

APPENDIX B

**MOOI-MNGENI TRANSFER SCHEME PHASE 2: SPRING GROVE DAM AND
APPURTENANT WORKS – SOCIAL IMPACT ASSESSMENT**

SOCIO-ECONOMIC DATA: BASELINE ANALYSIS

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1. DESCRIPTION OF THE STUDY AREA

1.1 GENERAL

KwaZulu Natal stretches from Port Edward in the south to the Swaziland and Mozambique borders in the north. This province is generally referred to as the Zulu Kingdom, with Durban as the capital city, home to Africa's busiest port. The main areas of the province are the elephant coast, the sub-tropical south coast, the Zulu kingdom's north coast, Zululand, the Midlands, and the Drakensberg area. The latter two areas are also specifically known for its historical battlefields, historical towns, museums and national monuments.

The province has a land surface area of 92 100 km², which represents approximately 8% of South Africa's total land surface. According to the Demarcation Board Website, KwaZulu Natal is home to 9.4 million people (21% of the total population of South Africa). The 2006 mid-year population estimates released by Statistics South Africa states that KwaZulu Natal now have 9.9 million people residing in the province, which constitutes the largest share of the South African population. The predominant population group in the province is Black African (84.9%) followed by Indian/Asian (8.5%), Whites (5.1%) and Coloureds (1.5%).

KwaZulu-Natal is a relatively rural province with about 54% of the total population in the rural areas, compared to 11% in the Western Cape and 4% in Gauteng. Predominantly Black people occupy the rural areas and the degree of ruralness ranges from a low of 17% in eThekweni Municipality to a high of 98% in the Umkhanyakude District Municipality. This has a high significance for difficulties in effecting service delivery in some regions. The Province also has a high dependency ratio with about 35% of the population below the age of 15. The population therefore has a high potential for natural growth. However, factors that could slow the growth rate include HIV/Aids, a low fertility rate and migration to other provinces. In-migration from neighbouring provinces has an effect on the Provinces growth.

The economy of KwaZulu Natal is supported by various economic sectors, including manufacturing, agriculture, mining and forestry. The Province's manufacturing base is strong and nearly a third of South Africa's manufactured exports originate in KwaZulu-Natal. Despite the fact that KwaZulu Natal covers such a small portion of South Africa's land area, a total of 6.5 million hectares of land is available for farming purposes of which 82% is suitable for extensive livestock production and 18% is arable land. A significant percentage of the country's small-scale farmers are also based here. Agriculture in KwaZulu-Natal is extremely diverse and is reflected in the patterns of its topography. There is thus tremendous potential for agricultural expansion in KwaZulu-Natal. It has been conservatively estimated that if the agricultural natural resources were optimally managed, the present production yield could be increased dramatically, thus unlocking the full agricultural production potential of KwaZulu-Natal.

The study area for the Mooi-Mngeni Transfer Scheme falls within the uMgungundlovu District Municipality in KwaZulu Natal. The uMgungundlovu (Zulu meaning for: "The place of the Elephant") District Municipality consists of seven municipal councils and covers a total of 8,5 thousand square kilometers, characterized by traditional informal and rural settlements (Ingonyama Trust Land), farmlands, as well as urban "nodes". The population of approximately 900 000 resides in towns and settlements throughout the area. The N3, which runs through

uMgungundlovu, is a very important link between Gauteng and the Durban harbor. There is thus ample opportunity for growth along this development corridor. The favorable climate, topography and rainfall makes the uMgungundlovu District a productive agricultural output node characterized by the cultivation of sugarcane and timber, as well as poultry, pig rearing, beef production and dairy industries. Increasing investments in vegetable, maize and fruit production, as well as horse racing and breeding industries add diversity to the agricultural mix. The District has embarked on an aggressive rural water delivery programme that will improve both quality of life and development potential. Attention is also being given to improving the electricity grid.

The uMgungundlovu District also boasts various game viewing locations, gardens and parks, dams, the Howick Falls, the Umkomaas River and many more. A variety of international and national sports events are also hosted in the capital Pietermaritzburg, namely the Comrades Marathon, the Dusi Canoe Marathon and the Midmar Mile swimming race.

Since the direct impact of the proposed project are focused on the towns of Rosetta Village, Nottingham Road and Gowrie, the two Municipal Councils in which jurisdiction these are situated would be further discussed, namely the Umngeni Local Municipality and the Mooi Mpofana Local Municipality.

1.2 UMNGENI LOCAL MUNICIPALITY

Key aspects of the Umngeni Local Municipality	
Geographical area	1566.4880 km ²
Municipal Seat	Howick
Major towns	Balgowan, Dargle, Fort Nottingham, Hilton, Howick, Lidgetton, Lions River, Merrivale, Mpophomeni and Nottingham Road
Medical Facilities	Balgowan Clinic, Howick West Clinic, Howick Clinic, Umngeni Waterfall Institute, and Mpophomeni Clinic
Police Stations	Nottingham Road, Hilton, Howick
Education profile	54 primary and secondary schools

1.3 MOOI MPOFANA LOCAL MUNICIPALITY

Key aspects of the Mooi Mpofana Local Municipality	
Geographical area	1651.5870 km ²
Municipal Seat	Mooi River
Major towns	Bruntville, Mooi River, Redcliffe and Rosetta
Medical Facilities	Bruntville CHC, Mooi River Clinic, Mooi River Mobile, Rosetta Clinic, Tholimpilo Clinic
Police Stations	Mooi River, Rietvlei

Key aspects of the Mooi Mpfana Local Municipality	
Education profile	<p>37 primary and secondary schools</p> <p>Less than 30% of inhabitants have completed matriculation and 20% have received no school education</p> <p>Most schools lack basic services and have high pupil to teacher ratios.</p>

Although the area under the jurisdiction of the Mooi Mpfana Local Municipality is predominantly rural in nature and sparsely populated, it is strategically located, with easy access to a rail (electrified railway line from Durban to Johannesburg) and road infrastructure (N3). This creates ample opportunities in terms of tourism developments and economic growth. The municipality, however, faces immense challenges to serve and improve the underdeveloped rural areas under its jurisdiction. According to www.kzntopbusiness.co.za, "Six key development objectives have been identified:

- *Economic regeneration,*
- *Addressing basic social needs,*
- *Providing basic infrastructure,*
- *Land reform and land use management,*
- *Environmental management and*
- *Establishing a sustainable local authority.*

Addressing the basic social needs of Mpfana's population has been categorised in five broad areas: access to government and commercial services; access to recreational, art and cultural opportunities; improvement in safety and security; the provision of better health services and health education; and the promotion of education".

2. POPULATION DISTRIBUTION

2.1 UMNGENI MUNICIPALITY

2.1.1 Age Profile

Herewith a breakdown of the age profile and total population figures of the residents under the jurisdiction of the Umngeni Municipality as provided by the Demarcation Board website (2001 Census):

Age Category	Total
0-4	5904
5-9	6610
10-14	7147
15-19	7619
20-24	7035

Age Category	Total
25-29	7426
30-34	5998
35-39	5287
40-44	4336
45-49	3812
50-54	3311
55-59	2285
60-64	2098
65-69	1504
70-74	1370
75-79	972
80 and over	1174
TOTAL	73 888

- There is a slight difference in the total population from the figures provided in the Umngeni IDP Review Report (total of 73 896). The data however indicates that there was a slight population increase since 1996 (total population: 69 741).
- 37% of the total population falls within the 0-19 years age categories.
- A further total of 25 746 (34%) of the total population falls within the 20-39 age category. One can thus conclude that these figures indicate a high future requirement for employment in the area and increased pressure on the demand for social services and infrastructure (educational, health etc.).
- The population density of the Umngeni Municipality is 41 people per km².

2.1.2 Gender

Gender ¹	Total
Female	35400
Male	34682

The figures supplied in the Umngeni IDP Review Report differ from the above as stated by the Demarcation Board Website (2001 Census), as it states that there are 37 397 females and 36 499 males. However, it is evident that there is a very small percentage more females than males.

¹ Source: <http://www.demarcation.org.za>: 2001 Census data

2.1.3 Racial/Ethnic

Citizenship ²	Total
South Africa	70584
SADC Countries	1035
Rest of Africa	100
Europe	973
Asia	50
North America	41
Gen,South America	35
Australia,NZ	22

The majority of residents are South African citizens, with a very low influx of citizens from the SADC countries. It therefore does not seem as if the area is challenged by a massive inflow of immigrants to the area. This could be due to the lack of urbanisation in the area and limited job opportunities compared to urbanised and industrialised areas.

Population Group ³	Total
Black African	54962
Coloured	1020
Indian or Asian	3969
White	13942

Black Africans constitute the majority of the population in the Umngeni Municipal area.

2.2 MOOI MPOFANA MUNICIPALITY

2.2.1 Age Profile

Herewith a breakdown of the age profile and total population figures of the residents under the jurisdiction of the Mooi Mpopfana Municipality as provided by the Demarcation Board website (2001 Census):

Age category	Total
0-4	3646
5-9	3753
10-14	4076
15-19	4203
20-24	3753
25-29	3577
30-34	2869

² Source: <http://www.demarcation.org.za>: 2001 Census data

³ Ditto

Age category	Total
35-39	2448
40-44	2069
45-49	1688
50-54	1440
55-59	947
60-64	786
65-69	495
70-74	433
75-79	289
80 and over	338
TOTAL	36810

2.2.2 Gender

Gender ⁴	Total
Female	16952
Male	18178

The above indicates that there is slightly more males than females in the Mooi Mpofana Municipality.

2.2.3 Racial/Ethnic

Citizenship ⁵	Total
South Africa	36342
SADC Countries	144
Rest of Africa	18
Europe	101
Asia	11
North America	2
Central ,South America	10
Australia,NZ	0

The above table states that the majority of residents have South African citizenship with a very limited number of “outsiders”. This could also be due to the lack of urbanisation in the area and limited job opportunities compared to urbanised and industrialised areas.

⁴ Source: <http://www.demarcation.org.za>: 2001 Census data

⁵ Source: <http://www.demarcation.org.za>: 2001 Census data

Population Group ⁶	Total
Black African	33148
Coloured	213
Indian or Asian	796
White	2661

As with the Umngeni Municipality the majority of residents in the Mooi Mpfana Municipal area falls in the Black African category.

The population density of the Mooi Mpfana Municipality is 19 people per km², the lowest density in KwaZulu Natal.

3. LAND USE

- The study area is mainly characterized by agricultural activities such as dairy farming and tourism related industries (bed and breakfast and other accommodation facilities, arts and crafts, and restaurants).
- The main economic activity in the uMngeni Municipal area is farming in timber, dairy products (including cheese) and vegetables. The area is also known for many hotels and bed and breakfast establishments, some polo clubs and horse stud farms.
- The area under jurisdiction of the Mooi Mpfana Municipality is known for its cattle, dairy and stud farming as well as the growing of potatoes and cash crops. Modern smallholdings also surround the town of Rosetta.

4. EMPLOYMENT AND SOURCES OF INCOME

4.1 UMNGENI MUNICIPALITY

Employment ⁷	Total
Employed	22193
Unemployed	11536
Not Economically Active	15834
Total	49 563

- The population figures of the Umngeni Municipality indicates that approximately 49 000 individuals in the Umngeni Municipality fall within the economically active population category (15-65 years).
- If the figure in the above table is used as basis, 44% of the population between the ages of 15-65 years in the Umngeni Municipality is employed, whilst 23% is unemployed and 32% is not economically active. According to the 2001 Census Data, South Africa's employment rate is estimated at 34% and unemployment rate at 24%. 42% were not economically active. The not economically active category includes students, homemakers, disabled, those too ill to work and anyone not seeking work.

⁶ Source: <http://www.demarcation.org.za>: 2001 Census data

⁷ Ditto

- Although there are low levels of employment with 17% of households having no income, the unemployment rate in the Umngeni Municipal area compares equally to the unemployment rate in South Africa. There is thus a great need for poverty alleviation projects, especially in the rural areas under the Umngeni Municipal's jurisdiction.
- The employment rate of those in this municipal area is higher than the South African average.
- Of those employed, 28% are employed in the agricultural sector closely followed by 27% employed in the community services sector. Another 10.3% and 10.7% are employed in the manufacturing and wholesale/retail sectors respectively. The proposed dam could have a negative impact on the agricultural sector, (45 properties owned by 39 owners would be impacted on) although limited, as only a few number of properties will be economically unviable due to the proposed dam. The initial SIA stated that the proposed Spring Grove Dam (Scenario B) would "compromise the viability of two smallholdings and five farms". This would therefore not necessarily result in the loss of employment for the property owners of the large farms and smallholdings and the farm workers employed by these. In cases where jobs are lost, alternative jobs should be regenerated by e.g. the tourism sector associated with the dam, together with the necessary skills development. A skills audit of the affected farm workers should thus be conducted to determine whether their skills could be applied in other sectors.
- The income profile as sourced from the Demarcation Board website indicates that a large portion of those having an income fall within the lower income categories. The same situation applies for the households in the Mooi Mpfana Municipality.
- The dependency ratio (percentage of people dependent on the remaining economic active group) in the Umngeni Municipality is 43%.

4.2 MOOI MPOFANA MUNICIPALITY

Employment ⁸	Total
Employed	9464
Unemployed	7507
Not Economically Active	6944
Total	23 915

- A total of 23 915 individuals residing within the Mooi Mpfana Municipality fall within the economically active population category (15-65 years).
- 39.5% of the population in the Mooi Mpfana Municipality is employed, whilst 31.3% is unemployed and 29% is economically not active. According to the 2001 Census Data, South Africa's employment rate is estimated at 34% and unemployment rate at 24%. 42% were not economically active.
- The employment and unemployment rates in the Mooi Mpfana Municipality are higher compared to the rest of South Africa.

⁸ Source: <http://www.demarcation.org.za>: 2001 Census data

- Of those employed, the majority is also employed (46 %) within the agricultural sector, as is the case in the Umngeni Municipality. The wholesail/retail sector is the second biggest industry in the area, as 12.6 % of those employed are employed in this sector.
- The dependency ratio in the Mooi Mpfana Municipality is 49%.
- The Mooi Mpfana Municipality aims to promote SMMEs through a Small Business and Youth Advisory Centre and viability studies for knitting projects, willow harvesting, medicinal plant nursery and production, thatching and bead crafts; investigate and implement major economic projects such as an abattoir, aquaculture and handicrafts.

5. HOUSING AND ASSOCIATED INFRASTRUCTURE

The provincial and local authorities in KwaZulu Natal still face numerous challenges in terms of electricity and water provision. The percentage of households in KwaZulu Natal with access to water was lower than the national average in 2001. The percentage of household that use electricity for lighting purposes is 62,1%. The remainder, particularly in deep rural areas still relies on candles (34,3%) or gas, paraffin, solar or other (3, 5%) for lighting purposes. Access to refuse removal has shown the least improvement. Access to sanitation was shown to be higher than the average rate of other provinces in South Africa.

5.1 UMNGENI MUNICIPALITY

- 8% of the population in this area has no access to water, 21% have no access to sanitation, 26% have no access to electricity, and 20% have no access to housing.
- There is a marked difference between the services available in the developed urban centres and the deep rural areas, so that while the provision of basic and social services appears higher in relation to some municipalities, there are areas of serious underdevelopment. One of the primary objectives of the municipality is thus the provision of basic services to all communities located outside the urban nodes.
- Infrastructure development of the municipality will also focus on the upgrading of the local road network.
- Low-income housing projects are planned in Rosetta and Nottingham Rd. inter alia.

5.2 MOOI MPOFANA MUNICIPALITY

- Refer to Mooi Mpfana IDP: Table 2.6 (Dwelling type) and 2.7 (Service levels for water) page 14; Table 2.8 (Toilet facilities), Table 2.9 (Refuse removal), Table 2.10 (Energy / fuel for lighting) and table 2.11 (Energy / fuel for heating)
- Also refer to Strategic Framework of Mooi Mpfana IDP (p. 31)
- 24% of the population in this area have no access to water, 44% have no access to sanitation, 47% have no access to electricity, and 20% have no access to housing.

6. HEALTH SERVICES

6.1 UMNGENI MUNICIPALITY

The following medical facilities are located in the Umngeni Municipality area:

- Balgowan Clinic
- Howick West Clinic
- Howick Clinic
- Umngeni Waterfall Institute
- Mpophomeni Clinic

6.2 MOOI MPOFANA MUNICIPALITY

The following medical facilities are located in the Mooi Mpofana Municipality area:

- Bruntville CHC
- Mooi River Clinic
- Mooi River Mobile
- Rosetta Clinic
- Tholimpilo Clinic

There are no clinics in the rural areas and the mobile clinic visiting the Rosetta and Tendele areas do not meet the demand. The IDP mentions the development of two mobile clinics for the Rietvlei and Tendele areas (completion date was stated as June 2006).

7. EDUCATIONAL FACILITIES

Although, the Midlands is home to a number of the most prestigious private schools in the country such as Michaelhouse, Hilton, and St Anne's, the majority of schools in the study area lack basic infrastructure and facilities.

7.1 UMNGENI MUNICIPALITY

Education profile ⁹	Total
No schooling	7081
Some primary	7951
Complete primary	2745
Some secondary	13138
Std 10/Grade 12	10056
Higher	5641
Total	46 612

- 15% of the population in the Umngeni Municipality have no schooling

⁹ Source: <http://www.demarcation.org.za>: 2001 Census data

- 21.5% of the population in the Umngeni Municipality have completed Grade 12
- The Umngeni Municipality will embark on the upgrading and/or extension of schools and school facilities in various areas (Refer to IDP for more information).

7.2 MOOI MPOFANA MUNICIPALITY

Education profile ¹⁰	Total
No schooling	5583
Some primary	4566
Complete primary	1447
Some secondary	5372
Std 10/Grade 12	3095
Higher	1074
Total	21 137

- 26% of the population in the Mooi Mpopana Municipality have no schooling
- 14.6% of the population in the Mooi Mpopana Municipality have completed Grade 12

8. HIV/AIDS/TB

The 2006 mid-year population estimates compiled by Statistics South Africa indicated that the estimated overall HIV prevalence rate is approximately 11%. The HIV positive population is estimated at approximately 5.2 million. The adult HIV-prevalence rate in South Africa is shown in the table¹¹ below:

Estimated adult HIV-prevalence rates, 2001-2006

	2001	2002	2003	2004	2005	2006
Women 15-49 years	16.1	16.9	17.7	18.5	19.3	20.0
Women 20-64 years	14.7	15.4	16.1	16.7	17.2	17.8
Men 20-64 years	14.3	15.0	15.6	16.3	16.9	17.5
Adults 20-64 years	14.5	15.2	15.9	16.5	17.1	17.7
Adults 15-49 years	14.7	15.4	16.1	16.9	17.5	18.2
Total population	8.5	9.0	9.5	10.0	10.4	10.9

The prevalence rate is highest among women aged 15-49. The overall prevalence rate of this group is 20%. The estimated total HIV-prevalence rate increased to about 11% in 2006, from less than 9% in 2001.

Life expectancy at birth for females is also at lowest in KwaZulu Natal (less than 50 years).

HIV/Aids is a serious pandemic in South Africa and KwaZulu Natal is badly affected, having a high infection rate of 33% for the Umgungundlovu District. Conflicting claims about the incidence of HIV/Aids, its causes, treatment and mortality rate, have slowed social and governmental response to managing the problem. Since 2004, more constructive action has

¹⁰ Source: <http://www.demarcation.org.za>: 2001 Census data

¹¹ Source: <http://www.statssa.org.za>

been taken and the government allocated R3.6 million in the 2005/2006, budget to fight the disease.

9. RECREATIONAL FACILITIES

9.1 UMNGENI MUNICIPALITY

Recreational facilities in the Umngeni Municipality area includes the following:

- Midmar Dam and Resort
- Albert Falls Dam
- Midlands Meander
- Howick Falls (National heritage site)
- Karkloof Falls
- Various nature trails
- Historical places such as the Laager Wall, Military Cemetery and Howick Museum

In terms of tourism, much of the successful Midlands Meander (artists retreats, cottage industries, antiques and eateries) are situated in the uMngeni Muncipal area and sets the tone for further development and joint-ventures in this regard. Nottingham Road is known as the “heart” of the KwaZulu Natal Midlands Meander due to its beautiful surroundings, accommodation and function facilities, sports opportunities, and calendar of events.

9.2 MOOI MPOFANA MUNICIPALITY

The town of Rosetta in the Mooi Mpopfana Municipality is home to the historic Meshlyn Bridge and forms part of the Midlands Meander. The area also offers other attractions such as hiking trails, nature reserves, trout fishing and mountain bike trails. The municipality strategy aims to create a favourable environment for the development of tourism and various initiatives in this regard have been launched such as the upgrading of a tourism centre, investment in a cultural village, establishment of nature viewing sites, the development of a bio-diversity database, the development of a Mpopfana Tourism Marketing Plan, the introduction of tourism learnerships, the development of a cultural village and a handicraft market, and the development of the Gongola Wilderness Reserve

10. PLANNED DEVELOPMENT PROJECTS

KwaZulu-Natal has experienced a massive boom in the residential property market with prices (of an average house) increasing by 61% in nominal terms from 2001 to the second quarter of 2005 (ABSA, Quarterly residential property perspective, 2005).

According to the Property Magazine dated October 2005 (Moving to the Midlands? – Midlands Meander), “development is a contested issue for those who live and work there, primarily out of a concern that this unique ‘sense of place’ would be tarnished or lost. That loss of ‘country’ would not only represent an unravelling of a lifestyle choice they hold dear, but for many, threatens a livelihood based – or partly so – on visitors escaping the rat race for a taste of the

country.” The locals are apparently determined that the influx does not transform country into city.

The same article states that there were (by the time of going to press) about 17 new development applications within the Umngeni Municipality and others in the pipeline. Much of the lower Midlands falls under the Umngeni Municipality and is zoned primarily for agriculture and nature-based tourism. According to the IDP certain nodes have been identified as appropriate for certain applications, such as development (e.g. Nottingham Road).

The Midlands is targeted for development due to the area’s tourism potential (seems as if the dam will have positive impact), but concerns have been raised with regards to some of the number of units of the proposed developments.

Planned property development (as found on the internet) in the area includes the following:

10.1 AVENOL COUNTRY AND FLY FISHING ESTATE

NAME OF PROPERTY DEVELOPMENT		Avenol Country and Fly fishing Estate		
TYPE OF DEVELOPMENT		Resort based on a working farm concept. Owners will own a country cottage or farmhouse on an operational farm. Would include boutique hotel, restaurant and bar and facilities for kids.		
LOCATION (DISTANCE FROM DAM)		West of Dargle Valley	STATUS	Unknown
PRICING	Minimum 4000m ² / building footprint of 1000 m ²	SIZE OF DEVELOPMENT		Unknown
SIZE OF STANDS	Unknown	NO OF STANDS / UNITS		130 units

10.2 NEW FOREST GAME AND FLY-FISHING RESERVE

NAME OF PROPERTY DEVELOPMENT		New Forest Game and Fly-fishing Reserve		
TYPE OF DEVELOPMENT		Reserve with 10 development nodes or camps		
LOCATION (DISTANCE FROM DAM)		20km from Nottingham Road at source of Umngeni River	STATUS	Unknown
PRICING	Unknown	SIZE OF DEVELOPMENT		10 000 ha area
SIZE OF STANDS	Minimum 4000m ² / building footprint of 1000 m ²	NO OF STANDS / UNITS		15 units per node/camp

10.3 BOSCHHOEK GOLF AND COUNTRY ESTATE

NAME OF PROPERTY DEVELOPMENT		Boschhoek Golf and Country Estate		
TYPE OF DEVELOPMENT		Golf course development / Access to fishing and horse riding.		

LOCATION (DISTANCE FROM DAM)	Access from the N3. Situated at Balgowan near Howick	STATUS	Already developed
PRICING	Approximately R3.2 million for a three bedroom home Plots initially sold for R200 000, but now R750 000	SIZE OF DEVELOPMENT	450 ha
SIZE OF STANDS	Unknown	NO OF STANDS / UNITS	Unknown

10.4 BALGOWAN COUNTRY AND EQUESTRIAN ESTATE

NAME OF PROPERTY DEVELOPMENT	Balgowan Country and Equestrian Estate		
TYPE OF DEVELOPMENT	Equestrian estate with residential component		
LOCATION (DISTANCE FROM DAM)	Unknown	STATUS	Unknown
PRICING	Unknown	SIZE OF DEVELOPMENT	Unknown
SIZE OF STANDS	Minimum 4000m ² / building footprint of 1000 m ²	NO OF STANDS / UNITS	Unknown

10.5 GOWRIE FARM GOLF AND FLY FISHING ESTATE

NAME OF PROPERTY DEVELOPMENT	Gowrie Farm Golf and Fly Fishing Estate		
TYPE OF DEVELOPMENT	Residential estate with nine-hole golf course		
LOCATION (DISTANCE FROM DAM)	Nottingham Road	STATUS	Unknown
PRICING	Even priced between R775 000 to R1 500 000 (mid 2006 prices).	SIZE OF DEVELOPMENT	360 ha
SIZE OF STANDS	Unknown	NO OF STANDS / UNITS	125 houses

10.6 MARABOU ESTATE

NAME OF PROPERTY DEVELOPMENT	Marabou Estate		
TYPE OF DEVELOPMENT	Residential Estate		
LOCATION (DISTANCE FROM DAM)	Inhluzani Mountains, 30 minutes from Nottingham Road	STATUS	All units to be completed by 2010 starting in December 2006

PRICING	From R850 000-00 for a plot	SIZE OF DEVELOPMENT	Estate: 59.2 ha and Star Dam 8.6 ha 540 ha commercial forestry
SIZE OF STANDS	Unknown	NO OF STANDS / UNITS	22 units

10.7 SITEKA

NAME OF PROPERTY DEVELOPMENT	Siteka		
TYPE OF DEVELOPMENT	Country Development – Offer riding, walking and mountain biking trails, horses can be kept on estate, fly fishing		
LOCATION (DISTANCE FROM DAM)	Karkloof Mountains. 20 km's from Howick and Nottingham Road. 5 min from Boschhoek Golf Course	STATUS	All houses have to be built by mid June 2007 or under construction
PRICING	Sites priced from R800 000	SIZE OF DEVELOPMENT	Approximately 162 ha
SIZE OF STANDS	Unknown	NO OF STANDS / UNITS	15 sites

NAME OF PROPERTY DEVELOPMENT	Eaglecrest Wildlife Estate		
TYPE OF DEVELOPMENT	Wildlife Estate with access to over 1000 ha game fenced wildlife area / 4 dams for trout fishing		
LOCATION (DISTANCE FROM DAM)	12km from Nottingham Road on the R103	STATUS	Various sites sold
PRICING	From R450 000-00 to R900 000-00 (2006 prices)	SIZE OF DEVELOPMENT	75 ha with access to 1000ha wildlife estate
SIZE OF STANDS	Varies between 2000m ² to 4000m ²	NO OF STANDS / UNITS	38 units

Representatives of the Umngeni Local Municipality indicated that the following major developments are planned in the Nottingham Road area:

Development	Units
Gowrie	Phase 1: 139 dwelling units Phase 2: 123 dwelling units: High Income Phase 2: 54 dwelling units: Low income
New Forest Estate	26 Lodges
Oakwood Village	40 Units and commercial component (supermarket)

Eaglecrest Wildlife Estate	40 Units
Rawdons	22 Units

11. LAND CLAIMS

Refer to information contained in SIA of the proposed Spring Grove Dam.

12. PROPERTY VALUES

According to the Property Magazine dated October 2005 (Moving to the Midlands? – Midlands Meander), "...the balance sheet of dairy farming is increasingly challenging and, to compound the issue, those farmers who wish to expand their operation are faced with paying inflated residential prices for what is designated as agricultural land. For many, selling-up is a real option. Equally, for the farmer who watches his neighbour's farm sell for an attractive price, it's often too tempting to resist."

The article also states: "The value of property in the KZN Midlands has rocketed and the trend continues almost unabated, whether permanent residences or weekend getaways." Reasons stated include: living the "dream" of country, proximity to Gauteng and the sea, prime schooling, the Midlands Meander, possibility to manage a business from there due to the technological advancements, commuting to Durban and Johannesburg on a daily basis is possible (when necessary).

According to estate agents¹² operating in the study area property prices have not increased due to the proposed Spring Grove dam. Property prices in the entire Midlands area have increased over the past couple of years due to the appealing characteristics of the area as mentioned above. The area surrounding Rosetta, which would be the hub of the dam, is still one of the cheaper areas and property prices in that area have not escalated due to talk of the possible development. Nottingham Road which is further situated from the project is however more expensive at this stage than e.g. Rosetta. One of the reasons for this was indicated that the proposed project has been in the pipeline for so long and that it would not affect the property market until finally approved. Representatives of the local municipality confirmed this. Once approved it is expected that property prices will increase substantially, especially those properties that would only be partially inundated. If upmarket residential developments surrounding the dam would then be approved it could result in future financial benefits to the area. The interaction between those affected and government in terms of expropriation and settlements would thus play a major role in the success of the entire project.

Estate agents are also of the opinion that subdivisions and rezoning of farmland are not taking place as the Department of Agriculture turns it down immediately. It is expected that the process would however be initiated once the proposed project has been approved. Representatives of the Umngeni Local Municipality, however, have indicated that sub-divisions of properties are taking place in the Nottingham Road, Mount West, Lower Loteni and areas towards the Mooi-Mpofana Municipality.

¹² Telephonic discussion with estate agents of Pam Golding and independent developers

13. LOCAL GOVERNMENT

13.1 UMNGENI LOCAL MUNICIPALITY

The municipal seat of the Umngeni Local Municipality is situated in the town of Howick and comprises the former Transitional Local Council areas of Howick and Hilton; the World's View area; and a substantial amount of farmland. The municipality's jurisdiction now stretches from Nottingham Road in the north, to Merrivale in the south. Other major towns included under this municipality are Balgowan, Dargle, Fort Nottingham, Hilton, Howick, Lidgetton, Lions River, and Mpophomeni.

13.2 MOOI MPOFANA LOCAL MUNICIPALITY

The municipal seat of the Mooi Mpopfana Local Municipality is situated in the town of Mooi River. This municipality encompasses the towns of Bruntville, Mooi River, Redcliffe and Rosetta. The Mooi Mpopfana Local Municipality was formed from the former Mooi River TLC area, with its immediate outer areas of Bruntville and Rosetta. The peripheral areas included in Mpopfana during the delimitation of the new municipal boundary are rural in nature and sparsely populated and the predominant land use is commercial agriculture.

14. CRIME¹³

14.1 MOOI RIVER

	2001	2002	2003	2004	2005	Jan – Mar 06
Murder	21	22	9	11	13	6
Attempted murder	14	13	21	14	4	5
Culpable homicide	6	14	13	13	14	6
Robbery with aggravating circumstances	16	22	23	23	19	2
Common robbery	15	22	23	23	19	2
Public violence	0	0	0	0	2	0
Rape	45	29	27	27	24	5
Indecent assault	4	6	6	5	4	2
Crimen injuria	16	19	18	15	12	3
Neglect and ill-treatment of children	0	0	1	1	0	0
Kidnapping	1	2	0	0	1	0
Abduction	1	3	1	0	1	0
Assault with the intent to inflict grievous bodily harm	105	94	120	120	120	26
Common assault	87	124	109	127	136	31
Burglary at business premises	96	81	96	78	75	10
Burglary at residential premises	192	204	197	161	122	24
Stock-theft	119	127	114	86	56	20
Shoplifting	9	11	9	10	12	2
Theft of motor vehicle and motorcycle	39	26	21	10	19	3

¹³ Source: SAPS, 2007.

	2001	2002	2003	2004	2005	Jan – Mar 06
Theft out of or from motor vehicle	235	298	181	94	56	23
All theft not mentioned elsewhere	315	325	266	244	121	25
Arson	4	2	4	1	1	0
Malicious damage to property	68	57	59	63	46	11
Commercial crime	36	17	9	10	13	3
Drug-related crime	23	71	41	54	17	6
Driving under the influence of alcohol or drugs	26	9	20	25	19	4
Illegal possession of firearms and ammunition	17	17	12	12	5	1
Carjacking (subcategory of aggravated robbery)	8	8	8	3	4	0
Truck hijacking (subcategory of aggravated robbery)	2	14	6	4	7	0
Robbery of cash in transit (subcategory of aggravated robbery)	0	0	0	0	0	0
Bank robbery (subcategory of aggravated robbery)	0	1	0	0	0	0
Robbery at residential premises (subcategory of aggravated robbery)	0	2	0	0	1	0
Robbery at business premises (subcategory of aggravated robbery)	0	3	1	0	1	4

14.2 NOTTINGHAM ROAD

	2001	2002	2003	2004	2005	Jan - Mar 2006
Murder	3	3	5	4	0	2
Attempted murder	2	1	5	2	2	5
Culpable homicide	7	6	4	5	7	14
Robbery with aggravating circumstances	17	9	18	18	14	27
Common robbery	1	6	2	2	2	6
Public violence	0	0	0	0	0	0
Rape	9	13	11	4	6	12
Indecent assault	3	0	1	3	1	2
Crimen injuria	4	6	9	9	5	13
Neglect and ill-treatment of children	0	0	0	0	0	1
Kidnapping	0	0	0	0	0	0
Abduction	0	2	0	2	0	0
Assault with the intent to inflict grievous bodily harm	34	39	60	34	36	71
Common assault	28	30	18	15	21	45
Burglary at business premises	47	27	29	20	25	46
Burglary at residential premises	95	118	104	109	89	180
Stock-theft	29	41	35	37	21	42
Shoplifting	3	3	4	4	1	1
Theft of motor vehicle and motorcycle	5	11	11	9	6	14
Theft out of or from motor vehicle	28	35	12	17	3	7
All theft not mentioned elsewhere	96	130	97	68	65	133
Arson	2	0	1	0	0	0
Malicious damage to property	19	34	19	19	24	49
Commercial crime	5	5	2	1	2	3
Drug-related crime	27	35	11	18	3	10
Driving under the influence of alcohol or drugs	2	2	2	1	0	4
Illegal possession of firearms and ammunition	0	1	7	11	1	2
Carjacking (subcategory of aggravated robbery)	2	0	0	1	1	4
Truck hijacking (subcategory of aggravated robbery)	2	3	1	3	3	6
Robbery of cash in transit (subcategory of aggravated robbery)	0	0	0	0	0	0
Bank robbery (subcategory of aggravated robbery)	0	0	0	0	0	0
Robbery at residential premises (subcategory of aggravated robbery)	0	2	0	1	0	0
Robbery at business premises (subcategory of aggravated robbery)	0	0	0	1	0	0

14.3 RIETVLEI

	2001	2002	2003	2004	2005	Jan – Mar 2006
Murder	8	5	0	3	1	3
Attempted murder	1	3	6	6	2	4
Culpable homicide	3	1	1	1	0	1
Robbery with aggravating circumstances	2	1	1	1	2	2
Common robbery	1	1	2	0	0	0
Public violence	0	0	0	0	0	0
Rape	2	3	1	2	3	6
Indecent assault	1	1	0	0	0	0
Crimen injuria	4	1	0	2	0	0
Neglect and ill-treatment of children	0	0	0	0	0	0
Kidnapping	0	0	0	0	0	0
Abduction	0	0	0	1	0	0
Assault with the intent to inflict grievous bodily harm	18	9	11	16	8	15
Common assault	27	12	11	19	11	21
Burglary at business premises	6	5	1	0	1	2
Burglary at residential premises	17	22	34	8	10	19
Stock-theft	29	29	17	24	15	29
Shoplifting	0	0	0	0	0	0
Theft of motor vehicle and motorcycle	2	2	3	1	1	1
Theft out of or from motor vehicle	2	7	2	6	0	0
All theft not mentioned elsewhere	31	40	43	35	15	29
Arson	1	3	0	0	0	0
Malicious damage to property	15	13	6	2	5	8
Commercial crime	0	2	0	0	0	0
Drug-related crime	1	3	6	7	8	16
Driving under the influence of alcohol or drugs	0	0	1	0	0	0
Illegal possession of firearms and ammunition	8	1	1	6	4	10
Carjacking (subcategory of aggravated robbery)	1	1	0	0	1	1
Truck hijacking (subcategory of aggravated robbery)	1	0	0	0	0	0
Robbery of cash in transit (subcategory of aggravated robbery)	0	0	0	0	0	0
Bank robbery (subcategory of aggravated robbery)	0	0	0	0	0	0
Robbery at residential premises (subcategory of aggravated robbery)	0	0	0	0	0	0
Robbery at business premises	0	0	0	0	0	0

	2001	2002	2003	2004	2005	Jan – Mar 2006
(subcategory of aggravated robbery)						

15. SOURCES CONSULTED

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