

INFORMAL SETTLEMENTS UPGRADING: ENKANINI SOUTH EXTENSION

PROJECT SUMMARY

The purpose of the development is to improve the living conditions of residents living in the Enkanini Informal Settlement in Khayelitsha, through the provision of formalised roads, walkways, street lighting, electricity, water, and sewer infrastructure. This will give residents access to basic water and sanitation services and, ultimately, housing opportunities. Beneficiaries will each receive an individual site.

The services to be provided have been identified to comprise:

Bulk Earthworks	Installation of Stormwater	Installation of Sewer
Roads Construction	Water Reticulation	Electrical Reticulation

MAP OF THE PROJECT

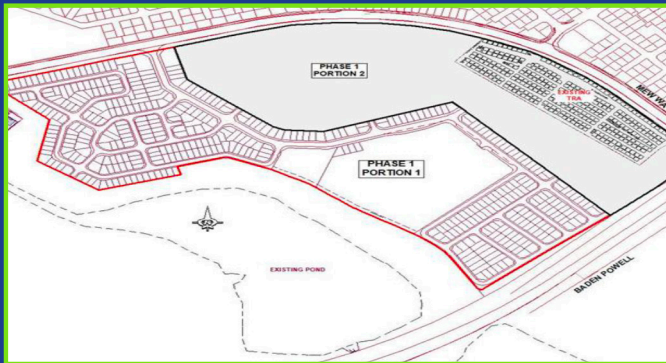
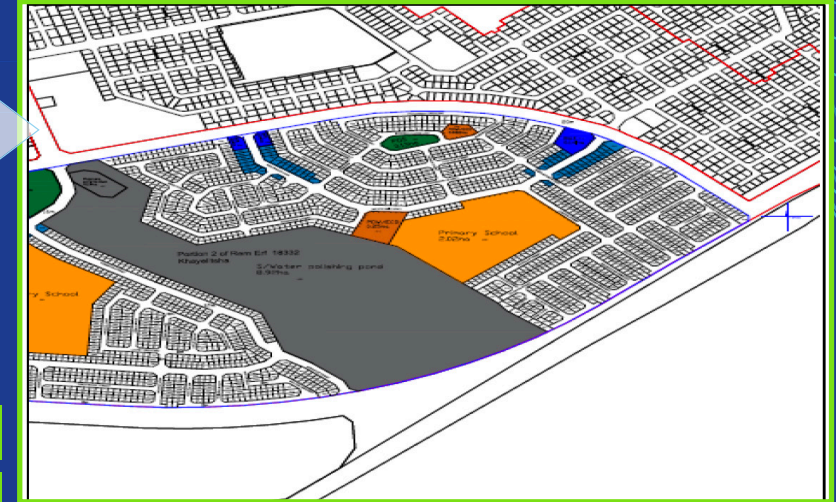


Figure 2:
Construction
Phases

Figure 2 represents the two-stage approach for the construction of service sites.

These will be implemented as:

STAGE 1 – This is indicated as Portion 1 of Phase 1, where the 434 serviced sites will be delivered. Relocations within this area will then commence.

STAGE 2 – This is indicated as Portion 2 of Phase 1, where 498 serviced sites will be delivered and is subject to completion of Stage 1.

The completion of Stage 1 and 2 will result in a combined delivery of 932 serviced sites.

PROJECT STATUS

As of July 2026, the project has secured its key approvals. Land Use Approval was granted in January 2023, and the EIA was approved in October 2022. All procurement has since been concluded, and the project is now fully resourced.

STAGE 1: PHASE 1 PORTION 1

- Construction of internal municipal civil engineering services is currently underway, with 116 serviced sites completed to date.
- The next 123 sites are due to be completed at the end of September 2026.
- The last remaining 195 serviced sites will be delivered by the end of November 2026.

STAGE 2: PHASE 1 PORTION 2

Construction of Portion 2 will commence at the beginning of November 2026. The estimated completion date is programmed as June 2027.

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FINANCIAL NEEDS



Approximate value: R165 million

The table below provides a breakdown of the finance required to complete the project:

PROJECT COST SUMMARY	COST ESTIMATE (CAPEX)
Professional Service Provider (PSP)	R 17 126 778.55
Civils (Bulk Earthworks)	R 39 422 272.89
Relocations	R 20 932 514.00
Civil Infrastructure	R 75 504 753.65
Transitional Assistance Material	R 12 234 800.00
SUBTOTAL (EXCL. VAT)	R 165 221 119.09

Item	Replacement Costs	Budget Parentage per year	Maintenance Costs per Year	Cumulative Maintenance Costs (20 years)
Water	R 5 932 217.00	6%	R 355 933.02	R 7 118 660.40
Sewer	R 8 743 680.00	6%	R 524 620.80	R 10 492 416.00
Roads and Stormwater	R 29 435 475.00	7.50%	R 2 207 660.63	R 44 153 212.50

Figure 3: Maintenance Costs of Municipal Infrastructure

PRIVATE SECTOR OPPORTUNITY



This project presents a valuable opportunity for collaboration between Government and the private sector, leveraging the strengths of both to support sustainable development and economic growth. The Human Settlements Development initiative creates opportunities for businesses to invest in and develop sites that have been appropriately zoned for commercial use.

In addition, there is significant potential for private sector participation through partnerships with local communities to deliver top structures, including Small-Scale Rental Units (SSRUs). Similar models have been successfully implemented in other areas of Khayelitsha, demonstrating the viability and benefits of such collaborative approaches.

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The timeline below provides a high-level overview of the key project milestones established to support the achievement of the targeted project completion date.

TIMELINE



MAJOR MILESTONES

KEY PARTIES



STAKEHOLDER	INVOLVEMENT
City of Cape Town	Director: Human Settlements, Informal Settlements Planning Activities
Grant Fund Governance	Funding Allocation and Governance
Water & Sanitation Department	Provision of Water and Wastewater Services. Approvals of designs and construction
Roads Infrastructure Management	Provision of Roads and Stormwater Services. Approvals of designs and construction
Solid Waste Management	Provision of Solid Waste Services. Approvals of designs and construction
Sub-Council 10: Sub Council Manager	Political oversight and conflict resolution
Political: Ward Councillor	Political oversight and conflict resolution
City of Cape Town	Director: Land Management
Grant Fund Governance	PEC: Elected Community members from the beneficiary community
Expanded Public Works	End-user / receiver
DEA&DP	Landowners
Community	Director: Land Management
Beneficiaries	PEC: Project Elected Community. Members from the beneficiary community
Neighbours	End-user / receiver