PRESS RELEASE

CLARITY ON THE UNOCCUPIED HOUSES CONSTRUCTED UNDER THE MASS HOUSING DEVELOPMENT PROGRAMME (MHDP), OTJOMUISE EXTENSION 10, WINDHOEK

In response to postings in the social media, the Government, through the Ministry of Urban and Rural Development, wishes to provide clarity to the public on the subject matter.

1. **Background: Mass Housing Development Programme (MHDP)**

In its resolve and continuous efforts towards enhanced provision of and access to serviced land and housing, the Government (Cabinet) in 2013 approved the adoption and implementation of the Mass Housing Development Programme (MHDP) as the umbrella programme bringing together all initiatives by various role players on housing in the country. The aim was to scale up the provision of housing products for all different categories of groups of the population through better coordinated planning and investment in housing.

In terms of the Cabinet approved MHDP Blueprint, the Programme consists of the following mutually supporting or complementary Sub-Programmes:

a. Land use planning, design and infrastructure development (given the inseparability of housing development and availability of planned/serviced land);
b. Credit-linked housing development (middle to upper market housing);

c. Social/subsidy housing development (for the poor and low income groups – Build Together Programme);

d. Informal settlement upgrading (the poor and low income);

e. People's processes or community-based housing development initiatives (the poor and low income groups – community-led housing initiatives such as Shack Dwellers Federation of Namibia and others);

f. Rural housing and sanitation; and

g. Legislative, regulatory and policy environment reform and capacity building.

The Blueprint further recognises the importance of and provides for an inclusive approach and a mix of financing modalities for resourcing the seven (7) sub-programmes. The identified financing modalities are grant or subsidy funding (budgetary allocations under the National Development Budget) from the Central Government to regional councils and local authorities as well as in support of community housing savings and development initiatives; viable public-private partnerships (PPPs) and debt-financing.

Following the approval of the Blueprint and commencement of the Programme, implementation kicked off in 2013 with the National Housing Enterprise (NHE) as the implementing agent and with State funding particularly targeted for the construction of social housing (for the ultra-low and low income groups). The funding for credit-linked houses was to be sourced from a mix of PPPs and debt financing. State support to regional councils and local authorities in respect of land servicing and infrastructure development as well as to the low-come housing initiatives through community groups such as the Shack Dwellers Federation also continued.

To date some 3,958 housing units have been completed and handed over to the needy in the various local authorities and regions since 2014, while a further 1,100 (commenced-but-not completed) houses are at the various stages of construction and completion.
In response to identified shortcomings or gaps that were identified during the course of Programme implementation and in order to improve its efficacy, the Government assumed responsibility over the Programme implementation in 2015 and also commissioned the Namibia University of Science and Technology (NUST) to carry out a review of the Blueprint and Programme implementation and to develop an Implementation Strategy based on the proposed revised Programme model.

2. Windhoek Otjomuise Extension 10 Housing Project

Following the approval of the MHDP in 2013, local authorities were approached to avail land on which houses under the initiative can be built. In Windhoek, the Municipality made available Otjomuise Extension 10 township for this purpose.

Following a call for proposals from developers by the NHE, the development proposal that was selected for this site (Otjomuise Ext 10) consists of two parts. The houses that were to be funded through the MHDP were to be built on a portion (Phase 1A) of the total block of the land or township, which already had bulk services and infrastructure developed or installed on it by the Windhoek Municipality with funding from the Central Government under the Targeted Intervention Programme for Employment and Economic Growth (TIPEEG). The development of infrastructure and the construction of houses on the remainder of the land (Extension) were to be funded solely by the private developer.

In terms of its approval or proclamation as a township (town planning scheme), Otjomuise Ext 10 was planned for single residential development. The selected housing development proposal however provided for a mix of housing types (single residential units and high rise apartments) and more housing units (densification) than the area or township was planned and the existing municipal services were designed for.
This necessitated a re-planning of the township in order to accommodate the large number of or more and mixed housing units including high rise apartments, which have a 1:50 density, which is not yet part of the Windhoek Municipality Amendment Scheme for the area.

The other implication of the densified development was that the or some of the existing bulk municipal services on site needed to be re-aligned or altered to accommodate the proposed development and, in some cases, new services needed to be planned for and installed.

In order to avoid delays and given the pressing need for housing in Windhoek, provisional approval was given for the construction of housing to kick off, while the township re-planning and re-alignment of bulk services were also envisaged to run concurrently.

The project implementation, as it was the case with other MHDP projects, was put on hold (suspended) in June 2015, but work resumed in 2016 under a new contractual arrangement between the contractor and the Government, represented by MURD, with 362 commenced-but-not-completed housing units to be completed. Practical completion was envisaged in December 2017, subject to the finalisation of the township re-planning and proclamation and re-alignment of or alterations to existing bulk municipal services infrastructure, which may entail the installation of additional bulk services.

Under the afore-mentioned work resumption arrangement, the houses that were commenced-but-not-completed reached a stage of structural completion but cannot reach practical completion and ready-for-occupation stages because the bulk services component (sewer; water and electricity network lines) were lagging behind due to the following reasons:
• The original Otjomuise Extension 10 needed to be de-proclaimed in order for the township to be proclaimed according to the envisaged densified development;

• The finalisation of the design drawings of bulk services could not be approved because the proclamation of the township (land on which the services are to be installed) was and is still pending; and

• With outstanding approval of the bulk services drawings, the actual installation or construction of the said services cannot commence and the houses cannot be connected to the main sewer, water and electricity lines. Without this services connection, the houses are not ready and fit for occupation.

In light of the foregoing, the houses in question are not yet connected to bulk services networks (sewer, water and electricity) and are thus not ready and fit for occupation. Accordingly, insinuations or allegations that they are ready for occupation and the Government is seemingly keeping them unoccupied are not correct.

The update on re-planning is that the revised town planning layout was approved in December 2018 and the General Plans are currently before the Surveyor-General for consideration and approval.

It is acknowledged that there have been a number of challenges in the implementation of this project (in comparison to other MHDP projects in other local authorities most of which have long been completed and houses occupied), which the parties involved continued to work hard to address. It is also acknowledged that, under normal circumstances, bulk services installation precedes the construction of houses. We have provided an explanation of what caused this gap or misalignment in respect of this project.
The Government and other parties involved are doing everything possible to expedite the remaining processes so that the project can reach practical completion and for the houses to be ready for occupation in the shortest possible time.

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