



IMPLATS' HOUSING STRATEGY: CREATING COMMUNITIES

Implats has set an objective: to have half of its employees living with their families in well-built, spacious and community-focused accommodation by 2020.

“We believe the success of our business is founded on the economic viability of the communities in which we operate. As such, facilitating the development of the necessary infrastructure and enabling our employees to live in sustainable communities together with their families is vital,” Nico Muller, CEO of Implats explains.

“We need to unwind the socially destructive system of housing migrant workers in hostels and build permanent communities for workers and their families to realise a better, more equitable and participative society. The challenging social context in which we operate highlights the need for sustainable community development as a commercial and social imperative. We are proud to have been commended by the Department of Mineral Resources for our progressive stance and leading example in improving the accommodation and living conditions of our employees. Over the last eight years we have invested R3.7 billion on improving our employees’ living conditions,” says Muller.

Through its ground-breaking approach, Implats has enabled thousands of its employees to become homeowners for the first time. The homeownership programme kicked off in 2007 and is the cornerstone of the group’s strategy around community development. It encourages the principle of ownership and engenders a sense of belonging on the part of people who live in these developments.

“Our approach has empowered our people and, through a combination of proactively engaging with financial institutions, limiting transactional costs in the purchase of these assets and by providing hands-on management throughout the development phase, we have been able to make these houses affordable for Implats’ employees,” says Muller.

However, the company believes that building sustainable communities also means improving people’s access to education and health facilities, as well as providing improved and secure community environments where families can live together close to their places of work. Implats therefore also focuses on the development of schools, clinics and other social amenities essential to supporting a sustainable and thriving community. Through its enterprise development initiatives the company supports local economies during the construction phase by prioritising local procurement, the development of skills and the active support of small local businesses.

- The Sunrise View housing development was completed in 2013 at a cost of R406 million and comprises 1 717 houses now owned by employees. These assets have grown in value from an initial purchase prices of between R225 000 and R265 000 in 2007, to between R450 000 and R550 000.
- The company developed the Sunrise View primary and secondary schools to serve the Boitekong Township, including Sunrise View. This year, 1 372 learners (974 primary, 398 secondary), 39 educators (24 primary, 15 secondary) and 10 support staff (seven primary, three secondary) are benefiting from the new schools.
- The development of a second homeownership project, Platinum Village in Rustenburg, is progressing well. Phase 1, completed in December 2014, has seen 557 units built at a cost of R140 million. The second phase will see an additional 501 houses completed by December 2017. The R1 billion development project has a final target of 2 420 units, which will be completed over the next five years depending on employee appetite.
- The Platinum Village school project was completed in 2016 and comprises primary and secondary schools. Both opened their doors in January 2017 enrolling 545 pupils from grade R to grade 4 in the primary and 110 in grade 8 and 9 in the secondary schools. The two schools currently employ 22 teachers.

“In addition to the significant socio-economic value-add resulting from our core activities, we believe our proactive accommodation strategy contributes to the establishment of communities that are viable - economically, socially and environmentally – beyond the life of our mines,” Muller concludes.

Implats offers interest-free loans of up to one-third of the value of the house, effectively making it affordable for employees, while at the same time increasing the banking sector’s appetite to grant bonds by mitigating risk.

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