile and implement the plans listed in the previous point;
  - audit any software tools, systems and data used in the compilation of the above planning products or in support of planning governance.
This section investigates the legislative requirements of having an IDP, SDF and land use scheme in place. Though not legislated, it also includes a long term strategic plan (e.g. a growth and development strategy). On the whole it the planning scope of practices in the municipality can be seen as "competent". All the requirements of legislation are met.
The various planning tools and products at the disposal of a municipality are supported by various information systems. These systems can be relatively large and complex (e.g., an agent-based transport and land use modelling system) or relatively simple (such as an excel spreadsheet calculating the number of social facilities to be provided for different population scenarios). Information systems can thus be defined in this particular context as the means by which skilled municipal officials use software and information to support the process of spatial restructuring.
The organisational tactics, or rather the extent to which the organisation support the Planning function can at best be described as being in its "awareness" phase. It is largely left up to individuals to up skill themselves or to acquire necessary information required for personal growth. More interaction with planning role-players are required for the planning function to grow the municipality. This includes access to information and networking with planners at other municipalities or other spheres of government.
Human resources