

HOUSING & SETTLEMENTS INFRASTRUCTURE

in Southern Africa

CROWN
PUBLICATIONS

SA's LIVING STANDARDS ON THE RISE



WWW.CROWN.CO.ZA

R294 MILLION GREENVILLE GARDEN CITIES • GPF — PARTNER OF CHOICE

APRIL 2016

exclusive paints to get it done!

See our paint promotion in-store today and choose a colour, texture and finish.

*My home
My colour*



Our website has a NEW "coat of paint" visit us at www.builders.co.za

Modo colour palette*: Modo Coffs Harbour (P113-C3), Rosebud Pink (P068-W2) and Sailing (P132-C2)

For your nearest store call our Builders Customer Contact Centre on 0860 284 533 or visit us at www.builders.co.za

f @buildersfan

ig @buildersfan

tw @buildersfan

yt @buildersfan



HOUSING

in Southern Africa

CONTENTS

NEWS

- 2 Ed's Notes
- 4 Transfer Duty
- 4 Land Claimants
- 5 R42 million Valhalla Park Residential Project
- 6 South Africa's Living Standards on the Rise
- 7 Fee Guidelines – Price Fixing
- 8 SA Listed Property
- 9 New Langa Apartments Still to be Named

HOUSING

- 10 Residential Housing Market Still Attracts Investors
- 12 Buyers & Sellers Beware!
- 13 Cutting through Red Tape
- 14 Human Settlements White Paper
- 14 Urban Apartments
- 15 R1,5 billion Mixed Development in Clifton
- 16 Bardale Village
- 16 R294 million Greenville Garden Cities Project
- 17 Impact of Interest Rate Hike
- 18 Competition Commission

SPECIAL REPORT

- 19 Gauteng Partnership Fund — Meet the Team

ENERGY EFFICIENCY, GREEN BUILDING & IBTs

- 23 Energy Savings in Sectional Titles

BRICKS & PAVING

- 26 Winning Architectural Design

BUILDING SUPPLIES & EQUIPMENT

- 27 Seamless Concrete Flooring

INFRASTRUCTURE & MIXED USE

- 30 New Interchange in Kuils River
- 32 Africa – the New China



April 2016

HOUSING
in Southern Africa

ED'S NOTES

Provincial funder delivers on housing

Meet the team at the Gauteng Partnership Fund and be inspired by the enthusiasm and 'can-do' attitude that permeates the inner sanctum of the down-to-earth, practical CEO, Boni Muvevi and his entire professional team.

Established by the Gauteng Provincial Department of Human Settlements to leverage deals in the rental, affordable and social housing markets, the GPF has played a crucial role in funding new property developers and rolling out housing opportunities. With a target of 6 000 housing opportunities to roll out by 2019, the provincial funder aims to partner with a number of new stakeholders.

The recent adjustment of transfer duty rates will offer some relief to the lower end of the residential spectrum with exemption on property up to R750 000. The upper end of the residential sector saw an increase of 13% for properties over R2,25 million.

The Department of Rural Development and Land Reform announced that it has extended the deadline until 2019 for people who still wish to lodge claims. Government has received over 13 000 land claims, with 450 still to be processed. Four claimants recently received a windfall and shared compensation of R50 million. Shar Civils has been awarded the civil engineering contract for the Valhalla Park Housing Development. The project will provide 777 fully subsidised houses in Cape Town and beneficiaries will be based on the Housing Allocation Policy.

Despite the recent strikes, community uprisings and general dissatisfaction with service delivery in the country, the Institute of Race Relations reports that South Africa's living standards are on the rise. The number of households residing in formal housing increased from 5,8 million in 1996 to 12,4 million in 2014. The number of households using electricity for lighting improved from 5.2 million to 14,1 million in the same period.

Democratic Alliance Shadow Minister of Labour, Ian Ollis lashed out at government for its tardiness in failing to come to the rescue of Highveld Steel. There are so many programmes

as well as the Training Layoff Scheme that could have been accessed and assisted the 2 242 steel workers who were retrenched. The Department of Labour could have assisted Highveld Steel through other initiatives, such as the Productivity South African Fund, which has R229,1 million at its disposal to assist companies and turnaround businesses.

The recent application by the Council for the Built Environment for an exemption for fee guidelines was ruled by the South African Competition Commission to be regarded as price fixing and detrimental to consumers.

Nedbank's property finance guru, Ken Reynolds says that at face value the country's listed property sector appears to have lost some of its lustre. But says, Reynolds, when you dig deeper most funds are doing relatively well.

On that note we continue to highlight topics, stories and news on the residential sector.

Enjoy the read!



Carol Dalglish • Editor

THE TEAM

EDITOR

Carol Dalglish
housing@crowns.co.za

ADVERTISING

Brenda Grossmann
brendag@crowns.co.za

DESIGN

Colin Mazibuko

CIRCULATION

Karen Smith

PUBLISHER

Karen Grant

DIRECTOR

Jenny Warwick

PUBLISHED MONTHLY BY:

Crown Publications cc

Crown House

Corner Theunis and Sovereign
Streets, Bedford Gardens 2007

P.O. Box 140

Bedfordview 2008

Tel: (011) 622 4770

Fax: (011) 615 6108

email: housing@crowns.co.za

www.housinginsamagazine.co.za

PRINTED BY:

Tandym Print

All rights reserved. No part of this material may be reproduced, stored in a retrieval system or transmitted in any form or by any means, without prior permission from the publisher.

Disclaimer: Crown Publications cannot be held responsible for any errors or omissions whatsoever.



**AVERAGE CIRCULATION
(THIRD QUARTER 2015)
3725**



Messe München

Connecting Global Competence

Greater exposure. Guaranteed success.

Become an exhibitor at EXPO REAL 2016

> **Join our African Pavilion.**

Please contact Elaine Crewe:

elaine.crewe@mmi-southafrica.co.za



MMI South Africa, Elaine Crewe
Tel. +27 11 476 8093
elaine.crewe@mmi-southafrica.co.za

Building networks

19th International Trade Fair for Property and Investment

October 4-6, 2016 | Messe München

Find out more:
www.exporeal.net
www.blog.exporeal.net



**EXPO
REAL**

Building networks

Transfer duty

Adjustments to transfer duty on property in the 2016 national Budget are to impact only the upper end of the residential property market, says Jacques du Toit, Absa Home Loans, Property Analyst.

The rates and brackets for transfer duty on the sale of property from March 1, 2016 will remain unchanged on all property acquired up to a value of R2,25 million.

Brackets for transfer duty on properties of a value of between R2,25 million and R10 million and above R10 million were introduced.

The transfer duty rate on a property of above R10 million will be 13%, which will lead to an increase



in transfer duty payable on property transactions above this amount.

Due to government's tight fiscal position, no transfer duty relief was given at the lower end of the market, with the exemption threshold unchanged at R750 000.

The upper end of the market will have to pay more with regard

to this tax. The maximum value of a property exempted from transfer duty was fixed at R100 000 in 2002/03; R140 000 in 2003/04; R150 000 in 2004/05; R190 000 in 2005/06; R500 000 in 2006/07 to 2010/11; R600 000 in 2011/12 to 2014/15 and R750 000 in 2015/16, with this amount to remain unchanged in 2016/17. ■

Sinkhole workshop



The Department of Local Government and Human Settlements in Bokone Bophirima, through its Provincial Disaster Management Centre, held a workshop on how to raise awareness of sinkholes in the province. The workshops aim to assist municipalities on how to be more resilient when handling disasters.

As these disasters affect infrastructure, such as housing and transport routes, it is very important that developers, contractors and residents understand all the implications and measures that can be taken to minimise disasters. "It is imperative that a culture of risk avoidance is instilled in our people. It is important that leaking pipes are reported and that understanding safety drills can save lives," says Eldridge Kgaswane from the Council of Geoscience. ■



Land claimants

The Rural Development and Land Reform Deputy Minister, Mcebisi Skwatsha, handed over 32 title deeds to communities who lodged their land claims.

Four claimants were given financial compensation to the value of R50 million while five others received title deeds. All the claimants lodged their claims before the initial cut-of date in 1998.

Skwatsha said the restitution process might be slow but eventually all the claims will be attended to. He explained that the delays,

in some instances, were caused by some land owners who resisted selling their land.

According to the Department of Rural Development and Land Reform, since the process of land claims started in 1998, more than 13 000 claims received were from Gauteng. Of these, 450 have still to be processed.

Skwatsha reminded land claimants who still wished to lodge their claims to do so before the cut-of date in 2019. "We want to make sure that after this process, there is lasting peace," he said. ■

R42 million Valhalla Park project

The R42 million Valhalla Park Housing Project signals the City of Cape Town's commitment to this development despite land invasion attempts, which have stalled the progress of this project. Construction of the Valhalla Park Housing Development seeks to empower the city's most vulnerable families with 777 fully subsidised homes and will commence shortly.

The design and development process is being done in accordance with approved National Human Settlements Development and Engineering Standards by a professional project team, which comprises all relevant professional disciplines. All the necessary funding and planning approvals are in place.

The contract for construction of the civil engineering services was recently awarded to Shar Civils cc. The scope of work for this contract includes the construction of internal services for 777 sites and the

upgrading of existing services. The contract will employ local labour and sub-contractors. A democratically representative Project Steering Committee (PSC) is in place and consultants and City officials oversee the project to ensure effective implementation. The committee's role is to serve as the link between the project manager and the local community. It will consist of four sub councils, five chairpersons, ward councillors and elected community representatives and city officials.

"It is the start of a new life for our beneficiaries and bringing dreams to fruition as they become property owners, which can unlock economic opportunities," says Benedicta van Minnen, Mayoral Committee Member for Human Settlements. "With construction commencing soon, we are very excited to be contributing towards building better lives for vulnerable residents and we encourage communities to support

us in our efforts," says van Minnen.

Beneficiaries will be allocated from Valhalla Park as well as from other areas, in accordance with the Housing Allocation Policy. ■



Left to right: Duke Gumede, Benedicta van Minnen and Herman Steyn.



If they have building ambition, we will train them

The NHBRC's strategic focus is to build capacity in the homebuilding environment. This entails assisting homebuilders through training and inspections to achieve and maintain satisfactory homebuilding technical standards, as mandated by the Housing Consumer Protection Measures Act (Act No 95 of 1998). We've established the Eric Molobi Housing Innovation Hub in Soshanguve to provide homebuilding skills to emerging homebuilders.

To find out more visit www.nhbrc.org.za

Toll Free Number: 0800 200 824 / Fraud Hotline 0800 203 696 / Webpage: www.nhbrc.org.za / Tel: +27 11 317 0000



South Africa's living standards on the rise

The IRR report showed that on all possible measures of access to housing, electricity, clean water, and sanitation services, living conditions for South Africans improved in the last two decades:

- The number of households residing in formal dwellings increased from 5,8 million in 1996 to 12,4 million in 2014, or by 114%.
- Over the same period, the proportion of households living in formal dwellings increased from 64% to 79% while the proportion living in informal dwellings fell from 16% to 13%.
- The number of households using electricity for lighting increased from 5,2 million in 1996 to 14,1 million in 2014, or by 171%.
- Over the same period, the proportion of households using electricity

Living standards in South Africa have shown a remarkable degree of improvement over the past 20 years, according to the South Africa Survey 2016 released by the Institute of Race Relations this month.

- for lighting rose from 58% to 91%.
- The number of households with piped water increased from 7,2 million to 14 million, or by 94%.
- The number of households with access to flush or chemical lavatories increased from 4,6 million to 9,9 million, or by 118%.

IRR Analyst Kerwin Lebone said: "The data shows the relative success of the government's service delivery efforts. This is despite continuing backlogs, and the fact that in many cases the quality of services delivered should have been higher. On balance,

however, there can be no doubt that living standards are much higher in South Africa today than was the case in 1994."

He added that "another conclusion is that state-driven delivery efforts have probably gone as far as they can conceivably go.

Future improvements in living standards will be driven more by labour market access, new business development, increased private investment, and levels of economic growth than by the efforts of State planners" ■

2 242 jobless steel workers

Democratic Alliance Shadow Minister of Labour, Ian Ollis, has confirmed that Highveld Steel will be wound down by business rescuers, Matsun Associates, and all 2 242 workers retrenched. Ollis says that the Department of Labour failed to meet an agreement reached with Highveld Steel to assist in retraining and reskilling the workers through the Training Layoff Scheme in order to prevent the job losses. As a result of the department's inaction all 2 242 workers, many of whom are breadwinners, will be left out in the cold.

Ollis adds that the Minister of Labour, Mildred Oliphant should appear before the Portfolio Committee on Labour to account for her Department's failure to prevent the retrenchments. "In November, Highveld Steel, the

Department of Labour and the unions agreed to implement a Training Layoff Scheme as an alternative to retrenchments, to be funded by the Department. The Department failed to make payments to the scheme and Highveld Steel was forced to carry the cost itself – to a tune of R38 million."

The Training Layoff Scheme was established by the Department as an alternative to retrenchment for companies in distress. It is therefore unfathomable that the department failed to pay for the retraining of Highveld Steel workers given that the scheme has R3,3 billion available in its budget.

The department could have also assisted Highveld Steel through another of its initiatives, the Productivity South African Fund. Productivity SA,



with R229,1 million available, assists companies with providing skills in turnaround and business improvements.

"With 8.2 million South Africans without work, or discouraged to the point of no longer looking for work, we cannot afford a Labour Minister who does not take decisive action against job losses," concludes Ollis. ■

FEE GUIDELINES – PRICE FIXING

The South African Competition Commission recently ruled that the practice of using fee guidelines within the Built Environment Industry effectively results in price-fixing.

This follows an application, in 2014, by the Council for the Built Environment to have the practice of Fee Guidelines exempted from the Competition Act. But according to Simon Berry, Director, Fresh Projects, an online business platform for South African built environment professionals, the rejection of fee guidelines could potentially be a positive move for the local industry.

“South Africa is decades behind international markets in terms of its use of fee guidelines. A decision to move away from using them could be good news for the local industry, although it will probably take a decade to eradicate the practice,” says Berry.

The Competition Commission claims that the use of fee guidelines reduces price competition and could also result in prices within the built environment being set above the competitive level to the detriment of consumers.

“If we had followed international practice, we should have scrapped this approach a long time ago. There have been too many guessing games within the industry, with so many professionals relying too heavily on fee scales and not understanding the true cost of a project,” he says.

This results in a bidding frenzy on discount percentages and bidders who are not even aware of whether it will result in a profitable job.

A new approach, based on realistic budgeting, will ensure that projects are not only run more profitably, but the playing field will be level and more competitive. There are tools



available such as www.freshprojects.co.za that makes this task easy and cost effective.

“While the United Kingdom built environment was initially against the scrapping of fee guidelines, it has resulted in more meaningful client discussions on the value of engineering services.

This is a very positive outcome and South Africa can only hope for the same result,” concludes Berry. ■

QUALITY LIFE for good

Designed with the future in mind, Savanna City offers over **18 000 homes** access to a multitude of **schools, parks, clinics, shopping centres, churches and community centres.**

Our commitment in creating a **SUSTAINABLE CITY** for families and businesses building their legacies, is a reality made possible through our successful partnerships, engineering ingenuity and innovative building practices.

Solid ground for **starting your future** and **building it for good**

Savanna City

SAINTS_BRDSC_Generic_HSA

THIS DEVELOPMENT IS FUNDED BY



TEL: 010 010 5316
www.savannacity.co.za



SA LISTED PROPERTY

At face value, South Africa's listed property sector appears to have lost some of its lustre in recent months.

However, when one digs deeper into the performance of most of the assets underlying the companies and funds in the sector, they have been doing relatively well and continue to deliver on their promises to investors. That's according to Ken Reynolds, Gauteng Regional Executive for Property Finance at Nedbank Corporate and Investment Banking.

Reynolds contends that, while one cannot ignore the immensely challenging macroeconomic backdrop against which companies in the listed property sector are currently operating, there are still opportunities to maintain some momentum and growth.

"Rising interest rates are pushing up the cost of borrowing and making it increasingly difficult for listed property participants to do more business." He explains, "While concerns about the possibility of a downgrade of the SA economy to junk status by global rating agencies is certainly compounding the challenges facing the sector."

The knock-on effect of these economic challenges has materialised primarily as share price deteriorations, making it difficult for undervalued

companies to raise capital and is exerting downward pressure on their overall growth opportunities.

However, Reynolds points out that it's not all doom and gloom for listed property. "Locally, the opportunity still exists for smart players to either acquire or develop quality assets at reasonable prices, or to embark in corporate activity in order to strengthen their positions." He furthermore suggests prospects particularly for those companies that are willing and able, to diversify internationally.

He explains, "For a number of sector participants, expansion into Africa is presenting a real opportunity to maintain that all-important growth momentum." Reynolds offers a word of caution for listed property companies seeking prospects internationally though.

"Successful global property diversification requires a wider view than just the property being targeted," he explains, "and companies or funds considering offshore markets need to fully understand the economic fundamentals and drivers of the countries in which they are considering investing."

On the subject of whether delisting is a viable option for struggling listed



Ken Reynolds

property entities, Reynolds says that this course of action may have some merit. "For listed entities that are already highly geared and are struggling to raise capital, delisting may be a viable approach," he explains, "however, this will only be the case if such delisting presents a real opportunity for the business to attract a strong backer and achieve better gearing."

Irrespective of the approach taken, Reynolds emphasises that participants in SA's listed property sector cannot afford to simply tread water. "Stagnation is not an option, and it is vital that participants in the sector quickly develop strategies that allow them to achieve some growth going forward," he concludes, "that's the only way the sector will successfully weather the current economic storms and still enjoy its historical position of market strength when the SA economy gets back on a solid footing." ■

NEW LANGA APARTMENTS STILL TO BE NAMED

The rental units were recently built on the corner of Bhunga Avenue and Ndabeni Street in Langa, as part of the City's hostel transformation programme.

The development consists of 18 individual residential units, collectively forming the complex. Part of this redress project is to identify suitable names for the new complex and rental units, in consultation with the broader community of Langa.

"The naming of the units is an ideal opportunity to commemorate the people and events that influenced the character and culture of Langa. The naming process is also part of our efforts to build an inclusive city where all of us feel welcome, have a stake in the future, and enjoy a sense of belonging," said the Chairperson of the City's Naming Committee, Brett Herron.

Last year a steering committee, in consultation with the local community, identified 19 names during a series of community meetings that took place in Langa. A public participation process followed in August 2015 with a total of 111 residents commenting on the names that were proposed.

The Naming Committee has recommended the following names to the Executive Mayor for approval:

- Hamilton Naki Square – in honour of the late Hamilton Naki who stayed in a hostel at Special Quarters. He was part of Dr Christiaan Barnard's team during the first human heart transplant at the Groote Schuur Hospital in 1967. Despite his limited formal education he was posthumously awarded an honorary doctorate by the University of Cape Town for his role in the heart transplant team.
- Elangeni – 'place of sun'
- Khayaletu – 'our home'
- Masihlanganeni – 'let us be together'.
- Ruth Vimbela – the late Ruth Vimbela stayed in Special Quarters and distinguished herself as a local entrepreneur. She was the only female shoemaker at the time.
- New Hope;
- Ukhozi – 'eagle'
- Zamokuhle – 'try something good'
- Willard Nodlela – the late Willard Nodlela was a well-known trade unionist. He supported for the repeal of the influx control measures so that hostel residents could stay

The City of Cape Town's Naming Committee has recommended a list of names for the newly built community residential apartments and complex in Langa to Executive Mayor, Patricia de Lille, for approval.



with their families. He also advocated for the general improvement of hostel living conditions.

- Siphso Gxabeka – the late Siphso Gxabeka was a community activist who distinguished himself by uniting the residents in order for their views to be heard by the authorities.
- Ekuhleni – 'place of good things'
- Ekuphumleni – 'resting place'
- Nkonjane – 'swallow'
- Sinqobile – 'we are victorious'
- Enkululekweni – 'place of freedom'
- Ntsikelelo Sneke – the late Ntsikelelo Sneke was a Special Quarters resident and community activist who is honoured for his role in

promoting hygienic conditions in the area

- Sonwabile – 'we are happy'
- Simunye – 'we are one'
- Price Siqwana – the late Price Siqwana community leader and activist advocated the provision of electricity.

If the Executive Mayor supports these names, they will be recommended to Council for a final decision.

Herron said, "The naming of public spaces, residential units and roads, among others, is pivotal in building a shared community across different cultural, social and economic groups." ■

RESIDENTIAL HOUSING MARKET



Shaun Rademeyer

The South African residential housing market will continue to remain attractive to investors, despite the challenges posed by a toughening and uncertain economic environment.



STILL ATTRACTS INVESTORS

Shaun Rademeyer, CEO of Betterlife, South Africa's largest mortgage originator, points out a number of encouraging factors at variance with other current industry perspective.

"Despite a number of bleak predictions for both the economy and the residential property market for the year ahead and the somewhat unconvincing plans set out by President Zuma in his recent State of the Nation Address, savvy investors can look to capitalise on the very real opportunities that current market conditions present."

Rademeyer says that it is often in a challenging business environment, or when stock markets are under threat, that residential property demand flourishes.

Both in buoyant times and through recessions, property investment has proven a sound decision for homebuyers and investors he comments. "In fact, as a catalyst for wealth creation, it's still hard to beat!" The key is to exercise patience and a long-term view."

likely to slow, and remain in single digit territory, the fact is that it will still grow!

"In 2015 it was still a fairly aggressive market, where decisions needed

'We believe the market will remain stable for bond approvals in 2016, however consumers will need to understand that the affordability of the home loan in 2016 will be different to 2015.'

to be made quickly, but with the market tipped to 'take a breather' in 2016, this should put less pressure on purchase decision-making and give buyers increased confidence in the property process."

Whilst economists continue to advise South Africans to diversify and take their investments offshore, in reality, few people have the capital necessary to be able to make solid investments both outside of property and outside of our borders. The currency is simply too weak for

number of buyers.

"Most home buyers factor in that interest rates will increase in 2016 and, as such, the impact of these increases may have a marginal effect on buying

trends," he says.

"We believe the market will remain stable for bond approvals in 2016, however consumers will need to understand that the affordability of the home loan in 2016 will be different to 2015. A downgrade by rating

agencies would make capital funding for the banks more expensive and impact the affordability guidelines for consumers," he says.

"Ultimately, we anticipate that more buyers will purchase within their affordability constraints and at lower levels, and that banks will drive buyers to put down larger deposits. Banks will be watching the consumer affordability position very carefully and will tailor their lending approaches, both in terms of the homebuyer and the property itself, to contain risk," adds Rademeyer.

With buyers continuing to prioritise security in South Africa, industry experts collectively agree that the demand for secure estate living is a trend that's not going away.

The growing need for smaller residential and sectional title units is real – and these homes are also likely to continue to see better than average price growth.

He says that location will always dictate investment and certain pockets of residential property will continue to show growth well in excess of inflation.

"First-time buyers are continuing to add impetus to the market," says Rademeyer, with Betterlife

recently reporting that nearly 46% of applications for home loans comprise first-time buyers. Overall, home loan approval rates for 2015 sit at 59,95%, compared to 58,95% in 2003. The road ahead for SA real estate over the coming year may indeed have its twists and turns but ultimately it should prove a fairly smooth ride, with relatively few pot-holes for most, he concludes. ■



The fact remains that the country's housing shortage will continue into 2016 he says, with demand particularly in the larger metropolitan areas outstripping supply.

"Ultimately, there are still more buyers in the market than sellers," he says, "and a shift from the strong sellers' market that we have experienced in past years to a more balanced market. Whilst the pace of growth is

many to move wealth offshore, it's too expensive for the average family to emigrate and there are few opportunities better than property to guarantee a return on investment comments Rademeyer.

Affordability will be a key theme for the year. The impact of a weakened economy, along with rising interest rate will drive a search for affordability amongst an increasing



Buyers and sellers beware!

The recent ruling by the Supreme Court of Appeal states that new owners can be held liable for the previous owner's outstanding utilities, rates and taxes, going back 30 years.

This comes as a blow to the property market, according to Bruce Swain, Managing Director of Leapfrog Property Group. "Currently the Local Government Municipal Systems Act states that a seller of a property is responsible for all debt incurred over the previous two years, which must be settled in order to obtain a rates clearance certificate, before the property can be transferred to a new owner."

The latest judgement by the Supreme Court would seem to uphold this stipulation, but extends the period for which an owner/seller can be held liable for historic debt.

"While this judgement will almost certainly be challenged in the Constitutional Court, it has certain far reaching and immediate ramifications for buyers, sellers and lenders. If our municipalities were all known for their efficiency and accurate accounting, this ruling wouldn't present much of a problem. Unfortunately there are numerous stories indicating that local municipalities often make accounting mistakes and have questionable record keeping," said Swain. This means that sellers could believe

themselves to be in the clear but suddenly get saddled with unexpected debts when trying to sell. On the other hand, buyers could take ownership of their new home only to be told that they're liable for the previous owner's unsettled debt.

This will make banks more cautious as the ruling allows municipalities to sell the property in question if the debt isn't paid. The municipality is then allowed to claim from the proceeds of the sale first. Depending on the outstanding amount, this could mean that the lending bank doesn't recoup all of its money.

"There is no question that buyers, sellers and lenders will have to do their research very carefully before engaging in a property transaction as a rates clearance certificate isn't necessarily a guarantee that all debts are settled," explains Swain. While the judgement will hopefully make its way to the Constitutional Court, attorneys Oosthuizen & Co Meyer de Waal offer advice on how both buyers and sellers could try to protect themselves:

- Buyers can ask for a clause to be included in the sales agreement

in which the seller agrees to undertake all debts on the property. The agreement could also include the proviso that the buyer has the right to claim damages from the seller, should the buyer be faced with a claim at a later stage.

- Sellers on the other hand could protect themselves under the Voetstoots clause which frees them from any liability related to the property.

According to the law firm, another option would also be for sellers to take out insurance in order to indemnify themselves from municipal debt claims.

The long and the short of the current situation is that all parties involved in a property transaction will need to do their due diligence to ensure that there is no outstanding municipal debt on the property. "Clauses can be included in the sales agreement but essentially, this judgement makes no sense and will hopefully be overturned before it causes further chaos in an already delicate market," says Swain. ■

Cutting through red tape

Government has provided guidelines to reduce red tape to various municipalities in a bid to make it easier for small businesses to succeed.

Gugile Nkwinti, Minister of Rural Government and Land Reform said: "The roll out of red tape reduction guidelines will be implemented in 30 municipalities. The department has secured a partnership with the International Labour Organisation to monitor the implementation of municipal red tape reduction guidelines. Four municipalities in the Free State and KwaZulu-Natal have been identified and are being used in the pilot roll out."

Addressing the Economic Sectors, Employment and Infrastructure Development cluster media briefing Nkwinti added that the Guidelines for the Reduction of Municipal Red Tape are aimed at improving the survival

rate of small business and contributing to the levelling of the business playing field. The guidelines serve as a practical implementation framework to reduce local government or municipal red tape in support of SMMEs.

"Some rules, regulations and bureaucratic procedures are excessively complex and impose unnecessary delays, inaction and costs that exceed their benefits. The guidelines will provide municipalities and businesses with practical tools and resources to address these issues, which have the potential to improve the business environment for small businesses," said Nkwinti.



Further support to women owned SMME enterprises include incentives, incubation and business support to ensure that the sector thrives. This also includes the Cooperatives Incentive Scheme, which the Minister said was making an impact. Over 136 cooperatives have received management training, governance and bookkeeping. In addition 14 cooperatives and SMMEs received funding and market opportunities, with funding approval for more than 93 cooperatives still to be rolled out. ■



Where ever you are, the NHBRC is a few clicks away

For your convenience, the NHBRC is active on Twitter and Facebook. If you follow us or like our page – you will receive tips on building or buying a new home, verify if your home builder is registered, and get regular updates on current NHBRC projects. Who knows, this could save you a lot of time.

To find out more visit www.nhbrc.org.za

Toll Free Number: 0800 200 824 / Fraud Hotline 0800 203 698 / Webpage: www.nhbrc.org.za / Tel: +27 11 317 0000



Urban apartments

The recent Blok build has a strong focus on compact urban living, with space maximised throughout the apartment building's design, both inside and out, and a communal feel that will encourage neighbourly interaction.

The eco-friendly focus of the Blok team is evident in the green construction methods and materials used. This ethos extends right into mobility with the installation of electric vehicle charging stations to encourage more people to drive less, or at the least drive electric. The building is angled at 45 degrees, thus ensuring that the north and west sun's rays equally benefit all apartments to maximise light and warmth for all residents.

The newest addition to the ever expanding Blok property portfolio is Nineons, 23 apartments, located between Somerset and High Level Roads in Green Point, Cape Town.

The building's vertical fins (a prominent design feature) offers privacy to each unit and a strong architectural aesthetic. This perfect storm of design features; from the liberal use of glass to maximise the incredible light quality and views, to the modified angle of the building that allows for an open frontal facade whilst still maintaining privacy behind and has resulted in a building with a strong and interesting aesthetic depending on the angle from which it is viewed. "We have found Green Point's

community incredibly open to the ethos of shared spaces and working together for the good of the greater neighbourhood, and used this when conceptualising the NINEONS design. With the theme of the building strongly on compact living and the overwhelming demand for urban apartments in this area, it was imperative that we deliver an excellent product while utilising compact design and duality in order to accommodate more people," says Jacques van Embden, Managing Director of Blok. ■

Human Settlements White Paper

The North West Department of Local Government and Human Settlements says it is optimistic that the White Paper on Human Settlements will help to improve its provision of integrated human settlements in the province.

The department recently held a two-day policy consultative workshop, which will contribute towards the creation of the Human Settlements Act.

The objective of the provincial workshop is to reach consensus on the human settlements policy and

legislative proposals, determine what requires improvement and develop new proposals where necessary.

The workshop was attended by the national department, sector departments and local municipalities. Other targeted structures for consultation include government agencies, non-governmental organisations, the private sector, academia, civil society and professional bodies.

Investigations, research, reviews and evaluations on human settlements policy and programmes have identified numerous shortcomings in

policy and programme implementation. This includes the challenges identified with the high cost of well-located land for human settlements development; and escalating costs of government's developments as well as the poor quality of construction and lack of civil society involvement.

It is necessary says Magwetyana to address dolomitic areas, rural areas and economic sustainability in the mining belt, bulk infrastructure and the role of municipalities.

The Human Settlements Act is envisaged to come into effect in 2017. ■

R1,5 BILLION MIXED DEVELOPMENT IN CLIFTON

The City of Cape Town has invited tenderers to participate in the purchase and lease of portions of three City-owned erven in the Clifton and Camps Bay area.

The tender specifications have been developed as a direct result of an in-depth public participation exercise which the City of Cape Town undertook last year. “In particular, we have paid attention to the public calls for the protection of Maiden’s Cove, the upgrade of public infrastructure, and for social housing,” said Deputy Executive Mayor, Ian Neilson.

The tender is built on a large-scale public infrastructure investment drive and an obligatory investment by the private sector in return for the development opportunities on offer, an estimated R190 million for the upgrade of existing public spaces and facilities in the area.

In response to the public request for social housing and improved community integration, 10% of the financial offer of the sale/lease proceeds by the successful tenderer will be earmarked for future City-developed, social housing projects. These sites still have to be determined.

The city will spend approximately R55 million to expand Maiden’s Cove picnic area and to develop under-utilised public assets between Clifton and Camps Bay, similar to Green Point’s Urban Park.

“We envisage that ‘Maiden’s Cove Urban Park’ will be transformed to three times its current size to an inclusive, environmentally protected, safe and accessible place for all Capetonians,” says Neilson.

It has been estimated that R30 million will be required for a proposed safe and well-lit boardwalk

between Clifton Beach, Maiden’s Cove, Glen Beach and Camps Bay Beach. This will extend the pedestrian network on the Atlantic seaboard.

The design also requires that the successful tenderer undertakes an upgrade and renewal of transport and non-motorised transport infrastructure along Victoria Road at a cost of R25,5 million. A further R23 million will be required for the establishment of the Bantry Point Caves boardwalk to enhance public access in this rocky area.

The proposed upgrade of The Glenn forest trail and a walkway along Kloof Road from Victoria Road to Kloof Nek will cost R18 million. It is also foreseen that the existing aged steps leading from Victoria Road down to the beaches at Clifton and Glen Beach require an upgrade to the tune of an estimated R2,5 million.

The Glen Country Club and its facilities will be redeveloped as part of the overall development. City approval will be required for all of the detailed plans, budgets and construction programmes undertaken with regard to the proposed upgrades. Tender development opportunities includes two single residential parcels of land for the development for 52 Clifton dwellings.

The other development opportunities comprise the lease and development of a hotel or apartment site (3 500 m² of bulk); a commercial component of 5 000 m² of bulk (restaurants and retail), and a mixed-use compo-



nent (offices/studios/apartments) of 2 250 m² and parking for approximately 700 vehicles. This property lends itself to development opportunities without negatively affecting the scenic viewpoints towards the coast and the mountain as it comprises various terraces that are below the level of Victoria Road.

Importantly, these specific commercial development opportunities will be based on a 50-year leasehold which means that the enhanced and developed asset will revert back to the city. The site is approximately 16 ha in size and it is foreseen that only about 5 ha will be developed. The value of the development is anticipated to exceed R1,5 billion.

Upon completion of the competitive bid process, further public participation will be undertaken as a Heritage Impact Assessment, land use and rezoning application and an Environmental Impact Assessment will be triggered.

Neilson says, “This tender is a great example of how we are trying to leverage city-owned assets to unlock investment and economic opportunities. ■



Bardale Village

Bardale Village, a residential development in Cape Town, has rolled out 939 housing opportunities in phase one and two and a further 459 housing opportunities will roll out in phase three.

Integrated Housing Development has developed Bardale Village and is recognised as a pioneer of affordable, middle-income housing.

The civills for phase three, named De Hoop village will offer 182 free-standing houses, 196 townhouses and apartments. Two bedroom, one bathroom apartments cost R615 000, while the three bedroom, two and half bathroom units cost R830 000.

Townhouses and apartments range in size from 50 m² to 100 m².

The exterior design for phase three includes white plastered walls and charcoal roof tiles. The exterior trim is light grey and all windows and doors are anodised aluminium. The design of the free standing homes include a small garden, driveway and garage.



Bardale Village is located close to major highways, amenities and transport nodes. With primary and high schools adjacent to the estate and a fully operational crèche within the development, the village has a lot to offer first time buyers and property investors.

Local retail centres include the Zevenwacht Shopping Centre and Blue Downs Mall. There are sports facilities nearby and places of worship. The estate is located approximately 20 minutes from the Cape Town Central Business District (CBD). It is also in close proximity to Bellville, Somerset West and Stellenbosch.

IHD is primarily the developer of the very successful Bardale Village. The company is regarded as one of the pioneers in the South African affordable middle income housing market. IHD is committed to offering reasonably priced opportunities to a wide variety of buyers – from first time homeowners to property investors and everyone in-between.

Established by a German consortium in 2001, IHD offers buyers' assistance to evaluate affordability on their website by checking the required household income needed to qualify for bonds and potential bond repayments. ■

R294 m Greenville Garden Cities

The City of Cape Town, the Western Cape Government, and Garden Cities, a property management company, recently handed over the first completed units of a new catalytic human settlement project.

The R294 million public and private sector partnership for the Fisantekraal area, near Durbanville, comprises 868 fully subsidised housing units and has been earmarked for completion by the end of 2017.

According to the city's Mayoral Committee Member for Human Settlements, Benedicta van Minnen, "A truly integrated, sustainable human settlement is being constructed, with all social, economic and transport amenities. This project is an example of how the city wishes to manage its residential developments going forward, by locating future residential areas for all income groups in relation to economic and work opportunities." She explains that there is an acute housing shortage, coupled with the highest urbanisa-



tion rate in the country, the city needs to bring in private and civic parties to drive large-scale human settlements developments. "A situation where government alone is the key driver of subsidised housing opportunities is simply unsustainable," says van Minnen. "We are moving towards a new delivery model. The Greenville Garden Cities development is in line

with our densification policy and our transport-oriented development and integrated human settlements frameworks," says van Minnen. The City and the Western Cape Government are the funders of the infrastructure and top structures and have also provided the planning, design and implementation input, standards and specifications. ■



GPF – Partner of Choice

Established to finance affordable housing and leverage funding from the private sector, the GPF provides concessionary funding and partners with finance institutions, stakeholders and property developers to roll out housing opportunities across the residential spectrum.

The provincial entity is headed up by CEO Boni Muvevi, who says there is no doubt that there is growing demand for rental and affordable housing and in certain areas demand outstrips supply. The returns in this segment of the market are much higher than the commercial market.

His down-to-earth, practical approach starts with good governance, guidelines and sustainability. The GPF embodies a culture of upliftment and providing opportunities for growth within the company while fulfilling its mandate. A focus on skills development has led to negligible staff turnover. Muvevi believes in making people care about the work and this has certainly paid off.

Over the years, the GPF has received many accolades for flagship projects that continue to shine and serve the rental market. Many of the inner city residential developers who partnered with GPF in the early years are now well established market players.

In the past three or four years, the GPF has focused on developing new BEE property entrepreneurs, a programme that has steadily grown and reaped rewards. The establishment of the Entrepreneur Empowerment Property Fund (EPPF) aimed

Gauteng Partnership Fund's executive team is filled with passionate people, all of whom have the credentials, drive and ambition to deliver housing opportunities on behalf of the Gauteng Department of Human Settlements.

at entry level black owned property companies started with 11 housing projects now there are 94, with more in the pipeline.

Muvevi says the GPF has been on a big capital raising drive in the capital markets; this includes senior debt and concessionary funding. GPF is also in the process of setting up an equity fund. "We are quite aggressive as we were set up to provide solutions to funding challenges for Gauteng, and took a decision to look for strategic partners in the housing sector."

"We are able to manage funding from any investor, donor, concessionary debt and we can redirect it to appropriate projects. This is the key competence we are able to bring to the fore to ensure that a project goes through a proper investment process, informed by our governance structure, due diligence, investment committee and board of trustees, as well as government structures that allow us to maintain proper control in terms of finance disciplines," says Muvevi.

GPF takes great pride in having continuously achieved clean audits in the past ten years. Says Muvevi, "This is key for organisations in the financial industry and in managing



Boni Muvevi

other institution's money. We demonstrate this ability in terms of quality projects and appropriate returns for our investors. With bad debt at 0,2% in this challenging environment, the repayment risks are much lower than what people perceive."

Ensuring that investors and development finance institutions can

Continued >>>



Gauteng Partnership Fund (GPF) Chief Financial Officer, Komathie Govender, the astute and seasoned professional who has been tasked with overseeing finance, also chairs the internal investment advisory committee to monitor and evaluate projects.

Komathie Govender

A former member of the Auditor General's office, Govender has administered the funds of the GPF for the past nine years, ensuring that it complies with regulatory provisions, financial disciplines of control and good governance in the execution of its mandate.

With a target of 1 200 housing units across the residential spectrum, the provincial funder has raised over R600 million in senior funding from the market for most of its projects.

Govender says that the organisation was set up and organised by the Gauteng Department of Human Settlements to promote, secure and optimise investment in the social, rental and affordable housing market. "We pride ourselves on being an entity of government that is completely focused on delivery and,

in that delivery, we implement our mandate in the most efficient manner, as well as our comprehensive policies, ISO accreditation and our internal control structures."

She quips that she is a bean counter, likes things to be perfect and runs a clean administration. "We have various products that have developed over the years in order to meet market needs. One product is the emerging Entrepreneur Empowerment Property Fund, aimed at new entrants in the market."

The internal investment advisory committee monitors and evaluates projects. During construction and post construction, the entrepreneur will ultimately have to repay the funds. If the entrepreneur experiences some difficulties, the GPF will assist. "There are a number of actions



GPF – Partner of Choice

Continued >>>

safely invest in GPF's capabilities, good governance, compliance and ingenuity, Muvevi continues, "One of the things we did was to build a team that is competent, so we have the discipline and process that allows us to perform our service delivery mandate."

For every unit that is vacated in the City of Johannesburg there is a waiting list. Of course investment is not only about demand, says Muvevi. The GPF also considers location. "The right location makes it easier for tenants to access schools, crèches, shopping centres and transport nodes."

GPF's target market is those with a household income of up to R18 000 for the rental and affordable housing markets. Social housing institutions

provide housing for income earners who earn between R3 500 and R7 500 per month.

The demand for housing continues to escalate and with the Minister of Human Settlements, Lindiwe Sisulu, announcing the roll out of a number of Catalytic Projects and mega projects, the GPF is positioned as a key player within the province. "One mega project may require at least R6 billion funding and we believe we are an institution that can fund solutions. It is a discussion we are keen on having and are eager to get involved in the challenge," says Muvevi.

He cites the example of the EEPF: "At the time of the entrepreneurs fund's inception, it was difficult to get funding partners on board but

we took the decision to implement the project. "We aimed to have 100 companies in the EEPF, even though commercial banks did not have the appetite. We know this is an area in which we have to intervene to change the property landscape and demographics. We partnered with the DTI and are now one of the best performing incubation entities." Property entrepreneurs are nurtured, coaxed, supported and supervised from the first baby steps to full growth.

Muvevi concludes with the observation that in the United States many landlords who own small apartment blocks have contributed much to the residential market. "Imagine," he says, "What 5 000 small developers could contribute!" ■

that can be taken and we do have an in-house corporate attorney to exhaust all steps to recover funds. We do not normally write off a bad debt," says Govender.

The GPF's internal investment advisory committee will look at the feasibility of a project. Govender says, "We will also look at capabilities. We want people with 'skin in the game' and who are committed." After all, public funds are being used. Even with the province topping up funding for the GPF; over the past few years, the allocation has diminished. She says, "We cannot rely on government each year for funding and are looking to change our business model in order to secure more funding in the affordable housing sector." Currently, the GPF operates as a Trust and is prohibited from sourcing funding from international



DFIs and other institutions. A shift from being a Trust to a state business would open up the financial doors and swell the funding coffers to roll out far more housing. (A Trust is a separate legal entity, but not a legal *persona* or a juristic person *per se* and overseas funders want to know they are transacting with a legal person.)

As CFO, Govender says that her role at the GPF is to ensure that the funding is used in a responsible, efficient manner and to ensure that all the regulatory provisions are met in order to execute its mandate.

The GPF is a brand that understands the devil is in the detail and likes to get everything right! ■

Kuzwayo hit the ground running when she joined GPF as a Legal, Compliance and Risk Executive to transform the Fund's legal and compliance function. She has instilled a process to manage legal risk while ensuring all agreements and policies approved comply with the relevant applicable legislation.

Even though she is not directly involved in funding, every project and allocation of funds involves drafting of agreements. Kuzwayo wears many hats apart from her role as Company Secretary and providing legal support to the GPF Board, she also oversees Legal, Compliance and Risk.

In her three years at GPF she has established GPF's legal and compliance department. Kuzwayo explains, "GPF is in the business of lending money and whether it is loan agreements, mortgage bonds, cession agreements or the like, we need security in place in case someone defaults." However, she further explains, "We do not ask for personal surety

Adding fresh vigour to the Gauteng Partnership Fund is Thandi Kuzwayo, Head of Legal, Compliance and Risk. This newest member of the executive team has an impressive track record of handling legal disputes at one of the country's biggest commercial banks.



Thandi Kuzwayo

(where the individual is personally liable) but will take appropriate action against the entity who received the loan in the event of a default."

Her role is to ensure that whatever is put in place by the GPF is legally binding and enforceable in line with its current corporate form and that the GPF does not breach any legislation.

At the moment, the organisation aims to change its current cooperative form. "My role," says Kuzwayo, "is to find workable solutions to pressing problems and to be creative in the way that we do business in order to achieve our goals. I see myself as a catalyst to improving systems, minimising red tape but always ensuring that GPF is fully and legally protected."

One of those goals is to change the current corporate form from a trust to a provincial public company to ensure sustainability. Approvals from both the founder and treasury are required to deregister as a trust and then register as a company. New rules then apply and the trustees can be appointed as directors in terms of

the Companies Act. It's an entirely different ball game but should be a smooth transition.

She enthuses about the GPF saying that the clean audits they have achieved are a reflection of the executive leadership, who know what they are doing and are trustworthy. Surrounded by competent professionals, she says, "Playing a role in society, providing people with opportunities and putting a roof over people's heads is making a difference. We provide funding to people who would not find funding anywhere else. It was my passion to be involved in making a contribution to a social sector I come from and understand intimately. This was the reason why, after a decade of service, I left a leading and personally fulfilling role with a household banking entity to join GPF." Kuzwayo acknowledges all the people who have contributed to her journey up the ladder saying, "The GPF helps people to become business people and that's what it's about - making dreams come true."

She concludes, "If I did not work here - I would be a client of GPF." ■





Vinolia Mashiane, Chief Investment Officer at the Gauteng Partnership Fund (GPF), loves sharing her expertise and knowledge. Mashiane oversees the Entrepreneur Empowerment Property Fund (EPPF) for entrepreneurs who have a passion for the property sector and the drive and ambition to succeed.

Vinolia Mashiane

The EPPF is for HDI (Historically Disadvantaged Individuals) companies. It is an incubator programme designed to promote participation of HDI companies in the affordable rental property market. Through a public proposal call and selection process, GPF has identified 94 companies as participants on the programme.

The GPF's six-year-old EPPF programme nurtures entrepreneurs from the initial stages of property development to full growth. The premise is that the EPPF will offer support from acquisition of the building through to monitoring and evaluation of the completed project.

In order to ensure the success of the EPPF programme, GPF has established a Mentorship programme. The Mentorship programme forms part of the EPPF capacity support for participants to ensure successful HDI development and project performance. "Since the EPPF is aimed

at new entrants in the property market with minimal balance sheet, a support programme to mitigate performance risk is paramount," says Mashiane. The objective is to empower HDI companies through a transfer of skills thus granting access to funding and guaranteeing their ability to deliver and manage affordable housing rental stock successfully. The end result of this service is that the HDI companies must be empowered to manage their own property portfolio and have the necessary acumen to undertake similar projects in future. GPF has played a pioneering role in developing this untapped market.

Mashiane, who can spot weaknesses in business plans at a cursory glance, pushes the envelope with her 'can-do' attitude and ensures that only bankable proposals are presented to the Investment committee for approval. "Through our innovative pricing model we are able to enhance the financial feasibility of our projects and ensure that the projects have sufficient cash flow to cover the debt repayment once completed," she explains. The GPF subordinates its position to leverage commercial funding.

The innovative funding structure under the fund allows approved new property entrepreneurs up to R2 million of interest free loans and repayment terms of up to 20 years, depending on the project's cash flows.

GPF has a maximum exposure of up to 40% of total project cost within the EPPF, which is high relative to other programmes within the GPF. Entrepreneurs are required to contribute a minimum of 3% equity into the project and must have a hands-on approach.

The pricing for GPF's loans across all programmes is based on concessional rates linked to the Johannesburg Interbank Agreed Rate (JIBAR), which is approximately 3,25% below prime. The margins added will differ according to the company's BEE status. Mashiane says that GPF encourages transformation within the property sector, therefore it will only participate in projects where there is a minimum of 26% black ownership in the borrowing entity.

"We have minimum funding criteria and business plan guidelines for green and brown field projects. The GPF interacts with clients on a regular basis to ensure they submit the correct documentation in line with the minimum funding requirements. Other programmes within the GPF include Rental Housing, Student Accommodation as well as the Social Housing fund. The maximum exposure under the rental housing fund is 30% of the total project cost, the borrowing entity can contribute a minimum of 5% equity into the project, which is normally dependent on the financial feasibility of the project. The balance of the funding is leveraged with the private sector," Mashiane explains.

The Social Housing fund is targeted at Social Housing companies that are accredited with SHRA for the provision of social housing units for households in the income bracket of between R3 500 and R7 500 in designated restructuring zones.

"Most of our projects are approved. The trick," Mashiane says, "is to have clear guidelines and minimum requirements of what works. Our projects are packaged in line with our investment policy and are expected to be cash flow positive from the first year of operation," she says.

GPF has committed to deliver 6 000 affordable housing units by 2019. To date we have delivered 1 635 units against a target of 1 500 for the two years ending in March 2016.

Mashiane acknowledged Mr Boni Muvevi, GPF CEO for his leadership and support and praises her team for its hard work and continued support.

Contact details: +27 11 685 6600 or www.gpf.org.za ■



IMPACT OF INTEREST RATE HIKE

According to Jacques du Toit, Property Analyst, Absa Home Loans this hike in the repo rate will increase prime lending and variable mortgage interest rates from 10,25% to 10,5% per annum, effective immediately.

Lending rates have risen by a cumulative 200 basis points since the start of 2014 and by 75 basis points since January this year.

The hike in interest rates came against the background of still mounting inflationary pressures, driven by factors such as the rand exchange rate, food prices, electricity tariffs and oil and fuel prices.

The latest trends in and the Reserve Bank's forecasts in respect of these key inflation factors are:

- The rand exchange rate remains weak against the major international currencies, exchange rate forecast to depreciate by 11% this year from 2015. A possible country credit rating downgrade may lead to further rand exchange rate depreciation and increased economic stress.
- Food price inflation has jumped from 4,3% year-on-year (y/y) in June 2015 to 7% y/y in January this year, with a continued upward trend expected due to the impact of severe drought conditions. Real agricultural production contracted during all four quarters of 2015, declining by 8,4% from 2014. However, prospects for the next planting and production season do not look promising.
- Further electricity price hikes were recently announced, which will contribute to inflationary pressures. Electricity prices are projected to rise by 9,5% next year and 10% in 2018.
- International oil prices have been increasing since a recent low in January, which may lead to higher domestic fuel prices. Petrol prices are expected to remain relatively stable this year, but to rise by 10,2% next year and 9,4% in 2018.
- Based on the latest forecast consumer price inflation is expected to average 6,6% this year, 6,4% in 2017 and 5,5% in 2018. The forecast is for interest rates to rise further towards the end of

The South African Reserve Bank's (SARB) Monetary Policy Committee (MPC) has raised the key monetary policy interest rate by a further 25 basis points from 6,75% to 7% per annum.



Impact of interest rate movements on monthly mortgage repayments					
Calculated over a period of 20 years					
Mortgage loan amount	Repayment at a mortgage interest rate of			Increase in repayment with mortgage rate rising from 10,25% to 10,50% in March 2016	Cumulative rise in repayment with mortgage rate rising from 8,50% in late January 2014 to 10,50% in March 2016
	8,50% per annum on 29 January 2014	10,25% per annum, effective from 29 January 2016	10,50% per annum, effective from 18 March 2016		
R1 100 000	R1 888	R1 982	R1 998	R1 17	R1 131
R1 200 000	R1 736	R1 983	R1 997	R1 33	R1 261
R1 300 000	R2 603	R2 945	R2 995	R1 50	R1 392
R1 400 000	R3 471	R3 927	R3 994	R1 67	R1 522
R1 500 000	R4 339	R4 908	R4 992	R1 84	R1 653
R1 600 000	R5 207	R5 890	R5 990	R1 100	R1 783
R1 700 000	R6 075	R6 872	R6 989	R1 117	R1 914
R1 800 000	R6 943	R7 853	R7 987	R1 134	R1 044
R1 900 000	R7 810	R8 835	R8 985	R1 151	R1 175
R1 000 000	R8 678	R9 816	R9 984	R1 167	R1 306
R1 1 000 000	R13 017	R14 725	R14 976	R1 251	R1 958
R2 000 000	R17 356	R19 833	R19 968	R1 306	R2 611
R2 500 000	R21 696	R24 541	R24 959	R1 418	R3 264
R3 000 000	R26 035	R29 449	R29 951	R1 502	R3 917
R3 500 000	R30 374	R34 358	R34 943	R1 586	R4 569
R4 000 000	R34 713	R39 266	R39 935	R1 669	R5 222
R4 500 000	R39 052	R44 174	R44 927	R1 753	R5 875
R5 000 000	R43 391	R49 082	R49 915	R1 837	R6 528

2016. These interest rate hikes will cause debt repayments and debt-service costs to rise, adversely affecting household and business sector finances, consumer and business

confidence. Growth in real gross domestic product (GDP) is forecast by the Reserve Bank at 0,8% in 2016, rising to 1,4% in 2017 and 1,8% in 2018. ■

Mergers and acquisitions

In terms of the proposed transaction, JoJo would acquire Nel Tanks. The Commission found that the proposed transaction raises competition concerns in two markets, namely the market for the manufacture and supply of vertical water tanks in the Western Cape and the market for the supply of horizontal transport tanks in the Western Cape.

The Commission found that the merged entity will have significant market shares in these two markets and would not face substantial competition post-merger. The merged entity is likely to have the ability to increase prices unilaterally which may be passed on to the end-users.

In light of these considerations, the Commission is of the view that the proposed merger is likely to substantially prevent or lessen competition, and has thus taken a decision to prohibit the merger.

The Commission has approved with conditions:

Konecranes and Terex

Konecranes Acquisition intends to acquire Terex. Konecranes Acquisition, which is controlled by Konecranes Plc (Konecranes), was formed for purposes of this merger and has not conducted any business. Konecranes is a global group providing material and handling lifting equipment solutions. Terex is a global manufacturer of machinery products supplying industrial cranes, industrial crane components and industrial crane services.

The Commission found that the proposed merger does not raise competition concerns as it is unlikely to substantially prevent or lessen competition in any market, in particular in the manufacturing and supply of container handling equipment. The Commission is of the view that the merged entity will continue to face competition from other players operating in this market.

With regards to public interest, the Commission found that the proposed transaction will result in the retrenchment of certain unskilled employees, who may struggle to find alternative employment. In order to improve their chances of finding alternative employment should they be retrenched as a result of the proposed merger, the merging parties have



The Competition Commission has prohibited the proposed merger between manufacturer of water tanks JoJo Tanks and Nel Tanks.

undertaken to establish a fund which will be utilised to upskill employees who are likely to be affected.

Afrimat and Cape Lime

The Commission has approved with conditions, the intermediate merger whereby Afrimat intends to acquire Cape Lime. Post-merger, Afrimat will have control over Cape Lime.

The proposed merger is likely to raise substantial competition concerns in the market for the manufacture and supply of aggregates in Robertson, Western Cape.

In this regard, the Commission found that the merged entity will be a monopoly supplier of aggregates in this region post-merger and customers will not have alternative sources of supply.

In order to address this concern, the Commission has approved the proposed merger subject to the condition that Afrimat divests its Kleurkloof quarry that produces aggregates for various applications located in Robertson. This will provide customers with an alternative source of supply.

Afrimat supplies the steel industry with metallurgical dolomite; the construction industry with a variety of aggregate products, concrete manufactured products, bricks/blocks and

ready-mix concrete; and the agricultural industry with agricultural lime.

Cape Lime supplies burnt lime and other limestone products to various users of industrial minerals and aggregates and ready-mix to its construction sector from its operations.

Respublica and Target Enterprises

Proposed merger between Respublica Student Living, Midrand Student Village and White House Lodge (the Target Enterprises)

The Commission has recommended to the Tribunal that the large merger whereby Respublica Student Living intends to acquire the Target Enterprises, be approved without conditions. Post-merger, Respublica Student Living will control the Target Enterprises.

The Commission says that the proposed merger is unlikely to substantially prevent or lessen competition in the market for the provision of rentable space in residential property used for student accommodation.

Respublica Student Living owns, manages and develops rentable residential property for the purpose of student accommodation. The Target Properties are residential properties with a focus on student accommodation. ■



Energy savings in sectional titles

Installing equipment such as solar panels or heat pumps to heat water, LED lighting or lights with movement detectors for common areas, and other energy saving devices, will contribute to raising the value of units in the scheme,” says Willem le Roux, Director of Propell.

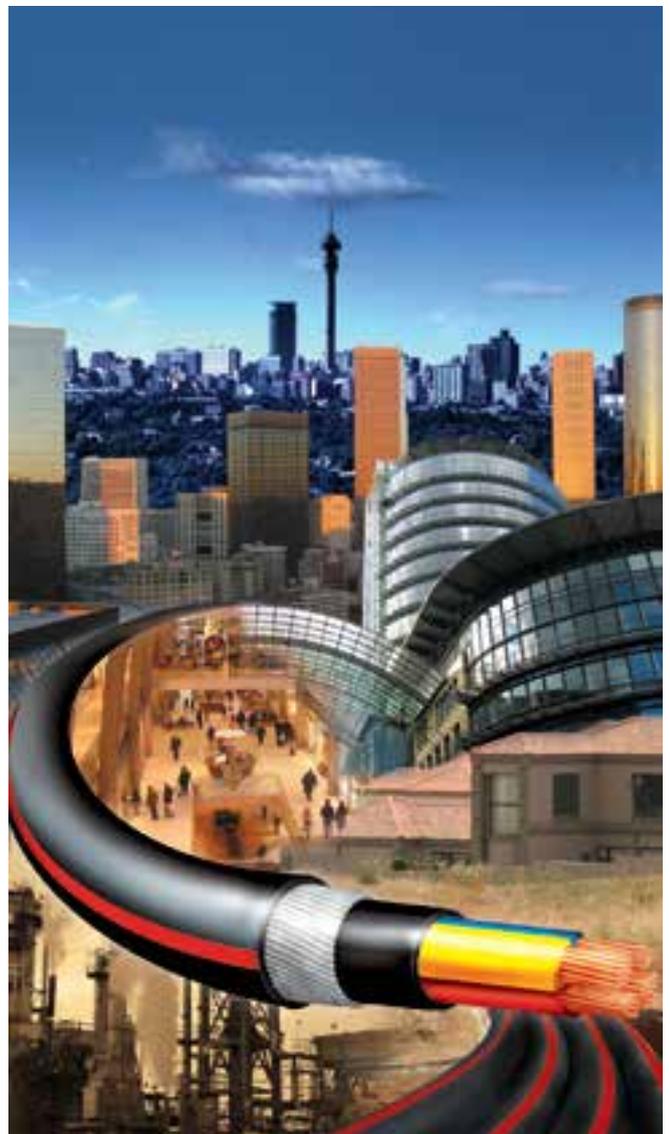
Solar panels and heat pumps can reduce an overall electricity bill by 40%. These energy saving systems usually pay for themselves within two to five years, after which residents will continue to enjoy the reduction in their electricity bills each month.

Le Roux says that this type of installation is usually considered a special project. Despite the obvious benefits, body corporates often postpone special projects due to a lack of funds and a reluctance to raise a special levy to cover the costs. Owners could also be reluctant because it is a large outlay if the job is done without financial assistance. However, if they have an option of paying it off, it may seem more feasible. In addition, if a contractor is approached with a bulk order, the price will be discounted.

“Propell offers project finance for large projects like this and, because many home owners need to save energy and money. Propell will enable the scheme to fund the installation in full and in many cases, the monthly saving on the municipal account, could cover the repayment instalment each month,” says le Roux.

Once the loan is repaid, the saving will help the body corporate’s cash flow and reduce the need for future increases in levies or the need to raise special levies for other projects (i.e. they will be able to ‘bank’ the surplus and build up a reserve fund).

Propell offers project finance to assist managing agents and trustees get the job done with minimum fuss and without having any of the trustees sign surety for the loan. Le Roux adds, “The facility can remain in place indefinitely and will only incur costs when used.” ■



Cable you can trust

Aberdare Cables is Africa’s leading manufacturer of cables with a customer base including power supply authorities, railway and transport organisations, municipalities, and companies in industries such as petrochemical, mining, wholesale, industrial, construction and domestic building.

181A Barbara Road, Elandsfontein, Gauteng
P.O. Box 1679, Edenvale, Gauteng 1610, South Africa
Tel +27 (0)11 396 8000 Fax +27 (0)11 396 8010
www.aberdare.co.za



City aims to be energy secure

According to Executive Mayor, Patricia de Lille, “We have realised that we cannot leave the future of energy security in the hands of Eskom. We must take our destiny into our own hands and work with our partners. We have re-evaluated our role in terms of energy supply and no longer want to merely be distributors of electricity but want to become energy creators as well.”

The City of Cape Town has taken a strategic decision to relook at their approach to energy and the business model underpinning its electricity department. “We have started work on a number of projects where we are creating a new model for energy generation and distribution. We are using our Steenbras Dam to effectively avoid stage 1 load shedding, as well as the implementation of low curtailment schemes in some of our industrial areas. Some companies have been able to instantaneously reduce their energy usage thereby avoiding a total shut down,” she said.

De Lille is proud of the fact that Cape Town is the first city in South Africa with a feed-in tariff for households, who are generating their own electricity through photovoltaic (PV) panels, and want to feed excess electricity into the city’s grid.

She says this allows households

In a bid to continue on an upward trajectory of economic growth and job creation, the City of Cape Town aims to look at alternative ways of procuring energy for the city and province.

and businesses to play a part in providing energy solutions while building local resilience for the future.

“We have signed small-scale embedded electricity generation contracts with Black River Park Investments and 17 other major commercial industrial customers who are able to feed electricity into the grid. We have also signed contracts with 43 residential customers who are able to feed into the grid in a legal and responsible manner.”

She cites other examples of energy efficiency such as retrofitting the lights in our buildings, as well as traffic and street lights. All 1 500 traffic lights now have efficient LED light bulbs and more than 25 000 street lights have been retrofitted. These initiatives, conducted progressively over the past six financial years, have saved over 70 000 Megawatt hours, which translates into savings of over R100 million. The lighting retrofitting of the Civic Centre is currently underway where around 20 000 light fittings are being upgraded to LED technology, with occupancy sensors linked to timers and daylight

harvesting. The payback period is less than three years, and the electricity demand saving of 1.2 Megawatts will save an additional R6 million in the first year, and more than R36 million over the next five years.

Another vital component of the city’s energy security programme has been the installation of more than 45 000 solar water heaters on roofs across Cape Town. The solar water heater programme has so far added R774 million into the economy and in this last year alone has saved almost 120 000 MWh of electricity, resulting in savings of over R256 million for residents.

“We are also engaging National Government on building our own renewable energy plants, purchasing directly from Independent Power Producers (IPPs), and bringing natural gas to the Western Cape. We have set ourselves a target of sourcing 10% to 20% of our energy needs from renewable sources by 2020,” says de Lille.

She concludes, “We know that we must reduce our own dependence on electricity sales. The future is renewable energy, not nuclear.” ■





LET'S BUILD A BETTER TOMORROW TOGETHER.

Corobrik's range of high quality clay face bricks is made for modern living. And thanks to the maintenance-free qualities of our clay face bricks you can spend more time enjoying their home and less time painting and cleaning it.



www.corobrik.co.za



Winning architectural design

Clinton Abrahams of the University of Cape Town (UCT) a regional entry in the Corobrik Architectural Student of the Year Awards entitled his thesis, 'High Streets: Constructing the public realm in low income areas'. He also won an award for the best use of clay brick.

His thesis proposes the design of a Further Education and Training (FET) college in Delft, 25 km from Cape Town CBD. FET is the cornerstone of the project showing how an institutional building can aid a positive public realm and reinforce the town's emerging high street, by facilitating diversity. Abrahams' interest in high streets came from growing up in Maccassar, an apartheid-planned township which had no high street. Having lived in Observatory for the past seven years, he was intrigued by the different energies and this prompted him to try and understand what constituted a functioning high street. His design shows how architects and urban designers could retrofit lower income areas.

Abrahams based his thesis on Delft because of its unique street energy that was reminiscent of areas like Observatory. "In Delft, the high street is an emerging one that has both informal and institutional use. However, here the energies are brought about by the informal activities and not the institutional use. My design explores how institutional buildings can also aid positive street-making conditions in the same way the informal

A far-sighted architectural student with his roots strongly planted in South African soil has won a prize for his design of an institutional building, which reinforces an emerging high street in low income areas.

use does." He explains that the lack of high streets in low income areas negates the socio-economic vitality of these towns. "By understanding how a high street functions, one is able to transfer the aspects of good streets to low income areas. Locally referred to as main streets, these streets are where most popular mainstream shops, businesses and transport modes are found."

Abrahams explained that diversity is key to making a functional high street. His thesis investigates which components create street diversity, such as the pace of the street, adaptability to rapid change and a concentration of things. It looks at how high streets exist within the Cape Town context and compares developed high streets with emerging areas with no high streets.

He identifies Main Road in Delft as an emerging high street, where the informal and institutional uses constitute the street but that the institutional buildings have a lack of positive street-making characteristics. His design of a FET college would facilitate diversity in Delft's high street. The components of street diversity are explored by developing three building types that make various street conditions, namely developing buildings onto a town

square and adding a thoroughfare. Abrahams specifies clay brick for the construction of his Delft design and, as a result, was also named UCT's winner of the Award for Best Use of Clay Brick. By using clay brick construction to construct a public space addresses robustness and low maintenance.

He says that the building trade, in particular brick masonry, supplements the livelihoods of many households in low income areas. "These trades are often practised outside to build up wealthier areas, a situation that is reminiscent of how apartheid-planned towns remain subservient to wealthier towns. Masonry work is practised in an ad hoc manner in these areas and is not representative of the creativity and skills of local labour. The idea is to bring these skills that are practised elsewhere, home."

By using clay brick in a creative manner, it challenges the mundane use of clay brick for traditional institutional buildings in these areas.

Christie van Niekerk, Corobrik's General Manager in the Western Cape, praised Abrahams' vision and his appreciation of the value of clay masonry construction. "There is a growing realisation that clay brick is the ideal material for institutional and government projects." ■

Priming system

Professional tiling contractors can overcome tiling challenges such as the lifting of tiles, whether the surfaces are dense, impervious or smooth, by using TAL's Keymix powder primer.



The product forms part of a tile adhesive priming system that creates better adhesion when mixed with TAL Keycoat latex-based liquid. TAL Keymix is a cementitious powder primer used in a 2:1 volume mix with TAL Keycoat. The TAL Keymix

primer slurry is used to prepare the surface and enhance the bond of the adhesive onto the surface substrate.

"It offers phenomenal adhesion to most dense, impervious and smooth surfaces, such as power-floated or steel-floated concrete and screeds,"

explains Sharon Margon, Technical Advice Supervisor at TAL.

When the surface is dense, smooth or impervious, it tends to have low porosity and little suction, thus offering no mechanical key for the adhesive. These surfaces have to be suitably prepared, either by roughening the surface, which is time-consuming and messy, or by priming the substrate. TAL Keycoat and TAL Keymix slurry priming coat will enhance the adhesive bond onto the smooth or dense substrate.

In contrast, very porous substrates may draw the mixing liquid from the adhesive into the substrate, which will adversely affect the integrity and performance of the adhesive. Contamination on the surface, such as dust and loose particles, will act as a 'bond breaker' and prevent the adhesive from bonding onto the substrate.

Margon cautions that incorrect or inadequate surface preparation can adversely affect the integrity of the installation and may lead to an installation failure. "In all tiling installations, correct background preparation is paramount to a successful tile installation. Substrates must be allowed the minimum curing or drying times, be integrally sound and of a quality and consistency suitable for tiling. All damaged, defective, deteriorated or hollow sounding areas must be removed and made good, and all surface contamination should be removed," she says.

Priming the surface with the TAL Keymix primer system will also enhance water resistance of the tiling installation, such as showers and balconies. TAL Keymix is available in 20 kg bags. For further information contact the TAL Technical Advisory Service on 0860 000 TAL (825). ■

Seamless concrete flooring

Concrete Laser Flooring (CLF), specialists in the construction of jointless concrete floors, partnered with a.b.e. Construction Chemicals and introduced a new innovative spreader machine to meet the growing demand for harder, flatter, and more abrasion-resistant concrete surfaces. a.b.e. Construction Chemicals is supplying CLF with Titan Top, a dustless, non-metallic floor surface hardener for use with the Titan Top Dry Shake Spreader machine imported for use by CLF.

The dry shake surface hardening powder, which combines high strength Portland cement with selected aggregates, achieves maximum suppression of steel fibres were used to reinforce floors.

Brian Norton, Director of CLF, says the versatile design of the imported Dry Shake Spreader features low dust loading technology, inlet brushes, storage for twenty 25 kg bags of surface hardening powder in a compact machine, which is easy to transport.

"The spreader's high manoeuvrability allows effortless work around columns and other obstructions during flooring operations. It also provides exceptional spreading accuracy, allowing for the application of fine materials as well as large aggregates. The high-tech machine can

increase productivity and efficiency by covering larger areas in a shorter time," says Norton.

Advantages of the Titan Top Dry Shake Spreader when used with the a.b.e. surface hardener includes:

- Optimal distribution ensures a uniform and homogenous layer
- Increases strength as well as abrasion- and slip-resistance
- Improved surface quality
- Increases the serviceable life of the floor
- Uniform colour which enhances the appearance
- Improved floor tolerance levels because flatter floors are more efficient and require low maintenance
- Increased resistance to liquid penetration
- Dustless application

"CLF is committed to innovation and constantly strives to develop products that provide greater value and benefits to the end user. By joining forces with a.b.e. Construction Chemicals, CLF now has the equipment and material to provide seamless factory and warehouse flooring that could match the best in the world," concludes Norton. ■

HDPE DRAINAGE SYSTEM

Leading plumbing and sanitary products specialist, Geberit, has introduced a range of High Density Polyethylene (HDPE) robust piping material suitable for sanitary and drainage systems.

Geberit Silent-db20 fulfils existing sound insulation requirements without difficulty, as the sound insulation comes already installed. The HDPE, mineral reinforced plastic lends the pipes and fittings an increased weight, thus effectively reducing both their natural vibration and the sound it generates.

Sound insulation ribs in the impact zones further reduce noise development. In addition, system pipe brackets for wall fastening decouple the drainage system acoustically from both walls and ceilings, thus preventing a transmission of solid-borne sound.

Geberit Silent is suitable for practically every type of building. Branch fittings in the typical stack dimensions are hydraulically optimised. This allows for greater loads and even smaller



stack dimensions in some cases. Pipes and fittings are available in dimensions from 56 mm to 160 mm, i.e. for all building types, from residential houses to high-rise.

Economical and safe connection methods such as electrofusion couplers achieve a comprehensive tensile strength simply and safely, e.g. for additional safety when laid in concrete or with cramped installation conditions. Butt welding is considered a traditional and safe connection method on site or during prefabrication. Cutting and mounting is carried out without hazardous flexing. Scrap pieces left over from processing can be reused as fitting pieces or disposed of without difficulty.

Geberit products offer everything a successful plumbing company needs from a simple installation, compliance with relevant standards and economic efficiency.

The company's products ensure that building owners and architects can depend on a high degree of reliability, convenience and freedom with regard to the planning and placement of sanitary appliances and cost-efficient, fast progress, not only during renovation, but also in new build.

Building drainage systems

For practically all areas of building drainage, Geberit offers the appropriate solutions – from optimised fire protection and sound insulation installation residential developments and uses through waste and drainage systems for high-rise buildings, all the way to special solutions for industrial, retail and

commercial applications. The Geberit Research and Development department and laboratories develop and test products and the company appreciates feedback from customers.

Roof drainage systems

With the Geberit Pluvia roof outlet, Geberit has revolutionised water drainage from large roof areas. The negative pressure technology of the roof drainage system achieves a discharge rate practically twice as great as conventional waste and drainage systems and simplifies the planning of the entire system. This means that large buildings are well-equipped for increasingly frequent heavy rainfalls.

Floor drainage systems

With Geberit shower channels and floor drains, Geberit ensures safe drainage in the floor. As is the case with all Geberit systems, the floor drains also incorporate the hydraulic know-how of Geberit, which offers not only safe and rapid water drainage and simple cleaning, but also protection against blockage. The systems simplify the installation and the construction of the floor.

Waste fittings and traps

Safe, reliable and with a high discharge capacity: Geberit waste fittings and traps close the gap between sanitary equipment such as showers, bathtubs, washbasins, WCs, kitchen sinks, washing machines and dishwashers. Geberit ensures that everything fits together in the building installation.

The company was founded in 1874 and has built a reputation for sustainability, innovation, quality and reliability. ■



BUILDING SUCCESS FROM THE INSIDE

Renowned for the manufacture of high quality clay stock bricks and semi-face clay bricks, Oconbrick has been used in significant volumes in a number of landmark South African projects.

Sophisticated project planning and logistics co-ordination ensure that production capacity is always met, meaning that Oconbrick is able to continue the ancient art of brick-making in the supply of high quality masonry products.

Leading suppliers of: NFP - non-facing plaster and semi-face clay bricks; FBA - face brick aesthetic to construction and property development companies plus smaller builders.

086 11 OCON (0861 11 6266) • Tel: 016 428 7300
www.ocon.co.za

Oconbrick is a subsidiary of ISG, a leading supplier of innovative infrastructure products to the construction and mining markets in Southern Africa.



SEMI-FACE BRICKS

PAVED SUCCESS

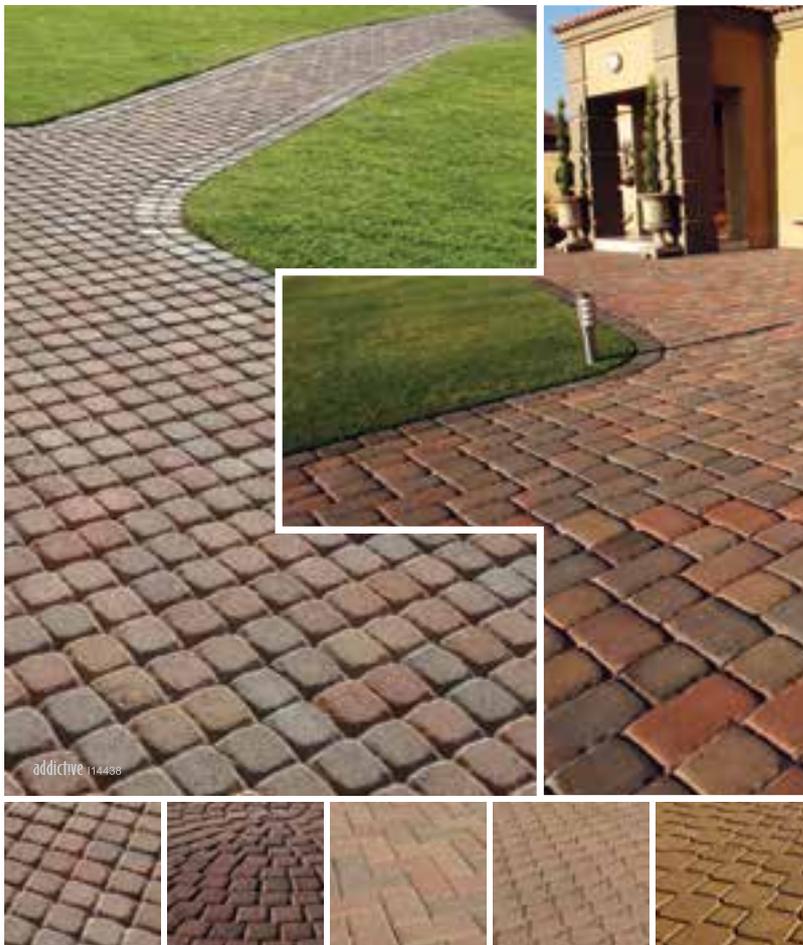
With over 16 different applications of paving available, **Technicrete** is able to meet your requirements for any paving project, no matter how big or small. Concrete precast products are used throughout the world to provide an aesthetically pleasing and functional surface, and **Technicrete** is able to comfortably supply these affordable, locally manufactured solutions to South Africa.

Suitable for:

- Driveways
- Roadways
- Pavements
- Walkways

Available in:

- Colour variations
- Patterns & styles
- Various sizes & configurations



TECHNICRETE

paving | mining | masonry | erosion protection
 retaining walls | drainage | kerbs | precast products

www.technicrete.co.za

Technicrete is a subsidiary of ISG, a leading supplier of innovative infrastructure products to the construction and mining markets in Southern Africa.

Tel: 011 674 6900
 Maxi call: 0861 266 267



SABS
 ISO 9001: 2008 certified
 SABS mark on applicable products

NEW INTERCHANGE IN KUILS

The City of Cape Town and its partners, the Western Cape Government Department of Transport and Public Works and the South African National Roads Agency Limited (SANRAL) turned the first sod in the new R60 million R300/Bottelary interchange in Kuils River.

This new connection will go a long way towards alleviating pressure on two of the city's most important arterials, the R300 and Bottelary Road. Cape Town is the most congested city in the country as a result of increased investment and more people moving to Cape Town in search of opportunities.

The city is looking at various interventions and investments that will begin to alleviate traffic at some of the major pressure points, including Kuils River, Kommetjie, Blaauwberg and other areas. The new interchange will provide another quicker connection for motorists from Bottelary Road moving onto the R300 to connect to and from the N1 via two new lanes on either side of the new interchange.

Traffic from Van Riebeeck Road will have an easier alternative via these new ramps. Construction has started and is expected to be completed in mid-2017.

Last year the city committed R40 million towards various road projects to address congestion, in this

financial year, R40 million has been used for the new interchange.

The city is contributing 52% of the construction cost (R31 million), the Western Cape Government is contributing 48% (R29 million), while SANRAL has purchased the land required for the new interchange.

The national roads agency will be responsible for the maintenance after construction is complete. As part of the Congestion Relief Programme, the city has committed a further R750 million to be spent over five years towards various new roads and upgrades, including the new R300/Bottelary interchange.

Other projects include:

- the widening of Amandel Road: R18 million – completed
- Van Riebeeck/Strand Street widening: R8,5 million – detail design phase
- Saxdowne Road: R32,5 million – under construction

- Erica Drive: R70 million – consultant procurement phase
- Belhar Main Road: R17,5 million – contractor procurement phase

“As part of our commitment to build an opportunity city, the construction of the new R300/Bottelary interchange will also provide a number of jobs to local sub-contractors to the value of over R3,8 million. A substantial portion of the upgrade cost is being financed by developers as part of their conditions of development approval. These developments will provide additional jobs in various sectors,” says de Lille.

Western Cape Government Transport and Public Works MEC, Donald Grant, said: “This project will go a long way towards easing congestion on some of the City's busiest arterials. Roads play a significant role in achieving national development and contributing to the overall performance and social functioning of the community.

For this reason, we prioritise transport and roads as the main stimulant



City of Cape Town Executive Mayor, Patricia de Lille and her team.



RIVER

for development in various other sectors.”

SANRAL Project Manager, Renaldo Lorio, said: “The major benefit of this project will be to address the congestion in the Brackenfell and Kuils River areas where most of the traffic congestion occurs on Bottelary Road via La Belle and Old Oak Roads to the N1. Another benefit would be the development of an industrial area, resulting in the creation of permanent jobs and a boost to economic growth in the area.”

The City’s Executive Mayor, Patricia de Lille stated: “We are especially grateful for the contribution from our partners. While we have a responsibility to respond to the needs and growth in the city, merely building roads will not solve the problem as this only means more cars on the road. The key to the City’s congestion plan is behavioural change. Following a business-as-usual approach will only mean more traffic, continued frustration, and added pressure on our infrastructure.”

De Lille added, “Tackling congestion will only be effective if all stakeholders work together to do things differently by changing our behaviour and the way we work and use our roads. We remain committed to addressing congestion and will continue to announce developments in our Congestion Relief Programme.” ■



Africa – the new China

Untapped potential of the continent needs connectivity to truly thrive.

South Africa's banking giant, Standard Bank, has linked up with Chinese leading mobile payment provider WeChat Wallet of Tencent, to use the former's Pan African banking infrastructure to provide mobile payments throughout the continent.

This demonstrates that the mobile payments' revolution that took place in China in the last decade is now spreading to the up-and-coming nations of Africa. As Chinese economic growth is slowing, recording 6,9% in 2015, with predictions of 6,7% in 2016. It is Africa that is now being touted as the new China. The combined population and resources of the continent offer unparalleled potential, with countries such as Ethiopia and Ivory Coast hovering closely to 10% in GDP growth.

Marco Attisani CEO of Watly, a global water, power and energy solutions provider, says that Africa is being considered the China of 30 years ago by many leading economists, although it is currently being hindered by a lack of infrastructure. "The true



economic empowerment of Africa lies in its capacity to truly engage and compete on a level playing field on the global stage. It is essential for

and connectivity, would greatly contribute to the economic life of developing countries in Africa and elsewhere.

'It will be trade, not aid, which will lift people out of poverty as highlighted by recent Organisation for Economic Cooperation and Development figures on the effects of Global Investment in developing economies.'

Africa not only to have access to basic essentials such as water and energy but also connectivity, which will enable the continent to truly capitalise on the digital revolution."

Africa has an internet penetration rate of 28,6%, as opposed to a world average of 50%, which reduces connectivity and hampers potential development. Solutions providing all of the building blocks for human development, such as water, power

Attisani continues: "Developing economies in Africa have a vast ocean of potential, which given the right basic resources, can become a global engine for growth. There are many successful African enterprises operating across a wide landscape of sectors, which are in need

of the opportunity to partner with international businesses. By allowing them access to connectivity and basic resources, we will start to build solid foundations on which African businesses can grow and discover their rightful place in the global economy."

Attisani says that providing energy and connectivity to isolated communities would correct some of the main obstacles to investment in developing countries. ■



R250 M MAIN ROAD REFURBISHMENT

The City of Cape Town has invested nearly R250 million in the rehabilitation of Main Road and the replacement of vital services such as water mains, sewer pipes and electricity cables in the Southern Peninsula.

Once completed, the City of Cape Town would have spent approximately R304 million on the rehabilitation of Main Road which covers a distance of approximately 4,5 km from the intersection with Atlantic Road in Muizenberg to the intersection with Clovelly Road past Kalk Bay.

“During the past two decades we have seen an increase in the population of the Southern Peninsula and growing tourist numbers during the summer season. We are acutely aware of the inconvenience caused while we are working on this project; however, the future prosperity of the suburbs along Main Road relies on the investment the City makes in providing for urbanisation and economic growth in the years to come. The significance of this project is even more obvious when one bears in mind that Main Road is one of only three access routes to the far south and that it currently carries about 19 000 vehicles per day,” said the City’s Mayoral Committee Member: Transport for Cape Town, Brett Herron.

Transport for Cape Town, has made good progress and if all goes according to plan, construction of the new retaining wall above the old Clovelly railway station will be completed shortly.

“In future, motorists will be able to parallel park along the seaside and there will be footways for pedestrians on both the mountain and sea sides – all the way from Woolley’s Pool to the bridge. The walkway on the sea side will be about 5 m wide and the footway on the mountain side approximately 2 m. We will also refurbish the steps that lead to Woolley’s Pool on the other side of the railway line,” said Herron.

A retaining wall will extend 500 m from Woolley’s Pool to Clovelly, with a reinforced crash barrier and stainless steel handrail. “The wall



will have stone buttresses at 5 m intervals to create shadow lines. We are now doing the stone-cladding to make the wall more appealing. We are proud of the fact that we are using the excavated stones from this site for the cladding, making this even more aesthetically authentic,” said Herron.

The 100-year-old sewer pipes have been replaced along this section of road. The 50-year-old water main was replaced with a 700 mm ductile iron pipe, which will be connected to the new pump station at Clovelly. This will secure the water supply to residents in the far south for the next 30 to 40 years. The new water main as well as the new MV electricity cable

and fibre-optic telecommunications cable will also be installed under the footway between the new retaining wall and the road.

“Unfortunately, along this section of Main Road, the existing vital services such as water mains and sewer pipes are located in positions under the roadway, making the installation of the new services impossible without restricting the traffic to a single lane. It is also important to note that we have to keep both the existing bulk water supply pipe and the domestic supply main in operation during the installation of the new water pipes,” said Herron. The project is due for completion by December 2017. ■

Call for nominations

CNBC Africa pioneered the annual All Africa Business Leaders Awards (AABLA) in 2011 to salute and recognise remarkable business leaders, who through strength, innovation and foresight, induce positive changes in an evolving corporate Africa.

These business leaders are recognised at the annual awards ceremony as well as in special AABLA programming that is broadcast across the continent. More than 100 business leaders from around the continent have already been recognised for their vital contributions.

The 2016 categories for East, West and Southern Africa include:

The 2016 All Africa Business Leaders Awards has called for nominations. The awards recognise innovation and honours outstanding achievements in business on the continent.

- Young Business Leader of the Year
- Entrepreneur of the Year
- Business Women of the Year
- Innovator of the Year (New Category)
- Industrialist of the Year
- Company of the Year (New Category)
- Business Leader of the Year supported by Bosch
- Philanthropist of the Year
- Lifetime Achievement Award

Entrants compete not only to win, but to follow in the footsteps of previous years' winners, which include Edha Nahdi, Managing Director of Amsons Group, entrepreneur Jason Xenopoulos, CEO of NATIVE VML, Aliko Dangote, Founder of the Dangote Group in Nigeria and Wendy Ackerman of The Ackerman Foundation, who walked away with the All Africa Philanthropist of the Year 2015. Finally, the special honour of the All Africa Lifetime Achievement Award 2015 was bestowed upon South African retail pioneer, Christo Wiese, for his commendable contributions to retail and positive impact in business on the continent. Finalists will be announced in August 2016 with regional award dinners to be hosted in Nigeria, Rwanda and South Africa. The grand finale will take place in Sandton on the 11th November 2016. Closing date for entries is April 30, 2016.

For more information go to www.aablwards.com ■



Tracking concrete trucks

Johan van Wyk of the Southern Africa Readymix Association (Saruma) suggests that this is because different companies have vastly different operating models and what is valuable information to one company may be a complete waste of time and money for another.

He cites some advantages of tracking such as knowing where every truck in the fleet is, which gives the company the ability to predict delivery times and maximise loads each day. Used as a management tool, the tracking device will determine how much time is spent on the road per day and whether the driver is speeding or idling in traffic. Tracking will ensure that delivery times and service level agreements are adhered to and that in the event of traffic delays, trucks can be rerouted.

The use of GPS tracking devices to assist readymix concrete suppliers has been hailed by many to be an effective way to improve the efficiency of a fleet, yet there are others who feel that the exercise is not worthwhile.



A good quality GPS management system can save money by optimising

routes, better management of driver activities. Modern systems can generate an enormous amount of information and this can be tailored to suit the requirements.

“Disadvantages include the manpower required to monitor the system; the tracking system has to be carefully assessed to ensure it will be effective otherwise it will not be cost effective; there are many systems on the market and they are not all created equal; and not all fleet managers are techno savvy,” says Van Wyk. ■

Occupational Health & Safety expo

The exhibition is not only the largest platform for industry's leading products and services and a host of visitor attractions, but visitors are afforded an opportunity to learn about the latest trends in best practice and up to date legislation in two free-to-attend seminar programmes.

The event will be held at Gallagher Convention Centre in Midrand from 24 to 26 May 2016.

"A-OSH EXPO affords industry professionals the unique opportunity to interact not only with best of breed exhibitors, but also with knowledgeable industry speakers who have tailored their seminar presentations to address pertinent and pressing needs within the market," says Joshua Low, A-OSH EXPO Event Director at Specialised Exhibitions. A-OSH EXPO 2016 enjoys the endorsement of a number of leading industry associations, including the Institute for Working at Height (IWH), IOSM, Nebosh, FPASA, NOSHEBO, PASMA, the Safety First Association, SAIOH, Sapema and Saioh.



A-OSH EXPO has earned its place as Africa's leading occupational health and safety exhibition through a carefully orchestrated combination of products, services and educational sessions.

A-OSH EXPO will again be co-located with Securex, Africa's leading source for security and fire products and services. The exhibition covers

all aspects of security and fire risk analysis and alleviation and for the first time, will include a conference that addresses cyber security. ■

Coatings training online



Tuition by the SA Paint Manufacturing Association's (SAPMA) training arm, the SA Paint Industry Training Institute (SAPITI), now includes the latest IT developments.

Occupations (QCTO). This requires the association to develop a national databank of standardised assessment instruments, incorporating a special student management system.

Funding by the Chemical Industries Education Training Authority

(CHIETA) enabled the association to purchase Questionmark, a software development program managed by Bytes People Solutions, to achieve its training objectives."

Linossi says that Questionmark provides technologies and services that enable organisations to measure knowledge and skills and achieve

successful learning outcomes. The program includes comprehensive assessment authoring, scheduling, delivery and reporting capabilities such as surveys, quizzes, tests and exams.

"With the introduction of Questionmark, SAPITI has started on the first phase of training our tutors to master authoring written assessments in electronic format. The traditional 'Computer Marked Assessments' (CMAs - or multiple choice questions) can now be submitted from a student's laptop or PC and students will receive their results immediately," she says.

For further info contact SAPMA on 011 615 1195 / www.sapma.org.za ■



Mandy Linossi

This offers students and tutors a more streamlined and effective learning experience says Mandy Linossi, SAPMA's Training Administrator. "These technological advancements have led to the association being appointed as an 'Assessment Quality Partner' (AQP) by the Quality Council of Trades and

The AfriSam-SAIA Award

The 2015/2016 AfriSam-SAIA Awards for Sustainable Architecture + Innovation recognise contributions that bring sustainable innovation to human living environments.

This requires an integrated approach to planning, design, architecture, building practice, natural systems and technology.

Two new award categories have been added this year, significantly expanding South Africa's most important built environment sustainability awards.

The two mainstay categories include Sustainable Architecture and Research in Sustainability. This means that a full scope of visionaries working in the field of sustainable architecture, construction and innovation will now be recognised by the prestigious award presented bi-annually by AfriSam and the South African Institute of Architects (SAIA).

"The role of architects and their project partners is to ensure that South Africa plays its part in the global journey to sustainability. AfriSam's CEO, Stephan Olivier, says that sustainable design has to be an integral part of the building industry from the very start of a project."

"The emphasis is no longer on just the architecture and building practice," adds Kevin Bingham, Vice President of SAIA. Both SAIA and



AfriSam support this global shift: SAIA through encouraging its members to incorporate sustainability in building design at an early stage and AfriSam by its commitment to sustaining the environment through responsible manufacturing processes.

All four categories are geared towards the recognition of regenerative whole systems design. Project entries are required to demonstrate their positive impact through the embodiment of sound sustainable practices, carrying the hallmarks of great architectural or social design and demonstrating innovative thinking in the field of sustainability.

The adjudicators will consider four elements: Harmonisation, People Upliftment, Evolutionary Paradigm

and Placemaking Performance.

The adjudicators include Convener: Kevin Bingham and Daniel Irurah (sustainable architecture academic), Llewellyn van Wyk (sustainable architect, CSIR), Sebasti Badenhorst (AfriSam representative), Eric Noir (Africa region director of the International Union of Architects' work programme, Architecture for a Sustainable Future) and Richard Stretton (architect and furniture designer).

For further information visit www.sustainabledesign.co.za ■

Just Property rebrands

Just Property, a leading property service company, has rebranded the company with a dynamic new logo and website.

The website reflects the company's new look and feel. Just Property has grown from a specialist-letting agency to a business offering a complete property solution that includes residential, commercial and industrial property for rentals, sales and/or investment.

First established in South Africa under the Just Letting brand in 2001 as a property rental and management company in the residential and commercial sectors. In 2009 the Just Property Group was established as the umbrella company offering a

variety of holistic property solutions. New services, such as property sales, were added to its repertoire in the form of Just Residential and Just Commercial, while the introduction of Just Invest focused on new developments aimed at investors looking for high yields.

Just Property has now decided to rebrand itself under one name to reflect a unified new company with its multitude of services. It's new positioning statement; 'Let's open doors' reflects their approach to clients, renters, buyers, sellers or investors. ■

HOUSING

in Southern Africa

Our Next Issue

Cement & Concrete, Doors, Windows, Floors & Walls, Roofing, Ceilings, Insulation & Cladding

To advertise contact Brenda Grossmann on 011 622 4770 or email brendag@crown.co.za



HOUSING
in Southern Africa

www.housinginsamagazine.co.za

PRECAST CONCRETE SOLUTIONS

DRAINAGE



RETAINING



HOUSING



ENVIRONMENTAL



SECURITY



ROADS



ENERGY



RAIL



CONCRETE FOR LIFE

www.cma.org.za

CONCRETE MANUFACTURERS ASSOCIATION (NPC)

Office 0400, Standard Plaza Building, 440 Hilda Street, Hatfield, Pretoria, 0083

PostNet Suite 334, Private Bag X15, Menlo Park, 0102

Tel +27 11 805 6742 • Fax +27 86 524 9216 • E-mail: admin@cma.org.za





Marley's Complete Rainwater System

Marley Pipe Systems offers a complete rainwater solution for the home, adding a sense of style while also being easy to install and durable enough to withstand the harsh African climate.

Marley's rainwater solution includes VYNADEEP®, Streamline Double-Flo® and Fascia & Barge made from superior uPVC material.

&Streamline® VYNADEEP®

Features and benefits

- ✓ Ease of installation
- ✓ Corrosion and impact resistance
- ✓ Durability
- ✓ Aesthetics
- ✓ SABS and ISO9001 certification

Marley VYNADEEP®

Marley VYNADEEP offers a robust, half-round gutter line profile extruded in long lengths to make for easy and economical installation.



Marley Streamline Double-Flo®

Marley Streamline offers a clean, uncluttered, square profiled gutter line with concealed brackets featuring an elastomer sealing system.



Fascia and Barge Systems

Marley fascia and barge boards are made from superior formulated uPVC foam utilising the latest technology, making them extremely lightweight yet surprisingly tough and maintenance free.



For more information on this and other Marley Pipe Systems products, call +27 11 739 8600

or visit www.marleypipesystems.co.za

